



**IMA**   
Sustainability Report

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# Summary

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# Letter from the Chairman

Dear Readers,

Presenting IMA's Sustainability Report is one of the duties that I appreciate most as CEO and Chairman of the Group.

I say this because I am extremely aware of the fact that the efforts that a company makes are not only quantitative, measurable in terms of products and economic results. Certainly these are important aspects, a sign of market success. But there are also aspects of the business that define its quality, social role and commitment to being respectful of new rights.

In this context, even though IMA has delisted from the Milan Stock Exchange and is therefore not required to publish a Consolidated Non-Financial Report annually, we have decided to produce a Sustainability Report that meets all the requirements to gain formal certification.

This is a voluntary choice that has various motivations:

- to satisfy the requests of end-users of IMA products and services, who are increasingly sensitive to environmental issues and respect for people, especially gender equality;
- to describe the Company's social engagement in the areas where our production plants are located;
- to focus the attention of all stakeholders on the virtuous relationship between the various players in the supply chain, which merges large companies and a network of suppliers into one;
- to communicate IMA's commitment and sensitivity towards issues of global interest, such as the progressive contribution to decarbonisation, underlining the effort also made in 2021 with the development of an ISO 14064-1 certified Emissions Management System to monitor the trend and identify the areas with the greatest impact, so that we can intervene;
- to consider the Sustainability Report as a tool for disseminating Group practices.

In conclusion, I consider this document as a contract between ourselves and the local/global community, as well as the best way to present ourselves to the markets and to society in general.

The pandemic, wars and social conflicts must not distract us from the best cure for reconstruction: building the business of the future on a human scale, one that is respectful of the environment, consumers and workers.

**The Chairman**  
Alberto Vacchi

IMA 1961-2021

**60**  
YEARS OF  
BUSINESS



REVENUE 2021  
ABOUT

**1.7** €  
BILLION



**80** COUNTRIES  
WHERE IMA IS PRESENT AND  
**53** PRODUCTION SITES



EXPORT  
**86.7%** OF REVENUE



**1,572,076** €  
ECONOMIC  
VALUE  
DISTRIBUTED



GROUP'S CODE  
OF ETHICS



# | THE IMA GROUP |

## 1.1. About us

Founded in 1961, I.M.A. Industria Macchine Automatiche S.p.A. (hereafter **Parent Company, IMA S.p.A.**), the operating holding company of the IMA Group (hereafter **IMA**), is a worldwide leader in the design and manufacturing of automatic machines for the processing and packaging of pharmaceutical, cosmetic, food, tea and coffee products.

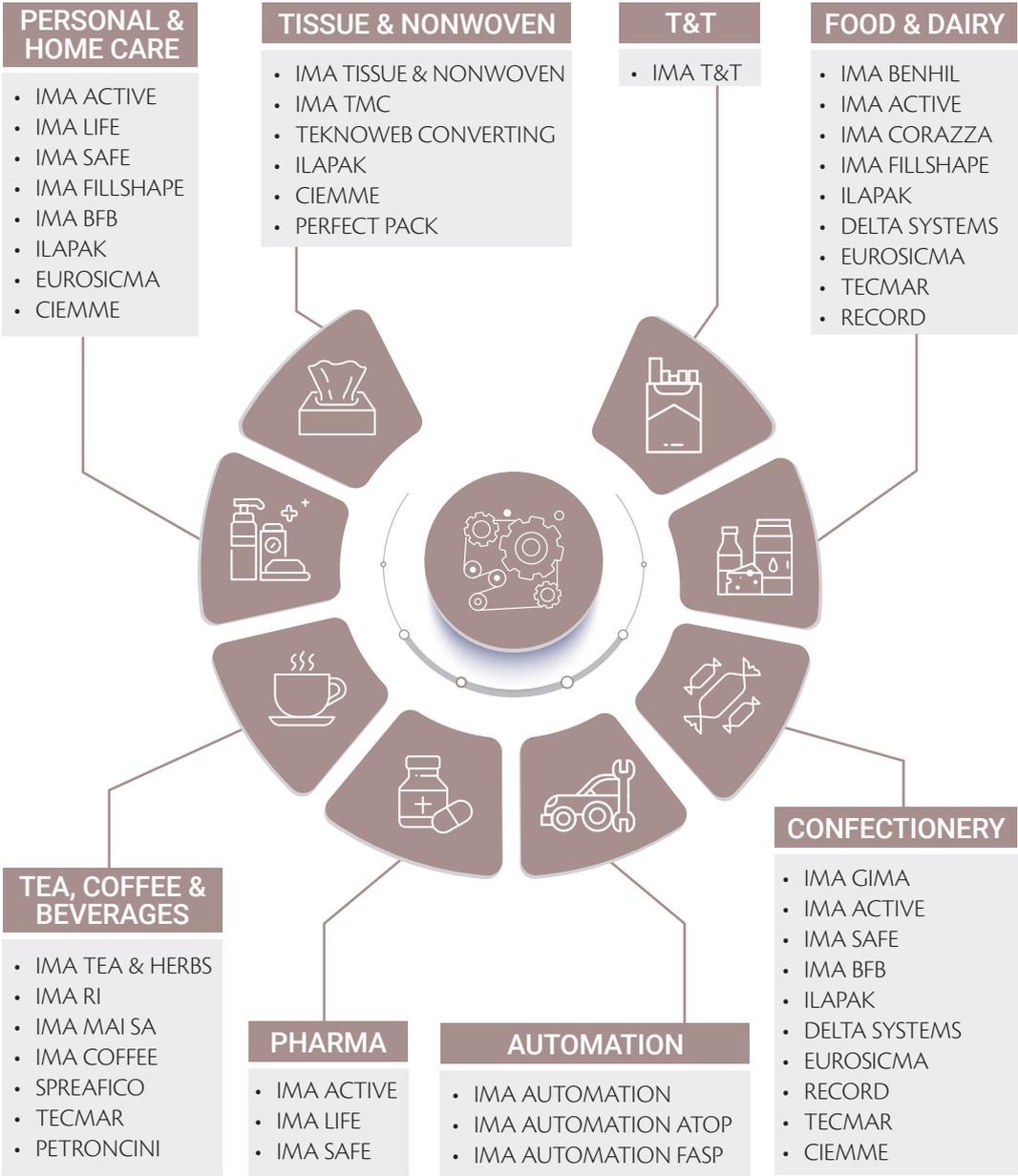
A leadership gained through significant investments in research and development, constant and constructive dialogue with end-users in the various sectors, and IMA's ability to internationalise and conquer new markets. IMA ended 2021 with a consolidated revenue of 1,688.3 million euros, of which about 87% from exports.

IMA, chaired by Alberto Vacchi, has over 6,200 employees, around 63% in Italy and 37% abroad, and is present in about 80 countries, supported by a network of 28 branches offering sale and post-sale services in Italy, France, Switzerland, UK, Germany, Austria, Spain, Poland, Israel, Russia, USA, India, China, Malaysia, Thailand and Brazil, representative offices in Central and Eastern Europe and more than 50 agencies. IMA has 53 manufacturing plants in Italy, Germany, France, Switzerland, Spain, UK, USA, India, Malaysia, China and Argentina. The production capacity of IMA is strengthened by the availability of a territorial network of small, highly specialised suppliers, typical of the Emilia region with which IMA is associated.

IMA S.p.A. was listed on the Milan stock exchange from 1995 to January 2021 (see the chapter entitled "IMA Governance" for more information). IMA has more than 2,700 patents pending and patent applications worldwide and has launched numerous new machine models in recent years.

In 60 years in business, IMA has built up highly qualifying values such as experience, reliability, an extensive presence in the global market and a strong capacity to respond to the requests of end-users; which now enable it to propose innovative solutions as well as high quality products.

**MAIN BUSINESS SECTORS**



Throughout its history, IMA has embarked on a growth-oriented path in various sectors, becoming a point of reference for global industry. Specifically, thanks to the high technological profile and the ability to offer tailor-made solutions, IMA is able to meet the most sophisticated needs of the various reference markets.

## Here are the main business lines of IMA

### PHARMA

IMA is world leader in the design and manufacture of automatic machines for the processing and packaging of pharmaceutical products thanks to a high technological profile and the ability to offer tailor-made solutions to satisfy the most sophisticated requests of the market, thanks to three highly specialised divisions: **IMA Active** (Solid Dose Solutions), **IMA Life** (Aseptic Processing & Freeze Drying Solutions), **IMA Safe** (Packaging Solutions).

**IMA Active** offers a complete range of machines for the processing of oral solid dosage forms: granulation equipment, tableting machines, capsule filling machines with a wide range of filling and control systems, capsule and tablet coating machines in perforated pan and solid wall, capsule and tablet weighing machines, product handling and washing systems.

**IMA Life**, which includes the production sites of IMA Life Calenzano, IMA Life Pharmasiena, IMA Life North America, IMA Life Beijing and IMA Life Shanghai, offers a comprehensive product portfolio to process liquids and powders in aseptic and non-aseptic environments: vial and ampoule washers, depyrogenating tunnels, filling and closing machines for vials, ampoules, cartridges and Ready-To-Use components, powder microdosing and macrodosing machines, cappers, containment solutions, including Restricted Area Barrier Systems and isolators, lyophilisation process developments and continuous aseptic spray freeze drying technology, industrial, pilot, laboratory freeze dryers and automatic and semi-automatic vial loading and unloading systems for freeze dryers. Last but not least, assembly and labelling machines for syringes, labelling machines for vials, ampoules, shaped containers, Blow-Fill-Seal single-dose containers and cartons with the latest serialization systems. Blowing machines, depackers, tray loaders and other ancillary equipment are also available.

**IMA Safe** which includes the production of IMA Safe Swiftpack, IMA North America (IMA Safe Nova), IMA Safe Co.ma.di.s., IMA Safe PG and Perfect Pack, designs and manufactures complete lines for primary and secondary packaging for the pharmaceutical, nutraceutical and cosmetic industries. In particular, IMA Safe supplies a complete range of blister packaging machines, counters for capsules and tablets, tube fillers, deep thermoforming machines, horizontal and vertical cartoning machines, as well as complete end-of-line solutions designed thanks to **IMA BFB**: from over wrapping, to case packing to palletizing. IMA Safe also offers, thanks to **Perfect Pack**, complete lines for packaging in thermo-sealed sachets and stick packs.

### FOOD & DAIRY

The IMA Group develops, manufactures and markets automatic processing and packaging machines for the dairy, food and beverage sectors.

**IMA Benhil** is a world leader in the butter and margarine industries, for the production of dosing and wrapping machines. It also supplies FS machines for filling and sealing cups and tubs.

**IMA Corazza**, with more than 4,500 machines installed worldwide, is the world leader in the production of machines for dosing, wrapping and packaging of fresh, melted and creamy cheese and for paste stock cubes.

For pressed stock cubes, Corazza produces tablet presses for different production speeds, wrapping machines, cartoners and tray packers. Thanks to years of experience, **IMA Active** has developed a line of tableting machines for pressed stock cubes, characterized by high performances in terms of output, compression force and flexibility, to work on the production line of Corazza's wrapping machines.

**IMA Fillshape**, instead manufactures and designs filling systems for flexible stand-up pouches both with and without a spout and provides innovative (FFS) thermoforming, filling and sealing platforms for the dairy, food and beverage sectors.

**Ilapak, Delta Systems, Record, Eurosicma** and **Tecmar** offer the widest range of solutions for the packaging of food products in flowpacks, Doypacks, sticks, etc. made with flexible film the applications of which are widely spread in the main food product sectors: from bakery to produce, to protein, IQF, etc. The range includes: vertical packaging (VFFS) and horizontal packaging (HFFS), modified atmosphere (M.A.P.), product handling and feeding and even fully automated lines. IMA, via in particular the Ilapak laboratories in Lugano and Ozzano dell'Emilia, is working on the use of recyclable and biodegradable materials for flow packaging that will replace the user of traditional plastics.

**IMA Gima, IMA BFB** and **Ciemme** complete the range with the design and manufacture of secondary and end-of-line packaging.

## TEA, COFFEE AND BEVERAGES

IMA holds 70% of the world market for automatic tea packaging machines. It works with the **IMA Tea & Herbs** and **IMA RI** divisions, together with **IMA Mai SA** (Argentina), offering a complete range of solutions for the packaging of tea and herbal tea filter bags.

IMA has a cluster specifically dedicated to the design and production of automatic systems and machines for processing and packaging coffee. Thanks to its experience and strong know-how, **IMA Coffee** can effectively support the coffee industry from A to Z thanks to the synergies created between **IMA, Spreafico, Tecmar** and **Petroncini** which all form the IMA Coffee Hub.

**IMA BFB** completes the range with the design and manufacture of secondary and end-of-line machines.

## CONFECTIONERY

**IMA Gima, IMA Active, IMA Safe, IMA BFB, Ilapak, Delta Systems, Eurosicma, Record, Tecmar** and **Ciemme** are the reference for the design and production of complete customised processing and packaging lines in the Confectionery sector (chewing-gum, candies, dried fruit, bars and other confectionery products). For the process, IMA produces machines for powder handling, granulation, compression, coating and pelleting. For the Confectionery market, IMA also produces primary, secondary and end-of-line packaging machines: horizontal flow wrapping machines, vertical baggers, cartoning/filling machines, blister packers, flowpack packers, overwrapping machines, wrap around tray packers, side and top loading display packers for counter or shelf displays, and finally, case packers and palletizers.

## PERSONAL AND HOME CARE

On the Personal and Home Care market, IMA works with **IMA Active, IMA Life, IMA Safe, IMA Fillshape, IMA BFB, Ilapak, Eurosicma** and **Ciemme**. The wide range of complete processing and packaging solutions includes compressing machines for detergents, effervescent cleaning tablets and salt, filling machines for creams and lotions in flexible tube, jar and bottle, sachet and stick pack filling and sealing, horizontal packaging in flowpacks and Doypacks, cartoning machines suitable for feeding extremely delicate products and irregularly shaped goods, counters, wrappers, tray-wrapping and end-of-line machines for packing and final shipment.

## AUTOMATION

IMA AUTOMATION is the sector of IMA Group which designs and manufactures advanced technology lines for handling and assembling parts for different applications fields, such as Automotive, E-Mobility, Electrical Motors, Medical Devices, Eye Care, Caps & Closures, Electro-mechanics and Watchmaking. IMA AUTOMATION hub is a perfect addition to the consolidated packaging experience of IMA, allowing a synergy in the sharing of clients and widening our offer of technological solutions. IMA AUTOMATION production sites are nine, located in Italy (**IMA AUTOMATION** Headquarter in Bologna and the factory in Alessandria, **IMA AUTOMATION ATOP** e **IMA AUTOMATION FASP**), Switzerland (**IMA AUTOMATION Switzerland**), USA (**IMA AUTOMATION North America**), China (**IMA AUTOMATION China**) and Malaysia (**IMA AUTOMATION Malaysia**), guarantying a worldwide coverage.

## TISSUE & NONWOVEN

**IMA Tissue & Nonwoven** is IMA's sector dedicated to the non-woven fabric transformation and packaging market and to the packaging of tissue products. The five companies of the Group involved in this business each have a long experience in their own area of specialization.

**IMA TMC** produces and supplies automatic machines for the packaging and handling of Tissue & Nonwoven products and the related after-sales assistance. With over 2,400 machines in operation and more than 20 years of experience, the company has consolidated over time an international leadership in certain market niches, such as the primary and secondary packaging of kitchen and toilet paper rolls and the primary and secondary packaging of Personal Care products, such as baby & adult diapers, bed underpads and light incontinence products.

**Teknoweb Converting** is the world reference point in the supply of complete lines to produce wet and dry wipes, covering the entire transformation cycle from the processing of raw materials onwards. The company is also specialised in the design and manufacture of machines for the production of type 1 (FFP1) and type 2 (FFP2/3) surgical face masks and respirators, with reduced delivery times.

**IMA Ilapak** confirms itself as a leader in the design and production of flow-pack packaging lines for the wet and dry wipes industry, offering dedicated solutions that meet every market need such as, for example, resealable packs with adhesive labels or with plastic closure.

**IMA Ciemme** offers high speed end-of-line solutions for the Tissue and Nonwoven market: side loading, top loading and cartoning machines for paper handkerchiefs, diapers and colour-catching sheets, as well as cartoning machines to accommodate packs of products in flow-packs.

**Perfect Pack** has more than 30 years of experience in the production of automatic machines and complete lines for the packaging of pharmaceuticals, nutraceuticals and cosmetics in sachets and stick packs. Thanks to the technological know-how developed, Perfect Pack solutions guarantee maximum efficiency and flexibility for the disposable wet and dry wipes industry.

## T&T

**IMA T&T** is leader in the design and assembly of electronic automatic packaging machines for tobacco products and Reduced-Risk Products (RRP or NGP - Next Generation Product). IMA T&T has recently developed a new line for paper straws. This line is mainly aimed at the beverage market, but thanks to its flexibility and IMA T&T's skills in different fields, all sorts of outlets and applications are possible.

## GROUP STRUCTURE

The entire product range is sold and serviced by marketing companies that cover specific geographical areas, and by an extensive network of agents covering other areas. The IMA Group, which is controlled IMA S.p.A., operates through four macro-groups of companies:

- Manufacturing and service companies;
- Marketing companies;
- Holding companies;
- Other companies.



(\* the percentage also includes the shares held through Transworld Packaging Holding S.p.A. (18,58%) and Luna Investment S.r.l. (29,74%).

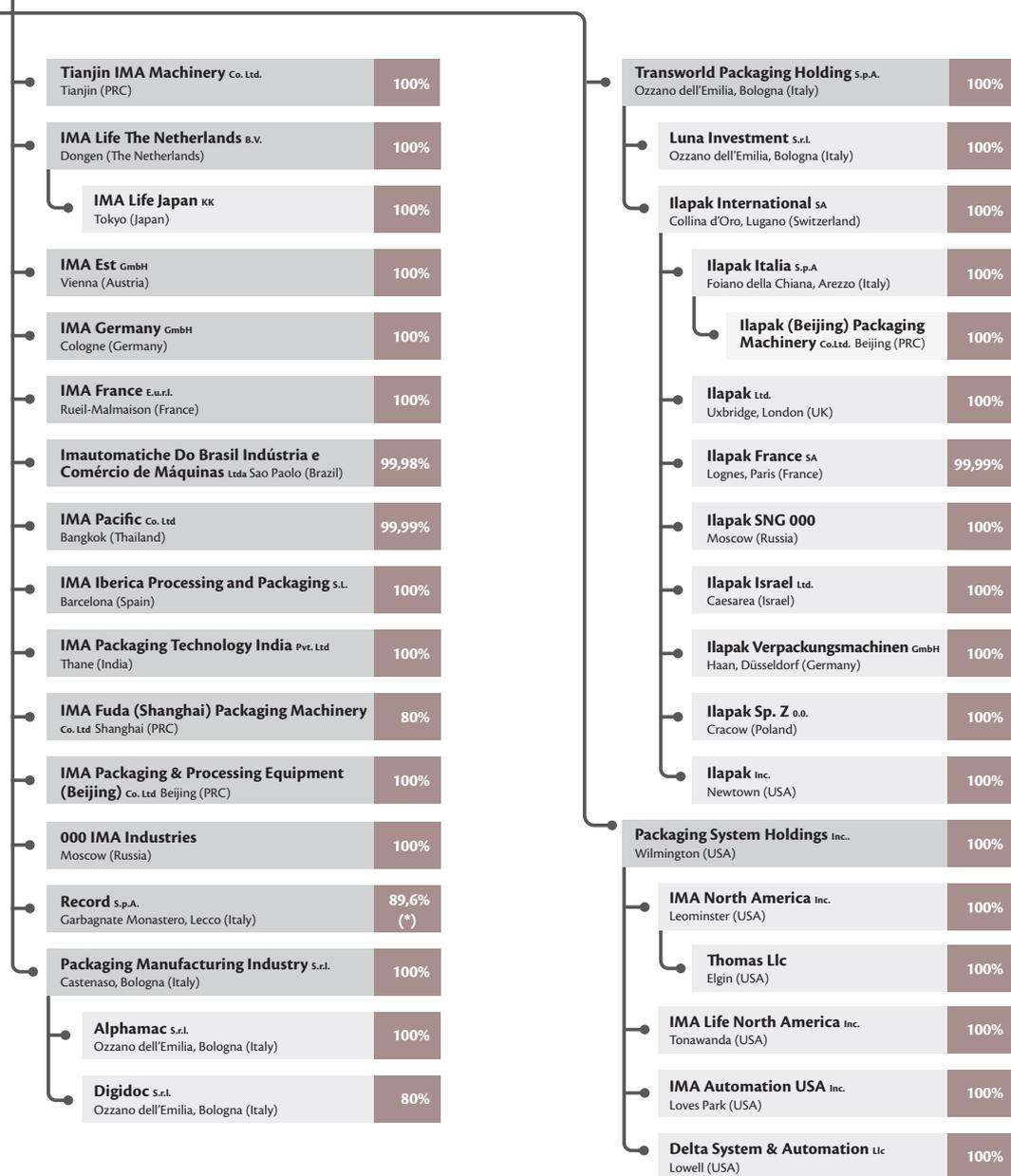


## I.M.A. Industria Macchine Automatiche S.p.A.

Registered offices

Via Emilia, 428/442

40060 Ozzano dell'Emilia, Bologna (Italy)



## 1.2. Our values and our philosophy

Remarkable growth has led IMA to compete in many international scenarios that are in rapid and constant evolution. The versatility of the context in which IMA works means that it has to reaffirm and implement its own culture, making explicit the values to which it aspires, together with the responsibilities that IMA intends to assume both internally and externally.

### IMA mission and vision

Over the years, IMA has seen continuous and multidisciplinary growth in the design and production of a complex of machines and equipment. The skills acquired are the result of the efforts made over the last seven centuries in its territory. The Group is aware of the potential for innovation and service provided by the rich network of subcontracting and component manufacturing that IMA has created in sixty years of activity. IMA maintains excellent relationships with manufacturers in the pharmaceutical, food, cosmetic and nutraceutical sectors, and acknowledges their production needs, analysing them in advance, in order to increase the safety and quality of production and machines, reducing their cost while being in compliance with local and international safety and environmental standards.

Having correctly identified its potential and developed products and services for its users, IMA has achieved a leadership position in international markets, investing in those new technologies that will allow an improvement in the quality of life on the planet in the future, thanks to the reduction of food waste and greater access by the population to increasingly effective drugs, besides an increasing respect for the environment. Through the work of its men and women, a company aims to create wealth and well-being, interacting with the social and natural environment. In other words, it cannot be oriented solely towards the pursuit of profit; instead, it has to be imbued with the values and principles inspired by corporate social responsibility and sustainability.

In particular, IMA's values are:

- **Legality;**
- **Loyalty;**
- **Integrity;**
- **Sustainability;**
- **Dignity;**
- **Sociability;**
- **Equality;**
- **Solidarity;**
- **Reciprocity.**

### Code of Ethics

It represents the Company's "Constitutional Charter", which sets out the ethical and social responsibility of all participants in IMA's entrepreneurial organisation. It is an important instrument for implementing ethics both inside the company, ensuring fair and effective management of transactions and human relations, and outside the company, maintaining its reputation. To ensure that all employees share the ethical principles of the code and observe its recommendations, the Code of Ethics is handed out to all new employees along with their employment contract. IMA also sends the Code of Ethics to its suppliers with an invitation to base its trade relations to the highest ethical standards.

## IMA for sustainable development

One of the main objectives of the IMA Group, contained in the Sustainability Policy, is the pursuit of the Sustainable Development Goals (SDG) issued by the United Nations, identified as a fundamental point in the fight against inequality and climate change.

In IMA, the development of innovation is widespread: comes from the ideas of individuals, from Marketing input, from the analysis of machines, from collaborative innovation or from the scouting of enabling technologies.

In addition to the canonical SDGs pursued by the Group, the company concentrates its resources on Goal 9 ("Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation") and Goal 12 ("Ensure sustainable consumption and production models").

With a view to open innovation, IMA has activated collaborations on projects of common interest with research institutes and universities in Italy and around the world, such as the one with the spin-outs of the Massachusetts Institute of Technology (MIT) in Boston, developing an innovative technology of integrated continuous manufacturing based on the integration of artificial intelligence techniques in the additive printing process.

The Group is committed to the development of smart machine and smart factory projects, in collaboration with research centres and projects funded at the national and EU level, such as the digitisation of the supply chain and the use of additive manufacturing. Other projects include the development of intelligent mechatronic systems, cognitive automation, advanced sensors, artificial intelligence, cybersecurity and predictive maintenance.

## 1.3. Our economic performance: the creation of value for stakeholders

IMA has closed 2021 with consolidated revenue of 1,688.3 million euros, an increase of 13.27% compared with 1,490.5 million at 31 December 2020. Gross operating profit (EBITDA) before non-recurring charges shows an increase to 312.8 million euros (+25% compared with 250.3 million at 31 December 2020), gross operating profit (EBITDA) to 297.6 million euros (+21.5% compared with 244.9 million at 31 December 2020).

The figures at 31 December 2021 are up compared with 2020 thanks to effect of resuming full operations on transactions and business activities, with respect to the impact of the pandemic.

### CONSOLIDATED RESULTS AT 31 DECEMBER *(Amounts in millions of €)*

	2019	2020	2021
Revenue	1,595.5	1,490.5	1,688.3
Gross operating profit (EBITDA) before non-recurring charges	281.0	250.3	312.8
Gross operating profit (EBITDA)	273.4	244.9	297.6
Operating profit (EBIT)	192.5	150.4	153.91
Total net profit for the year	169.6	89.8	56.1

## ECONOMIC VALUE GENERATED AND DISTRIBUTED

The economic value generated and distributed represents the ability of a company to create wealth and to share it among its stakeholders. During 2021, IMA generated an economic value of 1.757 billion euros, an increase of 14.2% compared with 2020, attributable to the recovery of the business following the global pandemic situation. The economic value distributed by IMA amounted to 1.572 billion euros (+18.1% on 2020). 89% of the economic value produced by IMA was distributed to internal and external stakeholders, and the remaining 11% was retained in the Company. The economic value distributed reflects IMA's ability to generate wealth during the period, for the benefit of some of the main stakeholders, in accordance with the cost efficiency of operations and the expectations of the stakeholders: the two main items are represented by suppliers (operating costs), with 61% of the economic value distributed, and by IMA's employees, with 29%.

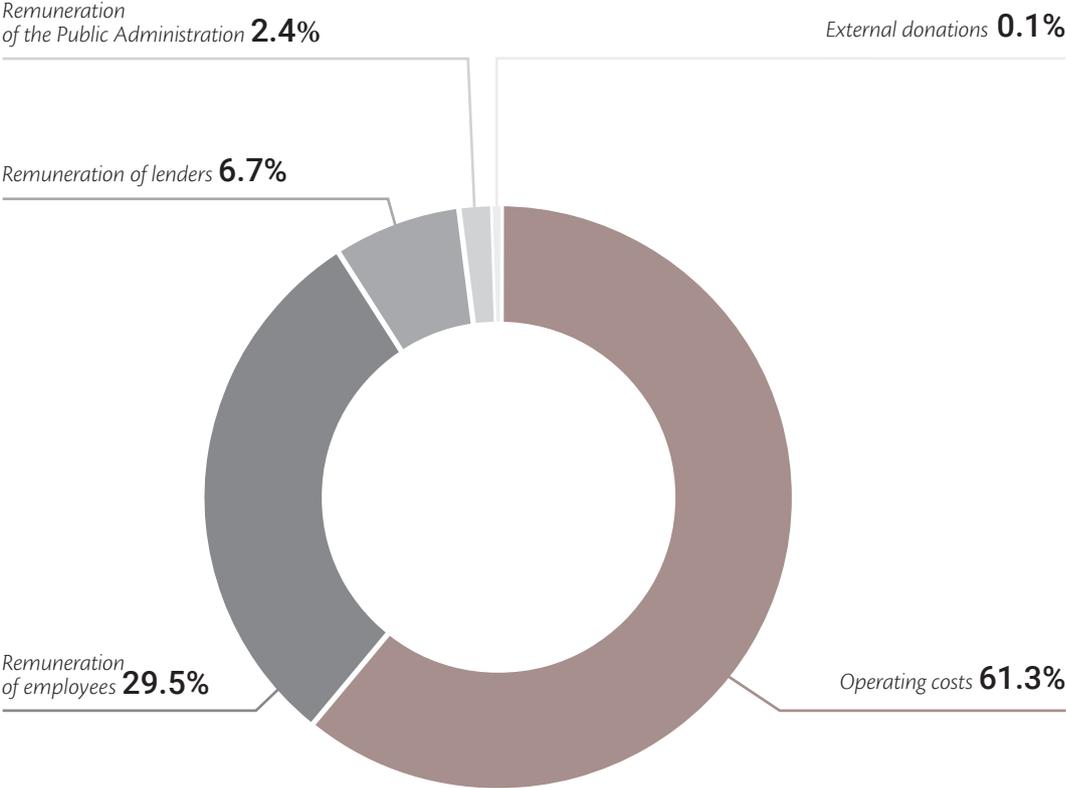
### ECONOMIC VALUE GENERATED, DISTRIBUTED AND RETAINED AT 31 DECEMBER

(Amounts in thousands of €)

	2019	2020	2021
<b>Economic value generated</b>	<b>1,692,028</b>	<b>1,537,993</b>	<b>1,757,013</b>
<b>Economic value distributed</b>	<b>1,436,377</b>	<b>1,331,237</b>	<b>1,572,076</b>
Operating costs	926,382	850,875	964,466
Value distributed to employees	428,777	427,906	463,518
Value distributed to the Public Administration	54,739	18,621	37,026
Value distributed to the community	2,061	2,627	1,769
Value distributed to lenders	24,418	31,208	105,296
<b>Economic value retained</b>	<b>255,651</b>	<b>206,756</b>	<b>184,939</b>

The economic value retained is calculated as the difference between the economic value generated and the amount distributed: among other items, it includes amortisation and depreciation, deferred taxes and the result for the year.

