ICMA
SARTORIAL PAPER
DAL 1933

Via Risorgimento, 9

23826 Mandello del Lario (LC)

Environmental Review and Context Analysis 2023

(Data from 31st December 2022)

Certificazione
B Corporation
Questa compagnia è conforme ai più alti standard d'impatto sociale e ambientale

March 2023

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1 Introduction

The Initial Environmental Review (IER) and Context Analysis is a fundamental aspect for organizing and implementing an Environmental Management System (EMS) compliant with the UNI EN ISO 14001:2015 Management System standard.
The contained context analysis should be considered an integral part to help evaluate the internal and external factors of the context defined for each risk assessed.

The Initial Environmental Review is a systematic diagnosis, in which all the relationships between the production activities carried out by ICMA Srl SB and the environmental and territorial situation surrounding it are analyzed and assessed, according to the general constraints to which the Company is subject, and to the legislative, socioeconomic, and market framework.
The context is "populated" by stakeholders inside and outside the organization, who may vary depending on changes to the context in which the organization operates. In order to plan and implement the EMS, the organization must take these stakeholders into account, as they have relevant requirements and expectations of it.

With the Environmental Review and Context Analysis, the Company is able to make an overall assessment of the environmental problems linked with its activities. Therefore, it is a starting point to identify the objectives and procedures that the Company has adopted.
The purpose of the Environmental Review and Context Analysis is to identify:

- **Direct and indirect aspects** (environmental aspect: a facet of an activity, product, or service of an organization that can interact with the environment);
- **The resulting environmental impacts** (environmental impact: any total or partial adverse or beneficial change to the environment resulting from the activities, products, or services of an organization).
  These aspects/impacts will then be reexamined and kept up-to-date upon changes to the company, in the Environmental Management System.

Familiarity with the context is essential for defining the field of application of the Environmental Management System. Only with an awareness of the context can we:

- **Ascertain risks, meaning opportunities or threats;**
- **Develop or strengthen our Environmental Policy;**
- **Define environmental goals;**
- **Ascertain** the organization's efficacy in remaining compliant with legislation.

2 Company Data

This document is the Initial Environmental Review and Context Analysis of the Company ICMA Srl SB, which is located at no. 9 Via Risorgimento, in the Municipality of Mandello del Lario (LC).

The ICMA Srl SB production site is situated in a central area of the town of Mandello del Lario. The factory consists of 3 floors (basement, ground floor, and first floor), with a covered surface area of about 9,500 m^2 and an uncovered surface area of 5,800 m^2 (partly shared with the adjacent company CEMB SpA). This amounts to a total surface area of 15,300 m^2.

As of the 1st of September 2022, ICMA has been renting another ground-floor industrial facility in a central area of Mandello, with a total surface area of 2,534 m^2, of which 1,614 m^2 covered and 920 m^2 uncovered.

COMPANY DATA	
Name	ICMA SRL SB
Registered Office	Via Risorgimento, no. 9 - 23826 Mandello del Lario (LC)
Factory Address	Via Risorgimento, no. 9 - 23826 Mandello del Lario (LC)
Phone No.	0341/731205
Website	*www.icma.it*
Email Address	*info@icma.it*
PEC (Certified Email Address)	***icma@legalmail.it***
Manufacturing Sector	Metalized paper and similar products
Sector	Industry
ATECO Code	17.29.00
VAT Number	00206490138

PRODUCTION SITE SURFACE AREA Via Risorgimento	
Covered Factory Area	9,500 m^2
Uncovered Area	5,800 m^2
Total	15,300 m^2

PRODUCTION SITE SURFACE AREA Via Statale	
Covered Factory Area	1,614 m^2
Uncovered Area	920 m^2
Total	2,534 m^2

3 History and Overview of the Business

ICMA Srl SB was founded in 1933 by Matilde Carcano, the daughter of the famous entrepreneur from Lake Como, Antonio Carcano. The company immediately enjoyed a considerable technological advantage that same year by purchasing its first coating machine from Leipzig. The company's production developed and, in the 1950s, the entry of Matilde's daughter Elena and her engineer husband Luigi Buzzi into the company brought further technological innovation, with the founding of the mechanical section of ICMA, which would later become CEMB. Towards the end of the 1960s, the Company introduced the manufacture of velvet paper and continued with the technological modernization of its production lines. Around the same time, Silvia, the founder's granddaughter, entered the company, continuing its development both by introducing a new production line and by addressing environmental sustainability. Further impetus was given to research with the expansion of the chemical laboratory. In the early 2000s, Elena Maria Carla, the fourth generation of the family, took over the Company, giving it new momentum in terms of marketing and investments, with the acquisition of historical competitors, structural expansion, and investments targeted at energy efficiency and at obtaining Forest Stewardship Council (FSC), Quality Standard ISO 9001:2015, and BCorp certifications.

In 2020, the company was awarded the Golden Apple by the Bellisario Foundation for gender equality and won the Best Packaging Award in the Quality Design section for the "Second Life" project carried out with L'Oréal Italia, which gave rise to the *Rinascimento* project.

In October 2021, ICMA became a Benefit Corporation, flanking economic targets with targets for the common good in its articles of association.

In 2022, the company rented a new facility in the municipality of Mandello del Lario so as to have more space to manage its materials and processes. In the same year, a task was assigned to a team of engineers to study the replacement of the company's heating system with a modern one of low environmental impact, to not only enable a reduction in the company's emissions but also improve the comfort of the facility throughout the year.

4 Vision and Certifications

4.1 Vision - Manifesto

To create beauty through innovation, transforming paper ethically and sustainably.

To raise paper finishing to an art form and to turn sheets of paper into something unique. To demand of ourselves uncompromised quality.

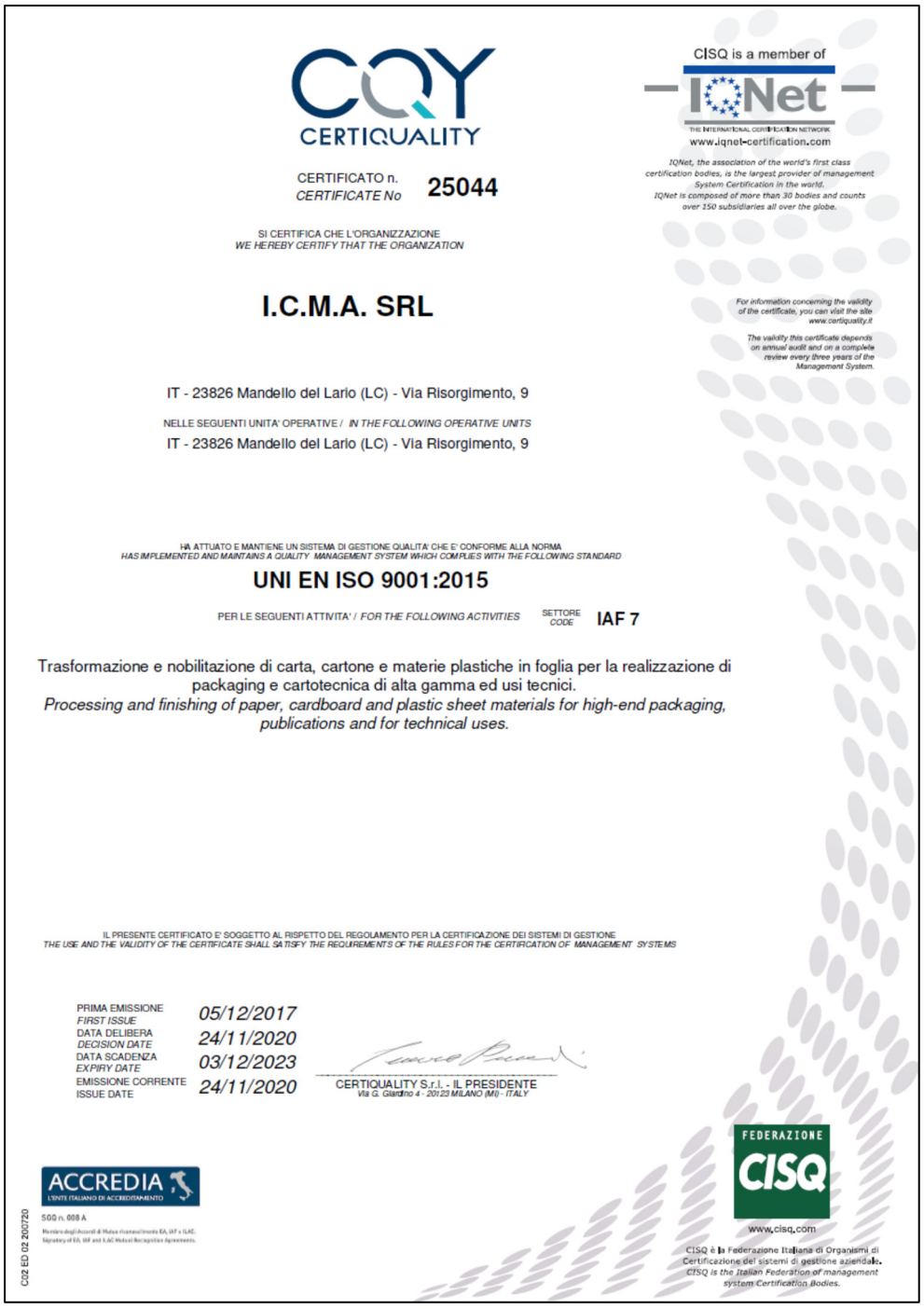
To manufacture in Italy and enable our customers to experience the typical warmth, passion, and taste for beauty of our territory.

To set a benchmark in customizable, eco-friendly creative paper, reinventing it through the "*Rinascimento*" circular economy service.

To pass down from generation to generation the values of ethics, culture, workplace dignity, and sustainability that have always inspired the women in charge of ICMA.

4.2 Certifications

- UNI EN ISO 9001:2015 CERTIFICATION (LAST UPDATED IN NOVEMBER 2020)



CERTIQUALITY

CISQ is a member of IQNet
THE INTERNATIONAL CERTIFICATION NETWORK
www.iqnet-certification.com

IQNet, the association of the world's first class certification bodies, is the largest provider of management System Certification in the world. IQNet is composed of more than 30 bodies and counts over 150 subsidiaries all over the globe.

CERTIFICATO n. / CERTIFICATE No 25044

SI CERTIFICA CHE L'ORGANIZZAZIONE / WE HEREBY CERTIFY THAT THE ORGANIZATION

I.C.M.A. SRL

For information concerning the validity of the certificate, you can visit the site www.certiquality.it

The validity this certificate depends on annual audit and on a complete review every three years of the Management System.

IT - 23826 Mandello del Lario (LC) - Via Risorgimento, 9

NELLE SEGUENTI UNITA' OPERATIVE / IN THE FOLLOWING OPERATIVE UNITS
IT - 23826 Mandello del Lario (LC) - Via Risorgimento, 9

HA ATTUATO E MANTIENE UN SISTEMA DI GESTIONE QUALITA' CHE E' CONFORME ALLA NORMA / HAS IMPLEMENTED AND MAINTAINS A QUALITY MANAGEMENT SYSTEM WHICH COMPLIES WITH THE FOLLOWING STANDARD

UNI EN ISO 9001:2015

PER LE SEGUENTI ATTIVITA' / FOR THE FOLLOWING ACTIVITIES SETTORE / CODE **IAF 7**

Trasformazione e nobilitazione di carta, cartone e materie plastiche in foglia per la realizzazione di packaging e cartotecnica di alta gamma ed usi tecnici.
Processing and finishing of paper, cardboard and plastic sheet materials for high-end packaging, publications and for technical uses.

IL PRESENTE CERTIFICATO E' SOGGETTO AL RISPETTO DEL REGOLAMENTO PER LA CERTIFICAZIONE DEI SISTEMI DI GESTIONE
THE USE AND THE VALIDITY OF THE CERTIFICATE SHALL SATISFY THE REQUIREMENTS OF THE RULES FOR THE CERTIFICATION OF MANAGEMENT SYSTEMS

PRIMA EMISSIONE / FIRST ISSUE	05/12/2017
DATA DELIBERA / DECISION DATE	24/11/2020
DATA SCADENZA / EXPIRY DATE	03/12/2023
EMISSIONE CORRENTE / ISSUE DATE	24/11/2020

CERTIQUALITY S.r.l. - IL PRESIDENTE
Via G. Giardino 4 - 20123 MILANO (MI) - ITALY

ACCREDIA L'ENTE ITALIANO DI ACCREDITAMENTO
SGQ n. 008 A
Membro degli Accordi di Mutuo riconoscimento EA, IAF e ILAC. Signatory of EA, IAF and ILAC Mutual Recognition Agreements.

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THE INTERNATIONAL CERTIFICATION NETWORK

CERTIFICATE

CISQ/CERTIQUALITY S.r.l.
has issued an IQNet recognised certificate that the organization:

I.C.M.A. SRL

IT - 23826 Mandello del Lario (LC) - Via Risorgimento, 9
for the following scope
Processing and finishing of paper, cardboard and plastic sheet materials for high-end packaging, publications and for technical uses.

has implemented and maintains a
Quality Management System
which fulfills the requirements of the following standard
ISO 9001:2015

Issued on: **2020-11-24**
First issued on: **2017-12-05**
Expires on: **2023-12-03**

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Registration number: **IT-108422**

Alex Stoichitoiu
President of IQNET

Ing. Mario Romersi
President of CISQ

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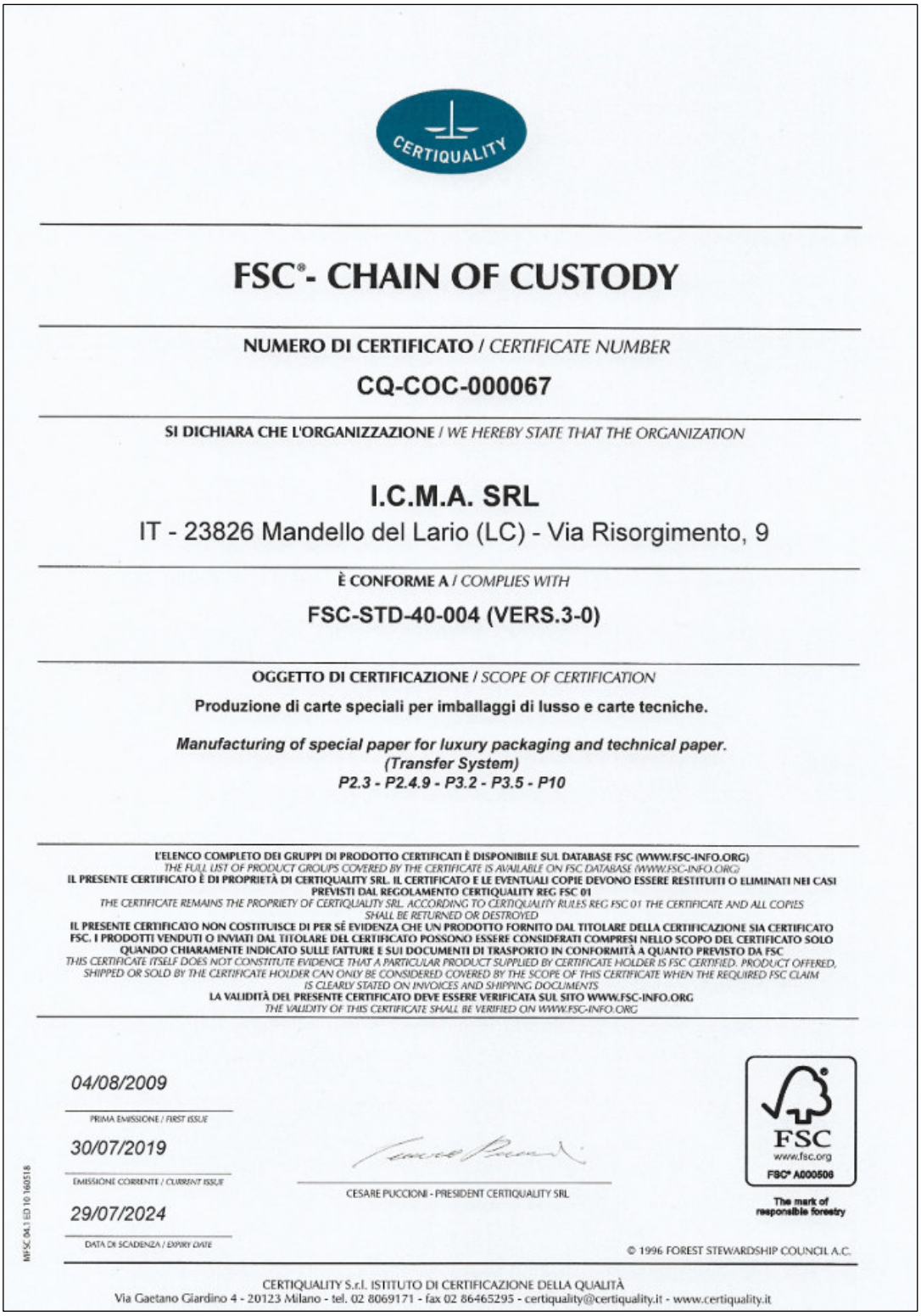
- FSC - CHAIN OF CUSTODY CERTIFICATION (LAST UPDATED IN JULY 2019)



CERTIQUALITY

FSC®- CHAIN OF CUSTODY

NUMERO DI CERTIFICATO / *CERTIFICATE NUMBER*

CQ-COC-000067

SI DICHIARA CHE L'ORGANIZZAZIONE / *WE HEREBY STATE THAT THE ORGANIZATION*

I.C.M.A. SRL

IT - 23826 Mandello del Lario (LC) - Via Risorgimento, 9

È CONFORME A / *COMPLIES WITH*

FSC-STD-40-004 (VERS.3-0)

OGGETTO DI CERTIFICAZIONE / *SCOPE OF CERTIFICATION*

Produzione di carte speciali per imballaggi di lusso e carte tecniche.

Manufacturing of special paper for luxury packaging and technical paper.
(Transfer System)
P2.3 - P2.4.9 - P3.2 - P3.5 - P10

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PRIMA EMISSIONE / *FIRST ISSUE*

30/07/2019
EMISSIONE CORRENTE / *CURRENT ISSUE*

29/07/2024
DATA DI SCADENZA / *EXPIRY DATE*

CESARE PUCCIONI - PRESIDENT CERTIQUALITY SRL

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CERTIQUALITY S.r.l. ISTITUTO DI CERTIFICAZIONE DELLA QUALITÀ
Via Gaetano Giardino 4 - 20123 Milano - tel. 02 8069171 - fax 02 86465295 - certiquality@certiquality.it - www.certiquality.it

- B CORP CERTIFICATION (LAST UPDATED IN MAY 2020)

Declaration of Interdependence.

We envision a global economy that uses business as a force for good.

This economy is comprised of a new type of corporation—the Certified B Corporation—which is purpose-driven and creates benefit for all stakeholders, not just shareholders.

As B Corporations and leaders of this emerging economy, we believe:

That we must be the change we seek in the world.

That all business ought to be conducted as if people and place mattered.

That, through their products, practices, and profits, businesses should aspire to do no harm and benefit all.

To do so requires that we act with the understanding that we are dependent upon another and thus responsible for each other and future generations.

Director/Officer

6/2/2020
Date

Icma Srl
Company

Bart Houlahan
Director/Officer, B Lab Standards Trust

5/28/2020
Date of Current Certification

5/28/2023
Certification Expires

5/28/2020
Date of Original Certification

Certified B Corporation

B Corp® certified companies are enterprises that use business as a positive force to create a more just and inclusive society, and to regenerate the biosphere, complying with the highest standards of social and environmental performance, transparency, and responsibility. To date, there are over 4000 B Corps in more than 150 sectors and in 70 countries throughout the world.

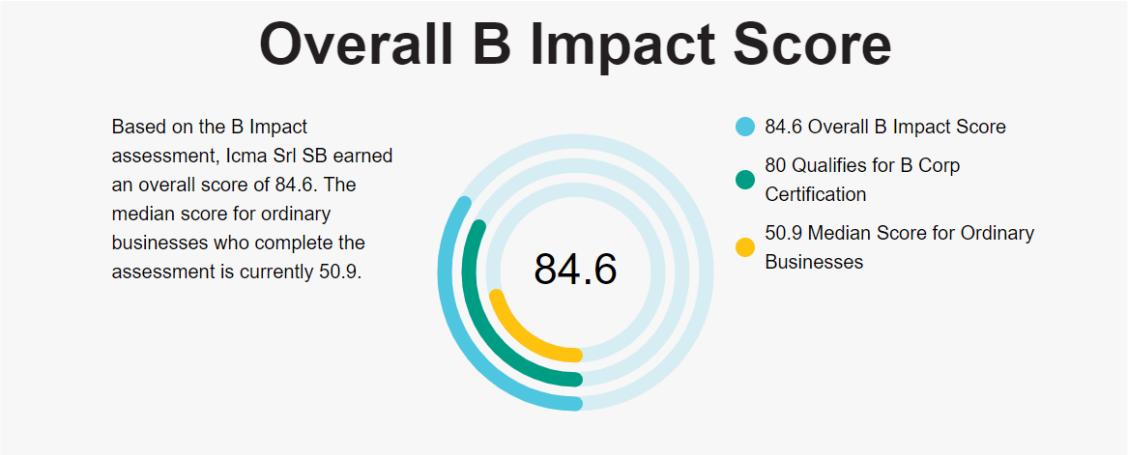
ICMA Srl SB was the first European company in the fine papers industry to achieve Benefit Corporation status. Being a Benefit Corporation means voluntarily committing to a journey of continuous improvement concerning environmental impact, the well-being of employees, the active role in the community to which the company belongs, but also to the general mission of the company, including ethics, responsibilities, and transparency; all of this while maintaining the nature of an organization that pursues economic goals.

To become a certified B Corp®, the company had to pass a strict evaluation and control process, coordinated by an accredited third-party authority, involving all the corporate functions, analyzing every aspect of the production and organizational model. *(https://bcorporation.net/directory/icma-srl)*

To be certified as a B Corp®, a company must reach a minimum score of 80 points. The impact assessment considers various aspects, including the day-to-day operations of the company aimed at having a positive effect on the workers, the community, and the environment in which it operates. Moreover, companies can earn additional points by showing that their overall business model also has a positive social and environmental impact. The scores for certified B Corp® companies are checked by the non-profit organization B Lab.

Certification Score:

- May 2020: 84.6



5 Assessment of Compliance with Applicable Environmental Legislation

The prerequisite to ensure the effective updating of the applicable environmental legislation is a good general updating system on local, national, and international/European legislative innovations.
This general updating occurs by means of the following channels:

- Subscriptions to specific magazines or specialized websites;
- Qualified consulting firms;
- Information searches on the internet and using other paper and digital-based tools.

The Environmental Manager (in Italian, RGA) works to identify which new regulations are applicable, with the support of a qualified consultant when required, using a “Compliance Obligations Register”.
The applicability assessment contains the regulations that are actually relevant to the work site, including:

- EC regulations;
- National legislative decrees;
- Regional and provincial resolutions;
- Municipal regulations;
- Any voluntary agreements signed by the organization.

The Environmental Manager, in collaboration with the Health and Safety Officer where necessary, verifies compliance with applicable laws upon the introduction of or changes to production processes, material storage methods, and/or new services/activities.
In relation to legislative obligations in the environmental sector, the Environmental Manager ensures their application by engaging the relevant people and ensuring adherence to the scheduled adjustment deadlines.
The deadlines imposed by legislation or inherent in the company’s authorization measures are kept under control with digital support.

5.1 Permits

The company is in possession of Permit No. 303 of 07/07/2014, issued by the Provincial Administration of Lecco, to release four types of emissions into the atmosphere:

- E1 (COLOR MIXER)
- E2 (STED)
- E3 (LAMINATING MACHINE)
- E4 (FLOCKING MACHINE – 23)

- E5 (FLOCKING MACHINE – 9)

In May 2021, a SEA (Single Environmental Authorization) application was submitted in view of a substantial modification, consisting of a new E5 emission (FLOCKING MACHINE - 9) with a new abatement system annexed to E4.

6 Site Description

6.1 Geographical Location

The municipality of Mandello del Lario is situated to the north of the town of Lecco. It borders the Lierna, Esino Lario, Pasturo, Ballabio, and Abbadia Lariana areas in the eastern part of the lake, and with Valbrona and Valmadrera in the western part of the Lecco branch (Moregallo district).

The municipal territory covers 42,439 km^2, including its territorial extension on the lake surface. Its altitude ranges from 200 meters above sea level (the lake area) to 2,409 meters on the Northern Grigna. Part of the administrative border falls within the Northern Grigna Regional Park.

The territory in which the town lies was formed throughout the millennia by the Meria (or Neria) stream, whose water brought huge quantities of boulders, pebbles, stones, and gravel as it made its way down from the Grigne mountains. Stretching towards the lake, these formed the alluvial fan on which the town was built. The hilly districts, on the other hand, rest on morainic layers formed by the Abduano Glacier, whose height was 1200 m. Evidence of this is given by the numerous erratic boulders scattered along the extremities of the Grigna and on the north side of the Zucco di Sileggio mountain above Somana.

The Municipality of Mandello del Lario is about 60 km north-east of Milan and can be easily reached via State Road no. 36, known as “Del Lago di Como e dello Spluga”, and Provincial Road no. 72. These roads allow easy connection with the main motorway networks in Northern Italy.

6.2 Territorial Framework (PGT, Constraints)

The Municipality of Mandello definitively approved the Territory Governance Plan (hereinafter PGT) with Municipal Council Resolution No. 58 on 20th December 2012. The following excerpts of urban planning charts were taken from the municipal PGT.

The area in which the factory in question is located is classified as “Artisan – Industrial”, as shown in the excerpt of the Settlement Area Map – Uses and Relative Legend (chart DP 1.2.5) from the PGT.

The Company is bordered to the southwest by the Lecco-Tirano railway line, to the northeast by the company CEMB spa, which specializes in the manufacture of balancing machines, to the northwest by Via Risorgimento, where the entrance is located, and to the south-west by private homes and Via Cavour.

Legend

Municipal boundary (L0910)

Main use

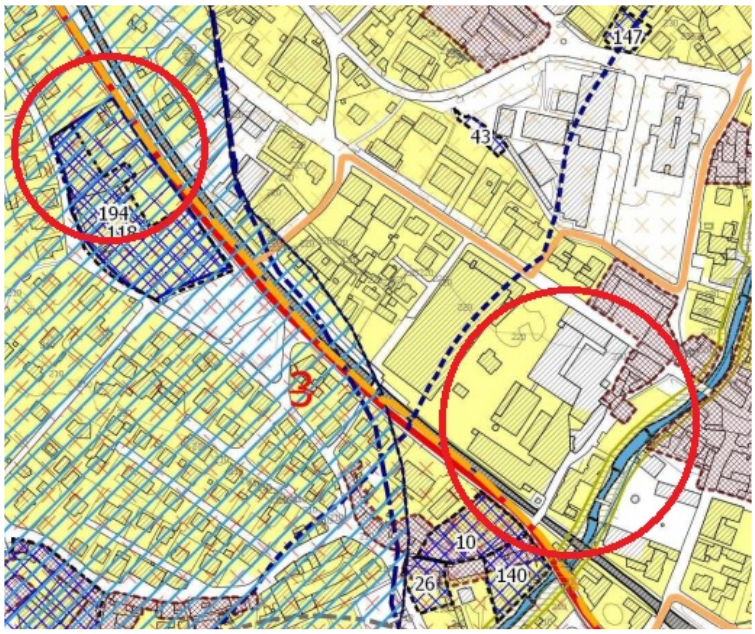
- Single-family residence
- Two-family residence
- Multi-family residence
- Artisan – industrial
- Business - office
- Agricultural building
- Equipment of common interest
- Garage-Carport
- Demolished
- Not classified

Sc 36

- Road
- Bridge road
- Tunnel road

6.3 Territorial Framework (PGT, Constraints)

The following image shows an excerpt of the Constraints and PGT Compliance Chart (chart PR 1.1.7) and the relative legend. The chart highlights that the Company's main facility lies within the 150 m buffer zone of rivers and banks due to its proximity to the Meria stream, while the new facility lies within 300 m of the shores of the lake, in the protected area.



Legend

Municipal boundary (LC090102)

Protected areas

Northern Grigna Regional Park
Northern Grigna SCI
Southern Grigna SCI
Grigne SPA

Guided landscape trails (Article 26) – Lombardy Region GIS
Orobie Trails
Gran Italian Trail
Lombard Lakes navigation services

Scenic roads (Art.26) – Lombardy Region GIS
SS36 del Lago di Como e Spluga
SS583 Lariana

Wayfarer's trail

Areas of high naturalness – mountains (Art.17) Lombardy Region GIS

Insubric lakes protection area (Art.19, paragraph 5) Lombardy Region GIS

Historic centers

Hydrogeological constraint

PRG sections in force

Well buffer zone

Cemetery buffer zone

Geological feasibility class 4
4

Protected cultural heritage – Lombardy Region SIS
Art.10 (cultural and landscape heritage-PTCP)

Art.142d (mountains over 1600 m a.s.l. – PTCP)

Art.142c (rivers and banks 150 m – PTCP)

Art.142b (lakes and shores 300 m – PTCP)

Art.136 (properties and areas of considerable public interest – PTCP)
Public interest
Public interest in the lake Como shoreline
Public interest in the area above the coastal road
Public interest in the Piano dei Resinelli area
Public interest in the Moregallo area
Public interest in the foothill area between Olcio and Somana

Instable areas
Fa – LANDSLIDES: Active landslide area

Strategic Agricultural areas (PTCP)

Agricultural areas of sustainable accessibility (PTCP)

Hydrographic network

New adoption PGT contributions

2009 PGT observations
SS 36
Level road
Road over Bridge
Road in Tunnel

Hydrogeological Structure

The morphology of the Mandello del Lario municipal territory is dominated by the calcareous massif of the Grigne, carved by deep valleys, where gravitational and erosive processes continue to shape the slopes. For example, the walls surrounding the Scarettone Valley are subject to fracturing. This leads to frequent collapses, with the considerable accumulation of rocky material, moved in turn by heavy rainfall. The rock forming the high slopes of these mostly rocky mountains is solid and partially dolomitic Esino limestone.

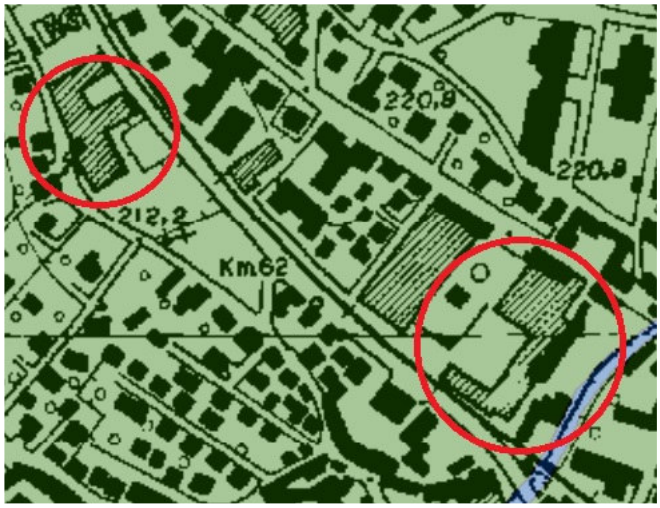
The Moregallo group, on the other hand, is formed from dolomite. The aspects of this rock are, in any case, very similar to those of Esino limestone.

Another significant morphogenetic phenomenon characterizing the Grigne slopes is karst. The chemical dissolution of limestone rocks by weakly acidic rainwater has created numerous grottoes (including the famous Ferrera grotto, 175 m long and 50 m wide, situated along the trail towards Rifugio Elisa), gorges (such as the Enna gorge, crossed by a difficult and scenic trail), and petrifying springs.

The main inhabited areas of the municipality are found on the alluvial fan of the Era stream, now almost completely inactive: the material is predominantly limestone, although there are some portions of crystalline siliceous rocks of glacial origin.

The glaciers that formed the Lake Como basin also had an intense effect on the Mandello area. Evidence of their action is found in the steep lakeside slopes of the Zucco Sileggio and Zucco Manavello mountains and in the U-shaped section of upper Val d'Era. Small morainic deposits and erratic crystalline boulders are widespread below 700-900 m, although they have been partially removed by erosion.

The following is an excerpt from the Geomorphological Elements and Dynamics Chart (chart T.4) for the municipal territory of Mandello del Lario. It shows that the factories are located in a "relict" area of the geological alluvial fan of the Meria stream.



SPATIAL PROCESSES

POTENTIALLY UNSTABLE AREAS WITH PHYSICAL AND MORPHOLOGICAL CONDITIONS AT STABILITY LIMITS

Continuously supplied alluvial slopes or fans, not colonized or only partially colonized by vegetation

Alluvial fans

Mining areas and landfills

Meria alluvial fan

Active

Paleolithic

Relict

Below is an excerpt of the Geological Feasibility Chart (Chart T.9b), showing that the area occupied by the factories has Class 2 feasibility, with “moderate limitations” in the case of interventions.

LEGEND

Mandello del Lario municipal boundary

GEOLOGICAL FEASIBILITY CLASS

Class 2: Feasibility with moderate limitations

Class 3: Feasibility with significant limitations

Class 3a: Feasibility with significant limitations

Class 4: Feasibility with serious limitations

6.4 Main Hydrographic Network

The Municipality of Mandello del Lario is crossed by the Meria stream. The figure below shows the chart of hydrographical, hydrological, and hydraulic elements (Chart T.6) for the Municipality of Mandello del Lario. It shows that the hydrogeological area in which the company ICMA Srl SB is situated has high to medium permeability.

HYDROGRAPHIC NETWORK

- Minor network
- Main network
- Hydrographicbasinborders

HYDROGEOLOGY

Substrate

- High to medium permeability ($10^{-2} < k < 10^{-4}$)
- Medium to low permeability ($10^{-4} < k < 10^{-6}$)
- Low to very low permeability ($10^{-6} < k < 10^{-9}$)

Soil

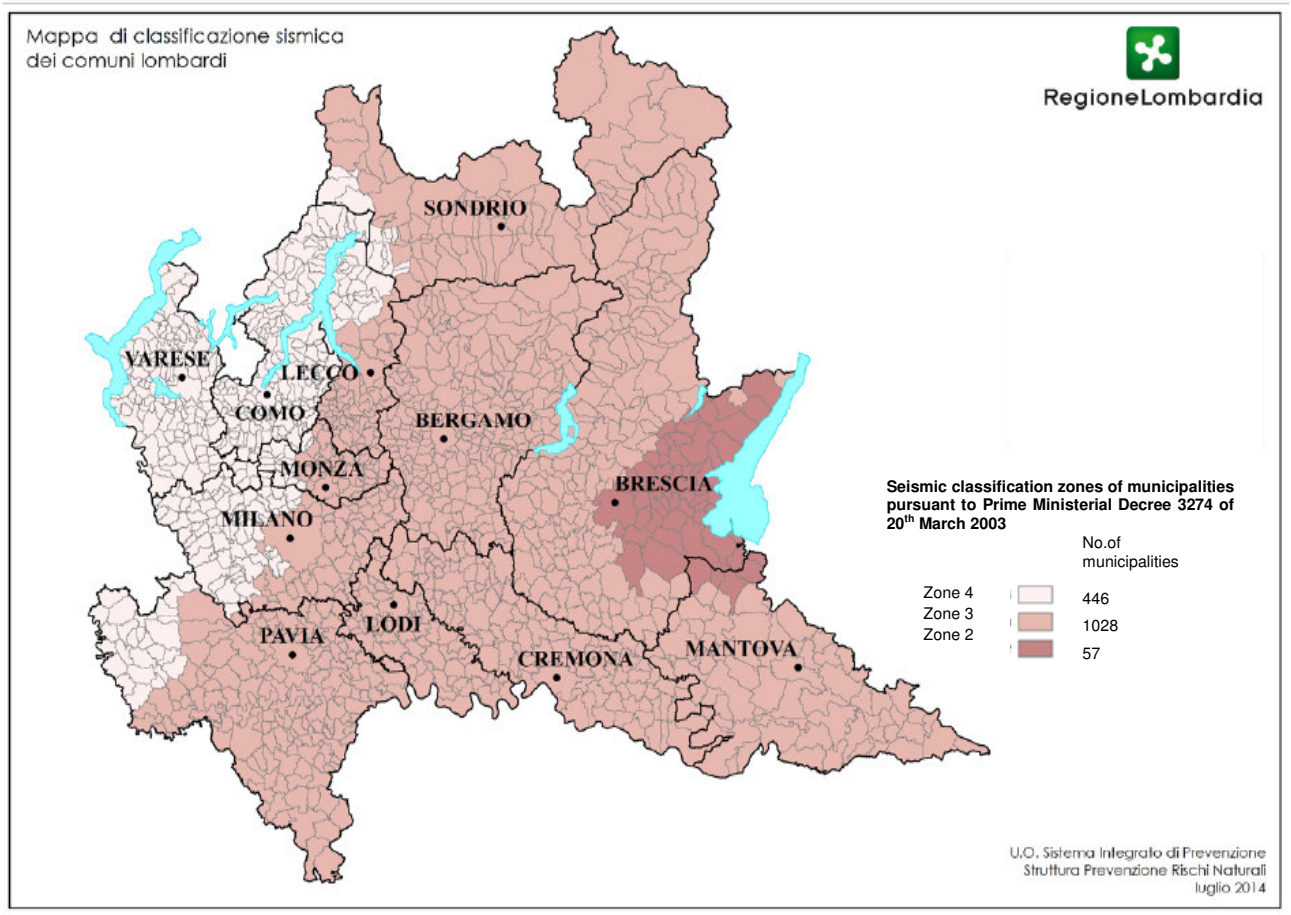
- High to medium permeability
- Medium to low permeability
- Low to very low permeability

6.6 Seismic Characteristics

Prime Ministerial Decree no.3274/2003, updated with Resolution no. 2129 of the Lombardy Regional Council on 11th July 2014, which came into force on 10th April 2016, classifies the Municipality of Mandello del Lario as seismic zone 3, “an area of low seismic hazard, which could be subject to mild shaking". The map below shows the seismic classification of the municipalities in Lombardy.