**ECONOMIC VALUE DISTRIBUTED IN 2021**



IMA communicates and disseminates its financial results through:

- the publication of press releases and company information on IMA's website and the subsequent dissemination to the press and the financial community;
- the organisation of meetings with the financial community and the participation in roadshows and conferences organised by brokers;
- the organisation of meetings with the press on the occasion of significant corporate events and operations<sup>1</sup>.

<sup>1</sup> For further information on IMA's performance and financial position, please refer to the consolidated financial statements.

## IMA'S TAX APPROACH

### Objectives and principles

In order to safeguard net assets and protect the interests of the shareholders and other stakeholders, IMA has defined tax guidelines that seek to:

- calculate and pay the taxes due pursuant to the law, by the established deadlines and in compliance with the related procedural requirements;
- monitor and control tax risks, managing and mitigating the risk of infringing the tax regulations or abusing the principles and purposes of the taxation framework.

IMA Governance is based on the following principles:

- **Values:** apply the values of honesty and integrity in the management of tax activities, in the knowledge that the proceeds of taxation represent one of the principal sources contributing to social and economic development in the countries in which IMA operates.
- **Legality:** adopt and pursue conduct intended to comply with the tax regulations in force in the countries in which IMA operates, interpreting them in a manner that manages the related tax risks and reflects the interests of all stakeholders, having regard for their needs and requests.
- **Shareholder Value:** treat taxation as a component of business activity, to be managed efficiently and optimised in compliance with the principle of legality, the tax regulations and the Code of Ethics, with a view to safeguarding net assets and creating sustainable value over the medium-long term.
- **Transparency:** maintain collaborative relations founded on dialogue with the tax authorities in the countries in which IMA operates, so that a full understanding can be obtained of the facts underlying the application of tax regulations.
- **Tone at the top:** adopt tax guidelines, so top management can facilitate their application and encourage the development of a corporate culture that internalises the values discussed. Involve top management in the most important and complex tax matters, so that they are fully aware of them in the management of tax risks.

## Guidelines for the implementation of the tax approach

In order to promote effective application of the above principles, IMA has defined the following guidelines:

- **Application of tax regulations:** in the context of careful and transparent compliance, in order to lower tax risks consistent with the above-mentioned principle of legality, IMA applies the tax rules current in the countries in which it operates and encourages advance discussions with the local authorities, especially when the local regulations appear difficult to interpret or apply.
- **Double taxation:** in order to eliminate or contain double taxation, IMA applies any related treaties, including the so-called Parent-Subsidiary Directive (on the cross-border flows of dividends) and the rules established under the relevant "International conventions for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and capital".
- **Aggressive tax planning:** IMA does not engage in "aggressive tax planning", namely the creation of artificial arrangements intended to eliminate or reduce the level of income taxes by transferring taxable amounts to countries with a lower tax rate, made possible by exploiting weaknesses and misalignments between different tax systems.
- **Tax incentives and relief:** IMA companies may benefit from any tax incentives and relief made available under the regulations in force at the time. Tax incentives and available relief are used in a transparent manner.
- **Country-by-Country Reporting:** consistent with the indications contained in OECD/G20 BEPS – Action 13, transposed into Italian legislation by Law 208 dated 28 December 2015, the IMA Group complies with the country-by-country tax reporting requirement by the related legal deadlines. Specifically, country-by-country reporting provides a tool for the assessment of tax risk and is transmitted by the Italian Tax Authorities to all the other Tax Authorities with which agreements have been reached for the reciprocal exchange of information.

IMA has adopted a Code of Ethics that, by demanding, promoting or forbidding certain conduct, even if not expressly governed by specific regulations, responds to the need to communicate explicitly and as widely as possible the identity of the Group, its mission and its values, in order to safeguard the interests of stakeholders and ensure efficient working practices that comply with current regulations and the ethical standards deemed appropriate within the reference markets concerned.

Specifically, the objective of the Code of Ethics is to address such essential factors as legality, integrity and respect for human rights and equal opportunities.

The tendency within the IMA Group, including the main Italian subsidiaries, is to move gradually towards implementation of OMM Models pursuant to Legislative Decree 231/01 that are autonomous, albeit coordinated with that adopted by the Parent Company.

Accordingly, the Code of Ethics formalises a set of principles and rules of conduct that have always underpinned the way in which IMA carries out its activities, including its approach to tax matters.

The data presented in the following table is drawn from the 2019 and 2020 country-by-country report prepared by SO.F.I.M.A. Società Finanziaria Macchine Automatiche S.p.A., the parent company, for each of the jurisdictions in which the IMA Group operates via subsidiary companies.

**COUNTRY-BY-COUNTRY REPORTING AT 31 DECEMBER 2019** (Amounts in thousands of €)

Tax jurisdiction	Revenue		
	Revenue from sales to third parties	Revenue from inter-company transactions	Total
Argentina	12,130	307	12,437
Austria	68	4,125	4,193
Brazil	4,665	2,100	6,765
China	23,181	29,049	52,230
Czech Republic	-	-	-
France	13,664	4,047	17,711
Germany	45,855	6,732	52,587
India	26,494	1,787	28,281
Israel	1,693	137	1,830
Italy	1,161,526	185,394	1,346,920
Japan	2,870	105	2,975
Malaysia	5,913	1,628	7,541
Netherlands	6,019	3,910	9,929
Poland	4,947	514	5,461
Russia	7,301	1,784	9,085
Spain	1,056	4,206	5,262
Switzerland	85,030	28,513	113,543
Thailand	14,618	5,503	20,121
UK	18,985	7,975	26,960
USA	221,385	34,738	256,123

<sup>2</sup> The number of employees is consistent with that published in the 2019 NFR, being the number of persons employed at 31/12/2019 on permanent or fixed-term contracts, excluding other forms of collaboration.

	Profit/loss before taxes	Corporate income taxes paid on a cash basis	Corporate income taxes determined on an accruals basis	Number of employees <sup>2</sup>	Tangible assets other than cash and cash equivalents
	2,059	872	839	146	1,612
	-301	15	64	15	183
	466	295	339	35	509
	6,210	1,034	1,029	290	11,353
	-	10	-	4	39
	1,254	232	284	49	1,539
	4,107	147	217	210	3,662
	3,918	971	938	549	6,204
	113	-	-	8	162
	237,673	63,278	48,674	3,752	226,113
	123	59	27	9	158
	-653	17	-	61	984
	1,982	337	488	33	675
	282	-5	-	26	1,530
	37	250	112	53	82
	1,247	359	313	21	451
	13,698	563	1,211	309	22,813
	310	-	-	3	53
	3,558	702	696	97	2,446
	16,940	113	1,786	489	28,255

**COUNTRY-BY-COUNTRY REPORTING AT 31 DECEMBER 2020** (Amounts in thousands of €)

Tax jurisdiction	Revenue		
	Revenue from sales to third parties	Revenue from inter-company transactions	Total
Argentina	11,391	113	11,504
Austria	3	443	446
Brazil	4,973	1,725	6,698
China	18,940	28,922	47,862
France	10,753	3,339	14,092
Germany	42,536	5,757	48,293
India	17,389	1,951	19,340
Israel	1,844	135	1,979
Italy	1,121,939	155,523	1,277,462
Japan	2,095	234	2,329
Malaysia	3,070	1,772	4,842
Netherlands	5,323	5,145	10,468
Poland	6,142	1,671	7,813
Russia	6,195	2,668	8,863
Spain	6,994	4,044	11,038
Switzerland	90,132	36,741	126,873
Thailand	13,591	4,105	17,696
UK	18,112	8,018	26,130
Czech Republic	74	621	695
Romania	1	446	447
USA	177,401	39,798	217,199

<sup>3</sup> The number of employees is consistent with that published in the 2020 NFR, being the number of persons employed at 31/12/2020 on permanent or fixed-term contracts, excluding other forms of collaboration.

	Profit/loss before taxes	Corporate income taxes paid on a cash basis	Corporate income taxes determined on an accruals basis	Number of employees <sup>3</sup>	Tangible assets other than cash and cash equivalents
	1,706	863	867	157	1,391
	- 566	12	5	3	21
	350	405	459	35	212
	5,158	1,490	899	288	10,896
	906	221	400	52	1,407
	4,399	934	2,575	214	3,442
	2,108	658	539	422	4,809
	17	-	-	8	235
	263,306	36,248	33,487	3,818	272,268
	93	11	32	9	129
	- 574	-	-	53	604
	1,931	376	464	34	649
	826	148	186	35	1,429
	23	61	109	52	109
	1,149	274	287	24	545
	3,821	775	878	350	23,775
	374	-	51	3	22
	4,969	1,235	994	94	1,767
	262	11	13	4	51
	133	18	25	3	30
	13,619	2,143	4,767	454	26,418

## 1.4. Governance

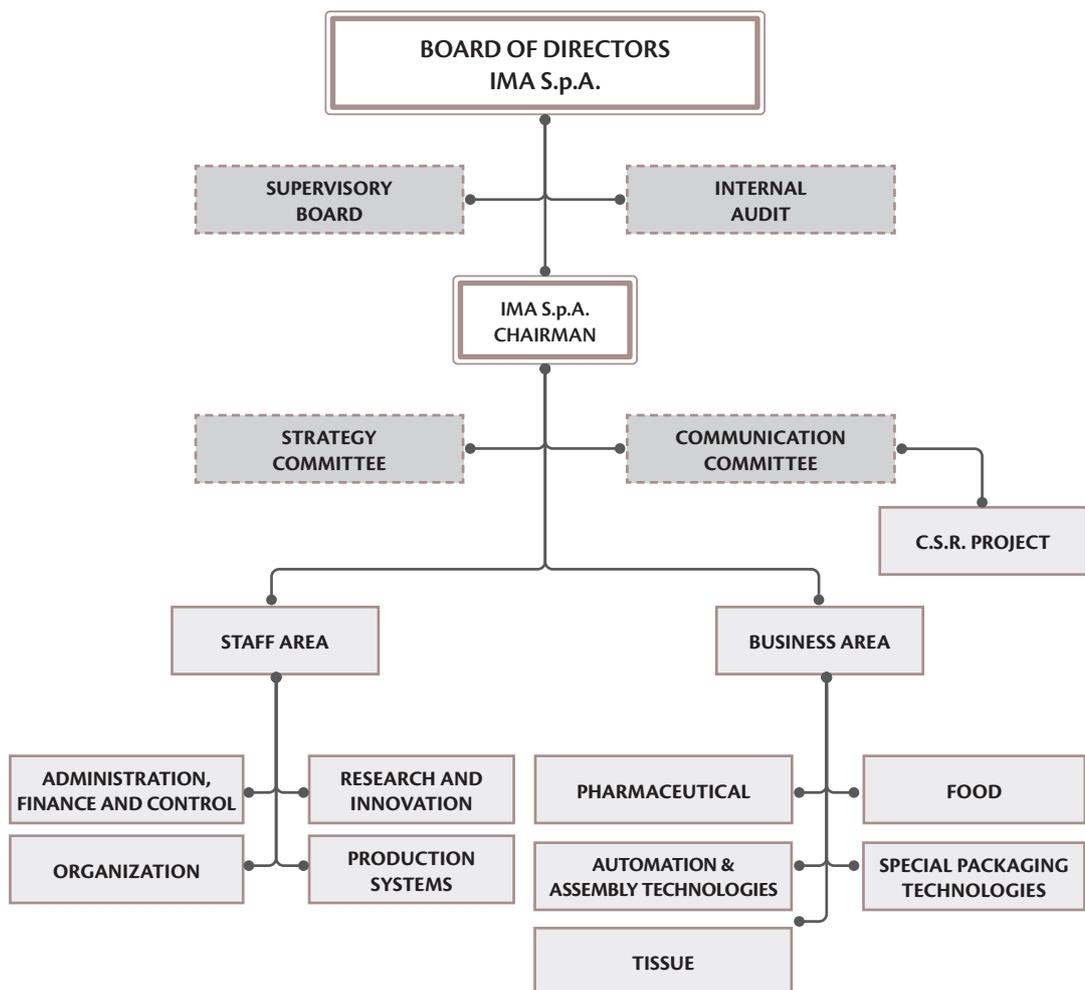
On 28 January 2021, IMA BIDCO S.p.A., at the time the parent of IMA S.p.A., completed the formalities regarding the mandatory public offer for IMA S.p.A. shares, acquiring the entire share capital of IMA S.p.A. and triggering the simultaneous delisting of IMA S.p.A. shares.

Following the delisting, IMA S.p.A. is no longer subject to the regulations applicable to listed companies. However, IMA S.p.A. has maintained a corporate governance structure such as to ensure transparency and efficiency of its corporate governance, continuing to maintain current best practices.

IMA S.p.A. adopts the traditional system of administration and control, having as its main bodies:

- board of directors;
- board of statutory auditors;
- shareholders' meeting.

The organisational structure of IMA S.p.A. is based on the integrated management of business processes according to the rules laid down by certified management systems. The Company's organisation chart is structured on the basis of the production and commercial divisions that characterise the business.



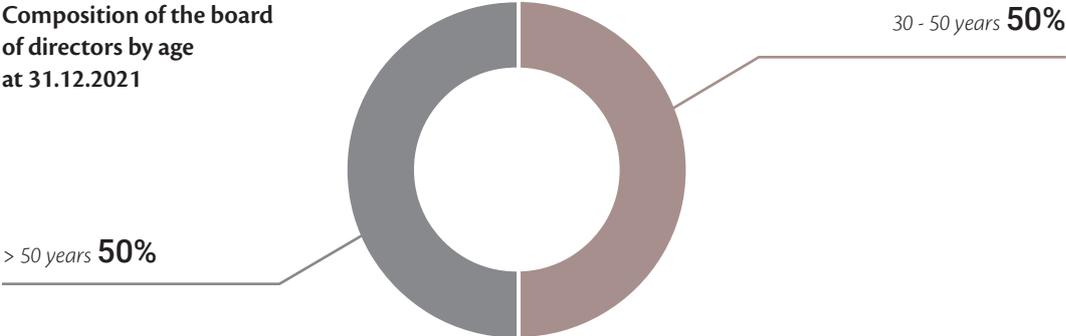
Organisation chart at 31/12/2021.

IMA S.p.A. is audited by a firm of independent auditors.

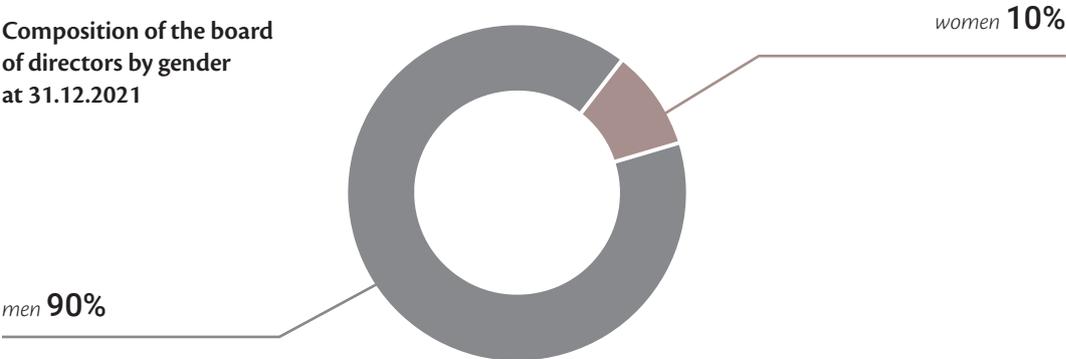
**CORPORATE BOARDS**

During 2021, the Board of Directors of IMA S.p.A. was renewed, taking on a new composition made up of 10 members, one of whom is executive. The Board will remain in office until approval of the financial statements at 31 December 2023. On 12 February 2021, as a consequence of the delisting, the Board of Directors of IMA S.p.A. resolved to disband the remuneration and nominations committee and the control, risks and related-party transactions committee, which had been established on 11 November 2020.

**Composition of the board of directors by age at 31.12.2021**



**Composition of the board of directors by gender at 31.12.2021**



The Board of Statutory Auditors was also renewed in 2021 as the mandate had expired with the approval of the financial statements at 31 December 2021. The new appointed Board of Statutory Auditors, consisting of 3 Standing Auditors and 2 Alternate Auditors, will remain in office until the Shareholders' Meeting called to approve the financial statements for the year ended 31 December 2023. The Supervisory Board consists of 3 members\*.

During 2021, (i) the deeds of merger by means of the absorption (from 1 January 2022) of Telerobot S.p.A., Luna Investment S.r.l., Transworld Packaging Holding S.p.A. and CMRE S.r.l. by IMA S.p.A. were signed, (ii) 80% of the Italian company FASP S.r.l. was acquired and the assets of the American company Thomas Engineering LLC were acquired, with the latter being absorbed by NewCo Thomas LLC, wholly owned by IMA North America Inc., in turn wholly owned by IMA S.p.A., (iii) the deed of merger by means of the absorption (from 1 January 2022) of Asset Management Service S.r.l. by the parent company Tissue Machinery Company S.p.A., in turn controlled by IMA S.p.A., was signed.

\* For further information on IMA's management and control bodies, please refer to the website [www.ima.it](http://www.ima.it), "Investor Relations" section, from which it is possible, inter alia, to access the Corporate Governance Reports archive.

## 1.5. Our commitment to business integrity

IMA's reputation is based on the ability to carry on its business with integrity, transparency, legality, impartiality, prudence and in compliance with laws, regulations and guidelines on social responsibility. Through **transparent governance**, IMA manages its decisions and activities responsibly, including their various impacts, and progressively integrates all aspects of social responsibility within the work of the entire organisation and the business relations that are conducted. **Transparency** towards stakeholders should inspire socially responsible conduct and promote sustainable development. In fact, through its **Code of Ethics**, IMA defines the ethical and social responsibilities of its members and stakeholders and the rules of conduct that must be complied with by all those who work for IMA and on its behalf. The Group is actively committed to spreading the principles of the Code to all those who are part of the company or who have dealings with it, insisting that they apply them too. Under no circumstances can the pursuit of IMA's interest or advantage justify unethical, dishonest or unlawful conduct: for this reason IMA considers the fight against "active and passive corruption" (i.e. bribery and corruption) to be an indispensable commitment.

Management identifies the areas where corruption is a risk and integrates them into IMA's broader regulatory compliance programme in order to fight it. IMA promotes the dissemination of the Code of Ethics to its employees and external staff through training. For anyone coming into contact with IMA (including suppliers and customers), the Code of Ethics provides suitable communication and information to fight the risks of corruption and of illegal acts in general, in order to strengthen the effectiveness and ethical reputation of IMA. During 2021, there were no episodes of corruption (reports to the Supervisory Board), nor were there sanctions in this respect by the judicial authorities.

### Legality rating

As evidence of the great importance placed on ethical and social issues, since 2015 IMA has requested the Italian Competition Authority (*L'Autorità Garante della Concorrenza e del Mercato*) for a Legality Rating, i.e. an indicator of compliance with high standards of legality for companies that meet certain regulatory requirements. Following the initial evaluation obtained of "★★+" on a scale of ★ and a maximum of ★★★, the Group managed to obtain the maximum result available in November 2021 with a two-year coverage, confirming its commitment and diligence in corporate compliance.

### INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The Internal Control and Risk Management System adopted by IMA makes it possible, through an adequate process of identification, measurement, management and monitoring of the main risks, to ensure sound and fair management of the Company consistent with the objectives of sustainable development of the business. This process includes the system for managing risks associated with financial reporting, which complies with regulations on Corporate Governance in force in Italy, including:

- Legislative Decree 231/2001 on the "Administrative liability of legal persons of companies and associations with or without legal personality";
- Law 262/2005 ("Savings Law")<sup>5</sup>.

IMA also made reference to international best practice and adopted the "CoSO Report - Internal Control-Integrated Framework".

<sup>5</sup> IMA, despite having left the Italian Stock Exchange in 2021, has maintained compliance with the obligations indicated by Law 262 for greater transparency of financial reporting.

The key players in the Internal Control System are:

- the Board of Directors;
- the Board of Statutory Auditors;
- the Independent Auditors;
- the Supervisory Board;
- the IMA Internal Audit function;
- the manager responsible for preparing financial reports.

The Supervisory Board set up for the purposes of Legislative Decree no. 231/2001 monitors the operation, effectiveness and compliance with the Organisation, Management and control Model (hereinafter, **OMM 231**), with a view to preventing offences which could give rise to IMA's administrative liability, in accordance with applicable provisions (for example, on corruption, corporate disclosures, exploitation of individuals).

#### **Group companies that have adopted the OMM 231 are:**

- IMA S.p.A.
- CO.MA.DI.S. S.p.A.
- Pharmasiena Service S.r.l.
- Ilapak Italia S.p.A.
- ATOP S.p.A.
- Eurosicma – Costruzioni  
Macchine Automatiche S.p.A.
- Tissue Machinery Company S.p.A.
- Asset Management Service S.r.l. (absorbed by Tissue Machinery Company S.p.A. with effect from 01/01/2022)
- Ciemme S.r.l.
- Petroncini Impianti S.p.A.
- Spreafico Automazione S.r.l.
- Telerobot S.p.A. (absorbed by IMA with effect from 01/01/2022)

In 2021, the Supervisory Body carried out the ordinary activities envisaged by the OMM 231 also using the information communications, provided for by the operating procedures in force, received in the dedicated e-mail box from certain company functions. Any reports of illegitimate or alleged illegitimate behaviour can, however, be sent to the confidential e-mail address **whistleblowing-ima@ima-group.it**, which is regulated by a specific policy. During the year no disputes were opened as a result of whistleblowing reports regarding matters governed by the Code of Ethics and the OMM 231.

#### **Training of the Italian companies' staff on the OMM 231**

IMA has included specific sessions on matters associated with Legislative Decree 231/01 and Law 262/05 in the training program for new recruits, devoting particular attention to the internal control system and to its functioning and usefulness. Training in 2021, involved 135 employees of IMA S.p.A. and 286 employees of other IMA Group Italian companies.

The risk assessment activity during the updating of the OMM 231 was carried out by identifying the risks and the areas most exposed to the commission of the predicate offences envisaged by the former Legislative Decree 231/01, including the crime of corruption, according to a risk-based approach, i.e. taking into consideration the so-called "inherent risk" or "potential risk" of offences being committed. Once this risk was defined in the context of sensitive activities, the Company's current Internal Control and Risk Management System was assessed in order to establish its level of adequacy, so as to reduce the risk to an acceptable level. In general, the outcome of the mapping activity confirmed that IMA is standardising its procedures for monitoring the areas at risk of crime in accordance with the general principles that characterise an efficient internal control system, as indicated above. Specifically, the residual risk assessed in terms of corruption was mostly medium level.

As regards non-financial risk, reference should be made to the following chapter: "Relevant topics for IMA".

## MANAGEMENT SYSTEMS: QUALITY, SAFETY, ENVIRONMENT

IMA introduced a set of management systems certified by an independent third party, designed to create value in a sustainable way, shared with all stakeholders, above all human resources. The aim is to interpret end users' needs by pursuing the best quality standards, adopting best practices for the health and safety of its workers and minimizing environmental impact.

In particular, IMA has achieved and maintains the following international certifications:

### UNI EN ISO 9001 - QUALITY MANAGEMENT SYSTEM

- IMA S.p.A.
- Corazza S.p.A. (absorbed by IMA with effect from 01/01/2021)
- Ilapak Italia S.p.A.
- Ilapak International S.A.
- IMA Life North America, Inc.
- IMA Life (Beijing) Pharmaceutical Machinery Ltd.
- IMA Swiftpack Ltd.
- IMA Life the Netherlands B.V.
- IMA-PG India Pvt. Ltd.
- Benhil GmbH
- IMA Automation Switzerland S.A.
- IMA Automation Malaysia Sdn. Bhd.
- Petroncini International Trading (Shanghai) Co. Ltd.
- Ilapak Ltd.
- IMA Automation USA Inc.
- IMA Iberica Processing and Packaging S.L.
- IMA MAI S.A.
- IMA Life (Shanghai) Pharmaceutical Machinery Co. Ltd.

During 2020, a project was developed to extend the corporate Quality System to the new divisions deriving from the merger by incorporation of GIMA S.p.A., GIMA TT S.p.A. and Revisioni Industriali S.r.l. into IMA S.p.A., which led to their inclusion in the ISO 9001: 2015 certification in October 2020.

### UNI EN ISO 45001 - OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

- IMA S.p.A.
- Tissue Machinery Company S.p.A.
- Asset Management Service S.r.l. (absorbed by Tissue Machinery Company S.p.A. with effect from 01/01/2022)
- IMA Life (Beijing) Pharmaceutical Systems Co. Ltd.
- Ilapak (Beijing) Packaging Machinery Co. Ltd.

### UNI EN ISO 14001 - ENVIRONMENTAL MANAGEMENT SYSTEM

- IMA S.p.A.
- Tissue Machinery Company S.p.A.
- Atop S.p.A. (which also has the EMAS certification)
- IMA MAI S.A.

Furthermore, at the end of 2021, IMA obtained the certification of the emissions management system according to the ISO 14064-1 standard.

Lastly, IMA subscribes to the ethical codes applied by leading multinational clients on issues relating to sustainability, after verifying that they are consistent with its own principles.

## 1.6. Our sustainability strategy

In planning its strategies, the IMA Group takes account of the economic, social and environmental implications of what it does, with a view to guaranteeing a reasonable balance between competitiveness, environmental sustainability and corporate social responsibility. For IMA, sustainability is a way of life; it is the company's commitment to creating value that lasts over time, taking into account the UN's 17 Sustainable Development Goals, the needs expressed by our stakeholders, local and global partnerships, while working on solutions that foster the economic and social empowerment of the communities involved. IMA's Sustainability Policy is based on principles of conduct already defined in our Code of Ethics approved by the Board of Directors and on other corporate policies and strategies, and is addressed to all Group companies. The Group's commitment to sustainability is structured in 5 macro areas:



Commitment to a sustainable future is being transferred to all Group companies and rendered public. Thanks to the efforts of its employees, IMA undertakes to keep improving its Policy and its programmes and to implement procedures, rules and instructions to ensure that the principles of sustainability expressed by civil society and the institutions finds real application in the production chains and markets in an ongoing process of collaboration with IMA's end-users and consumers.

## 1. Product quality and liability

The primary objective of IMA's business is to satisfy the end user by encouraging their innovative capacity to reduce environmental impacts, through the proposal of solutions aimed at promoting **quality and safety**, investing in **research and development** and implementing responsible supply chain management.

## 2. Governance and Business Integrity

IMA's activities are based on **Transparent Governance**, which makes the company able to carry on its business with integrity and transparency, respecting its own **Code of Ethics**.

## 3. People

In IMA, respect for work is promoted through inclusion, integration and equal opportunities, avoiding all forms of discrimination and guaranteeing full **protection of fundamental human rights**.

## 4. Environment

IMA acknowledges the importance of protecting and safeguarding the environment as part of strategic business decisions, reducing the impact of its production cycle through a **rational consumption of energy resources**, the **conservation of natural resources**, **control of greenhouse gas emissions**, through monitoring systems, and the careful **management of scrap and waste** generated by production activities.

## 5. Communities and the development of knowledge

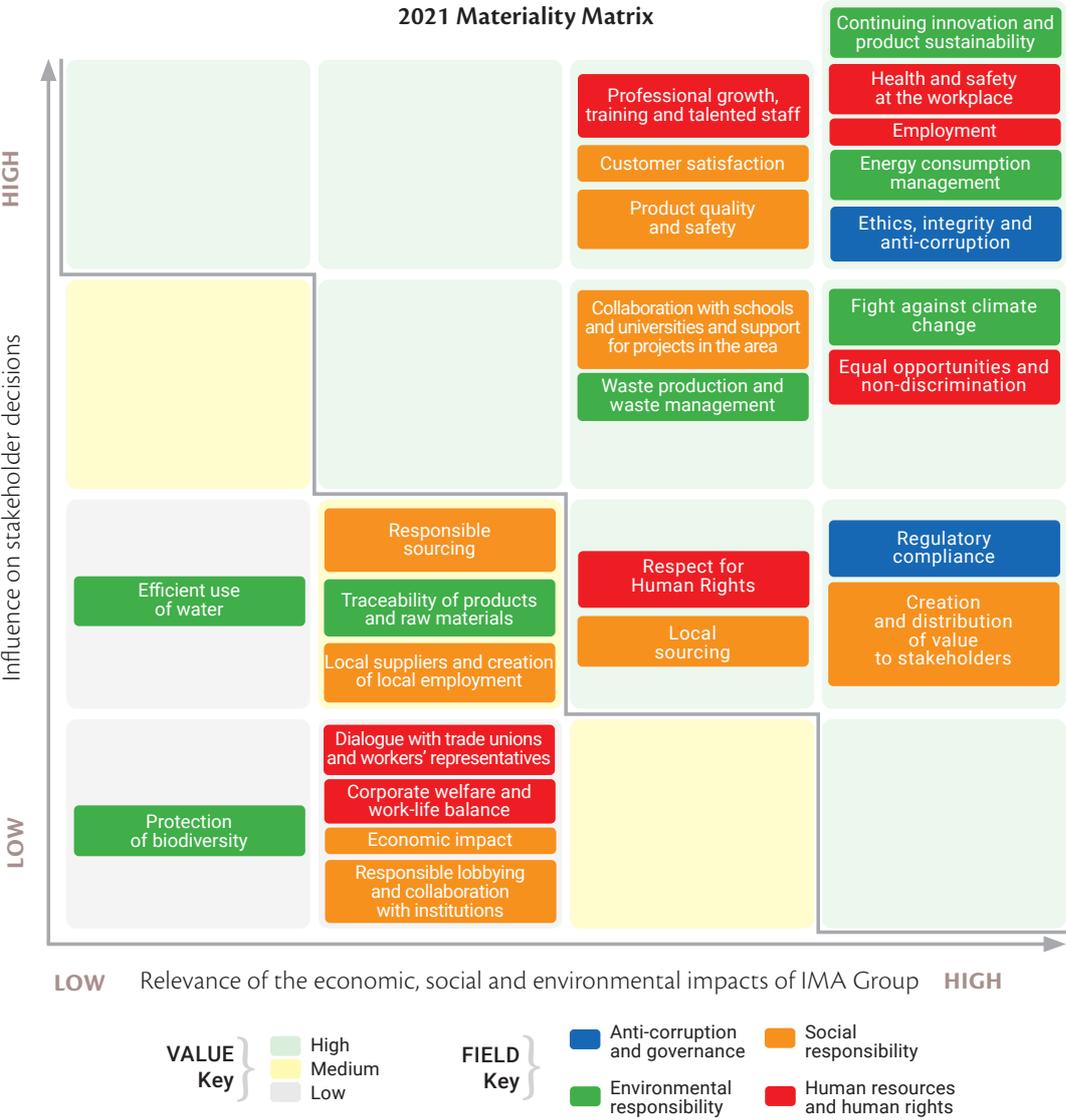
IMA bases its social commitment by taking into consideration industry's responsibility towards society and the world, focusing on the concepts of **corporate citizenship** and **Corporate Social Responsibility**.

### 1.7. Relevant topics

With a view to voluntary adherence, in accordance with the provisions of Decree 254/16 and the GRI Standards, the disclosures provided by IMA in the Sustainability Report were selected on the basis of the principle of "materiality", to identify the most relevant and significant aspects of the organisation that could influence decisions, actions and performances of IMA and its stakeholders.

The chart or **materiality matrix**, shown alongside summarises IMA's materiality analysis and expresses, on the x-axis, the importance for the Group of the economic, social and environmental impacts of the various topics and, on the y-axis, the significance of each topic for stakeholder decisions. The methodology used for updating the matrix and defining potentially relevant issues envisaged an internal analysis of the local and national press review, a study of the sustainability reporting published by companies operating in industrial sectors similar to those in which IMA is active, an assessment of the relevant sustainability trends at national and international level and an analysis of the sector.

The relevance of the issues for stakeholders was updated through an engagement activity which took place in 2021, by sending a questionnaire to a sample of customers and to IMA's investee suppliers, in order to integrate and perceive their point of view within the matrix. With regard to the significance of each topic in terms of economic, social and environmental impacts for the Group, the relevant internal documentation was analysed - including the sustainability policies and strategies - in order to determine its positioning on the x-axis.



This materiality matrix makes it possible to give a synthetic representation of the relevance of the topics being analysed: the issues that are positioned at the top right of the chart are the most significant issues, both for IMA and stakeholders.

FIELD	MATERIAL ISSUES	
<b>Anti-corruption and governance</b>	Ethics, integrity and anti-corruption	
	Regulatory compliance	
<b>Social responsibility</b>	Continuing innovation and product sustainability	
	Product quality and safety	
	Customer satisfaction	
	Creation and distribution of value to stakeholders	
	Local procurement	
	Collaboration with schools and universities and support for projects in the area	

	GRI INDICATOR	SCOPE OF THE IMPACT	TYPE OF INVOLVEMENT
	205-3 Confirmed incidents of corruption and actions taken  207-4 Country-by-country reporting	IMA	Direct
	307-1 Non-compliance with environmental laws and regulations  419-1 Non-compliance with laws and regulations in the social and economic area	IMA	Direct
	Other disclosure: number of patents filed and granted	IMA	Direct
	416-1 Assessment of the health and safety impacts of product and service categories	IMA	Direct
	Other Disclosure: average rating in the satisfaction questionnaires	IMA	Direct
	201-1 Direct economic value generated and distributed	IMA	Direct
	204-1 Proportion of spending on local suppliers	IMA	Direct
	Other disclosure: relations with the world of technical and higher education and the community	IMA	Direct

FIELD	MATERIAL ISSUES	
<b>Human resources and human rights</b>	Health and safety at the workplace	
	Professional growth, training and talented staff	
	Respect for Human Rights	
	Employment	
	Equal opportunities and non-discrimination	
<b>Environmental responsibility</b>	Energy consumption management	
	Fight against climate change	
	Waste production and waste management	

	GRI INDICATOR	SCOPE OF THE IMPACT	TYPE OF INVOLVEMENT
	403-9 Work-related injuries 403-10 Work-related ill health	IMA and Suppliers whose work is carried out at IMA locations	Direct
	404-1 Average hours of training per year per employee	IMA	Direct
	412-2 Employee training on human rights policies or procedures	IMA	Direct
	401-1 New employee hires and employee turnover	IMA	Direct
	405-1 Diversity of governance bodies and employees 406-1 Incidents of discrimination and corrective actions taken	IMA	Direct
	302-1 Energy consumption within the organisation	IMA	Direct
	305-1 Direct (Scope 1) GHG emissions 305-2 Energy indirect (Scope 2) GHG emissions	IMA	Direct
	306-4 Waste diverted from disposal	IMA	Direct
	306-5 Waste directed to disposal	IMA	Direct

## 1.8. Analysis of non-financial risks and management methods

IMA launched a process for the identification and analysis of non-financial risks related to material and significant thematic areas such as anti-corruption, human resources and human rights, the environment and other social aspects. The analysis makes it possible to identify the policies and the organisational model adopted by IMA on each individual issue for certain IMA companies and the Code of Ethics. As already mentioned, IMA adopted the Sustainability Policy which contains the Policies relating to the non-financial areas listed previously.

FIELD	RISK TYPE	
<p style="text-align: center;"><b>ANTI CORRUPTION</b></p>	<ul style="list-style-type: none"> <li>• Commission of illegal acts and in particular acts of corruption by members of the organisation.</li> <li>• Inappropriate or ignored delegations of authority.</li> <li>• Non-compliance or violation of the reference legislation.</li> <li>• Failure to obtain or losing certifications or approvals or authorisations to operate.</li> <li>• Risks linked to corporate crimes.</li> </ul>	
<p style="text-align: center;"><b>HUMAN RESOURCES AND HUMAN RIGHTS</b></p>	<ul style="list-style-type: none"> <li>• Increase in turnover and loss of capable and relevant personnel.</li> <li>• Increase in accidents.</li> <li>• Increase in work-related stress.</li> <li>• Risk of incompetence and negligence.</li> <li>• Risk of discrimination and inequality of treatment along supply chains (Human Rights).</li> <li>• Difficulty in finding trained and capable human capital.</li> </ul>	

## MONITORING/ MANAGEMENT

In managing its activity, IMA has implemented a global governance and business integrity policy that allows it to carry on its business with integrity, transparency, legality, impartiality, prudence and compliance with applicable laws, regulations and reference guidelines with regard to social responsibility.

The management and organisation tools and methods implemented:

- Code of Ethics, a tool distributed throughout the organisation;
- internal control system;
- risk management system;
- organisation, management and control model pursuant to Legislative Decree 231/2001 for the companies that adopted it (see § IMA's commitment to business integrity);
- Standard CoSo Report – Internal Control Integrated Framework.

IMA's sustainability policy, in view of the risks connected to the issue of human resources and human rights, considers people a genuine capital resource; this policy focuses on a specific personal and professional growth path aligned with the values and culture that characterize IMA. The key elements that can be recognized in it are training, active involvement, respect for fundamental human rights, diversity, health and safety, social dialogue and work and social inclusion.

The management and organisation tools and methods implemented:

- Code of Ethics;
- local policies;
- corporate welfare initiatives for certain IMA companies;
- Training management (IMA Academy).

FIELD	RISK TYPE	
<p style="text-align: center;"><b>SOCIAL ASPECTS</b></p>	<ul style="list-style-type: none"> <li>• Reputational risk.</li> <li>• Conflict due to lack of dialogue and discussion with local stakeholders.</li> <li>• Risks related to intellectual property.</li> <li>• Loss of competitiveness due to inadequate innovation development.</li> <li>• End-user dissatisfaction due to non-compliance with quality standards.</li> <li>• Non-compliance in product information.</li> <li>• Lack of collaboration with customers and suppliers to minimize any negative external effects generated.</li> <li>• Lack of control over Human Rights in the supply chains of non-EU countries.</li> <li>• Risk of terrorist financing and export of dual use products.</li> <li>• Risk of involvement in partnership with black-listed subjects in embargoed countries.</li> </ul>	
<p style="text-align: center;"><b>ENVIRONMENT</b></p>	<ul style="list-style-type: none"> <li>• Negative effects on activities resulting from climate change.</li> <li>• Negative effects on activities resulting from new or more stringent regulation.</li> <li>• Inability to correctly align the GHG (greenhouse gas) strategy with the business (e.g. end-user requests).</li> <li>• Increase in energy supply costs.</li> <li>• Increase in emissions due to the use of fossil energy sources.</li> <li>• Sanctions for non-compliance with environmental regulation.</li> <li>• Reputational risk.</li> <li>• Risks along the supply chain, related to non-compliance with applicable environmental legislation.</li> </ul>	

## MONITORING/ MANAGEMENT

Thanks to its global product quality and responsibility policy, IMA can create economic value not only for its shareholders, but also for its stakeholders, since the primary objective is to satisfy the end user.

The typical values are a culture of quality, investment in research and development, responsible management of the supply chain which takes into account the classification of the items (dual use) and the promotion of projects or initiatives for the development of local economies.

By means of its global policy in favour of communities and the development of knowledge based on the belief that industry must be accountable to society and the world, IMA applies Best Practices for targeted checks on Partners (black lists) and goods destined for countries embargoed for compliance with export restrictions aimed at countering terrorism. IMA promotes the involvement of its employees in programmes and initiatives of corporate citizenship and Corporate Social Responsibility.

The relationship with the local area is also constantly active. Indeed, there is a continuous exchange of knowledge, experience and wealth that makes the relationship as indivisible as it is interdependent.

The management and organisation tools and methods implemented:

- Suppliers' Code of Conduct;
- ISO 9001 quality management systems certified for certain IMA companies;
- Integrated ERP system (SAP) for the Supply Chain;
- Integrated ERP system (SAP) for dual-use goods archive;
- Audits at suppliers according to the quality system;
- Ecovadis platform;
- CRM system and electronic document management;

The global environmental policy involves multiple initiatives relating to the protection and safeguarding of the environment, which, set within the environmental management system, are considered genuinely strategic business decisions.

What IMA intends to implement is realized through the reduction of its direct impacts, investments in Research and Development for sustainable innovation and the promotion of responsible behaviours along the value chain.

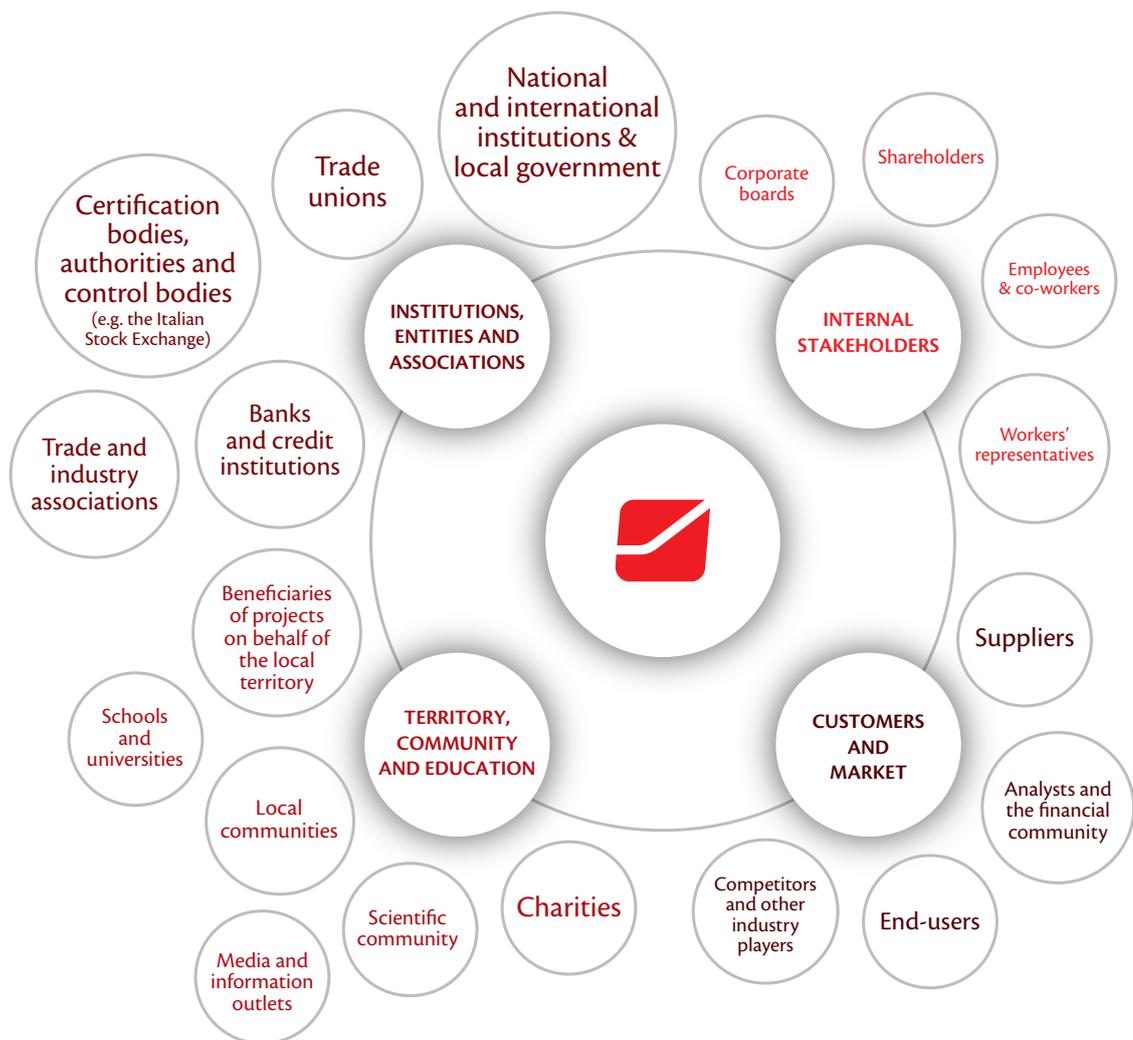
IMA has also expanded the scope of reporting on environmental impact to all IMA companies, in Italy and abroad, in order to monitor its performance globally and implement the right corrective actions, if necessary.

The management and organisation tools and methods implemented:

- Membership of the Carbon Disclosure Project;
- respect of the regulatory compliance;
- having all the authorisations issued by the competent bodies;
- Environmental Management System according to the ISO 14001 standard for certain IMA Companies;
- Energy audit program;
- emissions management system according to the ISO 14064-1 standard.

## 1.9. Listening to our stakeholders

IMA collaborates and interfaces with a close network of stakeholders with which it communicates and carries out engagement activities. IMA has selected its principal stakeholders considering its social role and close ties to the territory, grouping them into various macro-categories: internal stakeholders (including shareholders, employees and collaborators), customers and market (including end-users and suppliers), territory, community and education (including charities, schools and universities) and institutions, bodies and associations (including trade unions, banks and credit institutions).



Thanks to constant efforts over time, IMA has developed a complex system of information and communication through which it interacts with all stakeholders at a local, national and international level. In this way, IMA has identified the issues that its stakeholders consider most important in terms of social responsibility and sustainability integrating the results of the Stakeholder Engagement with its investee suppliers and customers. Among its end-users, IMA often finds multinational organisations that are very sensitive to issues of Corporate Social Responsibility, who through IMA's supplier valuation processes, request signing up to codes of conduct and commercial contractual clauses around a number of **recurring sustainability themes**; IMA took account of them when preparing this NFR. These issues are listed below:

STAKEHOLDERS		HUMAN RESOURCES TRADE UNIONS SUPPLIERS AND THEIR WORKERS	PARTNERS SUPPLIERS	COMMUNITY SCHOOLS UNIVERSITY	COMMUNITY INSTITUTIONS
	METHODS OF ENGAGEMENT	INDUSTRIAL RELATIONS REPORTS BY EMPLOYEES AND DIRECT COMPARISON INTERNAL COMMUNICATION	SELECTION PROCESS AND QUALIFICATION OF SUPPLIERS	CONVENTIONS AGREEMENTS WORK TABLES	CONTINUOUS INSTITUTIONAL COMPARISONS
		ISSUES	<ul style="list-style-type: none"> <li>• Respect for Human Rights;</li> <li>• Health and safety in the workplace;</li> <li>• Compliance with contract terms;</li> <li>• Protection from harassment;</li> <li>• Promotion of equal opportunities;</li> <li>• Respect for individual cultural and religious preferences;</li> <li>• Presence and dissemination of the Code of Ethics;</li> <li>• Promotion of merit;</li> <li>• Professional development and training.</li> </ul>	<ul style="list-style-type: none"> <li>• Differentiation of suppliers: company policy that promotes the purchase of goods and services from different firms;</li> <li>• Sustainability policy throughout the supply chain;</li> <li>• Development of the industrial cluster.</li> </ul>	<ul style="list-style-type: none"> <li>• Relationship with schools, universities and promotion of youth employment;</li> <li>• Adherence to international codes on transparency and corporate governance, such as the Serbanes-Oxley Act in the U.S.A.</li> </ul>



In 2021, IMA was successfully assessed by EcoVadis, which awarded it a "Silver EcoVadis Medal". EcoVadis is a platform for the analysis of CSR standards, based on international CSR standards including the Global Reporting Initiative, UN's Global Compact, and the ISO 26000 standard. Companies are rated in four areas: Environment, Fair Working Practices, Ethical Business Practices, Supply Chain.



## IMA MODEL: SUPPLIERS (NETWORK AND DISTRICT)

**19,552**  
SUPPLIERS  
(4 DIFFERENT TYPES)



**23** SUPPLIER  
COMPANIES  
WITH A **30 %** STAKE



**92.3 %**  
OF SPENDING  
ON LOCAL  
SUPPLIERS



## INITIATIVES AND PROJECTS:

- DEMATERIALISATION
- 3D
- ADDITIVE MANUFACTURING



**17.9 %**  
OF SUPPLIERS  
EVALUATED  
ACCORDING TO  
SOCIAL CRITERIA





THE DESIGN OF  
MACHINES FOR  
| **END USERS** |

IMA operates on the basis of requests from its customers, who are satisfied as IMA delivers safe, high-quality products. In this regard, IMA maintains high standards thanks to the customised design of machines in line with the end user's expectations, through an approach based on innovation and a continuous search for tailor-made solutions and guaranteed after-sales services.

**IMA**, after years of improvements and developments dedicated to the search for innovative products for the market and for its customers, represents a state-of-the-art reality in the field of industrial automation. The Group strongly believes in the implementation of innovative technologies aimed at improving the product, investing resources and energy in a process aimed at identifying the wishes of its **stakeholder** and the solutions developed to satisfy them.

IMA's strategy, whose primary objective is **end-user satisfaction**, aims to reconcile the creation of profit for its shareholders with the generation of economic value for all stakeholders. In this regard, there are various tools and criteria to which IMA refers to respond to the needs of customers and end users, deciding on the best strategies to be adopted.



#### **Global policy for product quality**

- raise the **safety** and **reliability** of products through partnerships and opening new branches
- benefit from **investments** in R&D for the development of technologically advanced solutions with a lower environmental impact
- development of a **sustainable production chain** through the sharing of values and know-how, including with subcontractors



#### **Research, Development and Innovation**

- **research and development** of machines and plants for specific market segments
- experimentation and implementation of **new technologies**
- stimulate the ideas of individuals, through **continuous training** of new hires in the field of technological innovation



#### **End-user's satisfaction**

- direct collection of **feedback** from customers
- **indicators** to detect compliance by products and services with the requirements
- **corporate CRM system** available to Group companies

## 2.1. Our global policy for quality and product responsibility

Since 2019, IMA has adopted a new version of the **Quality Policy**, consistent with the IMA Digital Agenda for Industry 4.0 (box: "IMA DIGITAL"). This is constantly evolving with a focus on change and the development of digital products, virtual instruments and intelligent applications, in order to achieve full productive efficiency. The definition of this policy, the objective of which is to define the process and product standards to which all Group companies must comply, passing through the technological implementations of production systems up to the acknowledgement of the responses by end consumers, is IMA's commitment to obtaining the best possible result.

### INTEGRATED QUALITY AND REGULATORY COMPLIANCE SYSTEM

The IMA QMS, highly focused on processes and intended to provide high level services to customers, makes it possible to offer maximum transparency to end users when executing the various phases of each project. This leads to the delivery of very complex solutions by the agreed deadlines, while maintaining a simple and flexible organisational structure. With a view to transparency, several IMA companies<sup>6</sup> have been awarded **ISO 9001:2015** certification for their Quality Management System, which covers the **entire life cycle of the product**, from R&D to sales, from delivery and installation to after-sales assistance. Particular attention is paid to design control, which is crucial for the quality of the end product. This Quality System was designed and built to achieve the objectives of **centrality and flexibility**, adapting both to the specific characteristics of the market and to the organisational characteristics of the individual divisions and companies included in the System, including the entities that become part of IMA following an acquisition.

In addition to incorporating the minimum requirements of local legislation, the internal technical regulations extend to various areas where it is important to follow international standards, starting from the mechanical and electrical design, up to the internal and external production processes and packaging of the products.

Quality assurance and compliance with procedures is ensured by a continuous internal audit plan which, on an annual basis, involves the companies and divisions involved in IMA's Quality System. In 2021, 20 internal audits were carried out (18 in 2020 and 16 in 2019), in part conducted remotely due to the restrictions imposed by the COVID-19 pandemic. With the new edition of the ISO 9001:2015 standard, audits are planned in a **risk-based** perspective so as to focus the checks on the most critical areas.

### REGULATORY AND TECHNICAL KNOW-HOW

"Quality" also means guaranteeing end-users the best conditions of **safety in the use of machines**. In fact, during the design phase, an in-depth analysis of safety risks is carried out according to applicable regulations including, first and foremost, Directive 2006/42 / EC of the European Parliament and of the Council of 17 May 2006 (hereinafter, **Machinery Directive**) relating to the CE marking for 100% of the machines placed on the market by Italian companies and 71.8% by IMA companies in the world. As an output of the assessment process, IMA draws up a technical file including the risk elimination or mitigation measures adopted so that all IMA machines fully comply with the legislative requirements. In 2021, customers experienced documentation issues on 0.6% of machines under warranty. Furthermore, starting from 2013 IMA has undertaken a process of monitoring the non-conformities detected during the use of the machinery, making use of the consultancy services of the **Technical Compliance office**, specialised in machinery safety regulations and their practical application.

<sup>6</sup> Please refer to the "Management systems: quality, safety, environment" section.

IMA, in addition to having obtained the ISO 9001 certification, has chosen to adhere to specific sector standards, such as **GMP (Good Manufacturing Practice)**, **GAMP (Good Automated Manufacturing Practice)** and **food compatibility standard**, to offer end-users the highest degree of compliance with industry best practices. In this area, the Quality Assurance function, which manages the Quality System, has developed various tools that allow detailed reporting:

- a reference **database for the certification of materials used on the machines in contact with the product** (for food and pharmaceutical compatibility), which can be used by all IMA companies and divisions;
- a reference **database for the product certifications required in various countries around the world**, principally in relation to product safety, in order to satisfy the local needs of customers;
- the creation of **correlation schemes between the regulations to which customers are subject** (GMP, GAMP) and IMA Quality System. The aim is **to facilitate dialogue with end users**, identifying any areas for improvement and development of the system and incorporating the regulatory requirements applicable to IMA within it.

To further protect end-users and ensure the business continuity, IMA has adopted the “**Disaster Recovery Plan for IT Systems**” (updated every year), an operational plan to prevent disasters such as accidents or natural disasters affecting computer systems, leading to loss of data, or even interruption of business.

For IMA it is essential to share all the technical updates of the machinery with end-users, the result of regulatory evolution and the constant process of technological innovation. For this reason, the Group pays particular attention to the documentation supplied with the machine, which includes:

- the compulsory technical documentation, such as the “Parts Manual” and the “Instruction Manual for the use and maintenance of machinery” (which contains information on the origin of the goods, instructions on how to carry out handling, unpacking, installation, use and maintenance correctly and safely, methods of decommissioning and dismantling, and information on possible emissions of radiation, gases, vapours and dusts);
- supporting documentation for the validation of equipment in accordance with regulatory guidelines such as FDA (U.S. Food & Drug Administration) and EMEA (European Medicines Agency) for the pharmaceutical market.

For this last aspect, the internal procedures for managing the life cycle of the control software of machines are defined according to GAMP guidelines, including the risk analysis to ensure a test protocol that is optimized on the critical areas.

Finally, IMA obtained the Presidency of the ISO 313 “Safety of Packaging machines” Technical Committee established in 2018 with the ambitious goal of defining a common worldwide standard for the safety regulations of packaging machines and standardising current regulatory differences between Europe and the USA.

## 2.2. Research, Development and Innovation

IMA's vocation in the pursuit of innovation reflects our strong orientation to be seen as a solution provider rather than just as a machinery vendor, this approach has always been a distinguishing characteristic of IMA and has resulted in a strong market position. Research and development costs in 2021, equal to 3.6% of revenue; amount to 61.0 million euros, up from the 60.2 million euros last year. This item includes the research costs incurred on the technological upgrading and normal revamping of standard products. The cost of customizing standard products and the cost of custom-made developments on the specific request of the customer are not included, as they are part of the cost of sales and, as such, invoiced directly to the clients.