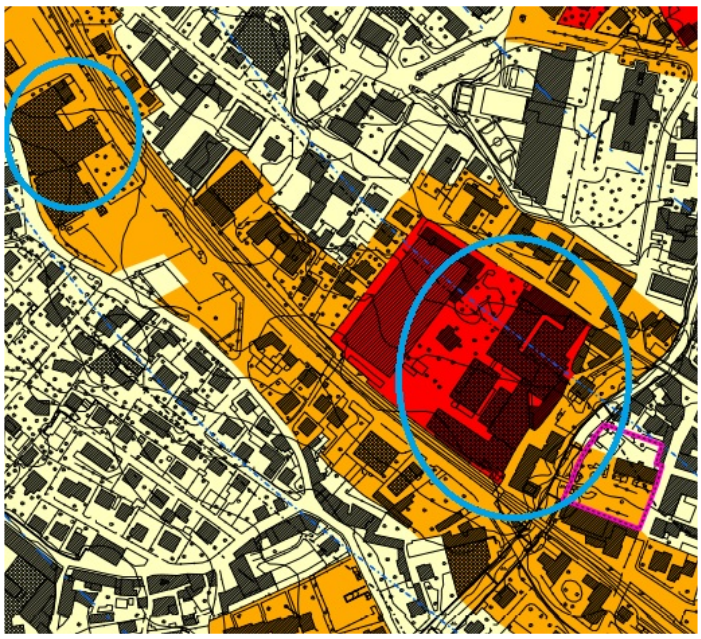
ISTAT (National Statistics Institute)	Province	Municipality	Seismic Zone	Maximum Acceleration
03097046	LC	Mandello del Lario	3	0,05026

Seismic Classification Chart for Municipalities in Lombardy



6.5 Acoustic Zoning of the Area

Based on the acoustic zoning implemented by the Municipality of Mandello del Lario, the Company ICMA Srl SB falls within area V: predominantly industrial areas, as shown in the excerpt of the acoustic classification chart below (Chart 3C).



COMUNE DI MANDELLO DEL LARIO
Provincia di Lecco

Acoustic Classification of the Municipal Territory

Basis: **Aerial Photography C.T.R. (Regional Technical Map)**	Scale: **1:2,000**	Clerk: **Y1074**	Phase: **IMPLEMENTATION** Review: **02**	Subject: **Acoustic Zoning**	Chart: **3B**	Updated: **JUNE 2012**

Legend:

	MAXIMUM legal LIMITS in dB(A) Daytime	Nighttime
CLASS 1- Particularly protected areas	50	40
CLASS 2- Predominantly residential areas	55	45
CLASS 3- Mixed areas	60	50
CLASS 4- Areas of intense human activity	65	55
CLASS 5- Predominantly industrial areas	70	60
CLASS 6- Exclusively industrial areas	70	70

Acoustic zones pursuant to Presidential Decree no. 142 of 20/03/04 on vehicle traffic noise

B-type road= 100 m + 150 m zones ----- Zone boundary (100 mt) ----- --- Zone boundary (150 mt)
Cb-type road= 100 m + 50 m zones ----- Zone boundary (100 mt) ----- --- Zone boundary (150 mt)

Acoustic zones pursuant to Presidential Decree no. 459 of 18/11/98 on railway traffic noise

Railway line= 100 m + 150 m zones ------- Zone boundary (100 mt) ----- - Zone boundary (150 mt)

Temporary performance area

Based on the acoustic class, the following emission and immission limits were identified:

	Daytime - dB(A)	Nighttime – dB(A)
Emission limit	70	60
Immission limit	65	55

6.6 Production Process Description

The production process is divided into various phases as shown below:

Preparation of Coating (Color Mixer)

The measurement of the various components (pigments and fillers, binding agents, additives, and water) is mostly carried out by weighing them directly in the disperser or mixer basin. This phase can be broken down into two steps:

1. Preparation of concentrated pastes. In the first step, the pigments, additives, and water are processed in the disperser (basin with a serrated impeller) and subsequently processed in a horizontal mill. This process forms concentrated pastes or semi-finished products for internal use.
2. Preparation of the coating. In the second step, binding agents, fillers, and water are respectively added to the concentrated pastes produced earlier. This process leads to the formation of the coating material inside a mixer (a basin equipped with a shaft and blades fixed at various heights).

Coating

The coating operation consists of evenly spreading a well-defined layer of coating material onto the surface of the sheet; this is carried out by a "coating machine".

The coating operation can be schematically summarized as follows:

1. The paper is unwound.
2. The application of an excess amount of coating material to the paper using a roll spreader.
3. The coating material is evenly distributed over the whole surface and the excess is eliminated by an air knife.
4. The paper is passed through a tunnel dryer (warm air at 50-60/100°C). No burners are used in the tunnels and, therefore, no combustion occurs inside them.
5. The paper is wound back onto a reel.

Wetting

The “wetting” operation consists of dampening the back of the previously coated paper sheet with water. The paper then enters the tunnel dryer, where it is dried by warm air.

Embossing

Embossing is carried out by passing the continuous sheet from a reel through specially-made rollers in an embossing calender. The top roller is made of steel engraved with the desired pattern, while the opposite roller is made of compressible fibrous material.

Two-Tone Dyeing/Lacquering

The color is applied to the paper by a steel roller, which is loaded from an inkwell filled with liquid ink, while a blade removes the excess from the roller surface. The continuous sheet then passes onto a heated spool to be dried and is then wound back onto the reel.

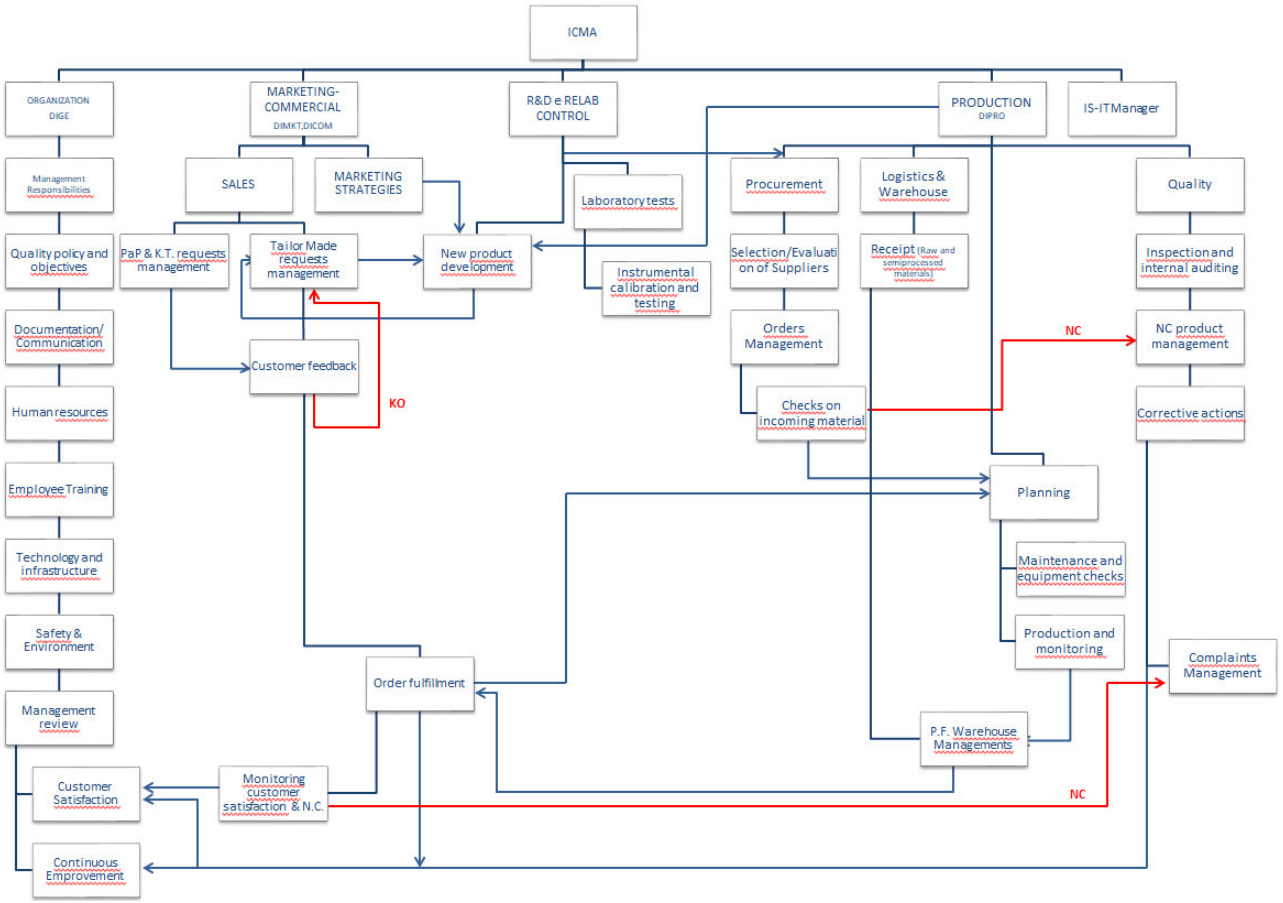
Laminating

The lamination is carried out by directly spreading a mixture of glue and aqueous solution onto the silicone paper using a roll spreader. The silicone paper sheet then passes onto a heated spool for partial drying and is then laminated with a second sheet of another (coated or flocked) paper. The two laminated sheets are passed into a pressing roller before being wound back onto a reel.

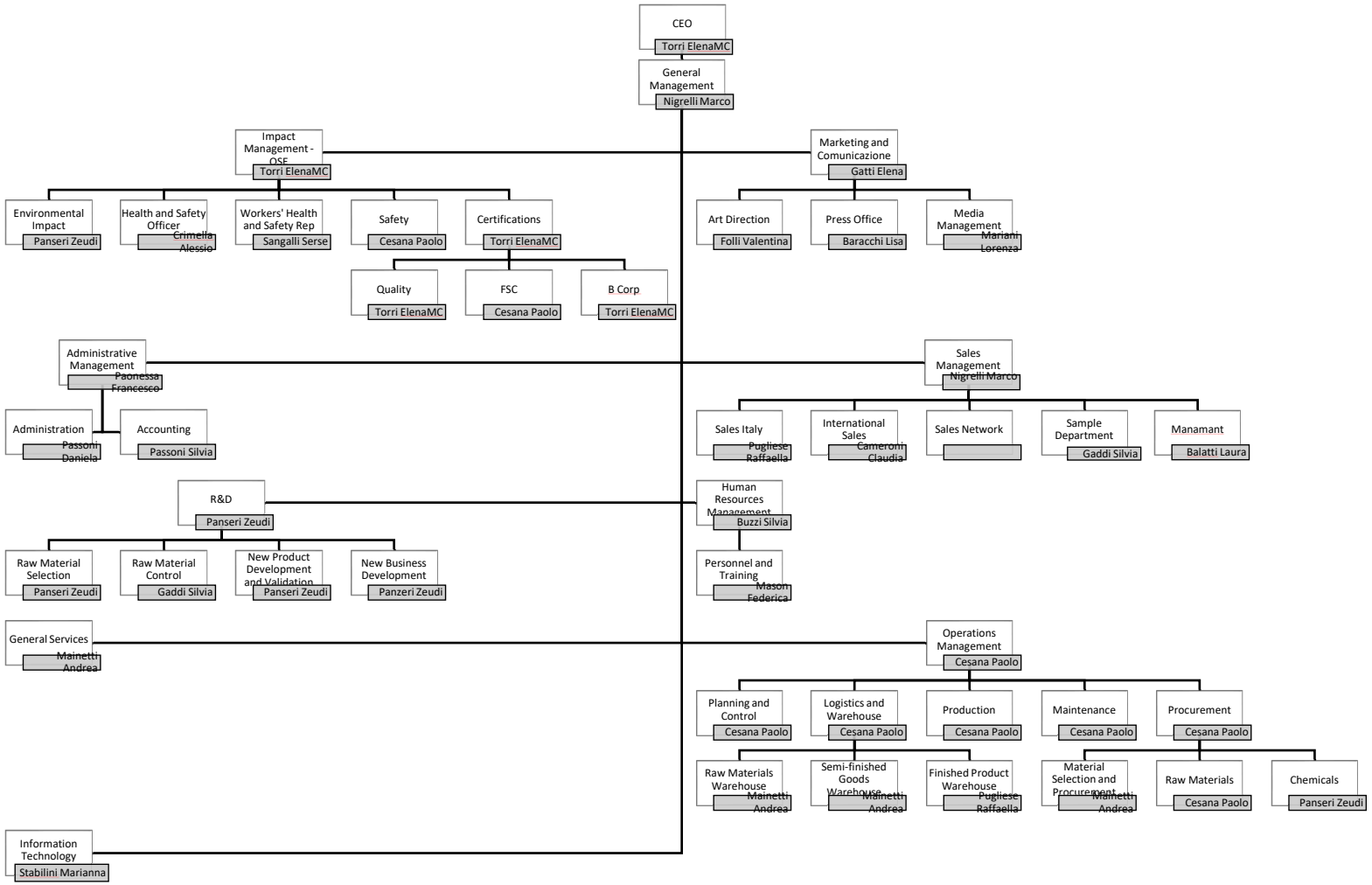
Flocking

The flocking process can be carried out on raw paper, PVC, polystyrene, or PET wound on reels. A mixture of glue and an aqueous solution is applied directly to the material using a roll spreader while an air knife adjusts the amount of glue applied based on the pressure and distance of the reel, eliminating any excess.
The flocked surface then passes into a drying oven, where the aqueous part of the vinyl solution evaporates, and then into a brushing station, where the excess flock is removed. Finally, the material is wound back onto a reel. The processed paper wound onto the reel is moved to the cutter, where it is cut into sheets of various sizes and then packaged.

FLOW CHART OF THE PRODUCTION PROCESS



INTERNAL PROCESSES (GENERAL COMPANY ORGANIZATION CHART)



6.7 External Processes (Suppliers/Contractors)

ICMA Srl SB has various suppliers of goods and services, which are evaluated by means of a specific procedure.

These suppliers can be generally distinguished as follows:

- Suppliers → raw and auxiliary materials;
- Maintenance Workers → boilers, air compressors, etc.
- Contractors → outsourced activities and processes;
- Carriers/recipients → waste disposal, inbound and outbound transportation.

7 Identification of DIRECT Environmental Aspects – Environmental Impacts

An analysis of the relevant activities carried out directly or indirectly within the production facility of the factory in question is the fundamental basis for identifying the environmental aspects, that is, the interactions with various environmental components arising from these activities.

The environmental aspects identified can be classified as direct and indirect. **Direct** aspects are those associated with activities carried out by the site in question, over which it has total management control. **Indirect** environmental aspects, on the other hand, are those produced by activities entrusted to and carried out by third parties.
Once the direct and indirect environmental aspects related to the site activities had been quantitatively and qualitatively identified and distinguished, their significance was then assessed.

For this purpose, a specific criterion was defined and documented to assess the significance of the environmental impacts using the following methodology:

- Collection of information about the environmental characteristics of the site;
- Identification of potentially sensitive urban or environmental targets;
- Analysis of the use of natural resources (fuel, water, electricity, raw materials, etc.);
- Analysis of the outputs resulting from the Organization's activities (waste, atmospheric emissions, etc.);
- Gathering and analysis of consumption and impact data: Environmental Review;
- Assessment of the environmental aspects subject to provisions of law.

8 Assessment of Significant Environmental Aspects

Once the environmental aspects had been quantitatively and qualitatively identified and distinguished, their significance was then assessed.

The following table shows the “basic” direct environmental aspects taken into consideration and the relative environmental impacts inherent to the primary and/or secondary activities carried out by the Company.

Moreover, it specifies whether or not the resulting environmental impacts occur in normal (N), extraordinary (Ex) (e.g. maintenance), or emergency (Em) conditions. There are no changes to report since the 2020 edition, except for the addition of the environmental aspect linked to the production of waste consisting of PPE used to protect workers from the risks associated with the COVID-19 pandemic throughout the whole of 2020.

ENV. Area	Environmental Aspect ACTIVITIES / SERVICES	Resulting Environmental Impacts	Conditions N / Ex / Em	Description of Ex. or Em. Conditions
Production	Production	Atmospheric emissions (Particulates and VOCs)	N	
Production	Production	Atmospheric emissions (Particulates and VOCs)	Em	Breakage/malfunction of the abatement system
Wastewater	Municipal wastewater	Blackwater discharge into sewer	N	
Wastewater	Wastewater from the factory	Contamination of soil and subsoil	Ex	Maintenance of the sewage network / accidental spills
Wastewater	Rainwater	Drainage into municipal sewer	N	
Wastewater	Yard runoff, spillage, toilet waste	Contamination of soil and subsoil	Ex	Spillage caused by broken circuits/leaks/spills
Water consumption	Use of mains water for production	Depletion of a natural resource (water)	N	
Water consumption	Use of mains water for toilet and locker room facilities	Depletion of a natural resource (water)	N	
Water consumption	Use of mains water	Depletion of a natural resource (water)	Em	Pipe breakage/malfunction
Ozone-depleting substances/greenhouse gases	Air-conditioning	Atmospheric pollution	Em	Leaks caused by circuit breakage
Methane consumption	Methane heating units for room heating/production process	Depletion of a natural resource (methane gas)	N	
Atmospheric emissions	Methane units for room heating	Atmospheric pollution	N	-

ENV. Area	Environmental Aspect ACTIVITIES / SERVICES	Resulting Environmental Impacts	Conditions N / Ex / Em	Description of Ex. or Em. Conditions
Electricity consumption	Production	Depletion of an energy resource (national grid electricity)	N	
Fire	Production / Offices	Atmospheric emissions (combustion gases etc.)	Em	Fire on site
Fire	Production / Offices	Production of combustion waste, extinguishing water	Em	Fire on site
Fire	Production / Offices	Contamination of soil and subsoil	Em	Fire on site
Fire	Production / Offices	Fire odor	Em	Fire on site
Fire	Production / Offices	Use of extinguishing water/materials	Em	Fire on site
Noise emission outside of the site	Production	Noise	N	
Transport	Transit of heavy vehicles and employees' cars	Induced vehicle traffic	N	
Transport	Transit of heavy vehicles and employees' cars	Atmospheric emissions	N	
Transport	Transit of heavy vehicles and employees' cars	Noise	N	
Transport	Transit of heavy vehicles and employees' cars	Consumption of resources	N	Diesel consumption for the use of company vehicles
Transport	Transit of heavy vehicles and employees' cars	Material spills during transportation	Em	Accidental load spillage
Waste production	Offices / Dining Area	Waste production	N	
Waste production	Production	Waste production	N	
Waste production	Production	Production of special waste	Ex/Em	Spillage of hazardous waste
Waste production	Internal maintenance + external maintenance staff leaving waste at the company	Production of maintenance waste	N	
Waste production	Waste production consisting of potentially infected PPE given to the municipal undifferentiated waste collection	Waste production	Ex	COVID-19 emergency

ENV. Area	Environmental Aspect ACTIVITIES / SERVICES	Resulting Environmental Impacts	Conditions N / Ex / Em	Description of Ex. or Em. Conditions
Consumption of chemicals	Chemicals for production/maintenance	Resource consumption	N	
Consumption of raw materials	Production	Resource consumption	N	-
Light pollution	Outdoor lighting	Light pollution	N	
Spillage	Production	Waste production	Em	System malfunctions/leaks during transportation/damage to container tanks
Spillage	Production	Contamination of soil and subsoil	Em	System malfunctions/leaks during transportation/damage to container tanks

The qualitative and quantitative information shown in this document was gathered with the involvement of various people in the company in charge of managing the individual areas or processes.
Each production phase involves the use of various types of raw materials and resources, such as water, energy, and fuel; the 'consumption' of resources is recorded over time by the appointed people. Moreover, the preparation of the finished product involves the formation of processing residue, ranging from trace pollutants in emission fumes and wastewater to non-hazardous wastes discarded downstream of the industrial and packaging/shipping processes. In this case, too, the necessary data were requested from the people in charge of the individual areas involved.

In this Environmental Review, the assessment of resource consumption and outside emissions used the corporate production period 2015-2022 as a reference. The data for the last year (2022) were processed and compared with the same type of data for the previous years; to better analyze the review's figures, the latter were also compared with a basic reference year, namely 2015— which gives a uniformly comparable corporate situation to the current one, in order to immediately observe short- to mid-term variations.

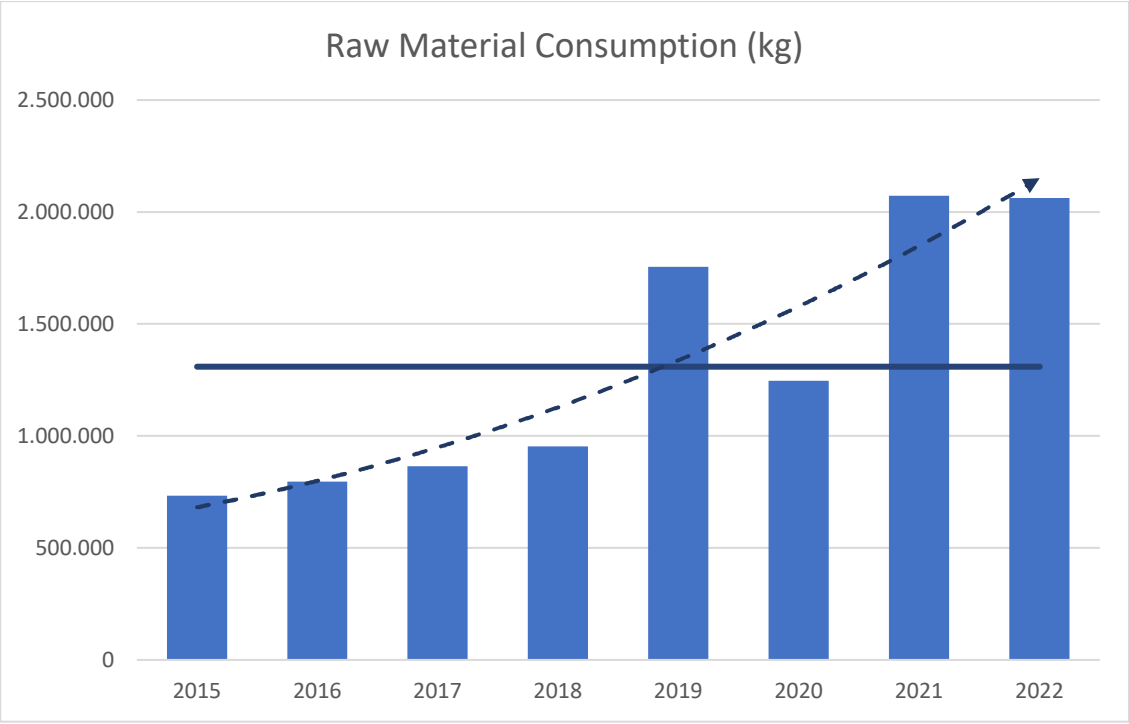
It is important to consider that 2020 was characterized by the pandemic caused by the spread of the virus SARS-COVID-19. The event led to a slowdown of most production activities on a global scale, while 2021 saw a rebound in demand. This condition obviously also affected ICMA's activities and, therefore, the indicators in question.

8.1 Materials for Use and Consumption

The consumption values of the main raw materials used in the production process during the period analyzed are given below.

DESCRIPTION	2015	2016	2017	2018	2019	2020	2021	2022
FSC-certified paper (kg)	641'996	745'942	797'292	878'036	1'603'993	1'211'290	2'035'129	1'995'355
FSC-certified flock							10'850	13'977
Polystyrene (kg)	38'700	6'000	42'750	70'763	146'600	33'850	25'500	52'000
Non-FSC/CW paper (kg)	51'923	43'352	23'989	3'739	4'200	318	279	751
FSC-exempt flock (kg)								3'033
TOTAL (kg)	**732'619**	**795'294**	**864'031**	**952'538**	**1'754'793**	**1'245'458**	**2'071'758**	**2'062'083**

The table above shows how the consumption of raw materials over the years has been steadily growing (despite a slowdown in 2020 caused by the Covid-19 emergency), legitimized by the constant linear growth in the company's production.



NOTE: Dashed blue line: 2nd-order polynomial trend
Blue line: linear average

The table below shows the material purchasing trend year by year and compared with the year of reference, 2015.

Raw Material Consumption	TOT kg	Var. kg Previous Year	Var. % Previous Year	Var. kg 2015	Var. % 2015
2015	732'619				
2016	795'294	62'675	8.55%	62'675	8.55%
2017	864'031	68'737	8.64%	131'412	17.94%
2018	952'538	88'507	10.24%	219'919	30.02%
2019	1'754'793	802'255	84.22%	1'022'174	139.52%
2020	1'245'458	-509'335	-29.03%	512'839	70.00%
2021	2'071'758	826'300	66.35%	1'339'139	182.79%
2022	2'062'083	-9'675	-0.47%	1'329'464	181.47%

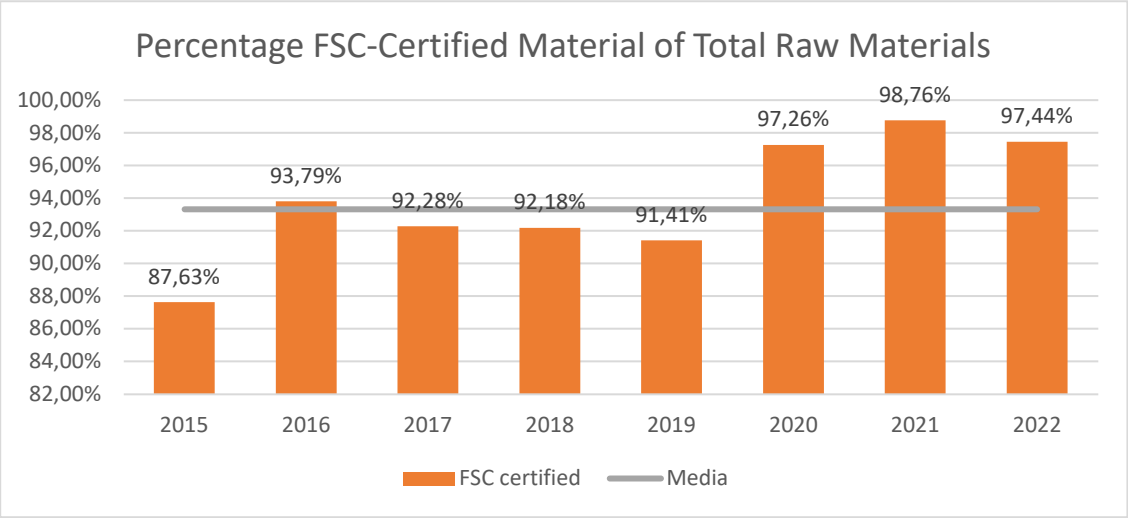
Since 2009, the year of its first FSC certification, the company has followed a steady path that has led it to stop purchasing cellulosic materials that are not FSC-certified. Today, purchases of uncertified materials are limited to a few samples for the sole purpose of testing the quality of the raw materials, which are then regularly purchased certified.

In fact, as shown in the table and graph below, purchases of certified materials during the years in question make up, on average, 93% of the total purchases, and these have been over 99% FSC-certifiable materials in the last four years.

As of 2019, ICMA has been able to trace the origins of materials such as flock and bases for coating, as required by the FSC certification.

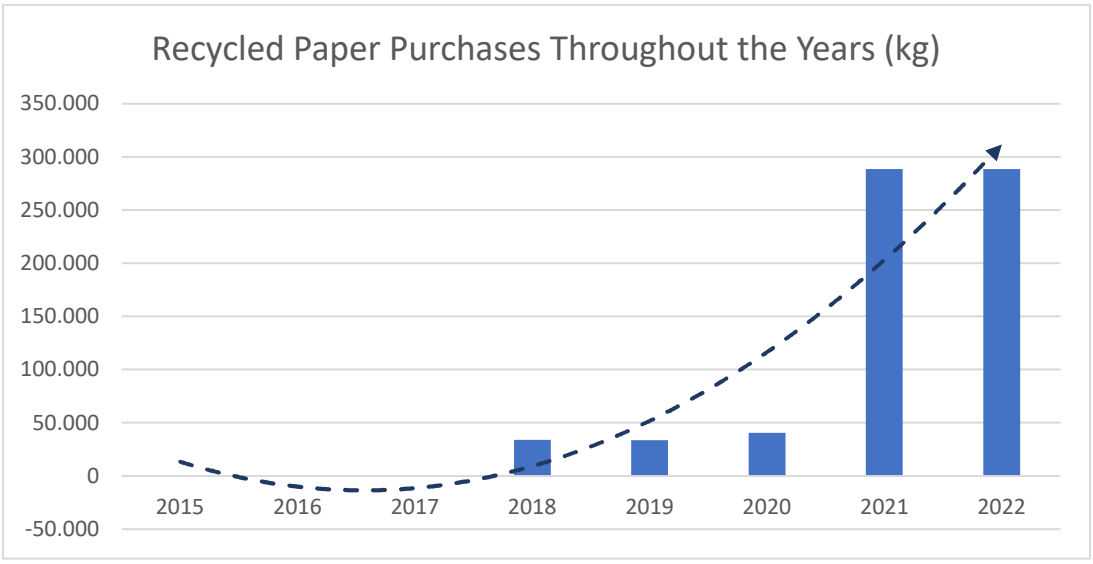
To make the data comparable with previous years, these figures were initially not included in the analysis. As of 2021, however, they have been included and have changed the weights of the underlying groups.

DESCRIPTION	2015	2016	2017	2018	2019	2020	2021	2022
FSC-certified	87.63%	93.79%	92.28%	92.18%	91.41%	97.26%	98.76%	97.44%
Non-FSC/CW	7.09%	5.45%	2.78%	0.39%	0.24%	0.03%	0.01%	0.04%
FSC-EXEMPT material	5.28%	0.75%	4.95%	7.43%	8.35%	2.72%	1.23%	2.67%
Total control	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**



In 2017, the company began to introduce 100% recycled (FSC Recycled Credit certified) material to its range. The goal wasn't just to expand the range of papers supplied, but as with the certified papers, to gradually transition the existing products from virgin bases to 100% recycled bases, which have a lower environmental impact.

The recycled raw materials selected to create ICMA products are recycled in an integrated cycle, without the intermediate process of creating cellulose pulp, without using bleaching (PCF), and, for the most part, without deinking. This choice was made to obtain bases with the smallest possible carbon footprint, even among recycled products.
The following graph shows the trend in purchases of certified recycled cellulose with FSC Recycled Credit.



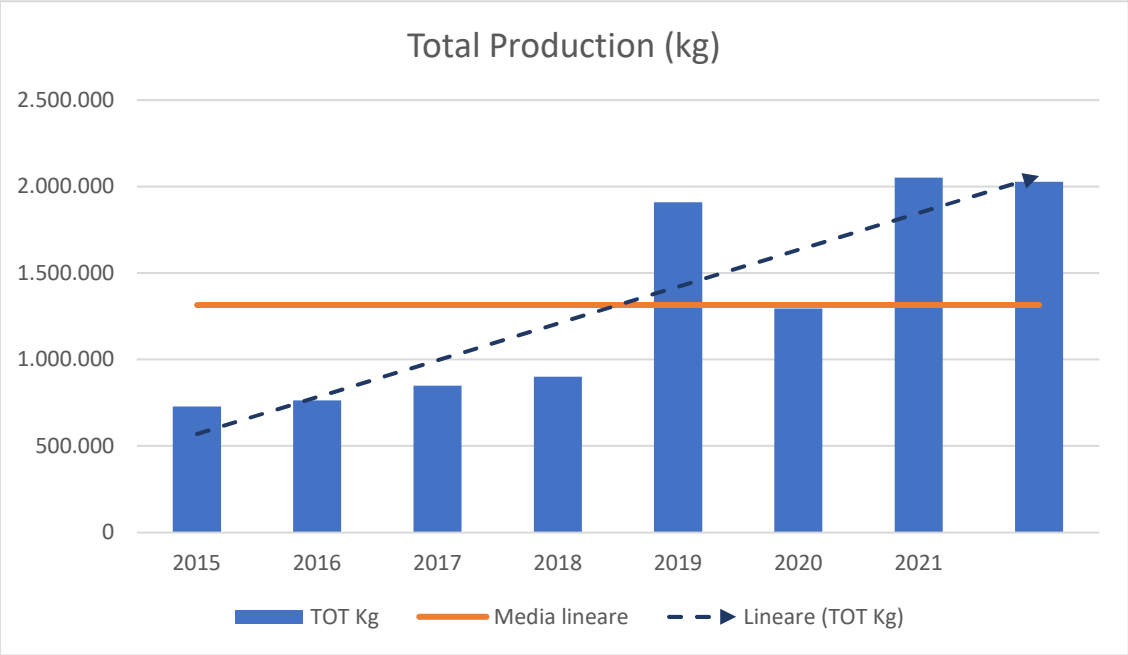
NOTE: Dashed blue line: 2nd-order polynomial trendline

As far as company production is concerned, the tables below show the quantities of finished products, broken down by families of materials, as recorded in the period of reference.

DESCRIPTION	2015	2016	2017	2018	2019	2020	2021	2022
Heat-sealing kraft (kg)	268'952	378'203	379'399	370'447	521'318	422'920	552'108	595'181
Creative paper and cardboard (kg)	241'917	290'484	294'962	314'904	395'744	262'416	289'323	418'489
Velvet PS (kg)	38'550	5'900	42'500	70'000	145'800	35'900	28'190	54'560
Smooth and embossed uncoated (kg)	178'052	89'341	131'683	145'025	846'266	573'502	1'181'364	959'784
TOTAL (kg)	**727'470**	**763'928**	**848'544**	**900'376**	**1'909'128**	**1'294'738**	**2'050'985**	**2'028'014**
TOTAL (t)	**727**	**764**	**849**	**900**	**1'909**	**1'295**	**2'051**	**2'028**

The following table shows the quantities of material produced compared with the reference year, 2015.

Company Production	TOT kg	Var. kg Previous Year	Var. % Previous Year	Var. kg 2015	Var. % 2015
2015	727'470				
2016	763'928	36'457	5.01%	36'457	5.01%
2017	848'544	84'616	11.08%	121'073	16.64%
2018	900'376	51'833	6.11%	172'906	23.77%
2019	1'909'128	1'008'752	112.04%	1'181'658	162.43%
2020	1'294'738	-614'390	-32.18%	567'268	77.98%
2021	2'050'985	756'247	58.41%	1'323'515	181.93%
2022	2'028'014	-22'971	-1.12%	1'300'544	178.78%



NOTE: Dashed blue line: linear trend

Orange line: linear average

8.2 Depletion of Energy Resources

Electricity and natural gas (methane) are used to properly perform all the Company's activities. The two energy sources are analyzed separately below.

ELECTRICITY

The required electricity is used for normal production purposes, specifically:

Electromotive force in production: systems and machinery,

- Lighting and IT utilities in the factories and offices.

The following table shows the main uses of electricity.

Resource	Use	Notes
Electricity	Civil: • Internal and external lighting; • IT equipment.	Constant use.
	Process systems • Production machinery; • Compressors.	Constant use during the day.
	Service systems • Accessory systems in the building (e.g. alarms).	Accessory systems: constant use.

It should be noted that the company has three photovoltaic systems for electricity production, positioned on the roof of the factory.

1. First photovoltaic system: built in 2010, peak power of 87.40 kW;
2. Second photovoltaic system: built in 2012, peak power of 82.00 kW.
3. Third photovoltaic system: built in 2022, peak power of 170.00 kW.

The electricity generated by these systems is used for production and administrative activities. The table below shows the quantity of self-produced energy for the reference period, differentiating between the energy consumed directly by the company (net metering) and the excess energy fed into the distribution network.

The increase in the company's energy requirements due to production growth led the ICMA management team to install a third photovoltaic system for its own use (net metering), which became operational in the final trimester of 2022. The delay in the system installation time of over a year after signing the purchase agreement was caused by the difficult procurement of raw materials between 2021 and 2022 as a result of the post-pandemic market rebound and the scarce inventory of many suppliers due to a lack of production in 2020.

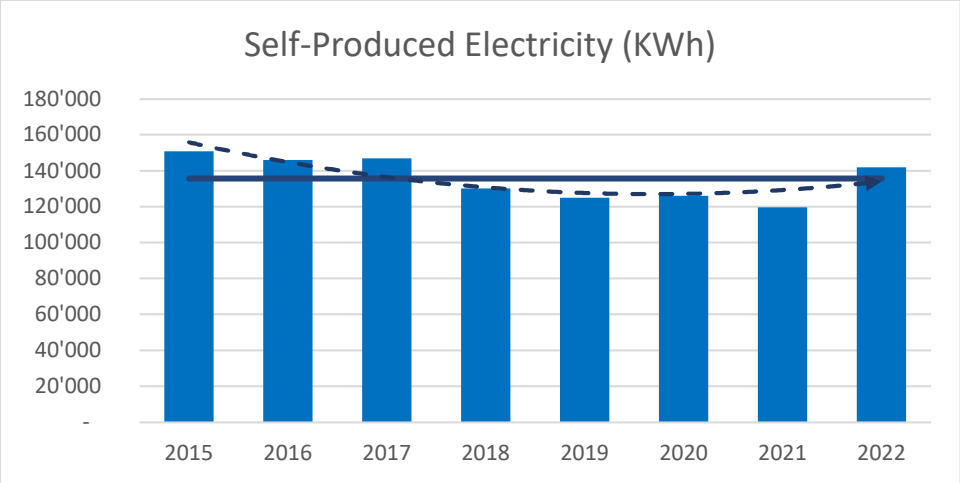
ELECTRICITY FROM PHOTOVOLTAIC SYSTEMS								
DESCRIPTION	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
ELECTRICITY NET METERING (KWh)	79'728	75'893	75'351	66'064	63'869	64'470	48'251	70'656
ELECTRICITY FED INTO NETWORK (KWh)	71'002	70'173	71'483	64'008	61'155	61'635	71'274	71'307
TOTAL (KWh)	**150'730**	**146'067**	**146'834**	**130'072**	**125'024**	**126'105**	**119'525**	**141'963**

The trend in productivity between energy for self-consumption and overall energy compared with the year of reference, 2015, is shown below.