### THE ORGANISATION OF RESEARCH AND DEVELOPMENT AND INNOVATION

Given the complexity of the markets in which it operates and the dynamism of its growth, IMA aims to improve centrality and transversality of research and development skills, implemented by three guidelines:

- **research and development of machines and plants for specific market segments**, made within the individual divisions;
- **experimentation and implementation of new technologies**, technological scouting, international co-operation relations with research centres;
- **adoption of a widespread and collaborative approach to innovation**, which aims to stimulate the ideas of individuals, including through continuous training in the field of technological innovation of new hires in the Research and Development departments and to enhance the contribution of Marketing, constant analysis of machines and scouting of enabling technologies.

With a view to **open innovation**, IMA is consolidating its presence in Boston with support activities for the birth of innovative start-ups and collaborations with departments of the Massachusetts Institute of Technology (MIT) on projects of common interest. Among the various activities, we note the collaboration with two spin-outs of MIT. Firstly, Continuus Pharmaceuticals Inc., a project focused on new integrated Continuous Manufacturing technologies that make the production process of active pharmaceutical ingredients more efficient and rapid, thus helping to strengthen IMA's leadership in the production of machines and plants for the pharmaceutical sector. Secondly, INKBIT LLC.MIT., a project on the innovative "**additive manufacturing**", technology, which IMA helped develop in 2017 to integrate artificial intelligence techniques into the additive printing process.

The **smart machine** and **smart factory** projects are being developed in cooperation with research centres and funded projects. The currently active projects are:

- ROSSINI (Horizon 2020): design and development of modular platforms for the integration of robotic technologies and human operators in an industrial environment;
- IDM (IMA Digital Manufacturing), co-financed by the Emilia-Romagna Regional Authorities: creation of an IMA research centre to support digitisation of the Supply Chain and the use of additive manufacturing;
- I-MECH, co-financed by the European Commission and MIUR: development of intelligent mechatronic systems;
- SENECA (Systems Enabling Efficient Cognitive Automation), financed by the **Ministry of Economic Development** and the Emilia-Romagna Region: cognitive automation, advanced sensors, autonomy, simulation and artificial intelligence;
- Seven projects managed by the BI-REX Competence Center and co-financed by the Ministry of Economic Development on the topics of additive manufacturing, big data, cyber-security and predictive maintenance.

## RESEARCH, DEVELOPMENT AND INNOVATION WORLDWIDE

IMA subsidiaries around the world are also supporting various projects and cooperating on research and development with universities and research institutes. In the United States, IMA companies carry out school-work rotations, internships and research projects, in collaboration with technical schools, universities, associations and local research bodies. In Asia, several IMA companies are members of international research and development associations, such as ISPE (International Society for Pharmaceutical Engineering) and IPEM (International Pharmaceutical Engineering Management).

### Patents filed and granted in 2021

*(out of a total of more than 2,700 patents and patent applications pending worldwide)*

	PATENT APPLICATIONS FILED	PATENTS GRANTED
IMA Life North America, Inc.	9	-
Telerobot S.p.A. (absorbed by IMA S.p.A. with effect from 01/01/2022)	4	12
Ilapak Italia S.p.A.	1	4
Ilapak International S.A.	2	1
IMA S.p.A.	146	223
Teknoweb Converting S.r.l.	1	1
Perfect Pack S.r.l.	1	-
Eurosicma Costruzioni Macchine Automatiche S.p.A.	1	1
ATOP S.p.A.	29	58
Delta System & Automation LLC	-	1
ALPHAMAC S.r.l.	6	1
Tissue Machinery Company S.p.A.	5	2

## IMA'S PRINCIPAL INNOVATIONS

### IMA Digital

IMA continues to focus its Research and Development activities on digital innovation and the implementation of technologies linked to Industry 4.0 and Smart Manufacturing formats. All the strategies for technological growth have been incorporated in IMA Digital, a global project that involves all sectors of the Company. The initiative aims to create products and services aimed at supporting partners and customers in technological advancement.

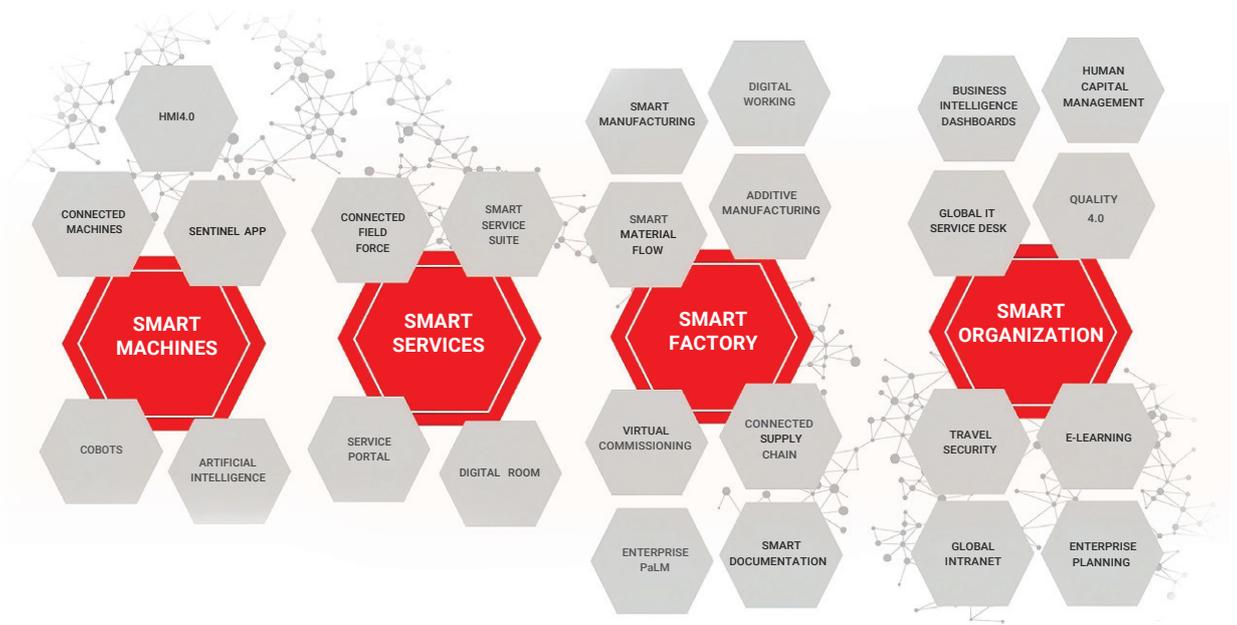
The concept of Smart Machines led to the creation of the new function **Connected Machines DataOps**, intended as a point of connection between IT and OT and active on DATA sourced from manufacturing and on the management and processing services connected to them.

The following are some of the technologies on which IMA has focused its attention:

- IIOT;
- Artificial Intelligence;
- Collaborative robotics;
- Advanced automation;
- Additive Manufacturing;
- BIG DATA.

To give the initiative organic unity and planning, four macro-areas of reference and development have been identified:

- **Smart Machines:** dedicated to the interconnection and digitisation of the plants. Related projects: Connected Machines, Sentinel App, HMI 4.0, Cobots and Artificial Intelligence.
- **Smart Services:** focused on developing services for partners and clients. Projects relating to Connected Field Force, Smart Service Suite, Digital Room, Service Portal.
- **Smart Factory:** dedicated to the enhancement and innovation of IMA's physical infrastructure. Related projects: Smart Manufacturing, Digital Working, Smart Material Flow, Additive Manufacturing, Virtual Commissioning, Connected Supply Chain, Enterprise PaLM, Smart Documentation.
- **Smart Organization:** dedicated to the development of digital solutions for the improvement of communication and the growth of skills of IMA employees. Related projects: Business Intelligence Dashboards, Human Capital Management, Global IT Service Desk, Quality 4.0, Global Intranet, E-learning, Enterprise Planning.



In 2021, the development of the IMA Digital project led to the marketing of the following products and services in the field of **Smart Machines**:

A4Gate	Sentinel	IMA Control Room
<p><i>hardware and software platform for the secure collection and transfer of production data to storage devices</i></p>	<p><i>autonomous monitoring platform for the performance of production plants</i></p>	<p><i>remote monitoring service of machines with customised reporting</i></p>

## IMA ACTIVE

The **IMA ACTIVE** division approached the frontier of **Continuous Manufacturing**, the new production paradigm that combines different production technologies in series, allowing an uninterrupted flow of the material, from raw materials to finished pharmaceutical products. The process is constantly monitored in real time thanks to the latest generation of PAT instruments and upstream and downstream regulation algorithms, so as to obtain a product that is invariably compliant. As supported by recent studies on the subject, the implementation of Continuous Manufacturing in the pharmaceutical field allows for optimised production and improved quality of final products, not only reducing drug costs by up to 40% compared with current batch production, but also the size of the plants by up to 80%, with consequent benefits in terms of energy consumption and production times reduced by up to 90%. If in 2020 IMA ACTIVE had launched CROMA, the new plant downstream of the process for the continuous coating of tablets, in 2021 the development of the upstream process began, with the creation of a line for Continuous Direct Compression starting already with dispensing and powder mixing. In this sense, the partnership with the Continuus Pharmaceuticals Inc. project of MIT has made it possible to develop a **modular technology platform (ICM)**, with the aim of producing a finished dosage form with optimal therapeutic properties. Even on batch machines, the use of intelligent adaptive automation permits optimisation of both diagnostics and set-up procedures, with significant reductions in waste and energy used for non-productive operations.

## IMA LIFE

in 2021, **IMA LIFE** it installed and put into production **Injecta**. the first robotic machines. The interest shown by the market towards the flexible and hygienic approach of this range of machines, as well as the functional confirmations obtained at the technological level, have prompted IMA to start the completion of a wider range of Injecta products which includes high-speed solutions and solutions specific to the syringe market.

Another development theme involved the introduction of an innovative process, namely the freeze-drying of the product before filling. IMA LIFE has also undertaken to define a **digital roadmap**, applied across all machines, for the creation of integrated packages on the Sentinel product. This line of development was further strengthened in the second half of the year thanks to the strong interest of customers and the opening of collaborations for the integration of **advanced analytics**. Lastly, in terms of technological development, IMA LIFE measured itself against a growing trend, linked to the request for technical solutions for the field of Gene & Cell Therapy, a new frontier of medicine that has an important impact on product management compared with traditional technologies.

## IMA SAFE

**IMA SAFE** is exploring innovative and flexible packaging systems suitable for the production of small batches and innovative sensors applicable to its systems, including:

- **Trit-one**: modular robotic cartoning machine capable of producing pharmaceutical packaging without having shaped parts;
- **New count sensor**: a sensor for counters, capable of detecting flaws in the tablets with great precision before final packaging.

### IMA TEA&HERBS

**IMA TEA&HERBS** has developed a new autonomous machine, based on a collaborative robot capable of feeding the reels in the absence of operators and producing 800 double-chamber bags with thread and label per minute.

### IMA COFFEE

**IMA COFFEE** has developed an innovative highly flexible robotic cartoning unit designed to handle the countless configurations required by the market.

### ILAPAK

**ILAPAK** has developed various solutions for the modernisation of models and the use of materials with a lower environmental impact, such as **ILAPAK VFFS** (multi-head weighing machine) and **ILAPAK DOY** (evolution of welding modules suitable for the use of 100% recyclable PE-based monomaterials).

## IMA AND PRODUCT SUSTAINABILITY

In response to growing attention on environmental sustainability issues, both within the company and at the global level, IMA has carried forward projects and initiatives aimed at reducing the environmental impact of production processes, in continuity with the policies developed in recent years to meet the needs of high profile customers and partners. In the packaging machinery industry, actions are focused on the development of solutions aimed at reducing the resources used, while at the same time favouring the use of new materials with a lower environmental impact. In 2021, IMA committed to strengthening the network of laboratories **OPENLab**, with the establishment of a new laboratory in the United States, which will join the IMA one in Ozzano dell'Emilia and the Ilapak ones in Lugano and Arezzo. The expansion of the OPENLab network aims to encourage an ever greater understanding of local needs in terms of environmental sustainability, with the aim of supporting the path towards the use of eco-sustainable wrapping materials.

The OPENLab laboratories have the following aims:

- to accompany the various divisions of the IMA Group and customers in a **conscious choice of packaging materials**;
- **to direct manufacturers of packaging materials towards more sustainable choices** and in line with the needs of clients, consumers and the academic and institutional world;
- **to actively work on the development of low environmental impact materials**, recyclable, biodegradable or compostable;
- to collaborate with research centres, for example via the Ph.D study grant made available to DICAM (Department of Civil, Chemical, Environmental and Materials Engineering) at the University of Bologna for work on "Polymeric materials for eco-sustainable packaging";
- **to contribute to the creation and development of working groups**, projects and / or consortia including all the players in the supply chain, in order to accelerate and **strengthen the circulation of ideas and the creation of solutions** specifically addressing any critical issues related to new types of eco-sustainable packaging.

For years, IMA has promoted the **IMA NoP - No Plastic Program**, a transversal project across the whole company to realise a wider and more systematic introduction of eco-sustainable materials within the entire supply chain.

Among the many projects under development focused on sustainable packaging, the following initiatives are worth mentioning:

- the new **CT11** machine for the packaging of tea and herbs in sachets, using biodegradable packaging materials of natural origin;
- the innovative cardboard wrapping "**Parenteral Paper Packs**", for parenteral products on the continuous cartoning machine of the DYNAMICA model;
- the new model of horizontal flowpack machine "**Delta full ultrasonic**" with high speed for the flexible and interchangeable management of both new generation hermetic recyclable polyolefin-based (PE or PP) packaging and old generation non-recyclable materials.

### 2.3. End-user satisfaction

End-user satisfaction is the final expression of a company strategy aimed at sustainability and the involvement of all resources in company processes. As part of the certified Quality System, there is a procedure for **collecting feedback directly from customers** with the following characteristics:

<p>Sending a <b>questionnaire by the Sales Body at the end of the machine/line installation</b> at the customer's premises.</p>	<p><b>Customer evaluation</b> by means of a questionnaire of all the main aspects of the product, from sales to installation.</p>	<p><b>Collection of feedback</b> and its transmission to the managements of the companies / divisions involved for reviews.</p>
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IMA also monitors end-user satisfaction through a **set of indicators** able to detect the degree of compliance with customer requirements for products and services in terms of quality and timing and their perception of quality. The tools used for these measurements are:

<p><b>Audits</b> carried out by the end-user as part of the qualification process of IMA as a supplier.</p>	<p>Managing and <b>minimizing complaints and disputes</b>, such as failure to pay for technical/quality problems.</p>	<p><b>Reduction of warranty costs.</b></p>	<p><b>Measurement and monitoring of quality problems and delivery times</b> for the products and services provided.</p>
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Furthermore, since June 2019, a new process has been implemented aimed at understanding the level of end-user satisfaction, based on **Corporate CRM** system integration in **major IMA companies**.

As part of the innovation of the processes and technological systems used to support them, the CRM project and electronic document management has been active since 2014, which has made a state-of-the-art platform for Customer Relationship Management available to the world of sales. Today this platform is used by almost all IMA divisions and is in the process of being adopted in the divisions of the various companies engaged in other market sectors. This tool allows the sharing of structured and classified data among all organisations, returns information on the market and indications on commercial, production and marketing strategies. Now integrated with Enterprise Resource Planning (hereinafter **ERP**), the content management platform and the **SharePoint document management system**, the system ensures efficient management of document transmission and approval flows in line with the requirements of national and international regulations.

**Customer satisfaction questionnaires** have been in use for a number of years. Listening and customer satisfaction, fundamental for all IMA companies, are part of an interaction process which, starting from the design phase up to the end of the life cycle of the machinery, involves **regular visits to customers, involved directly in product customisation initiatives**. Each branch is equipped with a structured complaints management system, based on sending and filling in questionnaires via e-mail, the use of dedicated online platforms or a telephone assistance line. Voice of the Customer (Voc) services are also in place, the final objective of which is to improve customer satisfaction and improve their opinions for the constant improvement of market strategies and products and services offered. In addition, a project was launched in 2021 to promote greater integration and alignment of the branches on the requirements and quality levels required for the supply of technical assistance and spare parts services.

The results for Italy in 2021 are the following<sup>7</sup>:

AREA	% Questionnaires sent/Machines installed	% Questionnaires received/ Questionnaires sent	AVERAGE SCORE OF ANSWERS (from 1 to 5, where 3 is satisfactory)
PHARMA	58%	22%	3.5
NON-PHARMA	69%	33%	3.5

IMA is well aware that a **policy for the prevention of defects**, is not only a competitive advantage, but also a way of reducing internal costs: for this reason it undertakes to resolve any critical issues before the shipping phase so as to limit the detection of non-compliance by end-users.

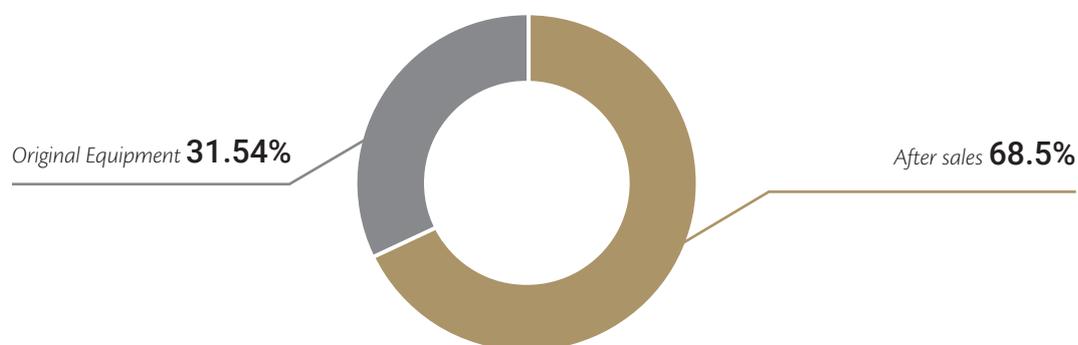
#### IMA'S AFTER-SALES SUPPORT

IMA's after-sales service structure, of a recurring nature and characterised by high margins, favours the consolidation of relationships with customers, based on transparency and maximum satisfaction, confirming a customer-oriented strategy that has always been focused on a high level of assistance.

A substantial portion of IMA's revenues, equal to approximately 32%, is in fact generated by services relating to the supply of spare parts and equipment, which represents a high value-added activity.

Furthermore, the quality of original spare parts, together with the very high professional skills of technicians, provide customers with the best possible conditions for the maintenance and operation of the machines, ensuring their maximum efficiency and reliability.

<sup>7</sup> The following IMA S.p.A.'s divisions are involved in the end user satisfaction assessment: IMA ACTIVE, IMA LIFE OZZANO, IMA LIFE CALENZANO, IMA LIFE North America, IMA LIFE BEIJING, IMA SAFE, IMA BFB, IMA COFFEE PACKAGING, IMA AUTOMATION, IMA GIMA, IMA TEA&HERBS, IMA T&T, IMA R.I., IMA FILLSHAPE and CORAZZA.



Export revenues represent approximately 87% of turnover, with particular emphasis in European countries and North America. 68.5% of revenue was generated by plant and machines<sup>8</sup>, while 31.5% came from after-sales activities (support, provision of spare parts, format parts etc.)<sup>9</sup>.

Revenue by geographical area	2019		2020		2021		CHANGE 2020/2021
	Amount	%	Amount	%	Amount	%	
Million euros							
European Union (excluding Italy)	451.32	28.3%	433.63	29.1%	482.73	28.6%	11.3%
Other European countries	109.06	6.8%	145.79	9.8%	210.15	12.4%	44.1%
North America	313.67	19.7%	269.47	18.1%	347.84	20.6%	29.1%
Asia & Middle East	354.70	22.2%	267.02	17.9%	273.86	16.2%	2.6%
Other countries	173.95	10.9%	140.55	9.4%	148.55	8.8%	5.7%
<b>TOTAL EXPORTS</b>	<b>1,402.70</b>	<b>87.9%</b>	<b>1,256.46</b>	<b>84.3%</b>	<b>1,463.13</b>	<b>86.7%</b>	<b>16.4%</b>
Italy	192.83	12.1%	234.01	15.7%	225.19	13.3%	-3.8%
<b>TOTAL</b>	<b>1,595.53</b>	<b>100.0%</b>	<b>1,490.47</b>	<b>100.0%</b>	<b>1,688.32</b>	<b>100.0%</b>	<b>13.3%</b>

## INFORMATION AND COMMUNICATION

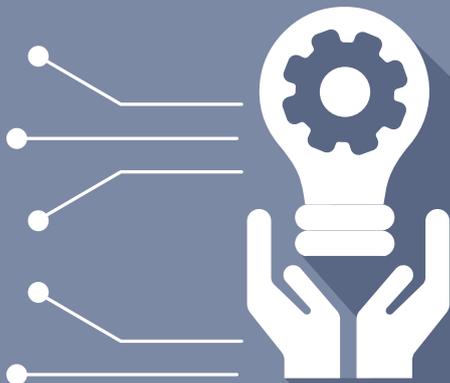
Communication with end-users and operators in the reference sector (Trade Press) takes place through media relations in collaboration with the Marketing of the main sectors of the IMA Group: this includes the preparation, dissemination and follow-up of product press releases, editorials and case histories for industry magazines and portals. In addition, IMA regularly publishes advertising pages on the main Italian and international trade publications, as well as banners and e-news. In 2021, no complaints were received about breaches of customer privacy.

<sup>8</sup> Original Equipment.

<sup>9</sup> After sales.

**200** PATENTS  
FILED IN 2021

**302** PATENTS  
GRANTED IN 2021



QUALITY  
CERTIFICATIONS:  
**ISO 9001**



**3.6 %**  
OF REVENUE  
INVESTED IN  
RESEARCH AND  
INNOVATION

COLLABORATIONS WITH  
**UNIVERSITIES AND  
RESEARCH INSTITUTES**  
(OPEN INNOVATION WITH MIT)

- IMA NOP
- OPENLAB
- IMA DIGITAL





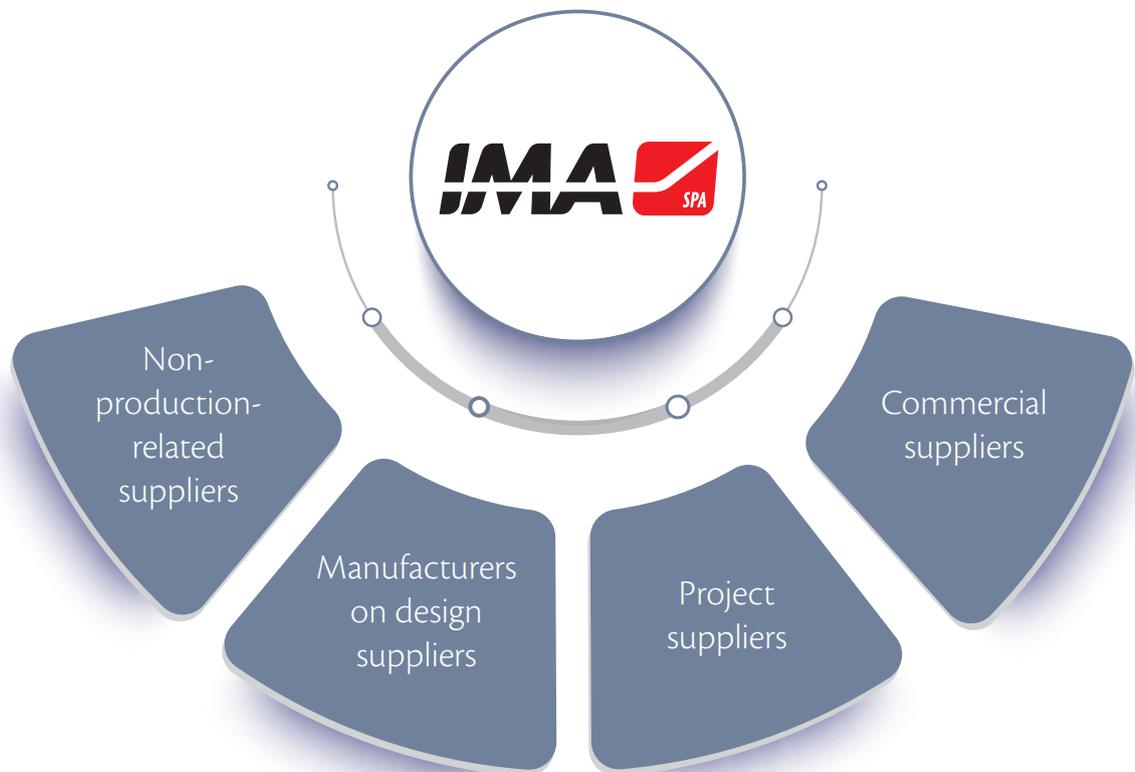
# | SUSTAINABILITY OF THE SUPPLY CHAIN |

RESPONSIBLE  
SOURCING AND THE  
SUPPLY CHAIN

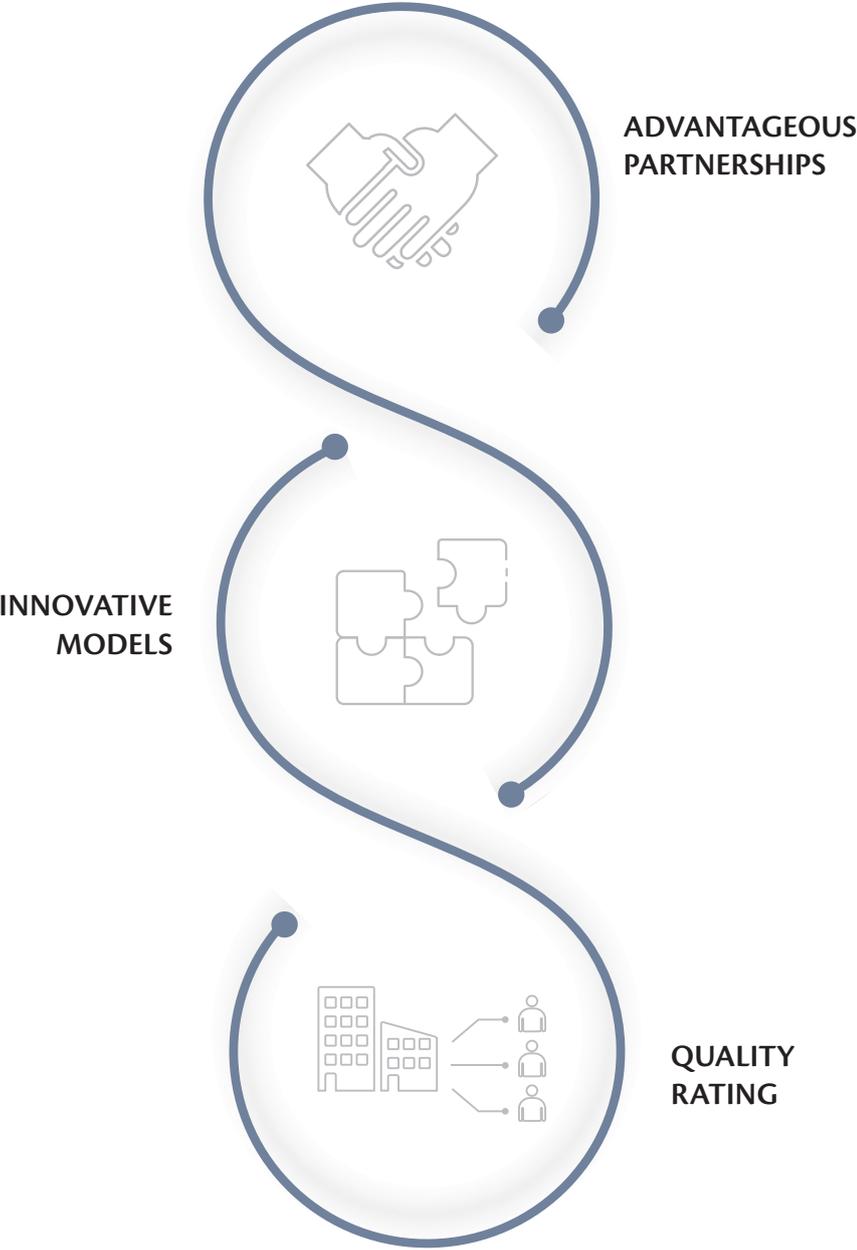
As with any company, in order to carry out its activities it is necessary to procure material useful for the production of machinery, as well as to work alongside valid partners for the provision of services, enabling the core activities of the Group aimed at satisfying end users and customers. In this phase too, IMA undertakes to implement responsible and integrated management of the supply chain in economic, social and environmental terms, by joining and promoting projects and initiatives for the development of local economies in the communities in which the Group operates.

### 3.1. Our supply chain

In developing its strategies, the IMA Group takes into account the economic, social and environmental implications of its operations to ensure a balance between competitiveness, environmental support, competence and Corporate Social Responsibility, concepts also contained within the Code of Supplier conduct. With a strong belief in establishing solid relationships with its suppliers to strengthen the concept of **industrial district** and support a **corporate network**, IMA focuses on identifying suppliers capable of respecting the quality of the business and the expectations of end-users. For this reason, IMA's supply chain actors are subject to selection and qualification criteria aimed at establishing shared values and rules of conduct, including through the implementation of an **innovation system** and **various investments** aimed at stimulating the entire supply chain.



In fact, the Group continuously invests resources and energy in the search for **smart and innovative** solutions, including through the implementation of **ERP** systems and **additive manufacturing**. Throughout its history, IMA has paid a lot of attention to creating a positive social impact in the area in which it operates, asking for a **high level of quality** in exchange. To increase the added value of its offer as well as share successes, IMA avails of selected partners and suppliers, actively involved in the design, manufacturing and assembly processes of the machines, monitoring the quality levels and the technical-regulatory requirements, with the aim of **diffusing the rigour of methods and standards**. In its choice of suppliers, IMA guarantees absolute impartiality and undertakes to strictly comply with the payment terms agreed in the purchase contract.



## THE IMA MODEL FOR MANAGING THE SUPPLY CHAIN

IMA's approach to the Supply Chain pursues a principle of innovation, perfected over time through an unconventional model. Production-related suppliers are also selected on the basis of a **criterion of "proximity"**, which favours, among other things, partner companies in product innovation that operate in the local production cluster.

Many of the close ties established by IMA over the years are found within the local **industrial district**, especially in Italy. These relationships sometimes take the form of **minority investments** (up to **30% of the share capital**) in certain subcontractors, allowing IMA to cope better with the recent challenges related to growth. Such investments, based on a **win-win partnership logic**, serve to support the network of small businesses in the local area, an active part of the innovation process promoted by IMA, through **interventions of a financial and strategic nature** aimed at strengthening the cohesion of the production system and integrating the innovative potential of local actors. This model provides support for investment in new machinery and production tools and for the organisational and IT development typical of the new industrial revolution.

In particular, IMA is working along three guidelines with its most important suppliers:

Dematerialisation

Control of  
production scheduling

3D and Additive  
Manufacturing

All this translates into projects that are already operational, ranging from the implementation of an integrated **ERP system that also covers the supply chain** (online tools for the receipt of purchase orders and engineering drawings), to collaboration on Additive Manufacturing projects, that will completely innovate design and construction methods for automated machine components.

IMA's goal for the future is to further increase **collaborative logic between client and supplier**. In 2021, IMA participated in 23 strategic supplier companies and extended the IT platform for order management to one of them in order to further integrate and standardise its Supply Chain production processes.

**MAIN STAGES IN THE PRODUCTION OF AUTOMATIC MACHINES: THE IMA MODEL**



The best companies with which IMA works are in fact rewarded by remaining partners for several years, allowing them to capitalize on the investments they have made in production technologies. The low “rate of change/replacement” is therefore the salient feature of the relationship between IMA and its suppliers. In this way IMA establishes preferential relationships based on the duration of the collaboration and on mutual loyalty.

In addition, in order to further streamline and develop the supply chain, taking into consideration its social and environmental impacts, in 2021, IMA **fully digitalised purchase orders**, eliminating the paper production of documents and **optimising the routes** of deliveries from suppliers to the Group’s sites, by virtue of the development of software which allows the booking of the collection of goods thereby avoiding empty runs.

## IMA works with different types of suppliers:

### Custom-designed component suppliers



**Custom-designed component suppliers** are those who supply components based on IMA's drawings and projects.

In 2021 there were **2,903** custom-designed component suppliers.

In order to develop the custom-designed component suppliers' skills, training courses have been organised by IMA on specific issues regarding manufacturing processes, in order to **transfer IMA's high working quality standards** to them.

Training activities were more limited during 2021 due to the pandemic, although periodic meetings were still held to align and update suppliers (whether affiliates or not) on the results obtained, the production programmes and the operational strategies pursued.

### Catalogue-component ("commercial") suppliers



**Catalogue component suppliers** are those who provide components that are available in manufacturers' catalogues.

In 2021 there were **6,907** custom-designed component suppliers.

In order to guarantee and certify the origin of their machines, IMA requires all suppliers of commercial parts to provide **certification of the origin** of individual components.

Due to the repercussions of the pandemic at the production level, supply times again suffered a further slowdown in 2021, affecting electronic components and other types of products and leading to an increase in the cost of products.

Together with the increase in the cost of energy and transport, the Purchasing department has made efforts to contain the increase in the cost of commercial components.

### Non-manufacturing suppliers



**Non-manufacturing suppliers** are companies that supply goods and services that are essential for company operations, but that are not strictly related to the process of manufacturing the machines (providers of energy, portering/logistics services, consulting, etc.).

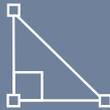
In 2021 suppliers of goods and services were **8,402**.

Given the type of risk associated with this category of external suppliers, the Group has always worked with **transparency**, maintaining the predominant internal know-how through the development of its people, such as the *owner* of all the typical functions of the IMA production model, in order to limit the level of risk from external procurement. With this rationale, the company has hired resources and promoted internal growth, encouraging suppliers to take on their own highly specialised and flexible functions, thanks to their acquisitions.

The Group pays close attention to the impact that a new supplier can have in terms of erosion of the turnover of local and long standing suppliers which collaborate with IMA. The growth of the business in recent years has allowed IMA to expand the network of suppliers without having a negative impact on the workload that IMA's partners rely on.

With regard to environmental aspects, in recent years the initiatives of suppliers which have carried out projects aimed at environmental sustainability have been positively evaluated, such as suppliers of vending machines that use recycled cups and plastic bottles with eco-green material: in 2021, using these cups by IMA made it possible to save a total of 4,688 kg of CO<sub>2</sub>.

## Project suppliers



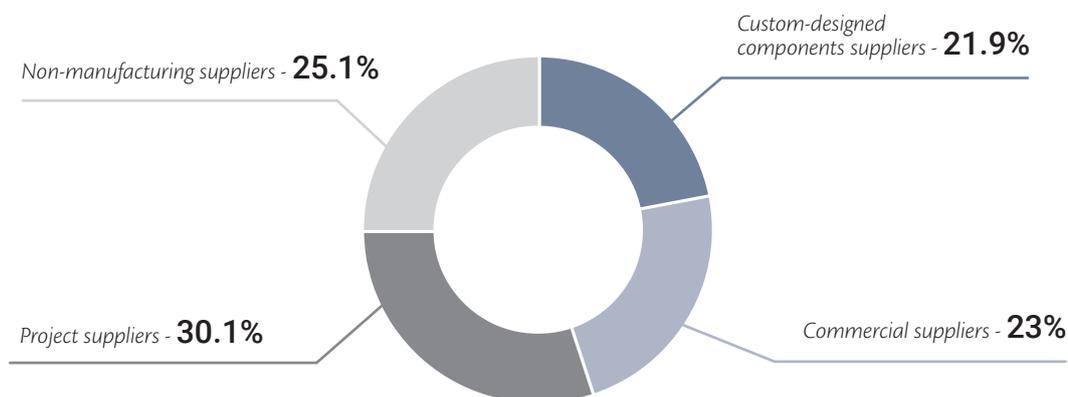
The **project suppliers** are those which provide goods and services strictly linked to the entire cycle of realisation of projects for clients, such as assembly, design, and third party machines.

In 2021 there were **1,340** project suppliers.

The same considerations, logic and qualification criteria of the other categories apply to this type of supplier as well. For certain categories impacting on the success of the machine sold to the customer, including design, packaging and shipping, from 2019 onwards the coding procedure required a further stringent verification with the supplier, i.e. preliminary acceptance of the following documents:

- general purchasing conditions;
- confidentiality agreement;
- Suppliers' Code of Conduct;
- applicable IMA standards;
- ISO 9001 qualification questionnaire.

### Breakdown of manufacturing suppliers in Italy and in the world by type in 2021 (% of expenditure)



Considering purchases made in 2021 by IMA companies based in Italy and in the rest of the world, without calculating the costs incurred for VAT, customs, employees, vehicles and agents, **92.3%** of sales revenue **went to local suppliers**<sup>10</sup>. At the regional level, the amount for Italy was 93.0%, for Europe 91.3%, for the Americas 87.8% and for Asia 94.6%. These figures demonstrate the value created by IMA for its territory and the local production cluster. It should be noted that both the expenditure and the number of Group suppliers are variable from year to year, as they depend on the type of order and the specific requests of the customer.

Compared with 2020, two elements that impacted the Group's procurement strategy in 2021 were the scarce availability of materials and semi-finished products dictated by the global crisis of **resource scarcity** (with specific reference to semiconductors, chips, polymers and wood), and the consequent **price increases and deferred delivery times**, due to the impacts generated by the global pandemic situation which continued into 2021, and to the same difficulty in finding raw materials.

## 3.2. Qualification and monitoring of our suppliers

The process of qualifying suppliers has been structured even further, in order to provide better assurance that the quality required by customers will be delivered, while also taking account of the willingness of individual businesses to understand the values that underpin the industrial policies adopted by IMA. These seek results of course, but also respect for the rights of future generations.

In order to check the qualification of suppliers and their compliance with the minimum requirements laid down by IMA, questionnaires are sent concerning how they organise design, production and testing activities, as applicable. Audits and documentation are provided to prove that the supplier is actually compliant with IMA standards.

Supplier performance is measured in terms of **quality, prices and delivery times** used as the basis for the calculation of the **vendor rating**, a ranking based on the attribution of scores related to supplier performance. Since 2019, the methodology was strengthened by integrating the procedure with audits in matters of Governance requirements, such as Legislative Decree 231/01 and Law 262/05. Furthermore, in 2021 the calculation mechanisms were improved and higher objectives were set compared with previous years to reflect the general improvement and the increase in IMA's expectations.

<sup>10</sup> "Local suppliers" refers to all the suppliers delivering to individual IMA companies in the world with registered offices in the same country.

## RANGE OF RATING

Over a range of ratings from 0 to 100, where 60 is satisfactory, the average score of core suppliers was 63 for the custom-designed components in 2021 (64 in 2020) calculated on 263 assessments and 78 for catalogue components (77 in 2020) calculated on 106 assessments.

At the end of 2021, there were **525** suppliers qualified through the IMA method (assessment completed or in progress):

<b>286</b> of components	<b>44</b> of assembly and wiring	<b>54</b> of design and documentation
<b>10</b> of third-party machinery	<b>81</b> technical assistance	<b>50</b> of complete systems

For custom-designed component suppliers, IMA has developed another method of qualification designed to raise suppliers' awareness of quality issues through training sessions by IMA testing personnel. The idea is then to transfer part of the testing of mechanical components to the suppliers. At the end of 2021 **27** suppliers qualified for self-evaluation. In addition, a qualification activity began in 2017 to ensure compliance with the hygiene requirements and contain the risk of contamination for parts that come into contact with the customer's food or pharmaceutical product; at the end of 2021, this activity sees a number of qualified suppliers equal to 107.

In 2018, an activity started with a view to focusing and better defining the requirements for the qualification of "hub" suppliers, who in turn have their own subcontracting network for the production of complex products. To strengthen the control and monitoring of strategic suppliers given the complexity of the products supplied, a project was launched in 2019 to improve the quality of the Sinermatic network, which includes all the supplier companies in which IMA holds a stake. The project envisages the definition of the requirements by IMA, integrated with an analysis of the improvement actions by the companies in the network, with the aim of positioning them in the high quality range of the supplier base.

To date there are no further specific environmental or social requirements used in the qualification of a new supplier, except as provided with regard to workplace safety and protection during the document collection phase and during the visit at the supplier's premises, evaluating, among other things, their technical-professional suitability, whether wages and social contributions are paid regularly, whether they have a dedicated structure for occupational security.

IMA drew up a Supplier Code of Conduct as an incentive for the Supply Chain to adopt the same rules of conduct as IMA.

## PERSONNEL OF THIRD-PARTY COMPANIES

An important category of suppliers is represented by personnel of third-party companies who work directly at IMA's plants: these relationships are governed by contracts that meet the standards prescribed by law and require the Contractor to provide IMA with all the guarantees required by regulations on workplace protection, health and safety, social security, insurance cover, and regular payment of contributions.



**6,248**  
EMPLOYEES  
OF WHOM  
**18 %**  
WOMEN



**56 %**

BETWEEN  
**30 AND 50**  
YEARS OF AGE



MEMBER OF CapoD  
NETWORK  
TOP EMPLOYER 2021

**98 %**  
PERMANENT  
CONTRACTS

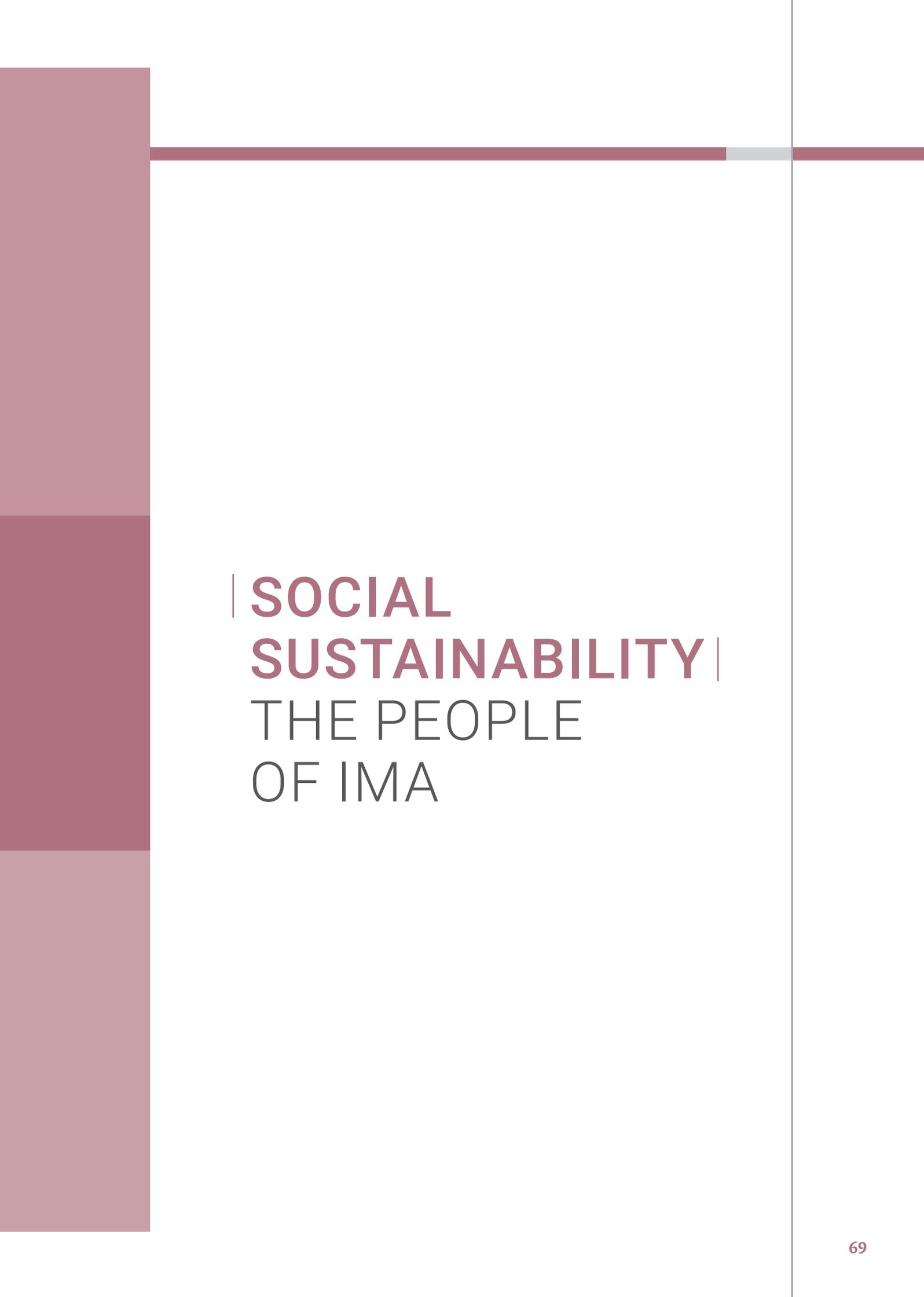


AVERAGE HOURS OF  
TRAINING PER  
CAPITA

**137,655**

HOURS OF TRAINING PROVIDED





| **SOCIAL**  
**SUSTAINABILITY** |  
THE PEOPLE  
OF IMA

In order to carry out the activities and bring added value to the product sold, IMA makes use of its own people who, as enablers of company progress and development, bring added value through their work be it technical, or administrative. In fact, the Group pays attention to the management and protection of its employees both in terms of professional development and in terms of safeguarding health and safety to ensure a healthy and stimulating workplace.

#### 4.1. Our global policy for responsible management of people

People are genuinely a capital asset for IMA and they benefit from a process of personal and professional growth that is aligned with the culture of the Company and its role as a producer of economic and social value, as defined by the Sustainability Policy. **Training** and active involvement are considered the keys for the development of skills and empowerment of employees and collaborators.

Furthermore, IMA promotes **respect for work and workers** fighting all forms of discrimination and promoting fundamental human rights, according to the principles contained in the UN Universal Declaration of Human Rights. In fact, the Group supports **inclusion, integration** and **equal opportunities** aimed at enhancing the value of **diversity**, as an element that can remove the economic and social obstacles that restrict the freedom of the individual in application of the principle of substantial equality and respect for individual dignity.

IMA protects the **health and safety** of the people working in the Group and in the supply chain: the **quality of the work environment and the well-being of people** are values that go beyond compliance with current legislation. The management of the company is committed to guaranteeing these to all the companies belonging to the Group, through prevention activities and continuous investments in preventive maintenance programs for plants and infrastructure.

Regarding the management of the COVID-19 pandemic, IMA kept the Crisis Unit (Committee) composed of the human resources management and trade union representatives active also in 2021, so as to counter the spread of the virus and implement adequate control safeguards that could allow activities to be conducted. At the end of May 2021, the process that led to the establishment of a company vaccination hub in IMA for adult workers and family members of IMA Group companies with a place of work in Emilia-Romagna was completed. The Hub ran from mid-June to early August.

IMA encourages the participation and responsible involvement of employees and collaborators, through **social dialogue** and **freedom of association**: the Group promotes confrontation with trade unions to identify and evaluate together with other operators in the sector the impacts of modern challenges related to the world of work such as, for example, the processes of digitization. The company takes into account the development and social cohesion needs of the communities in which it operates **by fostering employment and social inclusion**, directly or through collaborations with production companies and institutions that operate to favour the employment of weak categories of workers and youth employment.

#### RESPECT FOR HUMAN RIGHTS

For IMA, respect for Fundamental Human Rights forms the basis of its values and its mode of business, both in relations with employees and with suppliers and other stakeholders external to the company. In this sense, IMA has implemented specific policies to protect human rights and activated control tools in the supply chain through the **supplier code of conduct**, adopted by all Group companies.

Specifically, the proportion of new suppliers of IMA companies around the world that had to undergo an assessment based on social criteria (such as working conditions and respect for human rights) doubled compared with 2020, increasing by 9 percentage points to 18%. Given the sensitivity of this topic in some countries, IMA companies around the world delivered a total of 468 hours of training on policies and procedures in the area of human rights, reaching 6.6% of the entire workforce or 17.7% of the IMA personnel outside of Italy.

## 4.2. Composition and characteristics of our employees

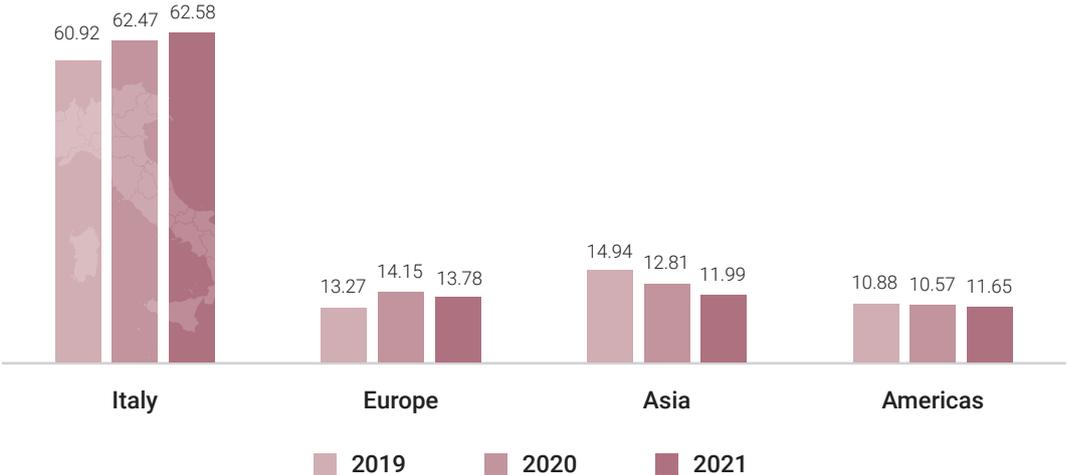
The people who work for IMA are the most strategic and by far its most important **intangible asset**, as they incorporate all of the Company's skills and knowledge. IMA, in fact, proposes itself to customers as a solver of complex problems through solutions designed specifically for the needs of the individual customer, resulting in very low repetition: from preparing bids to closing the sale, from design and production to after-sales assistance. Knowledge, skills and professional/human expertise are the assets that IMA intends to develop to ensure its future success. The Group therefore regards a fair management of HR to be a matter of the highest importance and seeks to strengthen the Group's resources in a variety of ways, for example through strong and continuous investment in professional growth.

Our willingness to emphasise the importance of the individual is a goal that the Company pursues from the moment that a person first joins IMA:

- continual improvement of the selection process for more strategic roles;
- prevalence in hiring contracts of permanent recruitment and professional apprenticeships for which the certification of the training process undertaken is guaranteed;
- links with universities and national and international centres of excellence are encouraged and reinforced; collaboration with local technical institutes is also developed;
- new hires are offered thorough training, information and guidance, which helps new employees find their feet and absorb IMA's corporate values

Considering the scope of the Group, at 31 December 2021 there were 6,248 employees in total. The majority of the workforce is in Italy (62.58%), followed by the rest of Europe (13.78%), Asia (11.99%) and the Americas (11.65%).

**Distribution of IMA employees in the world by geographical area (at 31 December)**



98.26% of personnel, i.e. 6,139 employees, are hired on permanent contracts, in line with the Company's policy to create stable, long-term employment for its workers: 98.8% of men are employed on permanent contracts, while for women this percentage is 96%. During 2021, in addition to employees, IMA companies in Italy used 147 collaborators while IMA companies around the world made use of 348 professionals.

### Distribution of IMA employees by contract category (at 31 December)



### Total number of employees broken down by type of contract and geographical area of IMA (at 31 December)

		Italy	Eu	Asia	Americas	Total
2019	Permanent contract	3,684	790	908	662	6,044
	Fixed-term contract	68	27	12	8	115
	<b>Total</b>	<b>3,752</b>	<b>817</b>	<b>920</b>	<b>670</b>	<b>6,159</b>
2020	Permanent contract	3,764	843	754	642	6,003
	Fixed-term contract	54	22	29	4	109
	<b>Total</b>	<b>3,818</b>	<b>865</b>	<b>783</b>	<b>646</b>	<b>6,112</b>
2021	Permanent contract	3,851	843	721	724	6,139
	Fixed-term contract	59	18	28	4	109
	<b>Total</b>	<b>3,910</b>	<b>861</b>	<b>749</b>	<b>728</b>	<b>6,248</b>

**Total number of IMA's employees broken down by type of contract and gender (at 31 December)**

	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Permanent contract	5,027	1,017	6,044	4,956	1,047	6,003	5,067	1,072	6,139
Fixed-term contract	82	33	115	74	35	109	60	49	109
<b>Total</b>	<b>5,109</b>	<b>1,050</b>	<b>6,159</b>	<b>5,030</b>	<b>1,082</b>	<b>6,112</b>	<b>5,127</b>	<b>1,121</b>	<b>6,248</b>

**Total number of IMA's employees broken down by full-time, part-time contract and gender (at 31 December)**

	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Full Time	5,073	862	5,935	4,985	892	5,877	5,079	929	6,008
Part Time	36	188	224	45	190	235	48	192	240
<b>Totale</b>	<b>5,109</b>	<b>1,050</b>	<b>6,159</b>	<b>5,030</b>	<b>1,082</b>	<b>6,112</b>	<b>5,127</b>	<b>1,121</b>	<b>6,248</b>

IMA gives part-time work to employees who make a reasoned request, within the limits set by collective agreements: in 2021, out of 240 part-time contracts, 80% had been requested by women. In total, 192 women are in part-time work, this being 17.1% of the total number of women working for IMA at 31 December 2021. Part-time work has been requested by 4% of personnel. At a global level, the recruitment rate is 7.8% for men and 9.7% for women. During the period, 510 new workers entered the Company (401 men and 109 women), 481 left (396 men and 85 women). In absolute terms, IMA has predominantly recruited staff aged between 30 and 50 years, representing 47.5% of all new staff hired, while those under the age of 30 years account for 40%. Most of the personnel who left are between 30 and 50 years of age (49.9% of the total number of employees leaving); 16.2% of the total staff who left are under the age of 30. The attention dedicated to personnel by IMA is confirmed in practical terms by the low turnover, based on physiological levels.

<sup>11</sup> The hiring rate is calculated as the number of workers hired in the period compared with the headcount by category and gender.

## Number of recruitments

GENDER	Italy		Eu			Americas			Asia			Group	
	Men	Women	Men	Women		Men	Women		Men	Women	Men	Women	
2019	285	52	75	29		59	27		124	18	543	126	
2020	133	45	54	14		42	12		30	12	259	83	
2021	204	63	57	26		97	15		43	5	401	109	

AGE	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
	2019	178	140	19	23	63	18	30	38	18	54	74	14	285	315
2020	89	73	16	18	36	14	20	28	6	13	26	3	140	163	39
2021	126	121	20	18	44	21	43	48	21	17	29	2	204	242	64

## Recruitment rate

GENDER	Italy		Eu			Americas			Asia			Group	
	Men	Women	Men	Women		Men	Women		Men	Women	Men	Women	
2019	9.3%	7.6%	11.1%	20.6%		10.7%	22.5%		15.2%	17.6%	10.6%	12.0%	
2020	4.3%	6.3%	7.5%	9.9%		8.0%	9.8%		4.4%	12.0%	7.8%	7.7%	
2021	6.5%	8.4%	8.0%	17.8%		16.2%	11.6%		6.6%	5.3%	7.8%	9.7%	

AGE	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
	2019	29.4%	6.6%	1.9%	28.4%	15.1%	5.7%	34.9%	13.4%	6.0%	45.4%	12.0%	7.6%	32.0%	9.1%
2020	14.1%	3.4%	1.5%	22.0%	7.8%	4.3%	23.3%	9.7%	2.2%	22.0%	4.6%	1.8%	16.4%	4.7%	2.2%
2021	20.6%	5.5%	1.8%	25.7%	9.5%	6.4%	36.4%	16.1%	6.7%	27.0%	5.3%	1.5%	23.6%	6.9%	3.4%

## Number of terminations

GENDER	Italy			Eu			Americas			Asia			Group		
	Men	Women		Men	Women		Men	Women		Men	Women		Men	Women	
2019	151	26		73	22		58	13		123	18		405	79	
2020	145	28		49	13		69	9		67	9		330	59	
2021	187	36		65	21		73	17		71	11		396	85	

AGE	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
	2019	40	63	74	12	56	27	11	28	32	43	84	14	106	231
2020	22	65	86	7	32	23	15	30	33	4	53	19	48	180	161
2021	48	84	91	10	45	31	11	53	26	9	58	15	78	240	163

## Termination rate

GENDER	Italy			Eu			Americas			Asia			Group		
	Men	Women		Men	Women		Men	Women		Men	Women		Men	Women	
2019	4.9%	3.8%		10.8%	15.6%		10.5%	10.8%		15.0%	17.6%		7.9%	7.5%	
2020	4.7%	3.9%		6.8%	9.2%		13.2%	7.3%		9.8%	9.0%		6.6%	5.5%	
2021	5.9%	4.8%		10.5%	14.4%		12.2%	13.2%		10.8%	11.7%		7.7%	7.6%	

AGE	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
	2019	6.6%	3.0%	7.2%	14.8%	13.4%	8.5%	9.9%	9.9%	10.6%	36.1%	13.6%	7.6%	11.9%	6.7%
2020	3.5%	3.0%	8.2%	8.5%	7.0%	7.1%	17.4%	10.3%	12.2%	6.8%	9.5%	11.6%	5.6%	5.2%	8.9%
2021	7.8%	3.8%	8.2%	14.3%	9.7%	9.5%	9.3%	17.8%	8.3%	14.3%	10.5%	11.1%	9.0%	6.8%	8.7%

## CONTRACTUAL MATTERS AND INDUSTRIAL RELATIONS

The distribution of the workforce is a good reflection of IMA's business model, which is designed to retain the activities that represent critical and distinctive skills and outsource all other activities.<sup>12</sup>The majority of employees are "white collar": 64% of the total, i.e. 4,005 employees.