Variation in Self-Produced Electricity					
YEAR	**TOT. KWh**	**Var. KWh Previous Year**	**Var. % Previous Year**	**Var. KWh 2015**	**Var. % 2015**
2015	150'730				
2016	146'067	-4'663	-3.09%	-4'663	-3%
2017	146'834	767	0.53%	-3'896	-3%
2018	130'072	-16'762	-11.42%	-20'658	-14%
2019	125'024	-5'048	-3.88%	-25'706	-17%
2020	126'105	1'081	0.86%	-24'625	-16%
2021	119'525	-6'580	-5.22%	-31'205	-21%
2022	141'963	22'438	18.77%	-8'767	-6%

N.B. Percentage variations of <1% are considered normal

The graph below shows the self-produced energy curve, which declined sharply in 2021 due to partial damage to an inverter in the first system. This was intercepted thanks to the system yield analysis.



NOTE: Dashed line: 2nd-order polynomial trendline
Solid blue line: linear average value

The following table shows the data, differentiating between the quantities sourced from the grid, from net metering, and the self-produced surplus fed into the network. The bottom row of the table shows the ratio of self-produced electricity to consumed electricity.

ELECTRICITY BALANCE								
DESCRIPTION	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
TOTAL FROM THE GRID (KWh)	445'980	437'711	454'577	470'048	521'115	501'861	528'791	485'332
ELECTRICITY FROM NET METERING (KWh)	79'728	75'893	75'351	66'064	63'869	64'470	48'251	70'656
TOTAL ELECTRICITY CONSUMED (KWh)	525'708	513'604	529'928	536'112	584'984	566'331	577'042	555'988
ELECTRICITY FED INTO NETWORK (KWh)	71'002	70'173	71'483	64'008	61'155	61'635	71'274	71'307
FINAL ELECTRICITY BALANCE (KWh)	454'706	443'431	458'445	472'104	523'829	504'696	505'768	484'681
AMOUNT OF ELECTRICITY SELF-PRODUCED/CONSUMED (%)	**28.67%**	**28.44%**	**27.71%**	**24.26%**	**21.37%**	**22.27%**	**20.71%**	**25.53%**

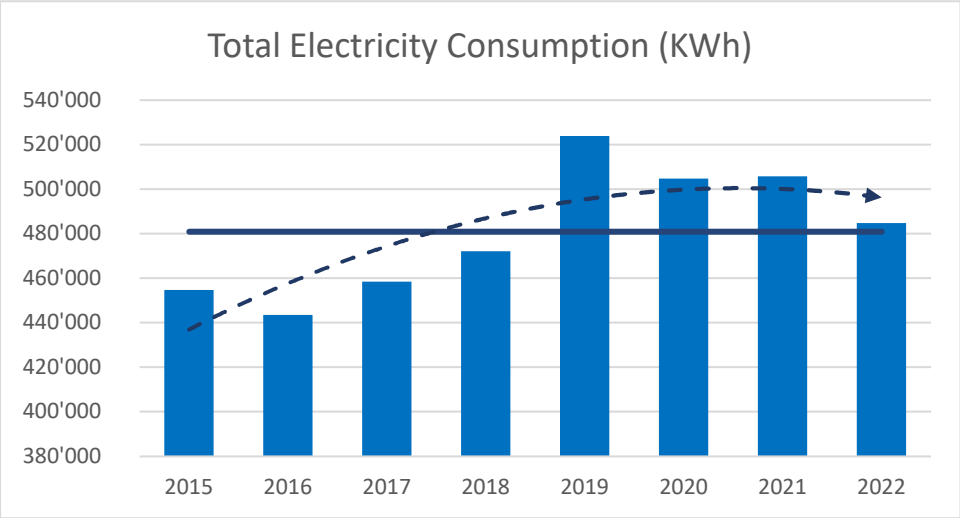
The third photovoltaic system, with a generation capacity equal to the sum of the two existing systems, should double the ratio of self-produced to consumed energy in 2023.

The total electricity consumption for the period is shown in the following table, which also gives a comparison of consumption with the reference year, 2015.

Variation in Total Electricity Consumption					
YEAR	**TOT. KWh**	**Var. KWh Previous Year**	**Var. % Previous Year**	**Var. KWh 2015**	**Var. % 2015**
2015	454'706				
2016	443'431	-11'275	-2.48%	-11'275	-2.48%
2017	458'445	15'014	3.39%	3'739	0.82%
2018	472'104	13'660	2.98%	17'398	3.83%
2019	523'829	51'725	10.96%	69'123	15.20%
2020	504'696	-19'133	-3.65%	49'990	10.99%
2021	505'768	1'072	0.21%	51'062	11.23%
2022	484'681	-21'087	-4.17%	29'975	6.59%

N.B. Percentage variations of <1% are considered normal

The graph below shows the total electricity consumption, highlighting a reduction in the total amount of electricity required, despite production being consistent with the previous year.
These reductions are tied to investments made by the company in 2022 to reduce its energy consumption, including testing and adjustments for compressed air leakage, replacement of lighting systems with high-efficiency alternatives, and other actions that emerged from the energy audit carried out (Standard ISO5001).

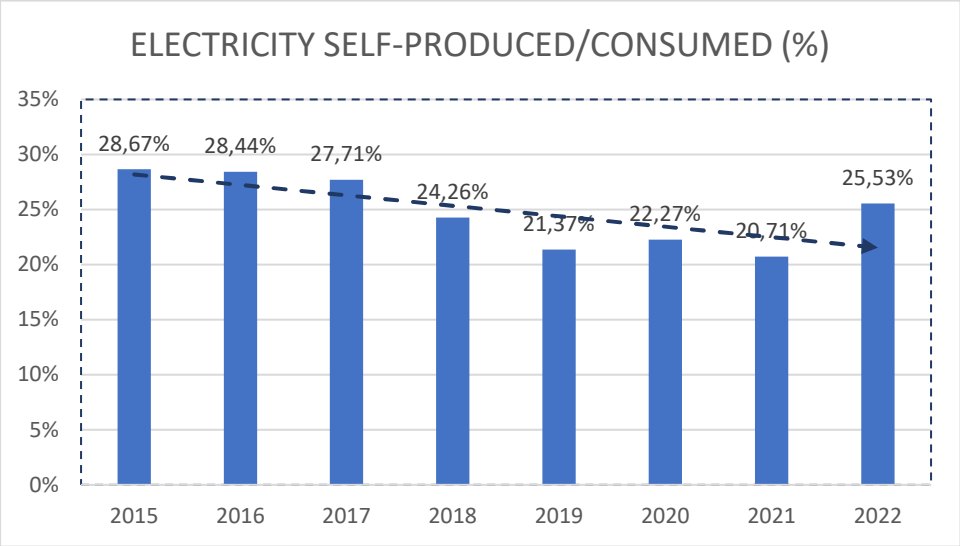


NOTE: Dashed line: 2nd-order polynomial trendline
Solid blue line: linear average value

The following graph shows the ratio between the total self-produced electricity (net metering + fed into the network) and the consumed electricity (net metering + withdrawn from the grid). It highlights how the trend (dashed line) is decreasing.

This is presumably due to both an increase in energy requirements following the increase in production in recent years, and the lower productive efficiency of the photovoltaic systems for the reasons outlined earlier.

In 2022, the ratio increased thanks to the activation of the third photovoltaic system in the final trimester.



NOTE: Dashed line: linear trendline
Solid blue line: linear average

It should be noted, in any case, that the company is mindful of the origin of the energy purchased and, consequently, the provider of electricity withdrawn from the grid, which supplied 23.76% of its energy from renewable sources in 2020.

The company is currently studying more projects to increase its consumption of green energy.

METHANE GAS

The performance of production activities requires the use of methane gas, mainly for the operation of the steam generation system. It emerged from an energy audit carried out in accordance with the ISO 5001 standard by a specialized external consultant in August 2021 that 46.3% is used in the manufacturing process and the remainder for heating the spaces.

This led to the launch of a study to replace the company's heating system in order to reduce the consumption of methane and its relative emissions.

The table below summarizes the uses of this energy resource:

Resource	Use	Notes
Methane	Civil: • Heating.	Constant use during the day
	Process systems: • Heating and production	Constant use during the day.

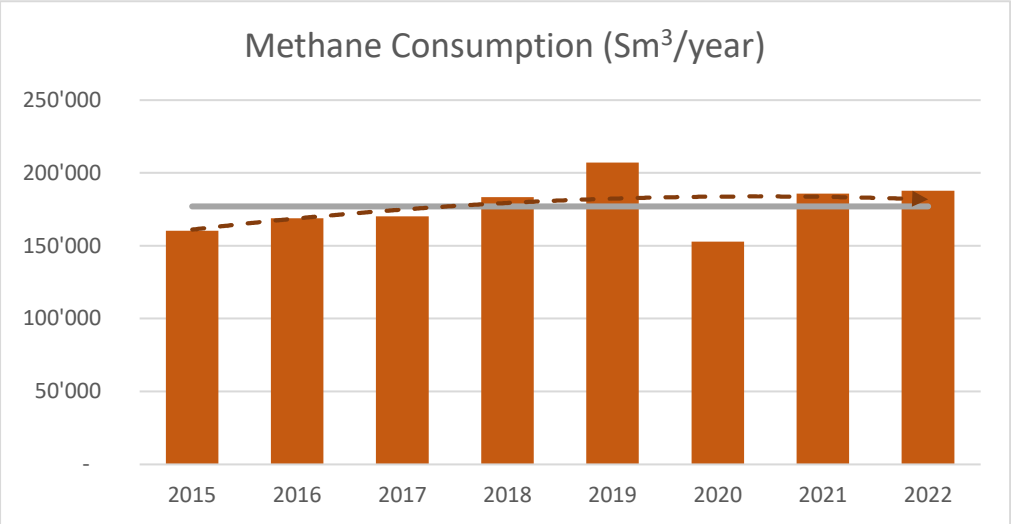
The total methane gas consumption for the reference period is given below. This shows how consumption has increased both year-by-year and in comparison with the year of reference, 2105. This is presumably a result of the increase in production.

Variation in Total Consumption m3					
YEAR	**TOT. m³**	**Var. m³ Previous Year**	**Var. % Previous Year**	**Var. m³ 2015**	**Var. % 2015**
2015	160'193				
2016	168'779	8'586	5.36%	8'586	5.36%
2017	170'231	1'452	0.86%	10'038	6.27%
2018	183'285	13'054	7.67%	23'092	14.42%
2019	207'145	23'860	13.02%	46'952	29.31%
2020	152'824	-54'321	-26.22%	- 7'369	-4.60%
2021	185'807	32'983	21.58%	25'614	15.99%
2022	187'626	1'819	0.98%	27'433	17.12%

N.B. Percentage variations of <1% are considered normal

The graph below shows the upward trend in methane consumption with a more significant increase in 2019. Despite greater production in 2021 and 2022 than in 2021, we can see how maintenance work carried out in 2020 improved the efficiency of the methane distribution systems.

The current year should see the beginning of the installation of the new heating system, which will operate using electrical machines no longer fuelled by methane. A sharp decline is thus expected for 2023 and subsequent years.



NOTE: Dashed red line: 2nd-order polynomial trendline
Solid grey line: linear average

OVERALL ENERGY CONSUMPTION

In order for the electricity and methane consumption to be compared, they are transformed into tons of oil equivalent (TOE), calculated using the coefficients shown below:

- Electricity: 1 MWh = 0.23 TOE
- Methane: 1000 Nm^3 = 0.82 TOE

The following table shows the consumption of the main energy resources used by the Company (methane and electricity) in tons of oil equivalent (TOE) so that they can be compared and added together.

	2015	2016	2017	2018	2019	2020	2021	2022
TOTAL ELECTRICITY (KWh/year)	525'708	513'604	529'928	536'112	584'984	566'331	577'042	555'988
TOTAL METHANE GAS (m3/year)	160'193	168'779	170'231	183'285	207'145	152'824	185'807	187'626
	TOE	**TOE**	**TOE**	**TOE**	**TOE**	**TOE**	**TOE**	**TOE**
ELECTRICITY	131	128	132	134	146	142	144	139
METHANE GAS	131	138	140	150	170	125	152	154
TOTAL	**263**	**267**	**272**	**284**	**316**	**267**	**297**	**293**

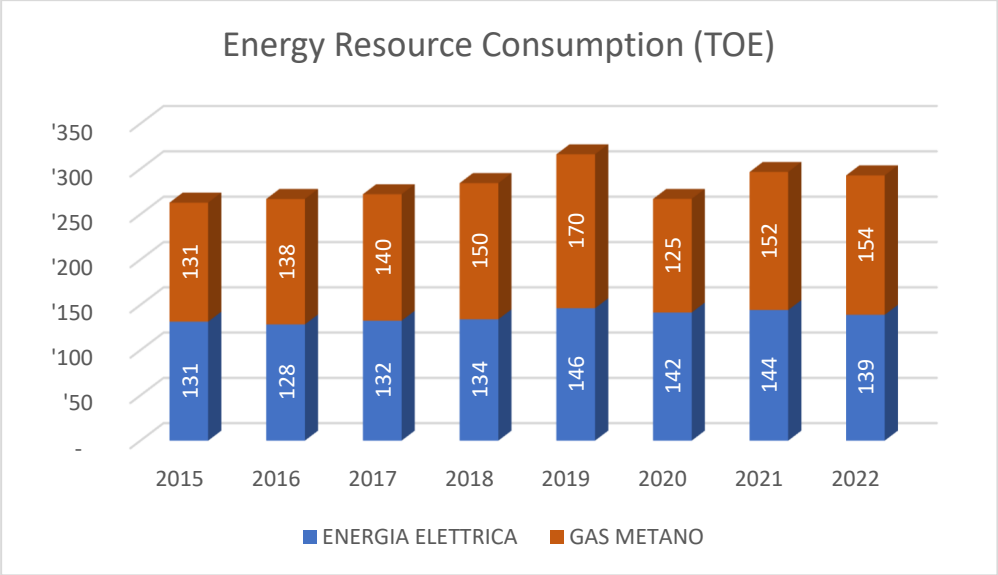
The table below shows the total energy consumption with the year-by-year trend and in comparison with the year of reference, 2015.

Variation in Total Consumption m3					
YEAR	**TOT. m^3**	**Var. m^3 Previous Year**	**Var. % Previous Year**	**Var. m^3 2015**	**Var. % 2015**
2015	263				

2016	267	4	1.53%	4	1.53%
2017	272	5	1.98%	9	3.53%
2018	284	12	4.50%	22	8.20%
2019	316	32	11.18%	53	20.29%
2020	267	-49	-15.57%	4	1.57%
2021	297	30	11.14%	34	12.88%
2022	293	-4	-1.27%	30	11.44%

The following graph highlights how, during the period taken into consideration, there has been a steady increase in energy requirements, with a sharper rise in 2019, legitimized by equally steady growth in production during the period in question.
A slight reduction in the total energy requirement can also be seen in 2022 despite production being consistent with the previous year (as best shown in section 10) as a result of the company's first actions taken to reduce its environmental impact.

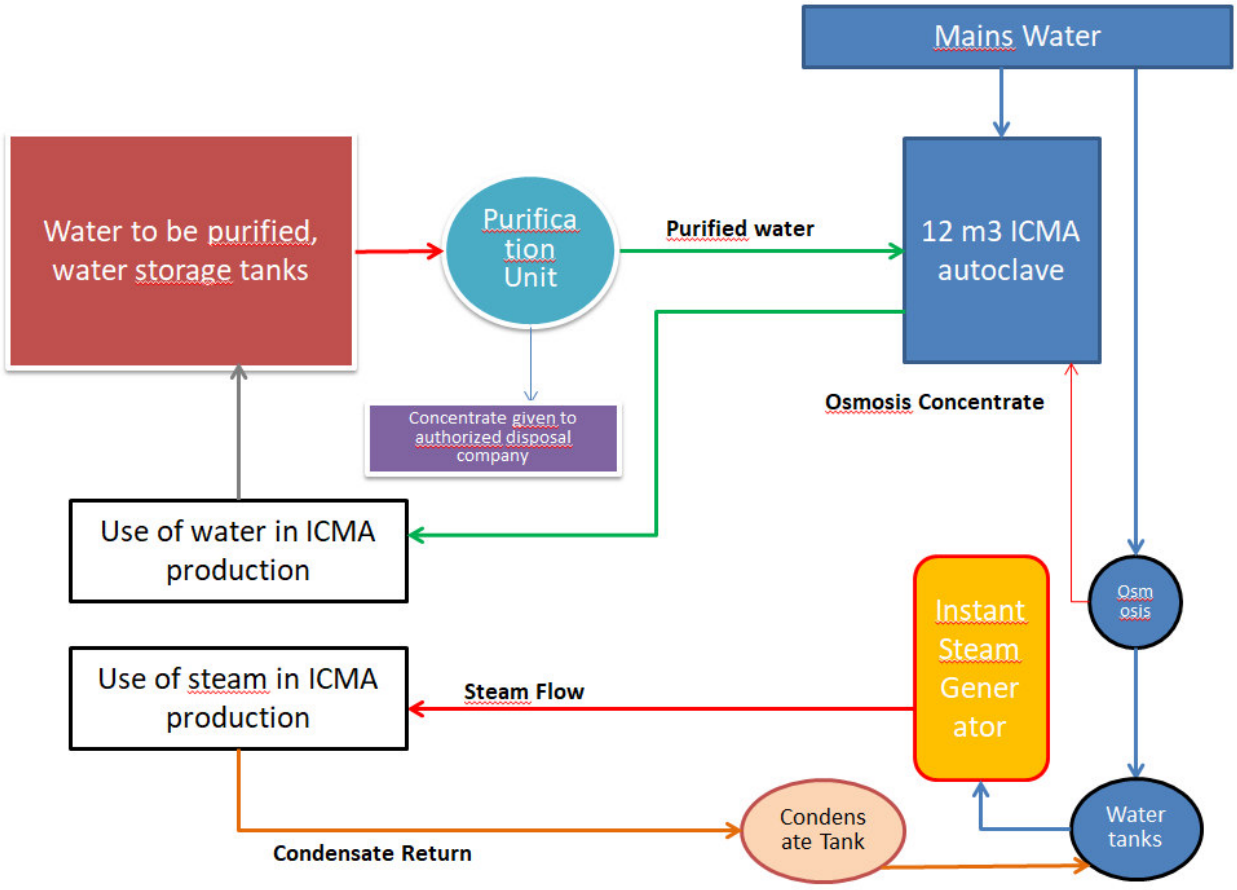
The graph below shows the distribution of energy consumption in TOE, for methane gas and electricity.