### Total number of IMA's employees broken down by category and gender<sup>13</sup> (at 31 December)

	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Managers	275	38	313	257	32	289	286	47	333
White collars	2,869	975	3,844	2,940	1,018	3,958	2,963	1,042	4,005
Blue collars	1,965	37	2,002	1,833	32	1,865	1,878	32	1,910
<b>Total</b>	<b>5,109</b>	<b>1,050</b>	<b>6,159</b>	<b>5,030</b>	<b>1,082</b>	<b>6,112</b>	<b>5,127</b>	<b>1,121</b>	<b>6,248</b>

### Total number of employees broken down by category and age of the IMA Group<sup>14</sup> (at 31 December)

	2019				2020				2021			
	<30 years old	30-50 years old	>50 years old	TOT.	<30 years old	30-50 years old	>50 years old	TOT.	<30 years old	30-50 years old	>50 years old	TOT.
Managers	2	143	168	313	0	126	166	289	2	137	194	333
White collars	430	2,283	1,131	3,844	425	2,379	1,154	3,958	433	2,404	1,168	4,005
Blue collars	459	1,017	526	2,002	431	950	484	1,865	428	966	516	1,910
<b>Total</b>	<b>891</b>	<b>3,443</b>	<b>1,825</b>	<b>6,159</b>	<b>859</b>	<b>3,452</b>	<b>1,804</b>	<b>6,112</b>	<b>863</b>	<b>3,507</b>	<b>1,878</b>	<b>6,248</b>

IMA contributes to the development of human capital of the territory using a recruitment pool that is preferably local, even at senior management level: in Italy and worldwide, 98% of the managers working in IMA as at 31 December 2021 live in the country where they work.

The contractual conditions that IMA offers its staff are often better on average than those granted in the sector, integrating services such as comprehensive health, agreements for discounted purchases, contractual protocols (pay, maternity leave, advances against severance indemnities, use of part-time work, etc.).

Furthermore, IMA has activated a specific health policy in relation to the contagion from COVID-19. The policy guarantees indemnity/assistance in the event of hospitalization. The corporate insurance cover for all employees now also includes a life policy that pays out on death due to any injury or illness.

<sup>12</sup> The 2021 figure includes "managers" of foreign companies previously qualified as "employees".

<sup>13</sup> The figures for "middle managers" have been combined with those of "white collars" for greater consistency with the consolidated financial statements.

<sup>14</sup> The figures for "middle managers" have been combined with those of "white collars" for greater consistency with the consolidated financial statements.

IMA S.p.A.'s supplementary labour contract provides economic and regulatory conditions that are more favourable than the National Labour Contract for Engineering Workers, without distinction between full-time, part-time and/or fixed-term employees. 75.6% of IMA's personnel are covered by collective labour agreements.

On the Industrial Relations front, labour unrest is modest for IMA Italian companies and is generally affected by national disputes. These results were obtained partly as a result of mutual listening and dialogue between the Company and the workers and their representatives (trade unions and local representatives), and partly due to the special sensitivity and skills of the Chairman and Chief Executive Officer of IMA, who monitors personally the dynamics of relations between the business and the world of work. His philosophy is that workers represents wealth and are not just a counterparty, while leaving room for sometime intense conflict during negotiations, which are held in mutual respect for the roles of each party. For Italian employees the minimum notice period for significant operational changes within the organisation is 4.5 weeks. For employees of IMA companies around the world, the minimum notice period in compliance with local laws and the provisions of national contracts is 3.3 weeks on average.

Even though the level of industrial unrest is low, IMA still manages any work-related complaints or disputes through formal mechanisms agreed with the social partners or through channels expressly provided for under labour regulations. The Supervisory Board (Legislative Decree 231/2001) is informed every six months by the HR Department of any disputes resolved by agreements between the parties or by conciliation reports with the trade unions. At the end of 2021 there were no disputes relating to personnel management.

### 4.3. Health and safety

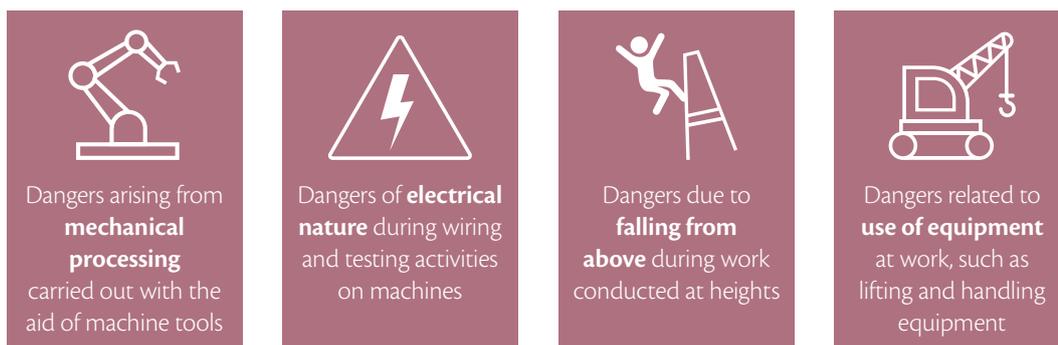
An issue of great importance for the companies of the IMA Group is the **attention to the health and safety of workers**. In fact in 2021, the Parent Company IMA S.p.A. and the Italian companies TMC S.p.A. and AMS S.r.l. reconfirmed the certification of their Occupational Safety Management System (SGSL) according to the ISO 45001 standard.

With reference to the SGSL of the Parent Company, an audit was performed in February 2021 by a third party body in charge of extending the SGSL to the Group Companies merged into IMA S.p.A. in 2021 (Corazza S.p.A.) and conducting a surveillance visit regarding the effective implementation of the SGSL. The foreign companies of the Group that adopt an ISO 45001 certified management system are IMA Life Beijing Pharmaceutical Systems Co. Ltd. and Ilapak (Beijing) Packaging Machinery Co. Ltd ..

The objective of this management is the **continuous improvement of company performance in terms of health and safety**, as well as the **reduction of accident rates**. The aforementioned management system covers the activities carried out by both employees and contractors at the plants of the Divisions of IMA S.p.A. These firms are appointed by means of a contract, to which the Single Document for the Evaluation of Interfering Risks (DUVRI) is always attached, pursuant to Art. 26 of Legislative Decree. 81/08, the tool with which IMA evaluates the risks of interference with the contracted activities and defines the prevention and protection measures, as well as the elimination or reduction of health and safety risks.

For each Italian company of the Group, a general and specific risk assessment was conducted linked to the activities carried out, favouring where possible, **quantitative assessment methodologies**, through instrumental surveys.

The main hazards at work, which constitute a risk of injury, are:



On the other hand, the main hazards at work, which pose a health risk and the consequent potential **onset of occupational diseases**, are represented by the exposure of personnel to the test materials sent to IMA by customers for the testing of automatic machines and by the execution of occasional manual handling of loads and by exposure to noise levels of the machinery, in any case not particularly loud.

See standard BS 18004:2008 for the methodologies adopted to assess the occupational safety risks and document them in the general risk assessment (DVR). In particular, the **execution of investigations and instrumental monitoring through field measurement campaigns** are favoured. In addition, **risk assessment methods prepared by accredited technical-scientific bodies** with reference to the regulations in force are applied.

The Prevention and Protection Service Officers (RSPP-ASPP) are in charge of **conducting checks to eliminate dangers and minimise risks**. The observations and any non-conformities found are taken over by the company Prevention and Protection Service (SPP) and shared with the Employer (DDL), on a priority scale. Workers have the opportunity to report any accidents, near misses or potential dangers that occurred during work activities. In this way the SPP, with these collaborations and the Workers' Safety Representatives (RLS), can develop an **analysis report containing description, dynamics and causes of the event, identifying in parallel the corrective and / or improvement actions to ensure a swift resolution with the involved and responsible corporate bodies**. Both employees and non-employees who carry out their work in a place controlled by IMA are also involved in these cases. Similarly, **actions to monitor the specific risks that may result in occupational illnesses** are also planned and carried out.

The periodic meetings (Article 35 of Legislative Decree 81/08) are the main channel for company discussion on safety issues, at which the Head of the SPP (RSPP), the Competent Doctor (MC), the Representative of the Workers for Safety (RLS) and the Employer (DDL) or their delegate are present. The meetings are held annually at each of IMA Group's Italian companies, in order to **address specifically all changes to the risk assessment, training, personal protective equipment (PPE) and health monitoring activities**. All injuries, near misses and the related corrective actions and/or improvements are also analysed.

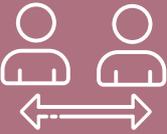
In IMA S.p.A. the participation of workers on issues related to health and safety in the workplace is high at all levels and is guaranteed by the RLS within the Trade Union Representations (RSU). For example, in total there are 26 RLS for the Parent Company IMA S.p.A.: in addition to **playing a representation role**, they **play a guarantee role**, attending the training courses provided to newly hired staff. All of the other IMA companies in Italy have similar workers' representatives. Precise measures are identified at each plant for the management of emergencies and all

workers receive information and training in this regard; operators for the management of emergencies (first aid and fire suppression) are identified in each workplace and properly training in the use of suitable devices, as required by the regulations. All the functions of the safety organisation chart are appointed and trained in the Italian companies of the IMA Group.

The Company Doctor assists with the assessment of risks, together with the Prevention and Protection Office and the Employer: based on the organisational and structural complexity and according to the specific risks of job duties, **health surveillance is carried out by the MC** based on a specific protocol developed on the basis of the results of the risk assessment conducted by the SPP and shared with the MC. There is also a team of competent doctors coordinated by the coordinating MC to ensure the correct performance of the ordinary medical examinations required by the legislation (pre-employment, periodic, at the end of the employment relationship), and extraordinary, at the worker's request.

All staff receive **training, information and any other instruction**, general and specific, with reference to the tasks and risk levels including those connected to the use of work equipment, that have an impact on safety, by internal teachers, ASPP trainers with specific knowledge and skills, relating to issues specific to the activities carried out and related risks. **Workers are provided all necessary PPE envisaged in the safety instructions and procedures** (e.g. protection against hazardous substances), which is selected by the Prevention and Protection Office with reference to the outcome of the risk assessment carried out. **Periodic maintenance of buildings, plants and machinery**, is performed **with the aim of keeping them in a good state of maintenance**, minimising any possible anomaly that could cause a safety problem.

With reference to the pandemic management that also affected the entire year 2021, the internal Committee of each Italian company of the IMA Group continued to carry out activities for the application of the anti-contagion measures provided for by current legislation, which includes, for the Parent Company, the functions expressly delegated by the Bill such as Group HR Management, RSPP, Security Manager, MC and the RLS / RSU commission of IMA S.p.A.. What is decided is extended and sent as guidelines to all the Italian companies of the IMA Group. The principal anti-contagion measures contained in the above internal protocol are summarised below:

 <p>Remodelling of the workstations to avoid crowding</p>	 <p>Installation of warning / prescription signs</p>	 <p>Installation of stations with hand sanitisers at the entrance</p>	 <p>Supply of CE marked surgical and FFP2 masks</p>
 <p>Installation of separators in non-distancing positions</p>	 <p>Supply of surface disinfectants for shared equipment</p>	 <p>Daily cleaning and sanitising of common parts</p>	 <p>Temperature measurement of people entering</p>

A specific Travel Protocol defined in 2020 and periodically updated is in force and is being applied, in relation to the evolution of the epidemiological situation, and a PPE kit is prepared and provided before departure to all travellers. Furthermore, it is possible to take a rapid test upon return from each business trip, in addition to the testing requirements already covered by current legislation.

In 2021, there were no fines or penalties for non-compliance with the legislation concerning Health & Safety at Work (with particular reference in Italy to Legislative Decree 81 / 2008) for all companies of the IMA Group in Italy.

In 2021, the following initiatives were adopted to improve the health and safety conditions in the workplaces at IMA S.p.A.:

- progress of the project to ensure the safety of the roofs of the production plants with respect to the risk of falling from a height. The technical solution adopted by the SPP consists of the installation of collective protection devices (parapets and life lines);
- integration of the issues inherent to the measures envisaged by the COVID-19 anti-contagion protocol and the risks associated with smartworking, as part of the refresher courses of specific training on employee health and safety in the workplace;
- installation of EVAC systems for the management of emergencies, which in such situations provides for the dissemination to the staff of a pre-recorded audio message containing the correct indications for the alert and evacuation phase.

### Management of Health and Safety of IMA in the world

IMA companies around the world manage health and safety issues in accordance with local regulations. Although not certified in most cases,  $\frac{3}{4}$  of the Group's foreign companies have implemented **an occupational health and safety management system**, adopting processes to identify and evaluate the risks.

In particular, about 65% of the Group's European companies **adopt health and safety management systems** and **about half have processes for identifying the dangers associated with work activities**. Health and safety management processes are adopted in compliance with local regulations and **risk assessment** is conducted for each **work environment**.

**Two-thirds** of IMA's plants in the United States of America **adopt health and safety management systems** following the American OSHA legislation and almost **90% of them have processes for identifying the dangers associated with their operational activities**. These companies guarantee these processes through **Security Committees** and **safety training courses for personnel** aimed at examining potential risks.

Approximately  $\frac{2}{3}$  of Asian companies have processes for identifying hazards associated with work activities through **periodic audits carried out by the Health and Safety Committee, procedures based on the requirements of the ISO 45001 standard** for certified companies, and **courses relating to safety training on an annual basis**.

For most companies, employee involvement on issues related to health and safety at work is mainly guaranteed through **worker safety representatives**. Employees are encouraged to **report any risks associated with work activity** to their safety coordinators.

**General and specific training** is delivered to all employees and in particular to those who use equipment with a high level of risk. In addition, in order to promote employee health, almost all of the workers of foreign companies have **access to non-professional medical and health services through health insurance** and in the case of companies operating in the United States, **through financial contributions, free annual screening campaigns** and **the implementation of preventive and corrective disease treatment programs**.

With regard to the prevention and mitigation of occupational health and safety impacts directly linked with commercial relations, suppliers carry out periodic inspections to ensure the adequacy of the occupational health and safety management system. Lastly, with regard to the companies operating in Europe, prevention plans are issued before new work commences.

All foreign companies managed the health emergency due to the COVID-19 pandemic by applying the safeguards and promoting the prevention of contagion proposed by each country. Each company has equipped itself with Individual and Collective Protection Devices and has adopted, where possible, remote working methods.

There were 57 work-related injuries during 2021 (31 in Italy and 26 at other IMA companies in the world). No fatalities occurred as a result of injuries. During the year 2021, the rate of work-related injuries for IMA is equal to 5.19 while in Italy, the rate of high-consequence work-related injuries stands at 0.09 due to a serious injury of an IMA S.p.A. employee which occurred during the wiring phase of an automatic machine.

#### Injury rates<sup>15</sup> by region of the employees of IMA (at 31 December)

2019	Italy	Eu	Americas	Asia	IMA
No. of work-related injuries	31	23	3	3	60
<i>of which high-consequence work-related injuries</i>	-	1	1	1	3
<i>of which fatalities</i>	-	-	-	-	-
<b>Hours worked</b>	<b>6,359,172</b>	<b>1,444,624</b>	<b>1,376,620</b>	<b>1,853,883</b>	<b>11,034,299</b>
Rate of work-related injuries	4.87	15.92	2.18	1.62	5.44
Rate of high-consequence work-related injuries	-	0.69	0.73	0.54	0.27
Rate of fatalities as a result of work-related injury	-	-	-	-	-
Cases of recordable work-related ill health	-	-	2	-	2
<i>of which fatalities</i>	-	-	-	-	-

<sup>15</sup> The number of injuries excludes minor events requiring first aid and those occurring on travel between home and work not organised by IMA. Rate of work-related injuries = No. of work-related injuries/No. of hours worked\*1,000,000. The rate of high-consequence work-related injuries is calculated as the No. of high-consequence work-related injuries (excluding fatalities)/No. of hours worked\*1,000,000. The rate of fatalities as a result of work-related injury is calculated as the No. of fatalities as a result of work-related injury /No. of hours worked \*1,000,000.

2020	Italy	Eu	Americas	Asia	IMA
No. of work-related injuries	18	8	18	5	49
<i>of which high-consequence work-related injuries</i>	-	-	-	1	1
<i>of which fatalities</i>	-	-	-	-	-
<b>Hours worked</b>	<b>6,325,593</b>	<b>1,417,233</b>	<b>1,267,475</b>	<b>1,422,283</b>	<b>10,432,584</b>
Rate of work-related injuries	2.85	5.64	14.20	3.52	4.70
Rate of high-consequence work-related injuries	-	-	-	0.70	0.10
Rate of fatalities as a result of work-related injury	-	-	-	-	-
Cases of recordable work-related ill health	-	1	-	-	1
<i>of which fatalities</i>	-	-	-	-	-

2021	Italy	Eu	Americas	Asia	IMA
No. of work-related injuries	31	2	22	2	57
<i>of which high-consequence work-related injuries</i>	1	-	-	-	1
<i>of which fatalities</i>	-	-	-	-	-
<b>Hours worked</b>	<b>6,593,224</b>	<b>1,377,145</b>	<b>1,388,382</b>	<b>1,630,283</b>	<b>10,989,034</b>
Rate of work-related injuries	4.70	1.45	15.85	1.23	5.19
Rate of high-consequence work-related injuries	0.15	-	-	-	0.09
Rate of fatalities as a result of work-related injury	-	-	-	-	-
Cases of recordable work-related ill health	-	-	2	-	2
<i>of which fatalities</i>	-	-	-	-	-

### Injury rates<sup>16</sup> by region of the external workers of IMA (at 31 December)

2020 External workers <sup>17</sup>	Italy	Eu	Americas	Asia	IMA
No. of work-related injuries	11	2	-	-	13
<i>of which high-consequence work-related injuries</i>	-	-	-	-	-
<i>of which fatalities</i>	-	-	-	-	-
<b>Hours worked</b>	<b>1,133,798</b>	<b>98,432</b>	<b>182,790</b>	<b>56,242</b>	<b>1,471,262</b>
Rate of work-related injuries	9.70	20.23	-	-	8.84
Rate of high-consequence work-related injuries	-	-	-	-	-
Rate of fatalities as a result of work-related injury	-	-	-	-	-
Cases of recordable work-related ill health	-	-	-	-	-
<i>of which fatalities</i>	-	-	-	-	-

2021 External workers	Italy	Eu	Americas	Asia	IMA
No. of work-related injuries	7	-	-	-	7
<i>of which high-consequence work-related injuries</i>	-	-	-	-	-
<i>of which fatalities</i>	-	-	-	-	-
<b>Hours worked</b>	<b>1,039,757</b>	<b>129,683</b>	<b>69,882</b>	<b>80,123</b>	<b>1,319,445</b>
Rate of work-related injuries	6.73	-	-	-	5.31
Rate of high-consequence work-related injuries	-	-	-	-	-
Rate of fatalities as a result of work-related injury	-	-	-	-	-
Cases of recordable work-related ill health	-	-	-	-	-
<i>of which fatalities</i>	-	-	-	-	-

<sup>16</sup> The number of injuries excludes minor events requiring first aid and those occurring on travel between home and work not organised by IMA. Rate of work-related injuries = No. of work-related injuries/No. of hours worked\*1,000,000. The rate of high-consequence work-related injuries is calculated as the No. of high-consequence work-related injuries (excluding fatalities)/No. of hours worked\*1,000,000. The rate of fatalities as a result of work-related injury is calculated as the No. of fatalities as a result of work-related injury /No. of hours worked \*1,000,000.

<sup>17</sup> The data collected on the external workers of IMA only relates to 2020, as this is the first year of reporting under the new version of GRI 403 (2018).

## 4.4. Personnel training and development

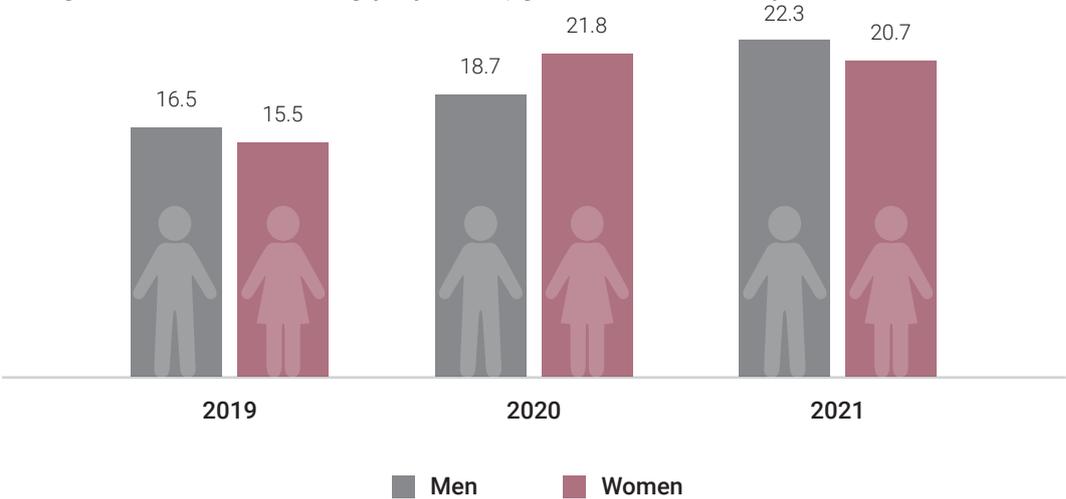
IMA considers training and skills development processes to be a strategic asset, investing in the idea that training activities should be aimed at the entire population and not at a specific professional target, ensuring the harmonious and synergistic growth of a distinctive corporate competence. Training therefore aims to develop and maintain people's skills, while continuing to ensure support for the development and implementation of new technologies. The Training Maintenance process guarantees continuous updating of employees' skills by planning the educational path over several years, in line with the evolution of the Company's business.

The pandemic situation that broke out in 2020 has had, and continues to have, an impact on training management as well. The delivery methods have been transformed and improved to better manage situational contingencies with increased training carried out in synchronous virtual classrooms through various online platforms; this method made it possible to continue the provision of distance learning in a safe and effective way and was maintained in 2021 as well.

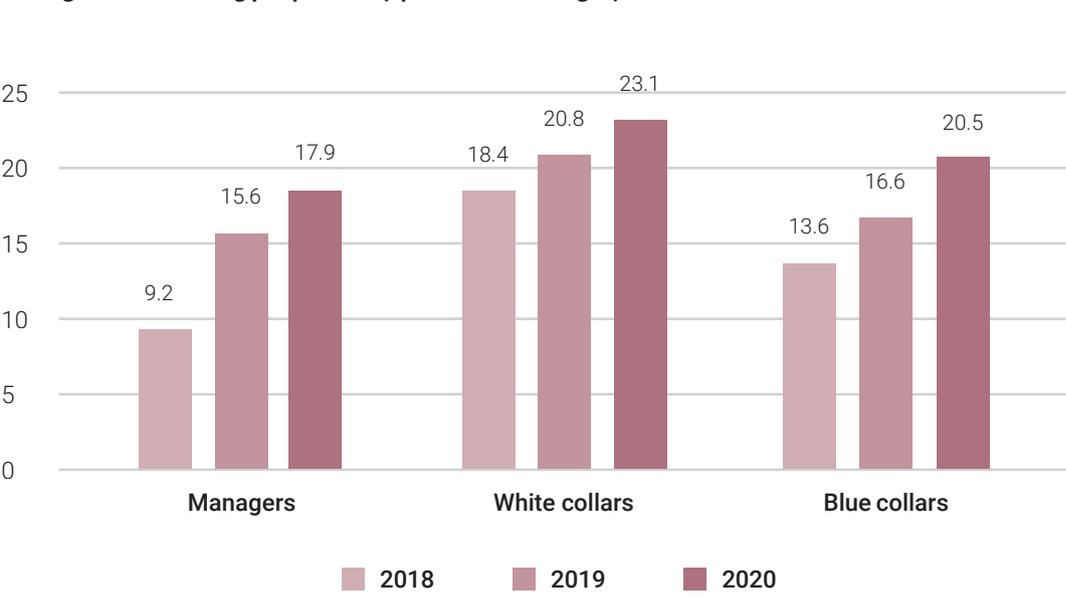
In addition, access to on-demand learning was made available with selection from a series of courses contained in the Training Catalogue. In total, more than 40 courses were recorded to be used in this way. During 2021 IMA, joining the initiative promoted by the Metalworking unions of the province of Bologna, organised a training / information meeting with Prof. Vittorio Sambri, professor of Microbiology at the University of Bologna and Director of the Microbiology Unit of the AUSL of the Romagna, on issues related to COVID-19 vaccination. The meeting was attended by members of the IMA S.p.A. RLS / RSU COVID-19 Protocol Committee who also asked questions collected from employees. The Company, in agreement with RSU / O.O.S.S., has made the recording of this meeting available to all employees of the Italian companies of the IMA Group as a training moment, using the continuous training hours provided for by the CCNL. It was therefore possible to access the contents of the recording during contractual working hours as well, in concordance with the technical-productive-organisational needs of the relevant entity.

Additionally, 8 hours of cross-functional training in the area of soft skills were made available in Italy during 2021. Employees can access these e-learning sessions at any time. Overall, approximately 137,655 hours of training were provided in 2021, an increase of 16.8%. Globally, the average number of hours' training per employee was 22. Most of the training was dedicated to the development of soft skills (35.3% of total hours delivered), but the training catalogue also includes courses on design (12.6%), safety (19.1%), production (9.9%), quality/standards (7.2%), ICT (5.1%) and languages (10.5%). The areas of intervention are divided into more than 300 courses in the Training Catalogue.

Average number of hours' training per person by gender in the IMA Group



Average hours' training per person by professional category<sup>18</sup>



Each year IMA also promotes the use of two Bilateral Funds, Fondimpresa and Fondirigenti, to finance part of their personnel training courses, sharing content and objectives with the trade union representatives.

For IMA, investing in human capital also means establishing stable and mutually profitable relationships with schools and universities. In 2021 IMA welcomed over 100 trainee students and over 500 students in orientation programmes; it participated in meetings of Technical and Didactic Committees for more than 50 hours; it provided over 350 hours of training modules for both students and teachers, of which 75 were present and the others in remote, with a view to the transfer of skills and the creation of positive synergies with local concerns.

<sup>18</sup>The figures for "middle managers" have been combined with those of "white collars" for greater consistency with the consolidated financial statements.

## IMA ACADEMY

The IMA Academy is a training ecosystem aimed at developing employee skills in accordance with the corporate principles of constant research and innovation. It was inaugurated in 2017 in response to the need to transfer general skills into IMA skills, combining plain knowing with knowing how. The road map that serves as a basis and development guideline for the qualification of human resources skills includes various tools:

- **Job Description** describes the corporate roles, which do not necessarily coincide with the list of duties or the organisational position, but are a schematic description of the industrial process;
- the **training catalogue** is available to managers, helping them to plan training that is consistent with the roles of employees and their training gaps. This is an organised compendium of possible training paths, comprising over 300 courses, split into nine main topics: Safety & Security, Quality & Compliance, Information and Communications Technology, Languages, Production, Engineering, Sales, Soft Skills, Cross;
- **"I.M.A." masters** are a combination of classroom and on-the-job training, designed to qualify and perfect the abilities and professional skills of IMA employees. The "I.M.A." Potential master is aimed at new recruits to ensure that they are properly prepared for their role, transforming the knowledge already gained into professional skills that are consistent with their level of seniority; The "I.M.A." Talent master aims at consolidating organisational values and drivers by deploying them into behaviours that are functional on a relational and business level. It is dedicated to resources who, having achieved consistent role-centring, demonstrate professional growth potential;
- **the long-term planning of training** needed to maintain staff skills in line with their role - involves continuous adaptation of individual skills to the evolution of the business.