8.3 Depletion of a Natural Resource: Water Supply

The Company water is supplied exclusively by the public water main and there is a single meter (serial number 204620).

The water is supplied both for civil and industrial consumption and specifically for the production of steam used in the production process. In recent years, the Company Administration has carried out targeted actions to reduce the consumption of water resources. Specifically, the actions have concerned the wastewater treatment plant (2009) and the reverse osmosis system, also used to treat wastewater (2019). A diagram of the company's production water cycle is shown below.



NOTE: Production Water Cycle Diagram

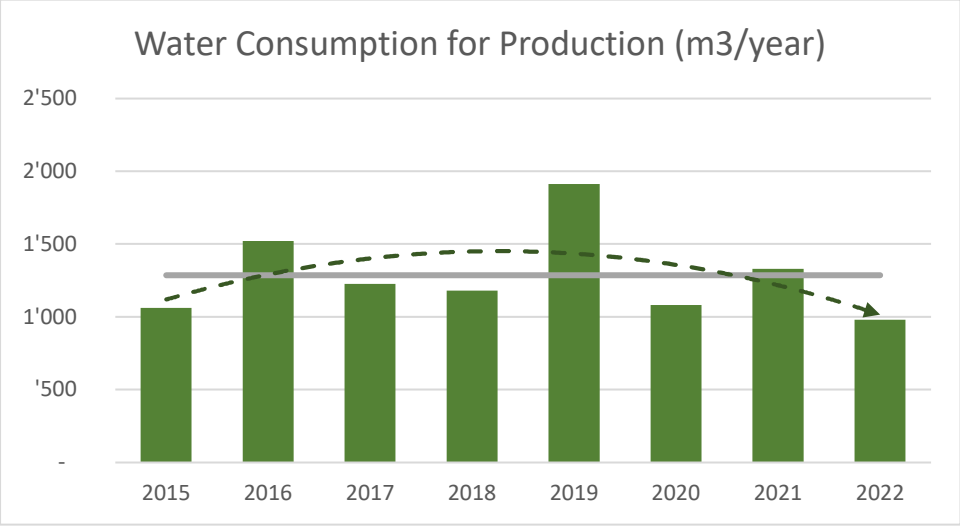
The constant monitoring of water consumption, measured by bills and periodic meter readings, enables the visualization of consumption trends over time, as shown in the table below. It shows increased consumption compared with the year of reference, 2015.

WATER CONSUMPTION FOR PRODUCTION					
YEAR	TOT. m^3	Var. m^3 Previous Year	Var. % Previous Year	Var. m^3 2015	Var. % 2015
2015	1'062				
2016	1'520	458.84	43.22%	459	43.22%
2017	1'227	-293.80	-19.32%	165	15.55%
2018	1'180	-46.34	-3.78%	119	11.18%
2019	1'910	730.14	61.86%	849	79.96%
2020	1'080	-829.96	-43.44%	19	1.78%
2021	1'329	248.16	22.97%	267	25.16%
2022	979	-349.72	-26.32%	-83	-7.79%

N.B. Percentage variations of <1% are considered normal

The graph below highlights how water consumption for civil and production purposes has fluctuated considerably in recent years.

The reduction in water requirements seen in 2022, despite production being consistent with the previous year, is tied to activities for the efficiency and waste reduction of a limited resource, gradually being implemented by the company.



NOTE: Dashed green line: 2nd-order polynomial trendline
Solid gray line: linear average value

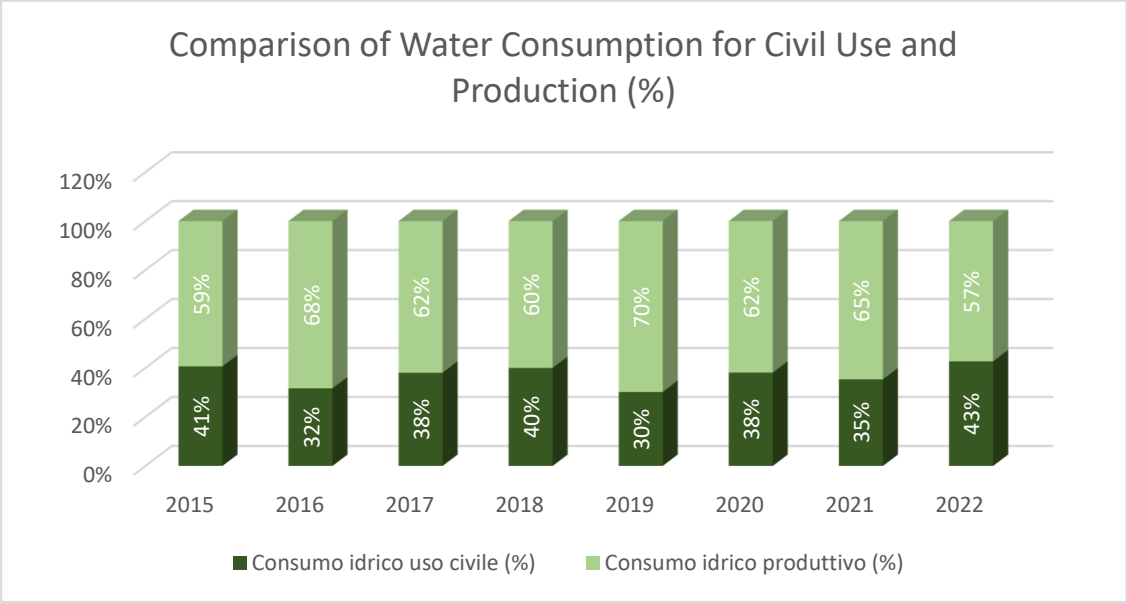
To better analyze the consumption trend for water resources, it is appropriate to differentiate between production and civil use, correlating the latter with the number of staff in the company for the years in question. It should be noted that, according to ISTAT data from the report “Water Statistics 2018-2019” (published on 22nd March 2020), the average domestic water consumption per inhabitant is 237 liters/day. For this purpose and, as is customary for the production sectors, an average consumption per employee has

been established as 80 liters/day. Knowing the days worked and the average number of employees for each year, the average annual consumption for civil use has been estimated. The difference in figures has consequently provided the consumption for production alone. The table below gathers the aforementioned calculations and the ratio between the two types of consumption.

Description	2015	2016	2017	2018	2019	2020	2021	2022
Total water consumption (m3/year)*	1'788	2'226	1'980	1'968	2'736	1'745	2'055	1'708
Average number of employees	36	35	38	39	40	39	40	42
Workdays	254	252	250	253	258	213	227	217
Water consumption for civil use (m3/year)**	726	706	753	788	826	665	726	729
Water consumption for production (m3/year)**	1'062	1'520	1'227	1'180	1'910	1'080	1'329	979
Water consumption for civil use (%)	**41%**	**32%**	**38%**	**40%**	**30%**	**38%**	**35%**	**43%**
Water consumption for production (%)	**59%**	**68%**	**62%**	**60%**	**70%**	**62%**	**65%**	**57%**

* Collected data
** Estimated data

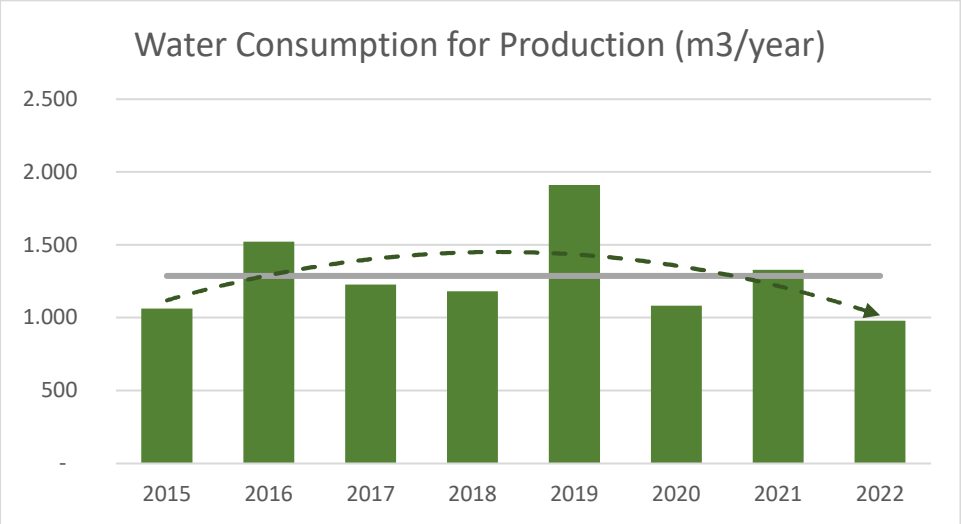
The table and the following graph highlight how, despite the increase in production in recent years, the growth of water consumption at an industrial level is being contained through the implementation of policies for the responsible use of water.



The following table shows the water consumption for production alone in the period in question and the consumption compared with the reference year, 2015.

WATER CONSUMPTION FOR PRODUCTION					
YEAR	TOT. m^3	Var. m^3 Previous Year	Var. % Previous Year	Var. m^3 2015	Var. % 2015
2015	1'062				
2016	1'520	458.84	43.22%	459	43.22%
2017	1'227	-293.80	-19.32%	165	15.55%
2018	1'180	-46.34	-3.78%	119	11.18%
2019	1'910	730.14	61.86%	849	79.96%
2020	1'080	-829.96	-43.44%	19	1.78%
2021	1'329	248.16	22.97%	267	25.16%
2022	979	-349.72	-26.32%	-83	-7.79%

This analysis also shows how maintenance work and policies for responsible water use are delivering concrete results.



NOTE: Dashed green line:2nd-order polynomial trendline
Solid gray line: linear average value

8.4 Soil and Subsoil Contamination and Internal Water Network

Contamination of the soil and/or subsoil could occur on the production site in question as a result of:

- Breakage of systems/pipes/ducts
- Spillage of raw materials/waste during third-party vehicle loading
- Oil/fuel leaks from the private vehicles of staff or external visitors in the internal car park
- Oil/fuel leaks from the vehicles used for transporting incoming/outgoing materials

- Breakage of containers located on the production site
- Liquid leaks from the batteries of electrically-powered handling equipment.

8.5 Atmospheric Emissions

The atmospheric emissions points are classified based on their intrinsic characteristics and in relation to the provisions of the legislation in force; various situations can be found:

- Significant emissions;
- Atmospheric pollutant emissions of minor relevance;
- Emissions from heating stations.

The Company is in possession of a permit to release emissions into the atmosphere, no. 303 of 07/07/2014, issued by the Provincial Administration of Lecco, for the four emissions shown in the table below.

No.	Equipment Concerned	Rate [Nm^3/h]	Ø [mm]	Sect. [m^2]	Abatement System	Analysis Parameters	Limits mg/Nm^3	Frequency of Checks
E1	Color Mixer	1600	250	0.049	Baghouse filter	Particulates	10	Annual
E2	Sted	7850	500	0.196	None	VOCs	50	Biennial
E3	Laminating Machine	5000	200	0.031	None	VOCs	50	Biennial
E4	Flocking Machine	2000	300	0.071	Dry filter	Particulates	10	Annual
E5	Flocking Machine	2000	300	0.071	Dry filter	Particulates	10	Annual

The emissions analyses are carried out by a specialized company and planned based on the frequency and parameter to be analyzed, as shown in the permit to release emissions, such as Particulates and Volatile Organic Compounds (VOCs), as highlighted in the table above. The latest analyses were carried out for all the emissions in 2022, with a compliant result.

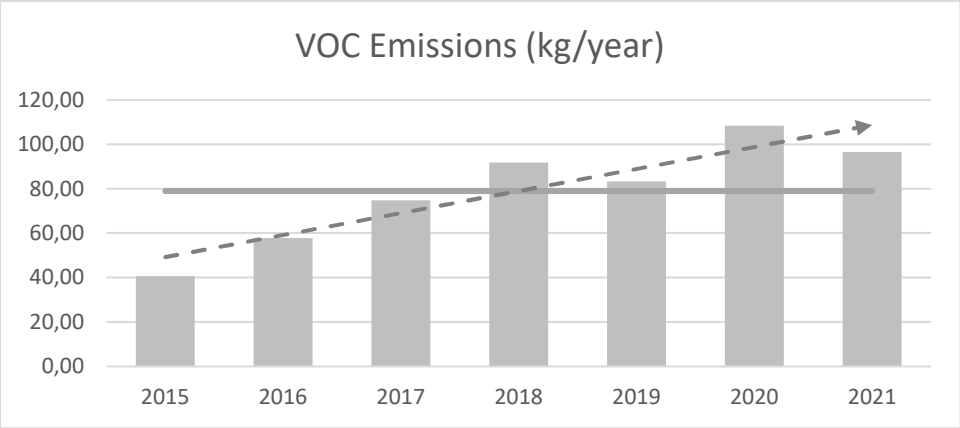
The constant monitoring of emissions, also thanks to the data from analyses carried out on an annual and/or biennial basis, allows their trends to be observed over time, as shown in the table below. The data have been divided by the parameters sampled, as required by the aforementioned Environmental Permit.

DESCRIPTION	2015	2016	2017	2018	2019	2020	2021	2022
VOCs (kg/year)	40.61	57.68	74.74	91.80	83.27	108.34	96.56	95.92
PARTICULATES (kg/year)	2.11	0.62	1.31	2.05	0.68	0.13	2.17	0.23

The following table shows the atmospheric emissions compared to the year of reference, 2015, for the "VOC" parameter.

VOC Emissions					
YEAR	kg/year	Var. Previous Year	Var. % Previous Year	Var. (kg/year) 2015	Var. % 2015
2015	40.61				
2016	57.68	17.06	42.02%	17.06	42.02%
2017	74.74	17.06	29.58%	34.13	84.03%
2018	91.80	17.06	22.83%	51.19	126.05%
2019	83.27	-8.53	-9.29%	42.66	105.04%
2020	108.34	25.06	30.10%	67.72	166.75%
2021	96.56	-11.77	-10.87%	55.95	137.77%
2022	95.92	-0.64	-0.66%	55.31	136.19%

In recent years, a reduction in the annual value has been recorded. The trend shows a slight increase, even though these data are affected by the hours of production, as well as the sampling time.



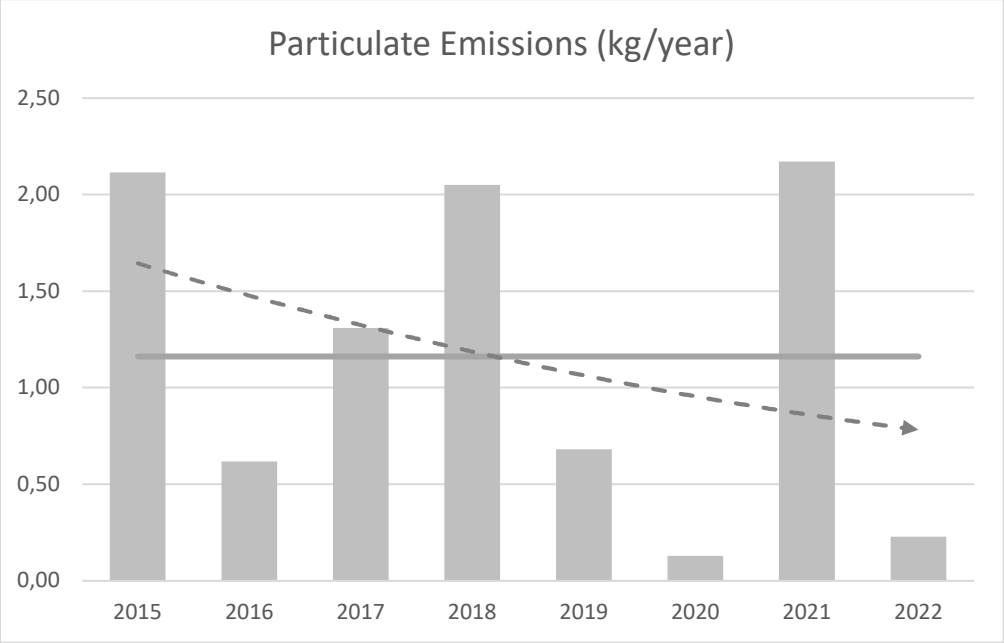
NOTE: Dashed gray line: linear trendline
Solid gray line: linear average

The following table shows the atmospheric emissions compared to the year of reference, 2015, for the "Particulate" parameter.

Particulate Emissions					
YEAR	kg/year	Var. Previous Year	Var. % Previous Year	Var. (kg/year) 2015	Var. % 2015
2015	2.11				
2016	0.62	-1.50	-70.80%	-1.50	-70.80%
2017	1.31	0.69	111.94%	-0.81	-38.11%
2018	2.05	0.74	56.67%	-0.06	-3.04%
2019	0.68	-1.37	-66.84%	-1.43	-67.85%
2020	0.13	-0.55	-81.23%	-1.99	-93.97%
2021	2.17	2.04	1601.60%	0.06	2.69%
2022	0.23	-1.94	-89.50%	-1.89	-89.21%

To better understand the data given above and for the sake of comparison, the European legislation for Euro 6 petrol vehicles envisages a maximum limit of Particulate (dust) emissions for tests carried out in the laboratory, of 5 g/1000 km.

The following graph shows how this parameter has seen a fluctuating trend in recent years, inconsistent with the linear production growth. This probably depends on whether or not each year's production mix required the use of raw materials that cause high levels of particulate emissions in the production phase.
To manage the growing demand for products that use raw materials causing high levels of particulate emissions, the company has installed a new extraction system, which became operational in 2022.

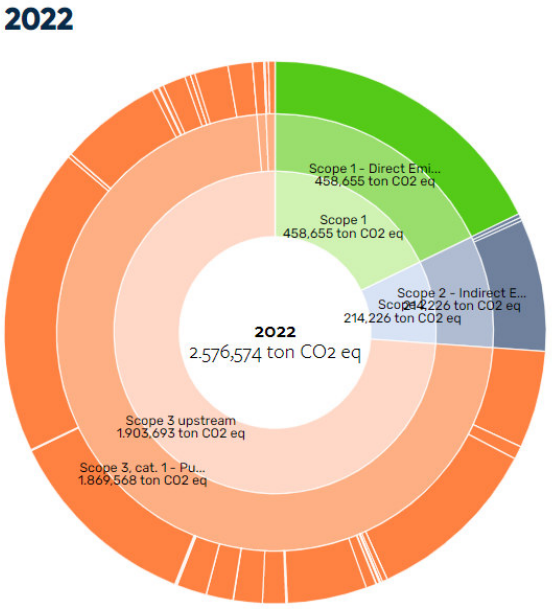


NOTE: Dashed gray line: 2nd-order polynomial trendline
Solid gray line: linear average value

8.6 Scope Emissions: Scope 1-2-3

In 2021, the company purchased software licenses to calculate its scope emissions. Not only does the software enable comprehension of the company's emissions but also those of each individual manufacturing process or product, so as to lay the foundations for a targeted analysis of the changes that have the greatest impact in terms of emissions reduction.

The company results for the year 2022 are shown below.



	Impact	%
Scope 1	458.655,074	17,80 %
Scope 2	214.225,972	8,31 %
Scope 3 upstream	1.903.692,864	73,88 %
Total	2.576.573,91 kg CO2 eq	

For clarity, the scope emissions are defined as follows.

Scope 1: includes all the emissions resulting from sources owned or controlled by the company, such as fossil fuels used for heating buildings.

Scope 2: concerns purchased energy sources, thus purchased electricity. These energy sources produce indirect emissions as they are physically produced outside of the business and are therefore not controlled by it.

Scope 3: concerns other indirect emissions along the whole supply chain, that is, those resulting from the use of energy used to make products and materials purchased externally; from fuel for non-company vehicles, for the transportation of materials, finished products or products for further processing, from the movement of employees from home to the workplace; and, lastly, from fuel for company travel.

8.7 Production of Special Waste and Similar

The Company has a specific system for the organization, management, and control of waste, pursuant to Italian Legislative Decree No. 231/2001. The structured system contains rules and organizational procedures aimed at preventing crimes. This involves the application of a suitable disciplinary system to sanction both the failure to comply with the measures indicated by law and breaches of the Code of Ethics.

The Factory in question only produces non-hazardous and urban-like waste. The following table distinguishes the various wastes produced by EWC code, type (hazardous/non-hazardous), and destiny (recycling or disposal).

R/D	H/NH	EWC	DESCRIPTION	2015	2016	2017	2018	2019	2020	2021	2022
R13	***NH***	***15.01.01***	*Paper and cardboard packaging*	47'140	45'240	48'240	39'740	45'440	39'900	47'700	60'480
R13	***NH***	***08.03.18***	*Waste printing toner other than those mentioned in 08 03 17*	17	18	10	9	23	20	10	16
R13	***NH***	***15.01.06***	*Mixed packaging*	7'630	7'320	10'180	10'890	17'320	16'790	24'680	26'570
R13	***NH***	***04.02.22***	*Waste from processed textile fibers*	-	-	-	-	6'880	3'080	-	3'140
D15	***NH***	***15.01.02***	*Plastic packaging*	1'120	1'050	900	1'560	2'150	1'190	1'390	2'010
D9	***NH***	***08.01.16***	*Aqueous sludges containing paint or varnish other than those mentioned in 08 01 15*	37'480	40'040	39'420	41'760	42'660	45'060	22'100	26'200
			TOTALS	**93'387**	**93'668**	**98'750**	**93'959**	**114'473**	**106'040**	**95'880**	**118'416**

The disposal/recycling of the wastes listed above is carried out by specialized companies in accordance with the procedures and timeframes required by the laws in force. An up-to-date copy of the permits of the carriers and recipients used for disposal is kept in the administrative offices. The Company does not transport waste on its own behalf.

The Company also produces urban-like waste and thus uses the public collection service, in accordance with the methods established by municipal regulations. Specifically, the Municipality of Mandello del Lario implements the separate collection of waste resulting from human activities (classified as urban or urban-like waste) by means of a door-to-door collection service.

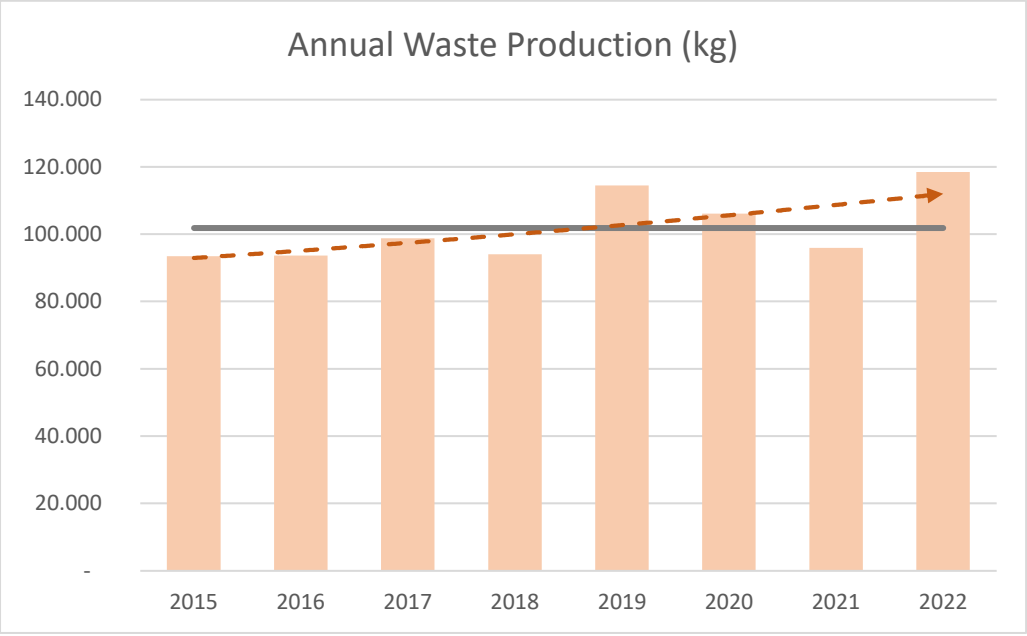
The company strives to carry out waste separation in the offices and manufacturing departments.

The table below shows the year-by-year consumption, compared with the year of reference, 2015.

Wastes					
YEAR	**kg/year**	**Var. Previous Year**	**Var. % Previous Year**	**Var. (kg/year) 2015**	**Var. % 2015**
2015	93'387				
2016	93'668	281	0.30%	281	0.30%
2017	98'750	5'082	5.43%	5'363	5.74%
2018	93'959	-4'791	-4.85%	572	0.61%
2019	114'473	20'514	21.83%	21'086	22.58%
2020	106'040	-8'433	-7.37%	12'653	13.55%
2021	95'880	-10'160	-9.58%	2'493	2.67%
2022	118'416	22'536	23.50%	25'029	26.80%

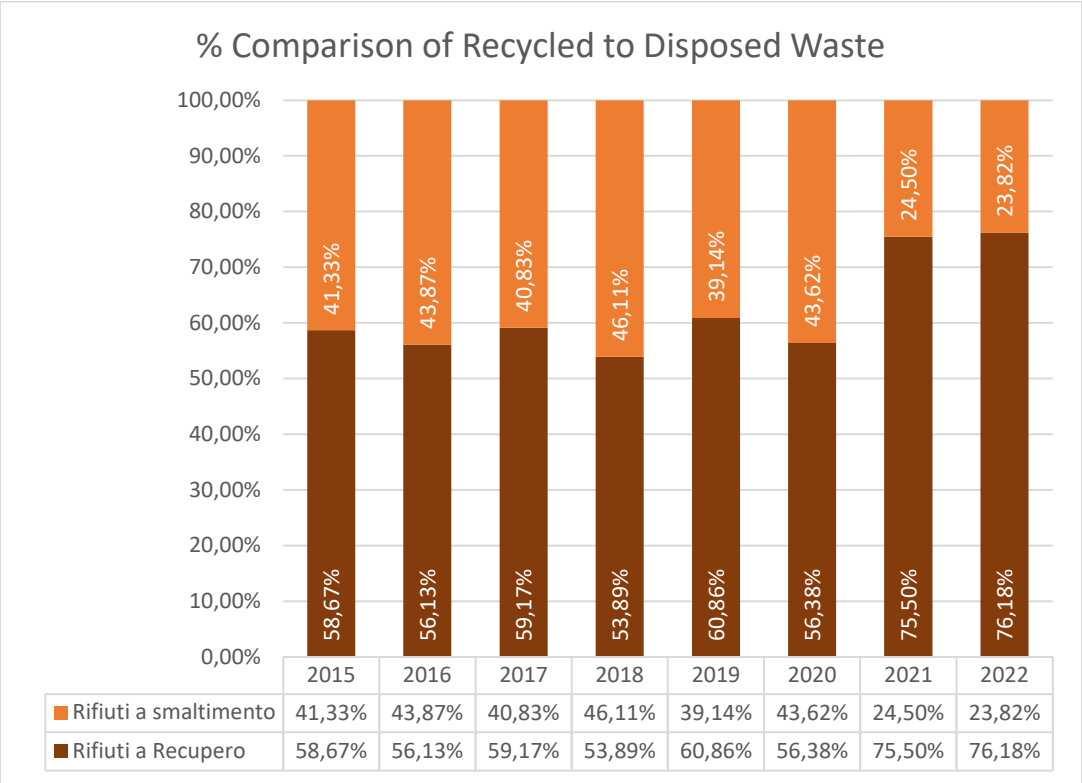
N.B. Percentage variations of <1% are considered normal

The company's annual waste production trend is shown below.



NOTE: Dashed orange line: 2nd-order polynomial trendline
Solid gray line: linear average value

The graph below shows a comparison between recycled waste and total waste produced during the year. It shows how the production of waste sent away to be recycled is constantly above 50% and above 70% in the last two years.



	2015	2016	2017	2018	2019	2020	2021	2022
Rifiuti a smaltimento	41,33%	43,87%	40,83%	46,11%	39,14%	43,62%	24,50%	23,82%
Rifiuti a Recupero	58,67%	56,13%	59,17%	53,89%	60,86%	56,38%	75,50%	76,18%

8.8 Packaging and CONAI (National Packaging Consortium)

The Company has been registered with CONAI in the "User" category since 1998, with member code 11015734. On 05/07/2017, the Company applied to move to the "Producer" category, and On 07/07/2018, a request was sent by the Company to COMIECO (National Consortium for the Recovery and Recycling Cellulosic-Based Packaging) to be entered into the "Producer/importer of raw materials" category, as it manufactures paper and cardboard sheets. Following COMIECO's prolonged silence, an email was sent on 25/01/2021 to request the approval of the application sent. We are still waiting for a reply to date.

8.9 Induced Vehicle Traffic

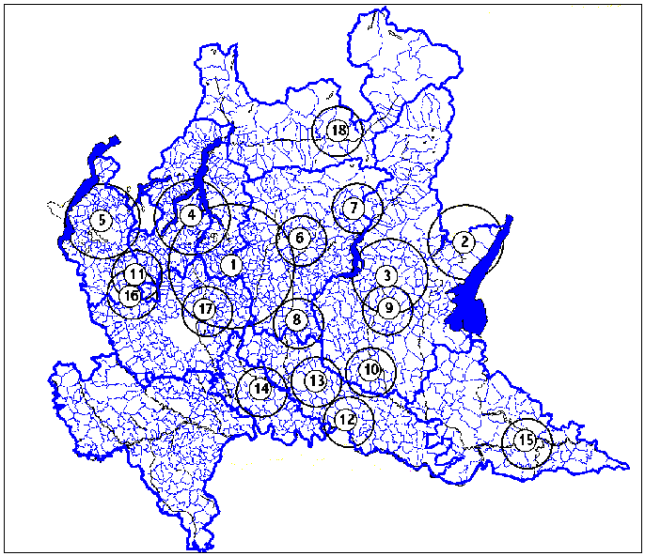
The Company's production generates induced traffic as a result of employees' cars (42 in December 2022) and the heavy vehicles of third-party suppliers/carriers.
The Company is not equipped with its own vehicles to transport goods.

8.10 External Noise

Noise is produced both by mobile sources (heavy vehicles loading and unloading), and fixed sources (machinery inside the Company).
Specifically, the Company falls within band V "mostly industrial", with emission limits of 65 dB(A) during the day and 55 dB(A) at night.
To date, the Company has never performed phonometric surveys outdoors.

8.11 Light Pollution

Light pollution is an alteration to the natural quantity of light in a nocturnal environment caused by the introduction of artificial light. Particular caution is required for cases in which the site in question is located within the buffer zone of an astronomical observatory, as defined by Regional Law no. 39 of 24/02/2005. The municipality of Mandello del Lario falls within the buffer zones of the Brera Astronomical Observatory of Merate (LC) and the Sormano Astronomical Observatory (CO), as shown in the image below.



The regulation defines “light pollution” as any form of artificial light dispersed outside of the areas for which it is functionally intended and, in particular, beyond the horizon plane.
The radius of the buffer zone was determined by taking into account the fact that the most significant light emission reduction, of 70 – 80%, is obtained at distances of about 25 km, beyond which the mitigation margins are much less evident. It is emphasized, moreover, that for the almost total removal of light interference, it would be necessary to act on even more extended territorial areas, especially in highly urbanized areas such as Lombardy.
Within this buffer zone, while the zeroing of light is not required, the regulation, in any case, sets a radical limitation to upward emissions and, within the same zones, all the light sources not compliant with the criteria indicated by the Regional Law 17/2000 must be replaced and modified so as to reduce the light pollution.

8.12 Asbestos

It was found that several artifacts in the Company originally consisted of asbestos-containing products, primarily the roofing and several drain pipes. In 2007, the aforementioned structures were mapped for their identification, safety measures were taken, and a decontamination plan was drafted. The removal and disposal took place between 2008 and 2011. In detail, the roof containing asbestos was removed and replaced by new prefabricated panels with a photovoltaic system. The asbestos pipes were also isolated and insulated with special materials for their encapsulation to prevent flaking and volatility. To date, the Company has no asbestos-containing artifacts that could contaminate the internal or surrounding environment; the company’s main facility can thus be considered free of asbestos.

The new facility has an asbestos roof. Although an analysis carried out upon taking possession of the new warehouse declared that the roof is in good condition and does not require immediate action, the company’s management has already submitted paperwork for its replacement. This decontamination will be carried out in 2023.

9 Identification of INDIRECT Environmental Aspects – Environmental Impacts

Indirect environmental aspects are the aspects over which the Organization does not have full management control, but over which it could have a greater or lesser degree of influence. Specifically, when talking about indirect environmental aspects, we refer to the activities carried out by or related to customers and suppliers of materials/chemicals and/or services.

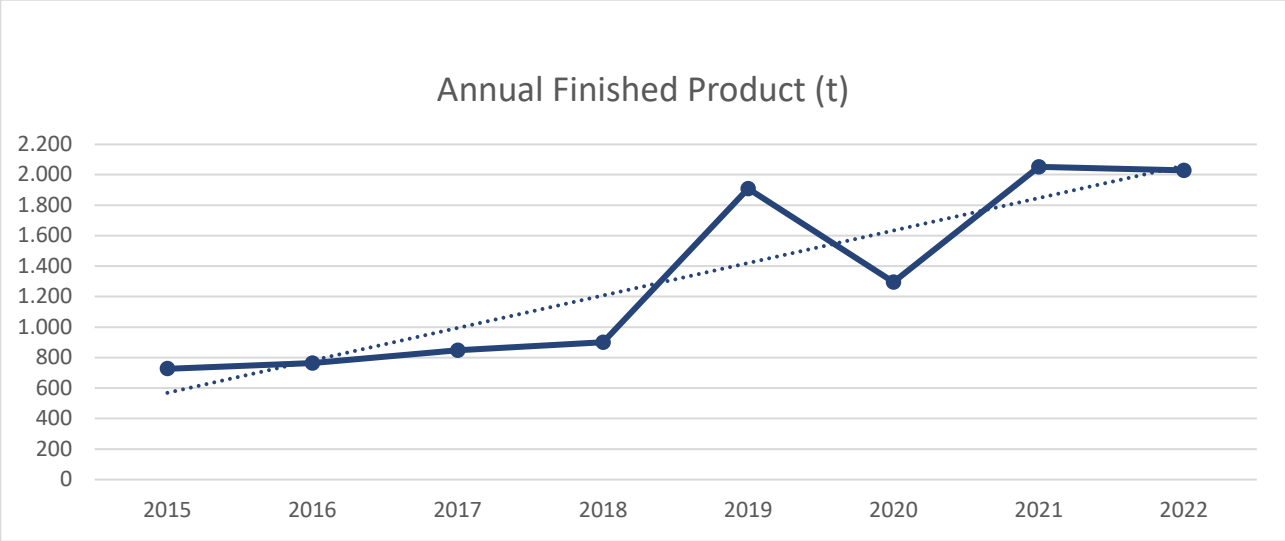
The table below lists the main indirect environmental aspects identified by the Company, the corresponding environmental impacts, and the responsible parties.

Environmental Aspect ACTIVITIES / SERVICES	Resulting Indirect Environmental Impacts (Actual or Presumed)	Suppliers/Other Responsible Parties
Suppliers of raw materials and chemicals	Accidental spillage or container breakage	Chemical suppliers
Chemical suppliers	Atmospheric emissions/wastewater during production	Chemical suppliers
Management of system and equipment maintenance	Production of waste from maintenance	External maintenance technicians
Management of the Company's system and equipment maintenance	Pollution of environmental matrices in the event of accidental spillage	External maintenance technicians
Waste disposers	Impacts resulting from the treatment of waste (atmospheric emissions/wastewater etc.)	Waste disposer
Incorrect or inadequate management of waste on a production site. (e.g. Incorrect management of temporary deposits, the presence of foreign waste, contamination of waste by weathering, use of packaging or unsuitable collection methods, incorrect, inadequate, or illegible labeling, results of tests on non-representative samples, etc.)	The production of waste that is difficult to recycle/the need to carry out further waste treatment/contamination of environmental matrices on the customer's site	Suppliers of materials/goods and service providers Suppliers - contractors
Consultancy	Any fines and delays in implementing regulations; incorrect advice	Consulting companies
Inbound and outbound transportation (raw materials/waste etc.)	Fuel consumption	Third-party carriers
Inbound and outbound transportation (raw materials/waste etc.)	Atmospheric emissions	Third-party carriers
Inbound and outbound transportation (raw materials/waste etc.)	Incorrect management of transportation (e.g. verbal/ telephone misunderstandings, the absence of obligatory documentation, failure to comply with the permit requirements of the carrier in the case of waste, etc.) Unladen journeys with the consequential waste of time and resources (fuel)	Third-party carriers
Inbound and outbound transportation (raw materials/waste etc.)	Noise	Third-party carriers
Inbound and outbound transportation (raw materials/waste etc.)	Induced Vehicle Traffic	Third-party carriers

10 Indicators

The environmental indicators taken into consideration are based on the relationship between the consumption of a resource (e.g. methane), or the production of a resource (e.g. electricity from renewable sources), or the emissions into the environment (e.g. waste) and some of the process parameters. In this specific case, the annual finished product was chosen for use as a process parameter.

As seen in section 8.1 and highlighted in the graph below, for the period in question, the total annual product was in constant growth, with a sizable increase in 2019. The reduction caused by the productivity decline associated with the global COVID-19 pandemic resumed its trend in the years following the pandemic. Even in 2022, a year that saw serious problems with the procurement of raw materials and considerable cost increases, consistency with the previous year was maintained.



NOTE: Dashed line: linear trendline

The table below gives a summary of the environmental indicators selected, compared with the annual finished product (PDT). It highlights the growing trend of the various indicators for the year 2022 in relation to the previous year and to the year of reference, 2015.