In addition to these tools, the **I'M An Innovator** project inaugurated in 2019 continued, which aims to nourish people's aptitude for innovation, the Group's greatest wealth, helping to stimulate them with new food for thought and creating a high-level context within which to make a contribution.

This project is part of the broader training offered by IMA Academy, departing from the traditional training approach with seminars led by guests of national or international stature, not associated with the Group's daily activities in any way, who invite the audience to think out of the box. These seminars provide a chance to discuss and analyse wide-ranging topics and even cover theoretical and forward-looking matters. The topics covered range from open innovation to industrial applications, and from robotics to cognitive psychology. IMA has also activated a series of exchanges with the trade unions, in order to assess the training opportunities available for workers, so that the digital revolution does not become a way to reduce employment. Similar initiatives have been taken with managers, in order to get up to speed on AI topics that, in the near future, will become important in order to maintain competitiveness.

## 4.5. Equal opportunities

IMA guarantees equal opportunities, protection and enhancement of the Company's human resources; discrimination based on political or union allegiance, religion, race, nationality, age, gender, sexual orientation, health or other intimate personal details is not allowed.

IMA is attentive to the issue of equal opportunities, despite operating in a production and industrial environment that, by history and tradition, tends to employ much fewer women than men: women account for 18% of the total workforce; 93% of female staff works in white-collar positions, staff services and in the commercial areas. In terms of remuneration, the provisions laid down in national contracts and current legislation in force in the countries where the company operates are applied.

### CapoD

IMA has joined the CapoD Network, a community of firms in the Bologna area which, in close cooperation with local public institutions, pursues the strategic objectives of equal opportunities, fight against discrimination and support for welfare and conciliation issues even in traditionally more complex sectors. CapoD focuses on the dissemination of good social responsibility practices also among small and medium-sized enterprises.

### Protected categories of employees<sup>19</sup> (at 31 December)

	Number of employees	% of the total
Total 2019	178	2.89%
Total 2020	185	3.03%
Total 2021	205	3.28%

Dialogue with the Workers' Representatives has led the Company to participate in various social projects for the territory in favour of disadvantaged people in the area and to create employment opportunities.

### DIGIDOC S.R.L.: a start-up for digitisation

Founded in 2015 and 80% indirectly owned by IMA, DIGIDOC mainly provides document scanning services (invoices, shipping documents and other types of business documentation). As part of a project of inclusion and job placement, the company mainly uses hearing impaired staff, supported by LIS Certified Interpreters (experts in Italian Sign Language). DIGIDOC currently has 19 employees, split between the locations in Castenaso and Ozzano dell'Emilia, with the support of 3 LIS interpreters.

### Top Employer Certification

Again in the year under review, the largest IMA companies in Italy have obtained the "Top Employer Italia" certification, a recognition awarded by the Top Employers Institute to companies that offer excellent working conditions to their employees, who identify and develop the best talents at all levels of the organisation and who are constantly looking to improve their organisational processes.

In order to obtain the certification, a company must be assessed according to certain access requirements. The HR Best Practice Survey examines over 600 practices and is based on 10 topics covering key human resources issues, including numerous people-oriented practices. Potential candidates for the Certification Programme must have a formal and advanced HR policy in place. The certification body uses the Top Employers HR Best Practices Survey to analyse the working conditions at firms based on 19 topics: Business Strategy, People Strategy, Leadership, Organisation & Change, Digital HR, Work Environment, Employer Branding, Talent Acquisition, On-boarding, Performance, Career, Learning, Well-being, Engagement, Rewards & Recognition, Values, Ethics & Integrity, Sustainability and Diversity & Inclusion. The selection process is guaranteed by an independent auditor that checks the business processes concerned. Following a positive assessment, the business is officially certified and recognised as a Top Employer. **Certification for 2021 confirms the positioning of the Group as an excellent employer, capable of attracting talent and maintaining high levels of productivity and competitiveness, based on policies that focus on the quality of the work performed.**

<sup>19</sup> The figure is representative of the Group perimeter.



**20,388** TON CO<sub>2</sub>EQ  
(SCOPE 1+2 MB)  
OFFSET WITH PURCHASE  
CARBON CREDITS

**330,190 GJ**

OF TOTAL ENERGY  
CONSUMED

**59.8 %**

OF ENERGY  
FROM RENEWABLE SOURCES:

**11,462** TON CO<sub>2</sub>EQ  
AVOIDED



ENVIRONMENTAL  
CERTIFICATIONS:  
ISO 14001,  
ISO 14064-1, EMAS

CDP CLIMATE  
CHANGE 2021:  
B-SCORE

ECOVADIS 2021:  
SILVER MEDAL

**67.4 %**

OF WASTE SENT FOR  
RECYCLING AS  
MATERIAL OR ENERGY





**| ENVIRONMENTAL  
SUSTAINABILITY |**  
THE MANAGEMENT  
OF ENVIRONMENTAL  
IMPACTS

IMA's production process generates externalities with implications for the environment. In fact, the natural resources and energy sources used, with reference purely to those of a fossil nature, also lead to the release of greenhouse gas emissions into the environment, in addition to the waste generated by processing. In this context, IMA invests in reducing its environmental impact in order to continue to operate with respect for and protection of natural resources and the planet on which we live.

## 5.1. Environmental policy, projects and objectives

IMA acknowledges the importance of protecting and safeguarding the environment as part of strategic business decisions. The Company's commitment concerns the reduction of its direct and indirect impacts, investments in research and development for sustainable innovation and the promotion of responsible behaviours along the value chain.

IMA is committed to minimizing any possible impact deriving from the production cycle through:

- the reduction of the rational consumption of energy resources, favouring the supply from renewable sources;
- the containment and reduction of atmospheric emissions, through the use of the best technologies available on the market as well as their monitoring;
- the conservation of limited natural resources and the use of raw materials and products with reduced environmental impact;
- careful management of waste and waste generated by production activities, encouraging recycling or re-use.

With this in mind, IMA S.p.A. started a project with Valle Morosina S.p.A. in 2020, purchasing **carbon credits** annually, voluntarily, in a number equal to the offsetting of the Group's direct emissions (from the use of fuels and refrigerants) and indirect (from electricity use), thus including the environmental impact of both Italian and foreign companies. As part of the same project, IMA has obtained certification from a third party on compliance with the  $\beta$ Neutral standard, which provides for a commitment by IMA to gradually reduce the quantity of emissions generated by its production process, and to offset / neutralise residual emissions through the purchase of the aforementioned carbon credits. IMA is committed to reducing its emissions for the sites in which it operates through the request for electricity supply certified with a guarantee of origin from renewable sources

In order to be able to effectively monitor emissions and evaluate interventions on the work activities that generate emission categories with the highest impact, in 2021 IMA implemented, with third party certification, **a greenhouse gas emissions management system** for the organisation according to the **ISO 14064-1** standard in compliance with UNI/PdR 99: 2021 (referred to in the  $\beta$ Neutral). This management system is subject to annual inspection and verification by the certifying body.

For the next few years, IMA is evaluating extending the scope of reduced and / or offset emissions to the other indirect emissions of its GHG inventory, thus covering the same operational perimeter relative to the ISO 14064-1 management system in order to move towards carbon neutrality. The ISO 14064-1 management system that IMA has implemented already lays down the rules of compliance with the GHG Protocol, the reference standard for the Science-Based Target Initiative (SBTi). In line with the European Green Deal, IMA is evaluating the possibility of identifying science-based climate targets (Science Based Targets) and the associated feasibility assessment of the actions to be implemented to achieve them, which would allow it to reduce its own ecological footprint over time and strive for decarbonisation.



## 5.2. Environmental, carbon management systems and related risk

The IMA Group has prepared programs and initiatives designed to progressively reduce environmental impact and improve efficiency in the use of energy resources.

This action includes work by IMA S.p.A. to obtain **ISO 14001** certification of its Environmental Management System (EMS). In 2021 IMA S.p.A, the Italian companies Tissue Machinery Company S.p.A. and Atop S.p.A (which is further certified and registered in **EMAS**) and the foreign company IMA MAI S.A. confirmed the certification of their Environmental Management System, which provides for:

- Appointment and training of employee emergency teams to carry out **audit**, supervision and control activities to verify the correct application of its procedures, including with reference to potential emergency situations (e.g.: spillage of dangerous substances into the soil and / or into receiving water bodies);
- the planning of the activities of **training** resources aimed at increasing their sensitivity to environmental problems and reducing energy consumption, ensuring their knowledge and competence;
- **providing information** to contractors, subcontractors and suppliers of goods and services about the **content of environmental policies and procedures**, requiring their respect and application.

IMA fully complies with the regulatory requirements in force and each IMA Group Company in Italy is in possession of all the authorisations issued by the competent bodies relative to atmospheric emissions derived from mechanical processes carried out internally which produce pollutants which are appropriately transported and sucked into special air ducts, filtered and purified before expulsion. Compliance with the limits on atmospheric emissions is monitored and specific analyses are carried out with the frequency established by law. This is confirmed by the fact that in 2021 there were no fines or sanctions for non-compliance with environmental legislation (with particular reference in Italy to Legislative Decree 152/2006) for any company of the IMA Group in Italy.

To a lesser extent, inasmuch as they potentially derive from the work performed in the workplace, IMA has carried out specific measurements at its main plants aimed at assessing and highlighting its own regulatory compliance in terms of the acoustic and electromagnetic pollution of the surrounding environment, also respecting the quality objectives set by legislation for the protection of any civilian populations living near industrial sites.

The direct and indirect impacts related to water consumption, although not very significant, are monitored continuously. The waste water generated can essentially be compared with domestic waste water.

The IMA companies in the world manage environmental matters in compliance with current local regulations.

As also mentioned in the previous paragraph, in 2021 IMA implemented a management system with third party certification relating to the quantification and reporting of organisational greenhouse gas emissions, according to the **ISO 14064-1** standard. As part of this management system, IMA:

- has defined an organisational perimeter made up of all the production companies of the IMA Group, both Italian and foreign, and an operating perimeter that includes the entire spectrum of direct and indirect emissions. On this basis it calculates the GHG inventory in terms of CO<sub>2</sub>eq emissions and the individual greenhouse gases CO<sub>2</sub>, CH<sub>4</sub>, No<sub>2</sub>O, after having carried out an analysis of the quality, relevance and significance of the input data used for the calculation of each type of emission;
- reports and monitors the actions to reduce emissions and offset / neutralise residual emissions;
- plans training activities in this area for Data Owners (following their definition in terms of the roles and responsibilities they cover in each Company of the IMA Group);
- plans audit, supervision and control activities to verify the correct application of its procedures;
- plans continuous improvement for the reporting and calculation of emissions.

### 5.3. Energy management

The methods adopted by IMA S.p.A. to reduce energy consumption vary from the adoption of responsible behaviour by the staff (the company regulation recommends that technological devices be switched off at the end of the working day), to investments in plants, machinery and devices with efficient and / or low energy consumption (regarding general and auxiliary production services), passing through the implementation in technological systems of supervision systems for the continuous control and monitoring of energy carriers (mainly electricity and natural gas), with the possibility of programming of operating parameters and ignition times, and with receipt of feedback in the event of leaks and / or failures.

The most energy-intensive installations at IMA plant are used for heating and cooling (e.g. air-conditioners, refrigeration units, heat pumps), steam generation and the treatment of process waters (e.g. purification and demineralisation reverse osmosis), lighting, UTA (air filter units), as well as forced ventilation, compressed air, powering of back-up power (UPS) and emergency units, frequency converters, production and testing machines and the technological devices typically used in offices.

#### Energy Diagnosis

Pursuant to the provisions of Article 8 of Legislative Decree 102/2014 (Transposition of EU Directive 27/2012, obligations for Energy Efficiency), IMA Group in Italy, falling within the scope of the legislation as a "Large Company", appointed an ESCo (Energy Service Company) to carry out an **Energy diagnosis** at its main production sites. The purpose of the Energy Diagnosis is to obtain an in-depth knowledge of the real energy consumption trend of the reality under examination to identify the most effective changes to improve energy efficiency, reduce consumption and energy supply costs, requalify the energy system and improve environmental performance.

In accordance with the Guidelines issued by ENEA, all the plants of the IMA Group in Italy were taken into consideration (not only those included in the scope of this report, but also the production units of companies associated with the Parent Company IMA S.p.A. with percentages of participation of IMA S.p.A. between 25% and 50%). Based on this "clustering", the sites requiring a specific Energy Diagnosis were identified. In this specific case, the Energy Diagnoses carried out during 2019 concerned three IMA S.p.A. production plants: Via Emilia 428-442 and Via I Maggio 14-16 in Ozzano dell'Emilia (Bologna), Italy, previously submitted to this diagnosis in 2015, and that in Via Romagnoli 2-6 in Bentivoglio (Bologna), Italy.

Consequently, various potential improvement interventions were identified, some in progress, others that could be assessed for implementation in the years to come; these interventions are both of a technical nature (e.g.: heat recovery from expelled air flows, interventions to reinforce the thermal insulation of buildings and to reduce summer solar gains, installation of photovoltaic and co-generation or tri-generation systems or of joint generation of electricity, heat and possibly also refrigeration) as well as of a management nature (e.g. optimisations in the use of the luminous flux of the lighting bodies, optimisation of the production of electricity at 60 Hz frequency, necessary for testing the automatic machines destined for the American market where the frequency is different from the 50Hz of the Italian electricity grid).

IMA is implementing an energy management system compliant with the **ISO 50001**, standard, initially on the production sites relating to the oldest buildings; Their subjection to certification by a third party will consequently be assessed for the years to come.

During 2021 there was an increase in the total consumption of **electric energy** mainly due to the Italian and European companies of IMA. At the same time, in line with previous years, there was a further simultaneous expansion of the number of IMA's industrial sites, which in 2021 again marked a growth in terms of personnel and production area. Per capita energy intensity, being electricity consumption divided by the Italian

companies and the total number of IMA employees in Italy, is calculated to be 8,068.07 kWh<sub>e</sub> in 2021. The number is 6,899.62 kWh<sub>e</sub> at IMA Group level.

IMA's consumption of natural gas, diesel oil and LPG is mainly due to the operation of plants and machinery, as well as in service to production; especially, for the most part, for the supply of thermal systems for space heating and the production of domestic hot water. The trend in terms of increased consumption of **natural gas** by the Italian and American companies of the IMA Group reflects the change in the reporting scope. Energy intensity, calculated as the consumption of methane gas by the Italian company divided by the usable surface area of IMA in Italy, was equal to 9.52 Smc/m<sup>2</sup> in 2021, while the global energy intensity number for IMA was equal to 7.64 Smc/m<sup>2</sup>. On the other hand, the energy intensity for 2021, calculated as the ratio between the consumption of methane gas by the Italian companies and the volume of IMA's workplaces in Italy was equal to 1.55 Smc/m<sup>3</sup> and equal to 1.22 Smc/m<sup>3</sup> for the whole Group. The remaining fuel consumption (petrol, in addition to those mentioned above) can be attributed to refuelling of vehicles from the company pool.

In 2021, the values of the energy intensity indices increased compared with 2020, mainly due to the increase in consumption attributed to resumption of the Group's activities.

#### Summary of annual energy consumption (GJ)

	Total 2019	Total 2020	Total 2021
<b>Energy consumption from fuels</b>			
Natural gas (used for heating work environments)	110,914.50	124,950.84	134,413.96
Methane (used in vehicles)	21.64	4.50	6.26
LPG (liquid propane gas) (used for heating work environments and for roasting and testing rotating machines)	314.44	184.69	240.00
LPG (liquid propane gas) (used in vehicles)	59.45	58.11	55.68
Diesel (used for heating working spaces, generators, motor-driven fire-fighting units, high-pressure cleaners, fork-lift trucks)	37,008.23	3,381.46	5,803.83
Diesel (used in vehicles)	32,356.85	27,216.09	29,564.19
Petrol (used in vehicles)	6,068.41	3,793.71	4,914.48
<b>Total energy consumption from fuels</b>	<b>154,386.65</b>	<b>159,589.40</b>	<b>174,998.41</b>

	Total 2019	Total 2020	Total 2021
<b>ELECTRICITY CONSUMPTION</b>			
Electricity from the grid	128,760	129,829.13	152,615.71
<i>of which from certified renewable sources</i>	<i>35,945.00</i>	<i>66,948.09</i>	<i>90,233.90</i>
Self-produced electricity (from photovoltaic systems)	3,349.77	3,172.16	3,302.58
<i>of which Electricity that is self-produced and consumed (from photovoltaic systems)</i>	<i>2,683.77</i>	<i>2,512.30</i>	<i>2,576.16</i>
<i>of which Electricity that is self-produced and sold/fed back into the grid (by photovoltaic systems)</i>	<i>666.00</i>	<i>659.85</i>	<i>726.42</i>
<b>Total electricity consumption from renewable sources</b>	<b>38,628.77</b>	<b>69,460.40</b>	<b>92,810.06</b>
<b>Total electricity need</b>	<b>131,443.77</b>	<b>132,341.43</b>	<b>155,191.87</b>
<b>Total energy consumption (fuels + electricity)</b>	<b>285,830.42</b>	<b>291,930.83</b>	<b>330,190.28</b>

### Programs and investments to reduce energy consumption, increase energy efficiency, self-generation and renewable energy supply

IMA has prepared programs and initiatives for the ongoing reduction of environmental impact and to increase efficiency in the use of energy resources. In particular, to increase its commitment, the IMA Group in Italy has carried out the following initiatives:

- assessment of gradual expansion of the factories with **electric energy** supply originating from the network with certified **Guarantee of Origin (GO) from renewable sources**, to the complete coverage of all the sites;
- compared with 2020, the Italian sites under guarantees of origin have expanded by a further 6 units;
- In 2021, 77.65% of 113,566.11 GJ of energy needs came from certified renewable sources for the Italian companies of the IMA Group. As well, among foreign companies using certified renewable energy, the IMA Automation Switzerland S.A. plant also sourced 58.14% of the 152,461.52 GJ of the Group's energy needs from certified renewable sources;
- self-consumption or feeding into the **renewable electricity** grid produced by **photovoltaic systems** placed on the roofs of some Italian factories. In 2021, the Italian PV installations generated 2,576.16 GJ of electricity for self-consumption, while another 726.42 GJ was sold to the grid;
- **self-production of renewable thermal energy** through **solar collectors**, with consequent savings in the consumption of natural gas and / or electricity, present in the thermo-hydraulic systems of the IMA S.p.A. sites. In 2021, 29,171 kWh<sub>t</sub> was produced and used to satisfy part of the thermal needs of the sites mentioned above;
- progressive **replacement** of the lighting fixtures with new generation **LEDs** in line with the goal of completing the revamping for the years to come, of the **compressors** of the old generation with new models equipped with inverter-controlled motors, more efficient even at partial loads to optimise the management in the production of compressed air, **air conditioners and refrigeration units** with new heat pump

models with modulation in different compression stages and / or with inverters, which therefore guarantee greater efficiency at partial loads as well as aiming at the centralisation of systems, and traditional boilers with **condensing boilers**, which exploit the condensation of combustion fumes to recover heat useful for heating water thus guaranteeing the same thermal load with less consumption of natural gas;

- purchase of a **Power Quality** system, serving an MV / LV electrical substation of the plant in Via Emilia 428-442, in Ozzano dell'Emilia (BO), on which, in addition to the tax advantages deriving from the legislation linked to "Industry 4.0", one may benefit from energy efficiency certificates ("White Certificates" or "Certificati Bianchi") after evaluation and acceptance by the GSE. The system makes it possible to reduce electricity consumption, improving the quality of the energy taken from the grid (Power Quality) and stabilising the voltage of the system. This system will be installed and made operational within the first half of 2022. In the years to come, the opportunity to extend the application to service the main electrical substations of the most energy-intensive plants will be evaluated.

Generally speaking, one of IMA's primary objectives for the future is to respect eco-sustainability techniques for newly built plants or for those undergoing renovation and / or expansion, aiming at an energy performance up to the levels characterising a "Nearly Zero Energy Building" (NZEB), or in any case designed with limited energy needs (for example through solutions such as the provision of double glazing, insulating coats of intramural cladding, efficient systems for heating and cooling).

## 5.4. Carbon footprint and greenhouse gas emissions

IMA calculates its "Carbon Footprint" in terms of CO<sub>2</sub>e, reporting both according to the emission categories of the GHG Protocol, and according to those characteristics of the ISO 14064-1 standard.

Direct emissions (Scope 1)	Indirect emissions (Scope 2)	Indirect emissions (Scope 3) <sup>20</sup>
<p><i>Deriving from the consumption of fuels needed to power thermal plants and machinery (natural gas, diesel and LPG) and the cars of the company pool (petrol, diesel, LPG and methane) and from refrigerant gas leaks from air conditioning / refrigeration systems.</i></p>	<p><i>Deriving from the consumption of electricity, net of the energy produced by the photovoltaic park and self-consumed, and, according to the Market Based method of the GHG Protocol, also from the energy supplied certified with a guarantee of origin from renewable sources.</i></p>	<p><i>Deriving from the consumption of water and its treatment / purification or post-use disposal, from the purchase of services and goods, capital and otherwise, from losses due to extraction, distribution and transport of fuels and electricity, from logistics, transport and distribution services goods purchased, sold and for fairs, from urban and industrial waste generated, transported and disposed of, from business trips.</i></p>

<sup>20</sup>Scope 3 emissions are not reported in this Sustainability Report.

Thanks to the monitoring of emissions, IMA has formulated a plan to contain and reduce them. In particular, various interventions have been implemented and planned with a view to a plan to reduce energy consumption and increase self-production and supply of clean energy.

In the year 2021, the supply of electricity certified with a Guarantee of Origin from renewable sources, made it possible to avoid 11,227.73 tons of CO<sub>2</sub>eq of indirect emissions of Scope 2 in Italy. Including the foreign companies of the IMA Group, 11,236.47 tons of CO<sub>2</sub>eq of indirect emissions of Scope 2<sup>21</sup> were avoided.

The production of IMA's Italian photovoltaic park in 2021, net of transfers to the grid, amounted to self-consumption of a total of 715,599 KWh, partially satisfying the energy needs of the related plants served, helping to avoid 225.41 tons of CO<sub>2</sub>eq<sup>22</sup>.

The self-consumption of thermal energy produced by IMA S.p.A.'s solar thermal collectors in 2021 avoided 58.97 tons of CO<sub>2</sub>eq.

The trend in Scope 1 emissions largely reflects greater use of the car pool in 2021 compared with 2020, mainly due to the resumption of circulation following the limitations imposed by the Covid-19 anti-contagion measures. Likewise, the trend in Scope 2 emissions (calculated according to the Location Based method envisaged by the GHG Protocol) reflects the increase in electricity consumption compared with 2020, attributable to the resumption of full operational activities. The gradual reduction of Scope 2 emissions (calculated according to the Market Based method) depended on the extension of the supply of electricity certified as generated from renewable sources.

<b>Greenhouse gas emissions</b>	<b>ton CO<sub>2</sub>eq 2019</b>	<b>ton CO<sub>2</sub>eq 2020</b>	<b>ton CO<sub>2</sub>eq 2021</b>
<b>Total direct emissions - Scope 1</b>	<b>13,154.44</b>	<b>11,032.46</b>	<b>12,149.55</b>
Natural gas (used for heating work environments)	6,283.91	7,677.82	7,943.31
Methane (used in vehicles)	1.22	0.25	0.35
LPG (liquid propane gas)(used for heating work environments and for roasting and testing rotating machines)	20.12	11.81	15.35
LPG (liquid propane gas) (used in vehicles)	3.80	3.72	3.56
Diesel (used for heating working spaces, generators, motor-driven fire-fighting units, high-pressure cleaners)	352.91	256.52	440.41
Diesel (used in vehicles)	2,332.57	1,935.84	2,078.78
Petrol (used in vehicles)	408.00	262.91	336.41
<b>Total fuels for car pool</b>	<b>2,745.59</b>	<b>2,202.73</b>	<b>2,419.11</b>
Refrigerant gases	3,751.91	883.58	1,331.36

<sup>21</sup> The value of CO<sub>2</sub>eq emissions is equal to what IMA would have reported had it not purchased guarantees of origin of certified electricity from renewable sources. The calculation was made according to the Market Based method of the GHG Protocol.

<sup>22</sup> The value of CO<sub>2</sub>eq emissions is equal to what IMA would have reported had it not generated and self-consumed electricity from photovoltaic systems and had therefore withdrawn the same amount of energy from the grid. The calculation was made according to the Location Based method of the GHG Protocol.

	ton CO <sub>2</sub> eq 2019	ton CO <sub>2</sub> eq 2020	ton CO <sub>2</sub> eq 2021
<b>Total indirect emissions - Scope 2</b>			
Electricity consumption emissions (Location Based Method)	14,153.24	13,149.75	14,931.01
Electricity consumption emissions (Market Based Method)	15,652	8,040.17	8,238.42
<b>Total direct emissions Scope 1 + indirect ones Scope 2 (Location Based)</b>	<b>27,308</b>	<b>24,182.21</b>	<b>27,080.56</b>
<b>Total direct emissions - Scope 1 + indirect ones Scope 2 (Market Based)</b>	<b>28,806</b>	<b>19,072.63</b>	<b>20,387.96</b>

The intensity rates are calculated by dividing the Scope 1+2<sup>23</sup> emissions in ton of CO<sub>2</sub>eq by the usable surface area in m<sup>2</sup>, sales in euros, and the number of employees (expressed as Full-Time Equivalents (FTEs) to take account of both part-time and full-time contracts); the values for the IMA Group for 2021 are respectively, 0.056 tons of CO<sub>2</sub>eq/m<sup>2</sup> for Italy (0,055 tons of CO<sub>2</sub>eq/m<sup>2</sup> considering foreign companies); 0.0000166 tons CO<sub>2</sub>eq/€ (0.0000160 tons CO<sub>2</sub>eq/€ considering foreign companies) and 5.13 tons CO<sub>2</sub>eq/FTEs (4.42 tons CO<sub>2</sub>eq/FTEs considering foreign companies).

### Other polluting emissions

IMA's activities involve insignificant NO emissions<sub>x</sub> (nitrogen oxides), SO<sub>x</sub> (sulfur dioxides), volatile organic compounds (VOCs) and atmospheric particulate matter (PM), deriving from the combustion generated in the thermal power stations of the plants.

### CDP

To fulfil its commitment to the gradual reduction of direct and indirect emissions IMA has since 2012 taken part in the Supply Chain Program of CDP (formerly Carbon Disclosure Project), an international non-profit organisation that offers companies and the community a global system for measuring, disseminating, monitoring and publishing information on environmental sustainability issues, and since 2014 in the Climate Change Program as well. The program, aimed at companies, provides for the attribution of a rating with respect to the implementation of strategies to progressively reduce emissions, also involving partners along the supply chain, and to manage the environmental risks associated with climate change. Every year, the companies that adhere to the CDP Climate Change program undertake to communicate their emissions in order to monitor them and define a program for their reduction over time; the reported data are made public by the CDP, available to international investors, in order to guide their investment decisions towards companies that have a profile that is more sustainable for the environment.

In 2021, IMA placed itself in the "Management B-" band, rising in level compared with the "Awareness C" Score of previous years.



Your CDP score



In addition to the CDP, IMA has for years adhered to the EcoVadis program, in which companies are evaluated, among other areas, also with respect to performance and management of environmental issues<sup>24</sup>.

<sup>23</sup> The calculation was made according to the Location Based method of the GHG Protocol.

<sup>24</sup> For further information, see chapter 1.9 Listening to our stakeholders.

## 5.5. Waste management

The type of waste generated by IMA's production activities consists mainly of mixed packaging materials, such as plastics and the like, cardboard and wood. In addition, the plants that carry out mechanical processes on metal surfaces with chip removal generate waste consisting of residues such as iron and aluminium filings, ferrous scrap and other metals, such as aluminium, bronze and brass.