No.	INDICATOR	DESCRIPTION	Trend 2022(1)	Trend 2015(2)
1	SELF-PRODUCED ELECTRICITY ID	Self-produced electricity indicator = KWh /kg PDT	↑	↓
2	TOTAL CONSUMED ELECTRICITY ID	Total consumed electricity indicator =KWh/t PDT	↓	↓
3	METHANE CONSUMPTION ID	Methane consumption indicator =m^3/t PDT	↑	↓
4	TOTAL ENERGY CONSUMPTION ID	Total energy consumption indicator =TEP/t PDT	↓	↓
5	TOTAL WATER CONSUMPTION ID	Total water consumption indicator =m^3/t PDT	↓	↓
6	WATER CONSUMPTION FOR PRODUCTION ID	Water consumption for production indicator =m^3/t PDT	↓	↓
7	WASTE PRODUCTION ID	Waste production indicator =t/t PDT	↑	↓

(1) Variation of the 2022 indicator compared with 2021;

(2) Variation of the 2022 indicator compared with the year of reference, 2015

The following tables show the trends of the indicators given in the previous table in detail, considering the productivity trend in the 2015-2022 period shown below:

Product			
YEAR	kg/year	Var. % Previous Year	Var. % 2015
2015	727'470		
2016	763'928	5.01%	5.01%
2017	848'544	11.08%	16.64%
2018	900'376	6.11%	23.77%
2019	1'909'128	112.04%	162.43%
2020	1'294'738	-32.18%	77.98%
2021	2'050'985	58.41%	181.93%
2022	2'028'014	-1.12%	178.78%

1. Finished product/self-produced electricity indicator

SELF-PRODUCED ELECTRICITY ID			
YEAR	SELF-PROD.ELECT. ID/PDT (KWh/t)	Var. % Previous Year	Var. % 2015
2015	207.20		
2016	191.20	-7.72%	-7.72%
2017	173.04	-9.50%	-16.48%
2018	144.46	-16.52%	-30.28%
2019	65.49	-54.67%	-68.39%
2020	97.40	48.73%	-52.99%
2021	58.28	-40.17%	-71.87%
2022	70.00	20.12%	-66.22%

2. Total consumed electricity indicator/finished product

TOTAL ELECTRICITY CONSUMPTION ID			
YEAR	ELECT./PDT (KWh/t)	Var. % Previous Year	Var. % 2015
2015	625.05		
2016	580.46	-7.13%	-7.13%
2017	540.27	-6.92%	-13.56%
2018	524.34	-2.95%	-16.11%
2019	274.38	-47.67%	-56.10%
2020	389.81	42.07%	-37.64%
2021	246.60	-36.74%	-60.55%
2022	238.99	-3.08%	-61.76%

3. Methane gas consumption indicator/finished product

METHANE CONSUMPTION ID			
YEAR	METHANE/PDT (m^3/t)	Var. % Previous Year	Var % 2015
2015	220.21		
2016	220.94	0.33%	0.33%
2017	200.62	-9.20%	-8.90%
2018	203.56	1.47%	-7.56%
2019	108.50	-46.70%	-50.73%
2020	118.03	8.79%	-46.40%
2021	90.59	-23.25%	-58.86%
2022	92.52	2.12%	-57.99%

4. Total consumed energy indicator/finished product

TOTAL ENERGY CONSUMPTION ID			
YEAR	Tot. Ener./PDT (TOE/t)	Var. % Previous Year	Var. % 2015
2015	0.36		
2016	0.35	-3.32%	-3.32%
2017	0.32	-8.19%	-11.24%
2018	0.32	-1.51%	-12.58%
2019	0.17	-47.57%	-54.16%
2020	0.21	24.50%	-42.93%
2021	0.14	-29.84%	-59.96%
2022	0.14	-0.15%	-60.02%

5. Total consumed water indicator/finished product

TOTAL WATER CONSUMPTION ID			
YEAR	TOT. H_2O ID/PDT (m^3/t)	Var. % Previous Year	Var. % 2015
2015	2.46		
2016	2.91	18.56%	18.56%
2017	2.33	-19.92%	-5.06%
2018	2.19	-6.33%	-11.07%
2019	1.43	-34.43%	-41.69%
2020	1.35	-5.96%	-45.16%
2021	1.00	-25.66%	-59.23%
2022	0.84	-15.94%	-65.73%

6. Water consumption for production indicator/finished product

WATER CONSUMPTION FOR PRODUCTION ID			
YEAR	H2O PRODUCTION/PDT (m^3/t)	Var. % Previous Year	Var. % 2015
2015	1.46		
2016	1.99	36.39%	36.39%
2017	1.45	-27.37%	-0.94%
2018	1.31	-9.32%	-10.17%
2019	1.00	-23.66%	-31.43%
2020	0.83	-16.61%	-42.81%
2021	0.65	-22.37%	-55.61%
2022	0.48	-25.49%	-66.92%

7. Waste production indicator/finished product

WASTE PRODUCTION ID			
YEAR	WASTE/PRODUCT	Var. % Previous Year	Var. % 2015
2015	128.37		
2016	122.61	-4.49%	-4.49%
2017	116.38	-5.09%	-9.34%
2018	104.36	-10.33%	-18.71%
2019	59.96	-42.54%	-53.29%
2020	81.90	36.59%	-36.20%
2021	46.75	-42.92%	-63.58%
2022	58.39	24.90%	-54.51%

11 Environmental Impact Reduction Strategies

The company is focused on seeking methods to carry out its activities favoring energy savings, the reduction of pollution, the recycling and reuse of waste, and the prevention of potential harm.
It is also aware of the need to ensure ecological sustainability in all its activities, considering the rights of future generations.
The company's strategies and operational management are built on the principles of sustainable development, making sure that its activities are carried out with respect for the environment, economic and social development, and public health, in compliance with national and international regulations.
In this respect, various company actions and projects have been carried out over the years, concerning various aspects and processes of production activities. These include:

- ICMA 2030 Lab
- The "RINASCIMENTO" project, an innovative circular economy process aimed at providing a service with high added value for the client, end-user, and the environment (see details in appendix);
- The "LAETITIA" project, which has planted 435 cacao, banana, and avocado trees in Cameroon (see details in appendix);
- New photocatalytic facade (see details in appendix).

The table below gives a summary of the actions taken and planned by the company to reduce its environmental impact.

IMPROVEMENTS MADE AND FUTURE GOALS			
Date of Improvement	**Type of Improvement**	**Result**	**Completed**
2016-ongoing	Environmental information for company employees	Staff empowerment	
2017- ongoing	Replacement of internal lightbulbs with new LEDs	Reduced energy consumption	
2017- ongoing	Participation in environmental education projects in childcare centers and preschools	Involvement outside the organization	
2018	Replacement of the laboratory thermoformer with a low-consumption one	Reduced energy consumption	✓
2018	Waste sorting introduced in offices	Waste reduction	✓
Oct. 2018-ongoing	*Opening of the "SECOND LIFE - RINASCIMENTO" project	Creation of a circular economy and shortening of the supply chain	✓

2018- ongoing	Supply of mains drinking water to employees in plastic-free containers	Waste reduction	✓
2019	Reverse osmosis system for wastewater treatment	Reduced water requirements and reduced chemical use	✓
2019	Installation of a new pigment mill	Reduced water and energy consumption	✓
2019	Use of recycled marketing materials (e.g. gadgets)	Reduced environmental impact	✓
2019	Creation of vertical communication inside the company regarding environmental training	Reduced environmental impact	✓
2019	* Distribution of the environmental handbook to employees and placement of environmental signs at strategic positions on the company premises	Reduced environmental impact	✓
2019	* Collaborator training about the "*RINASCIMENTO*" project	Reduced environmental impact	✓
2019	* Laetitia forest – The planting of the first 200 cacao trees in Cameroon	CO_2 emissions offset and economic development	✓
2019	Installation of low-impact hand dryers	Waste reduction	✓
2019-2020	New program for work cycles management	Elimination of paper for the management of workflows	✓
2019 -2020	Installation of new velvet system filters	Reduced atmospheric emissions	✓
2020	Reduced packaging in the employee break area and replacement of that in use with plastic-free alternatives	Reduced consumption of non-biodegradable plastic materials	✓
2020	Recycling of scrap flock	Reduction of wastes no longer usable for the current production process	✓
2020	Cleaning of photovoltaic panels	Increase in energy from renewable sources	✓
2020 – ongoing	Definition of goals for reducing solid wastes in the supply chain	Waste reduction	
2020 - 2021	Changes to company packaging	Reduction of plastic and improved recyclability of packaging	✓
2020 – 2023	Conversion of standard company products to 100% PCW bases obtained with integrated process	Reduced environmental impact, CO_2 emissions, and virgin raw materials	
2020 – ongoing	Replacement of chemically produced raw materials with organic alternatives	Reduced environmental impact	
2020	* Laetitia forest – the planting of another 200 cacao and avocado trees	CO_2 emissions offset and economic development	✓

2020 - 2030	*2030 Lab project	Reduced company and product impact	
2021	Refurbishment of the facade on Via Risorgimento with highly insulative photocatalytic paint	CO_2 reduction and improved air quality and building efficiency	✓
2021-2023	Replacement of the current heating system with a more efficient, low-emissions system	Reduced consumption and CO_2 emissions and improved working conditions	
2021	Replacement of the search engine of all company computers with Ecosia (BCorp), which plants trees and carries out social projects for every search made	CO_2 emissions offset and economic and social development	✓
2021-2022	Calculation of scope 1-2-3 emissions and drafting of a structured reduction plan	Reduction of CO_2 emissions	✓
2021	Replacement of the laser printer with a less impactful and less consuming one using cold technology	Reduced consumption and emissions	✓
2021	Energy analysis in accordance with the ISO 5001standard	Identification of areas for action/improved efficiency	✓
2022	Planting of 15 new cacao and avocado trees in the Laetitia forest	CO_2 emissions offset and economic development	✓
2022	Inclusion of healthier, low-impact meals for employees in collaboration with MenoPerPiù	Reduced environmental impact, CO_2 emissions, and improved options for employees	
2022	Insulation of the velvet department to improve the energy efficiency of the building	Reduced energy consumption and improved efficiency	
2022 - 2030	Replacement of the company car fleet with environmentally friendly hybrid or electric vehicles	Reduced environmental impact and CO_2 emissions	
2022-2030	Installation of electric vehicle charging stations	Reduced environmental impact and CO_2 emissions	
2021 - 2030	Increase in energy from renewable sources (both self-produced and purchased)	Reduced environmental impact	
2022	Installation of a photovoltaic system on the roofs of the finished product warehouse and offices	Increased energy from renewable sources	
2022-2030	Installation of a photovoltaic system on the laboratory roof	Increased energy from renewable sources	
2020 - 2030	Refurbishment of the sample archive roof	Improved efficiency of buildings	
2020 – 2030	Replacement/insulation of old windows	Improved efficiency of buildings	
2022	Repair of compressed air leaks	Reduced consumption	✓
2022	Insulation of valves and pipes not yet insulated	Reduced heat loss and consumption	✓

2022	*Laetitia forest – the planting of 20 new cacao, avocado, and banana trees	CO_2 emissions offset and economic development	✓
2023	Replacement of the asbestos roof of the new Via Statale facility		
2022-2025	Installation of inverters on the machine engines to improve their efficiency	Energy efficiency	
2024-2025	Localized power factor correction	Energy efficiency	

* See annexes

12 Appendix (Company Projects)

12.1 2030 Lab Project

An innovation laboratory and research program aimed at implementing good practices in terms of corporate, product, and process sustainability.

The name ICMA 2030-Lab alludes to the goals of the 2030 Agenda for Sustainable Development, an action plan for people, the planet, and prosperity, signed in September 2015 by the governments of the 193 UN member states.

The 17 goals set out include requests to ensure good health and well-being for all people of all ages; to achieve gender equality and improve the living conditions of women; to promote lasting, inclusive, and sustainable economic growth, full and productive occupation, and decent work for all; to promote sustainable and inclusive industrialization and favor innovation; to ensure sustainable consumption and production models; to protect, reinstate, and promote the sustainable use of the Earth's ecosystems and sustainable forest management; to fight desertification, to stop and reverse the degradation of land, and to stop the loss of biodiversity.

The first result of the ICMA 2030-Lab project, obtained through a long process of research into materials, is the new Kind collection: 100% recycled papers, certified with FSC Recycled Credit, produced in an integrated cycle without the use of optical bleachings. They represent a different approach to sustainability from those currently offered in the sector of creative paper for luxury packaging, available since October 2020. The new papers are the most suitable materials on which to begin a new season of research and creativity into the surface processing of paper and cardboard and to provide the market with an aesthetically and ecologically unique collection.

The 2030 Lab is now focusing its work on the creation of coatings that use less impactful products and on eliminating the use of petrochemical products.

12.2 The "RINASCIMENTO – Paper is Reborn" Project

A virtuous cycle to create environmentally friendly high-end paper.

RINASCIMENTO, an innovative circular economy process, is ICMA's latest creation, aimed at providing a service with high added value for the client, end-user, and the environment.
Rinascimento turns the cellulosic scraps of client companies into elegant recycled creative paper, which then becomes the protagonist of the companies' own packaging projects.

1. The process begins with a detailed analysis of the client company's handling of cellulosic scraps (corrugated fiberboard boxes, cases, rigid boxes, shopping bags, displays, office paper, catalogs, magazines, etc.), followed by a study of the *Rinascimento* application procedures and the subsequent definition of the project to be carried out.
2. ICMA handles all phases of the *Rinascimento* service, coordinating the stakeholders from the withdrawal of scraps at the company site to the manufacture of recycled industrial paper, created according to the technical characteristics predefined in the design phase.
3. Inside the ICMA laboratories, the actual metamorphosis of the paper is studied, prepared, and carried out. A custom finish is applied to the recycled industrial paper, making it perfect for the designed packaging project. Thanks to ICMA's technology and flexibility, a practically infinite number of finishes can be created: customizable colors, tactile, visual, and even fragrance effects, embossing… The recycled industrial paper thus becomes a wonderful creative paper for high-end packaging.
4. The final phase of *Rinascimento* involves returning the paper to the user. Whether in a boutique store or a company office, the client's scraps are given new life as creative paper packaging and become a visible witness to an innovative circular economy process and to the company's commitment to the environment.

ONE PARTNER, INFINITE ADVANTAGES.

1. *Rinascimento* is a virtuous example of the reuse of materials; the project is carried out in a circular economy context and the scraps are traced throughout the whole supply chain.
2. The chain of production is shortened: the scrap paper is used directly as a raw material to manufacture the new paper, without the intermediate step of producing virgin or recycled cellulose pulp, a process that uses large amounts of chemicals, energy, and water.
3. Material transportation is reduced, due to the shortening of the production process and thanks to the careful planning of the service: ICMA designs the supply chain and chooses partners based on the geographic location of the scraps and the characteristics of the creative project. This results in fewer CO_2 emissions.

4. The papers manufactured through *Rinascimento* are true masterpieces— Eco-Sartorial Paper that will be used to create new creative and emotional packaging that tells a story of love for the environment, without losing the unmistakable charm of ICMA Sartorial Papers.

The *Rinascimento* services, like all of Icma's *Tailor-Made* products, are designed and made to measure for the individual client company.

12.3 Laetitia Forest Project

The Laetitia forest was created in 2019 in Cameroon with the first 200 cacao plants.
In 2020, 200 more cacao and avocado trees were planted.
At the end of 2021, following a partnership formed with Treedom for the sale of Kind products, 15 more cacao and avocado trees were planted.
At the end of 2022, continuing the partnership with Treedom for the sale of Kind products, another 20 banana, cacao, and avocado trees were planted in the forest.

At the beginning of 2023, the Laetitia forest thus consists of **435 trees**.

This forest is our little gift to future generations, a message of joy and happiness, just like its name.

With this project, we are contributing to the reduction of CO_2 at a global level, to the protection of biodiversity, to fighting soil erosion, and actively taking part in reforestation, in addition to helping the economy of that area.

Stories about the trees and about the farmers that look after them can be followed on a daily basis and the benefits produced by the projects can be checked constantly.
It's a forest of real trees that anyone can discover and watch grow while comfortably seated at their computer, in order to feel like an active part of this process of protecting the world we live in.

Link to the Laetitia Forest: *(https://www.treedom.net/it/organization/icma-sartorial-paper/event/laetitia)*

A calculation has been made using data from GlobAllomeTree (a database used to calculate the carbon stock of trees) that **the trees in the Laetitia forest will absorb a total of 41.28 t of CO_2, in their first ten years of life**.

12.4 New Photocatalytic Facade

The facade of ICMA, the company's main entrance, on Via Risorgimento, was recoated in 2021.
To modernize the 500 square-meter surface, a paint was chosen that enables CO_2 absorption, thanks to a photocatalytic reaction produced through contact between the façade and the sun's rays.

Photocatalysis is a naturally occurring phenomenon, in which a substance known as a photocatalyst (the paint used on the ICMA facade), changes the speed of a chemical reaction through the action of light. Using light energy, the photocatalysts induce the formation of strongly oxidizing reagents that can decompose the organic and inorganic substances in the atmosphere. Photocatalysis is thus an accelerant of the oxidation processes that already exist in nature and thus facilitates a faster decomposition of pollutants in the environment.

The CO_2 absorption capacity of the ICMA facade is equivalent to that of a 500 m^2 forest of tall trees, which corresponds to removing the pollution of about 16,000 cars per year. It is guaranteed to last for 10 years according to indications from the supplier, which was chosen for its ability to present accredited analyses of its product.

In addition to reducing the CO_2 in the air, this new investment also removes up to 99.9% of the bacteria, mold, and spores that come into contact with the wall, as well as unpleasant odors and volatile organic compounds, transforming them into substances non-hazardous to health.

Furthermore, the composition of the paint used enables the hot component of sunlight to be reflected, preventing heating of the walls and resulting in a reduction in the air conditioning of the internal spaces in summer. Studies read indicate a reduction of up to 29% in the energy used for summer cooling.

12.5 Company Environmental Handbook

DEMATERIALIZATION:

- Use half-printed sheets, or the back, as rough paper
- Set up printers for two-sided printing
- Set up printers, where possible (in administration) for black-and-white printing
- Always ask yourself whether it's necessary to print or whether you can read it on screen
- Conclude emails, after your signature, with a phrase encouraging the receiver to not print the email unless necessary, "Be kind to the planet and only print this email if necessary".

WATER

- Only keep the bathroom tap running for the time needed to wash your hands.
- When brushing your teeth, turn the water off and on again (to save up to 10 l each time).

ENERGY

- Switch off the lights every time you leave the offices or common rooms.
- Switch off your computer when you are in a meeting or doing other activities.
- Especially before the weekend, switch off photocopiers and disconnect them from the network.
- Where possible, print in low resolution and in black and white
- Before printing, always use the print preview function to avoid incorrect prints.
- If possible, set your computer to go into power-saving mode when inactive. Don't load screensavers.

COMPUTER SCREENSAVERS

- If possible, unplug the power cord of your computer at the end of the day (many models absorb a limited amount of electricity even when switched off).
- In summer, minimize the use of air-conditioners by taking advantage of the facility's windows and exposure.
- When air-conditioners are switched on, be careful not to allow the cool air to escape outside or into non-cooled areas.

All the improvement suggestions in the handbook have been affixed inside the various rooms of the company in order to be a constant and effective reminder for those living and working on the premises. Where compatible with the printer model, black-and-white, two-sided printing has been set as the default. All computers have been set up with automatic screen locking enabled (no screensaver) after 2 minutes of not being used.