To a lesser extent, the waste resulting from the testing of the automatic machines produced also has to be considered. Tests are performed with the materials and products to be packaged, sent directly by Customers (pharmaceuticals, cosmetics, medicines, food, such as tea, coffee, stock cubes and cheese).

As regards liquid waste (in any case mostly sent for purification, therefore not constituting discharge into the receiving water bodies), the IMA plants produce oily emulsion waste and exhausted mineral oils, mainly generated by the maintenance activities of the machine tools of the mechanical workshops. In addition to these, other types of liquid waste produced are the water solutions that are the result of washing automatic machines after testing with the products to be packaged and with demineralized water.

Also to be considered is a small quantity of WEEE (waste electrical and electronic equipment) and electric cables (copper).

In addition to the industrial waste described above, the generation, to a lesser extent, of waste of a type similar to urban waste must be considered.

In Italy, all the waste produced from business activities at each plant is collected, separated by type and handed over to appointed waste disposal hauliers holding the necessary authorisations in compliance with the regulations. Waste is not held for longer than the maximum times established in Decree 152/2006 and preference is given to destinations where processing focuses on the recovery of materials and/or energy. In fact, in 2021 there were no pecuniary penalties or sanctions for non-compliance with the legislation.

Separate collection is also carried out in the office areas (such as for toner, paper and cardboard), as well as in the refreshment areas and in the canteen (plastic and organic). All employees have been trained and informed about the criteria for waste separation.

With regard to IMA companies in the world, waste is managed in compliance with the current local regulations, using the specified recovery and disposal procedures.

Only 7.10% of the waste disposed of by IMA is classified as hazardous. 60.94% of the waste products produced by IMA in 2021 are to be recycled and reused; 6.44%, energy recovery.

Again in 2021, there were no significant spills or discharges of waste water containing chemicals, waste or fuels, reflecting successful implementation of the procedures that constitute the Environmental Management System and the awareness, training and care of staff.

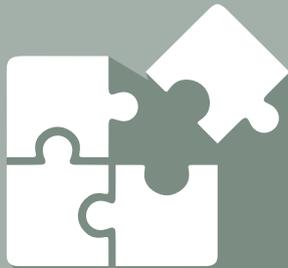
The 10.35% increase in waste generated in 2021 compared with 2020 is mainly due to the resumption of activities, given the impact that the Covid-19 pandemic had on production in 2020.

Waste disposed of by disposal method (in tonnes)

	Total 2019			Total 2020			Total 2021		
	Haz-ardous waste	Non-haz-ardous waste	Total 2019	Haz-ardous waste	Non-haz-ardous waste	TOTAL 2020	Haz-ardous waste	Non-haz-ardous waste	Total 2019
Recycling/ Re-use	19.27	1,914.92	1,934.19	0.44	1,797.09	1,797.53	0.97	2,249.17	2,250.14
Other recovery operations (e.g. stocking and/or placing in reserve for recovery purposes)	181.76	1,206.31	1,388.07	153.39	1,129.92	1,283.32	145.68	1,279.39	1,425.07
Landfill	-	539.72	539.72	0.02	328.72	328.74	-	256.08	256.08
Incineration	27.80	134.20	162.00	11.11	34.26	45.37	7.67	30.53	38.20
Energy recovery	-	82.92	82.92	-	460.67	460.67	-	388.33	388.33
Other disposal operations (e.g. purifier, stocking or placing in reserve for disposal purposes)	276.13	1,411.30	1,687.43	231.56	1,317.62	1,549.19	273.87	1,398.84	1,672.71
<b>Total</b>	<b>504.96</b>	<b>5,289.37</b>	<b>5,794.33</b>	<b>396.53</b>	<b>5,068.28</b>	<b>5,464.81</b>	<b>428.19</b>	<b>5,602.35</b>	<b>6,030.54</b>

€ 1.768 MILLION

SPONSORSHIPS AND  
DONATIONS TO  
THIRD PARTIES



22 PROJECTS

FOR SOCIAL ACTIVITIES  
AND THE EMPLOYEES



IMA IS A MEMBER OF  
47  
TRADE  
ASSOCIATIONS



| LOCAL  
SUSTAINABILITY |  
IMA IN SUPPORT  
OF COMMUNITIES

IMA, a global player in the industrial automation and packaging sector, supports the communities of the territories in which it operates through contributions and donations of various kinds. IMA's effort in carrying out its activities - requests from end users, product development and innovation, *procurement* activities, the work of its people and the production process with its related environmental impact terms - also has a territorial implication. The Group therefore generates direct and indirect impacts in the territories in which it operates, both in terms of local induced activities and in terms of disbursements and support for the development of the respective communities.

## 6.1. Support initiatives for communities in Italy and around the world



On the continents where IMA has production sites and plants, the companies of the Group are committed to contributing to activities in support of local associations and entities. During 2021, IMA companies around the world supported projects and initiatives in various fields, including:



**Health**, with donations to institutes and associations engaged in research, prevention and treatment of various diseases.



**Social**, with contributions and funding to non-profit organisations and associations, engaged in assisting people in difficulty.



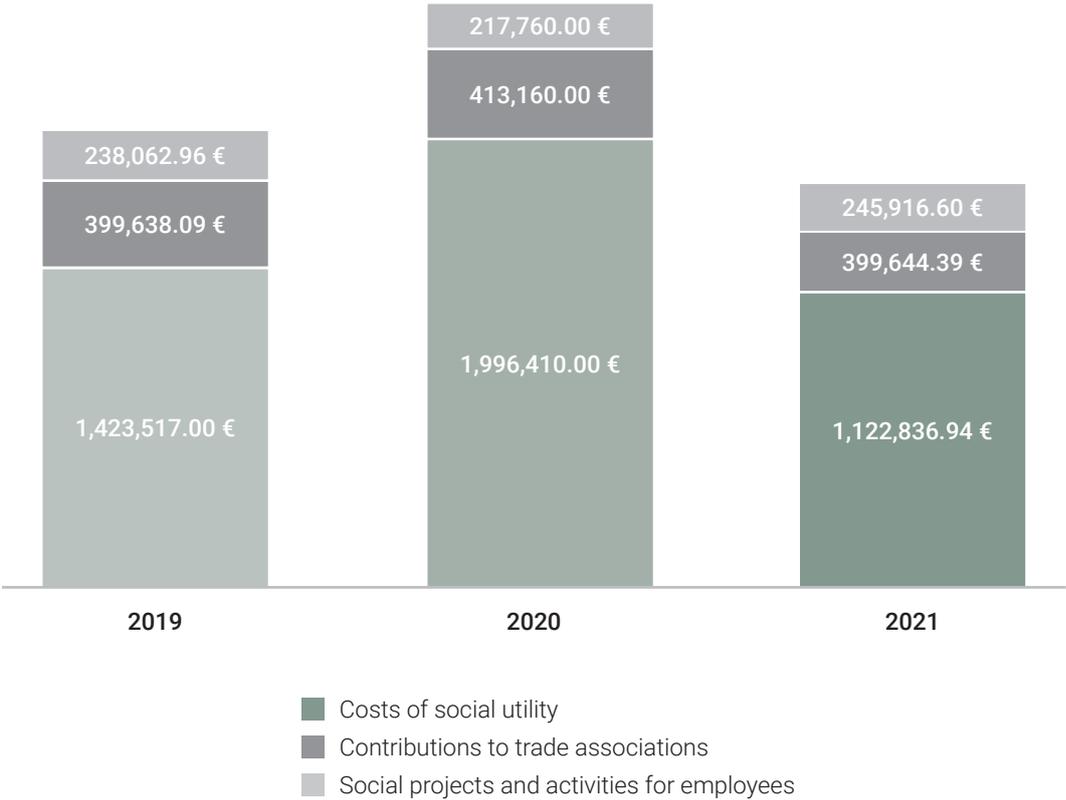
**Instruction**, with support to schools and universities through contributions in favour of study and training courses dedicated to future generations, with particular attention to technical-scientific training.



**Sport**, with contributions to various local and national sports associations.

Local communities play an important role for IMA, which is committed to building a close link with the territorial context of the countries in which it operates and promoting sustainable development. Harmony with the community, as well as being indispensable, is to be considered strategic both through dialogue with the various entities and through the participation and promotion of projects and initiatives in support of the territory.

During 2021, the Italian companies of IMA supported numerous social, cultural, training and sports initiatives, providing contributions and donations for a total sum of 1.768 million euros. This amount includes the resources allocated to social responsibility projects, expenses incurred for the benefit of employees, such as for sports groups or other corporate initiatives, and fees paid by IMA to join representative or industry associations.



The global impact of the COVID-19 virus still has repercussions on an economic, social, historical, institutional and scientific level. The choices made by IMA and the various Group companies regarding support for the community took into account the persistence of the global health emergency and, more generally, issues related to health and the protection of people, also renewing support in 2021 for **Antoniano Onlus** and **Médecins Sans Frontières**.

### Antoniano Onlus (Antoniano Charities) - Together to help families in need

For several years, IMA has been contributing to the project **Together for families** for welcoming and supporting families in difficulty through a path of social protection, integration and autonomy. It continued to do so in 2021, a difficult year characterised by a real social as well as health emergency. The recipients of the interventions are nuclear families in situations of serious difficulty and / or danger, intercepted by the Listening Center or reported by the Territorial Social Services for which Antoniano carries out a series of dedicated activities, which have been reorganised due to the health emergency. These are people who need to find a job, to create a professionalism, to feel part of a community again and to be able to guarantee their children a dignified life.

In addition to the canteen, the project includes a listening centre, an economic fund for families and residential accommodation.

### Médecins Sans Frontières - The emergency in Afghanistan

For several years, IMA has supported **Médecins Sans Frontières** and in 2021 it made a grant to support MSF's work in Afghanistan. After the conflict ceased, the needs of the Afghan population remain enormous and the hospitals managed by MSF continue to take care of people who were injured during the conflict or who, due to the conflict itself, were unable to receive the necessary medical assistance.

Of prominence is the free and high quality **maternal and neonatal health care** in two hospitals in the cities of Lashkar Gah and Khost, aimed at reducing the mortality and morbidity of mothers and their newborns along with medical staff training. In addition to outpatient visits, childbirth assistance and surgery, special attention is given to the training of local female staff: in fact, almost all of the midwives are Afghan women, with a lot of experience in managing complicated births.

In a context of instability and insecurity like the current one, other treatments concern:

- the **diagnosis** and **treatment of** drug resistant **tuberculosis** in the province of Kandahar;
- **trauma care** at the Kunduz centre where a clinic has been opened for patients with injuries and minor injuries related to trauma, and where a new trauma centre is under construction;
- medical assistance to the **displaced population** in Herat and management of a hospital therapeutic feeding centre in the paediatric ward of the Herat regional hospital for malnourished children.

Projects related to the **health** of people remain a priority for IMA which continues to support various care and research associations with its contribution.

### Association Bimbo Tu - Support for the Department of Neurosurgery and Neuropsychiatry of the Bellaria hospital in Bologna

During 2021, IMA proactively supported the association **Bimbo Tu**, in its activity of assistance and material, logistical, psychological and economic support to children and the families of children affected by tumors of the central and peripheral nervous system and other serious medullary-brain and cranio-vertebral diseases of a malformative, genetic, traumatic, vascular, or infectious nature, especially if they are incapacitating, chronic or such as to require prolonged therapy and assistance.

## Fondazione per la collaborazione fra i popoli (Foundation for Collaboration among Peoples)

IMA supports the **Foundation for Collaboration among Peoples** in its fight against discrimination and in defence of minorities. The Foundation aims to promote and study the social, cultural, economic and political problems of the world, in order to favour the creation and discussion of new collaboration proposals in the international context.

The projects supported by IMA and the areas of intervention concerned the constant support for two degree courses and a collaboration with the **University of Bologna** through the funding of two PhD scholarships.

## Scholarships for Alma Mater Studiorum - University of Bologna (academic year 2021/22)

In relation to the academic field in which IMA strongly believes as a determining factor of development and growth, the Group has signed an agreement to support the teaching activity of three cycles of the Degree Course in **Industrial product design** and four cycles of the Master's Degree Course in **Advanced Design**.

IMA also funded two scholarships entitled:

- **Biological estimate of safe packaging through 3D-bioprinted models**, a research activity concerning the realisation of in vitro 3D models, using the 3D bioprinting technique, with the aim of reproducing human tissues and organs for toxicity studies.
- **Development of novel point of care devices for communicable and non-communicable diseases**, based on the development of treatment tools for communicable and non-communicable diseases.

IMA helps to protect the well-being of the community in which it operates, with the aim of generating a positive impact and creating shared economic and social value. Promotes and supports projects and programs with **social, educational and cultural purposes**.

During 2021, IMA supported the non-profit association "**L'Arco Corrispondenze per la recovery**", which bases its business on three key elements:

- **Recovery orientation**: making one's recovery can be understood as recovering, renewing, healing, but it is above all a process of re-appropriating one's life, one's person and one's goals.
- **Activities of the "peers" alongside the operators**: by "peer" we mean people who have lived the experience of mental illness and who, through awareness, attitude and training, collaborate with operators through a specific contribution, based on experience.
- **Co-design and Co-construction Activity**: carried out in a participatory way also with the people who come to L'Arco. The "Corrispondenze" project proposes recovery paths for people suffering from mental disorders, through learning, sharing experiences, confronting peers, mutuality and co-production.

During 2021, the companies belonging to the Group, in Italy and in the rest of the world, offered their financial contribution to projects for the territories and local communities in which they operate.

- **Benhil GmbH** has made donations to support the families of the victims of storms and floods in Germany, contributing to the reconstruction and restarting of activities in the affected cities, and to help the children of an orphanage in the south of the country.
- **IMA MAI S.A. and IMA North America Inc.** made donations to families and people in difficulty during the Christmas period, through the delivery of gifts and financial contributions.
- **TEKNOWEB N.A. Llc.** has made financial and property donations to the Pregnancy Resource Centre, an institution that takes care of accompanying women in their maternity journey.
- **Benhil GmbH, IMAUTOMATICHE do Brasil Industria e Comercio de Maquinas Ltda and IMA PG India Pvt. Ltd.** have contributed to health and research projects, participating in fundraising initiatives for cancer research.

The companies of the Group have supported other projects in the context of **education and training**:

- **IMA MAI S.A.** has entered into collaborations with the faculty of architecture, urban planning and industrial design of the **Universidad Nacional de Mar de la Plata** for the start of a six-month career path aimed at hiring graduate students with technical skills. Furthermore, through a collaboration with the general directorate of culture and education of the **province of Buenos Aires**, IMA MAI S.A. offered students of technical secondary schools the possibility to carry out activities in alternation between school and work to get in touch with the processes and the working world, thus favouring a complete and accessible education.
- **IMA PG India Pvt. Ltd.** has made donations to *Relief Foundation*, known for its Montessori method in child educational approaches.
- **Thomas Llc** has provided its contribution to initiatives aimed at high school students interested in manufacturing processes, promoting Manufacturing Day 2021.

In the **sports field**, IMA supports the Bologna Football Club 1909, affiliated with the Lega Nazionale Professionisti Serie A (National Professionals Series A League), and various sports associations, both recreational and otherwise, in the area.

## 6.2. Relations with trade and sector associations

### Relations with trade and sector associations (in Italy and in the world)

IMA is a member of various associations and institutions at national and international level to contribute to the dissemination of quality and innovation, automation culture and sustainability. The main associations and institutions to which it belongs are:

- A.N.I.P.L.A. – Associazione Nazionale per l'Automazione (National Association for Automation)
- AFI - Associazione Farmaceutici dell'Industria (Pharmaceutical Industry Association)
- Andaf - Associazione Nazionale Direttori Amministrativi e Finanziari (National Association of Administrative and Financial Managers)
- Associazione Amici del Museo del Patrimonio Industriale (Association of Friends of the Museum of Industrial Heritage)
- Associazione Italiana Internal Auditors (Italian Association of Internal Auditors)
- BFS IOA - The Pharmaceutical Blow-Fill-Seal International Operators Association
- CEI - Comitato Elettrotecnico Italiano (Italian Electrotechnical Committee)
- Comitato Leonardo, an Italian Quality Committee
- Confindustria Emilia Area Centro (Regional Italian Manufacturers' Association)

- The Engine Accelerator
- EPI - European Patent Institute
- Federazione Nazionale Cavalieri del Lavoro (National Federation of Knights of the Order of Merit for Labour)
- Federmeccanica (Italian Federation of Metallurgical and Mechanical Trade Unions)
- Italy's Supply Chain Foundation
- IEEE - Institute of Electrical and Electronics Engineers - Operations Centre
- Impronta Etica, a sustainability organisation
- ISPE – International Society for Pharmaceutical Engineering Headquarters
- MIT - Massachusetts Institute of Technology
- PMI - Project Management Institute
- Prometeia, independent institute for economic research
- SYMBOLA, Italian Quality foundation
- UCIMA – Unione Costruttori Italiani Macchine Automatiche per il Confezionamento e l'Imballaggio (Italian Association of Automatic Packing and Packaging Machine Manufacturers)
- UNI - Ente Nazionale Italiano di Unificazione (Italian standards organisation)

All of IMA's relationships with Institutions and the Public Administration are based on the principles of honesty, fairness, transparency and full compliance with laws and regulations, in respect of the public nature of the function, as indicated in IMA's Code of Ethics and regulated by the Management and Control Model in accordance with Legislative Decree no. 231/2001.

IMA companies around the world also join trade associations and various associations for the promotion of relations with the local communities.

#### **Americas:**

- PMMI - Packaging Machinery Manufacturers Institute
- INDA - Association of the Nonwoven Fabrics Industry
- Rockford Area Economic Development Council
- INTI - Instituto Nacional de Tecnología Industrial
- Secretaría de Industria Nacional
- Cámara de Exportadores de la Nación
- SHRM - Society for Human Resources Management
- ITALCAM- Câmara Italo Brasileira De Comercio Indústria e Agricultura
- Chamber of Commerce - Manufacturing Industry

#### **European Union:**

- IHK - The Association of the German Chambers of Industry and Commerce
- Tea Coffee Association
- WKO - Wirtschaftskammer Österreich
- FME -Dutch employers' organisation in the technology industry
- DLG – German Agricultural Society
- Entrepreneurs Association
- MERCURIO German-Italian Business Organisation
- Industrial and Patronal Association
- Chamber of Industry of Neuchâtel

#### **Asia & Middle East:**

- ISPE - International Society for Pharmaceutical Engineering
- Relief foundation for CASCADE Montessori - Narsingapuram & Odisha Location
- Bombay Chamber of Commerce and Industries
- TTC-MIDC Industries Association
- Thane Belapur Industries Association
- Institute of Packaging Machinery Manufacturers of India

# Methodological note

## IMA's 10th annual sustainability report

This document, the tenth consecutive prepared and published by IMA annually, constitutes the Sustainability Report, drawn up on a voluntary basis in 2021. This report contains information regarding environmental and social issues that concern IMA's personnel, respect for human rights and the fight against corruption. It serves to ensure an understanding of the activities carried on by IMA, its performance, its results and the impact of its activities.

## Reference period

The qualitative and quantitative data and information contained in the IMA Sustainability Report refer to the performance for the year ended 31 December 2021. Comparisons with previous years (2019 and 2020) are also provided.

## Reference reporting standards

The Sustainability Report is prepared according to the "Global Reporting Initiative Sustainability Reporting Standards" defined by the GRI - Global Reporting Initiative, which are currently the most widespread and internationally recognised standard in the field of non-financial reporting, in compliance with the GRI Standards: *Core Option*.

## Data collection

The preparation of the Sustainability Report is based on a structured reporting process as follows:

- The corporate structures and divisions responsible for the various areas and for the figures involved in this non-financial report have been asked to contribute (i) to the identification and assessment of the material issues, of significant projects and initiatives to be described in this document (ii) and in the collection, analysis and consolidation of data, in order to verify and validating all of the information contained in the Social Responsibility Report, each for its own area of competence. The figures and information included in this Report derive from the corporate information system used for the management and accounting of IMA and from a non-financial reporting system through data collection forms, specially implemented to meet the requirements of GRI Standards. The data were processed through precise extractions and calculations.

The conversion factors used to transform the different energy quantities into GJ are taken from the 2021 Defra database (UK Department for Environment, Food and Rural Affairs).

The emission factors used for the calculation of CO<sub>2</sub> emissions reported in the Sustainability Report are as follows:

- Direct emissions (scope 1): emission factors taken from the 2021 Defra database (UK Department for Environment, Food and Rural Affairs), updated annually;
- indirect emissions (scope 2): for electricity purchased from the grid, the location-based method used the Terna emission factors on Enerdata values taken from the latest publication available (Table of international comparisons, 2020), while the market-based method used the residual mix conversion factors published by the Association of Issuing Bodies (AIB) in 2020. The applicable location-based emission factors were used again for countries whose residual mix factors were not publicly available from accredited sources at the time of preparing the document. For 2019, the market-based method also used the Terna emission factors on Enerdata values.

The 2021 Sustainability Report was approved by the Board of Directors of IMA S.p.A. on 15 March 2022.

## Reporting scope

2021 Sustainability Report includes the data of IMA and its subsidiaries consolidated line by line, grouped by macro geographical regions:

Scope of sustainability report 2021			
Italy	EU	Americas	Asia
<ul style="list-style-type: none"> <li>• I.M.A. Industria Macchine Automatiche S.p.A.*</li> <li>• Alphamac S.r.l.*</li> <li>• Asset Management Service S.r.l.*</li> <li>• ATOP S.p.A.*</li> <li>• Ciemme S.r.l.*</li> <li>• CMRE Srl</li> <li>• Claren Cutting Service S.r.l.*</li> <li>• CO.MA.DI.S. S.p.A.*</li> <li>• DIGIDOC S.R.L.</li> <li>• Eurosicma - Costruzioni Macchine Automatiche S.p.A.*</li> <li>• Eurotekna S.r.l.*</li> <li>• Fasp S.r.l.*</li> <li>• Ilapak Italia S.p.A.*</li> <li>• Packaging Manufacturing Industry S.r.l.</li> <li>• Perfect Pack S.r.l.*</li> <li>• Petroncini Impianti S.p.A.*</li> <li>• Pharmasiena Service S.r.l.*</li> <li>• Record S.p.A.*</li> <li>• Società del Sole S.r.l.</li> <li>• Spares &amp; More S.r.l.*</li> <li>• Spreafico Automation S.r.l.*</li> <li>• TEKNOWEB CONVERTING S.r.l.*</li> <li>• Telerobot S.p.A.*</li> <li>• Tissue Machinery Company S.p.A.*</li> <li>• Transworld Packaging Holding S.p.A.</li> </ul>	<ul style="list-style-type: none"> <li>• Benhil GmbH*</li> <li>• Ilapak France SA</li> <li>• Ilapak International SA*</li> <li>• Ilapak Ltd.</li> <li>• Ilapak SNG 000</li> <li>• Ilapak Sp. Z.o.o.</li> <li>• Ilapak Verpackungsmaschinen GmbH</li> <li>• IMA Automation Switzerland SA.*</li> <li>• IMA Est GmbH</li> <li>• IMA France E.u.r.l.</li> <li>• IMA Germany GmbH</li> <li>• IMA Iberica Processing and Packaging S.L.</li> <li>• Ima Industries 000</li> <li>• IMA Life the Netherlands B.V.</li> <li>• IMA Swiftpack Ltd.*</li> </ul>	<ul style="list-style-type: none"> <li>• Delta Systems &amp; Automation LLC*</li> <li>• Ilapak Inc.</li> <li>• IMA Automation USA Inc.*</li> <li>• IMA Life North America, Inc.*</li> <li>• IMA MAI S.A.*</li> <li>• IMA North America Inc.*</li> <li>• IMAUTOMATICHE do Brasil Industria e Comercio de Maquinas Ltda</li> <li>• TECMAR S.A.*</li> <li>• Tekno NA Inc.</li> <li>• TEKNOWEB N.A. Llc</li> <li>• Thomas Llc*</li> <li>• TMC do BRASIL Industria de Maquinarios e Servicos Ltda</li> <li>• TMC NORTH AMERICA Inc.</li> <li>• Valley Tissue Packaging Inc.*</li> </ul>	<ul style="list-style-type: none"> <li>• ATOP (Shanghai) Electrical Equipment Co. Ltd</li> <li>• Ilapak (Beijing) Packaging Machinery Co. Ltd.*</li> <li>• Ilapak Israel Ltd.</li> <li>• IMA Automation Malaysia Sdn. Bhd.*</li> <li>• IMA FUDA (Shanghai) Packaging Machinery Co. Ltd.</li> <li>• IMA Life (Beijing) Pharmaceutical Systems Co. Ltd.*</li> <li>• IMA Life (Shanghai) Pharmaceutical Machinery Co. Ltd.*</li> <li>• IMA Life Japan KK</li> <li>• IMA Pacific Co. Ltd.</li> <li>• IMA Packaging &amp; Processing Equipment (Beijing) Co. Ltd.</li> <li>• IMA Packaging Technology India Pvt. Ltd.</li> <li>• IMA-PG India Pvt. Ltd.*</li> <li>• Petroncini International Trading (Shanghai) Co. Ltd.</li> <li>• Tianjin IMA Machinery Co. Ltd.</li> </ul>

The environmental data shown in the Sustainability Report refer to the companies indicated with an asterisk in the preceding table: the companies that are not included are commercial and financial companies; considering their limited significance for environmental impact, information relating to energy, emissions and waste is not reported as it is negligible compared with the total.

Any other limitations to the scope are appropriately indicated in the document.

The reporting perimeter for the tax information comprises the following companies:

GRI 207-4 scope with reference to 2019 data			
Italy	EU	Americas	Asia
<ul style="list-style-type: none"> <li>I.M.A. Industria Macchine Automatiche S.p.A.</li> <li>Asset Management Service S.r.l.</li> <li>ATOP S.p.A.</li> <li>Ciemme S.r.l.</li> <li>Claren Cutting Service S.r.l.</li> <li>CMRE S.r.l.</li> <li>CO.MA.DI.S. S.p.A.</li> <li>Corazza S.p.A.</li> <li>DIGIDOC S.R.L.</li> <li>DREAMER S.r.l. (in liquidation)</li> <li>Eurosicma - Costruzioni Macchine Automatiche S.p.A.</li> <li>Eurotekna S.r.l.</li> <li>G.S. Coating Technologies S.r.l.</li> <li>Gima S.p.A.</li> <li>MAPSTER S.R.L.</li> <li>O.A.SYS. OPEN AUTOMATION SYSTEM S.R.L.</li> <li>Ilapak Italia S.p.A.</li> <li>Packaging Manufacturing Industry S.r.l.</li> <li>Perfect Pack S.r.l.</li> <li>Petroncini Impianti S.p.A.</li> <li>Pharmasiena Service S.r.l.</li> <li>REVISIONI INDUSTRIALI S.R.L.</li> <li>Società del Sole S.r.l.</li> <li>SO.FI.M.A. SOCIETA' FINANZIARIA MACCHINE AUTOMATICHE S.P.A.</li> <li>SOCIETA' DEL SOLE S.R.L.</li> <li>Spares &amp; More S.r.l.</li> <li>Spreafico Automation S.r.l.</li> <li>TEKNOWEB CONVERTING S.r.l.</li> <li>Telerobot S.p.A.</li> <li>Tissue Machinery Company S.p.A.</li> <li>Transworld Packaging Holding S.p.A.</li> </ul>	<p><b>AUSTRIA</b></p> <ul style="list-style-type: none"> <li>IMA Est GmbH<sup>25</sup></li> </ul> <p><b>FRANCE</b></p> <ul style="list-style-type: none"> <li>Ilapak France SA</li> <li>IMA France E.u.r.l.</li> </ul> <p><b>GERMANY</b></p> <ul style="list-style-type: none"> <li>Benhil GmbH</li> <li>Ilapak Verpackungsmaschinen GmbH</li> <li>IMA Germany GmbH</li> <li>IMA INDUSTRIES GMBH (in liquidazione)</li> </ul> <p><b>NETHERLANDS</b></p> <ul style="list-style-type: none"> <li>IMA Life The Netherlands B.V.</li> </ul> <p><b>POLAND</b></p> <ul style="list-style-type: none"> <li>Ilapak Sp. Z.o.o.</li> </ul> <p><b>RUSSIA</b></p> <ul style="list-style-type: none"> <li>Ilapak SNG OOO</li> <li>OOO Ima Industries</li> </ul> <p><b>SPAIN</b></p> <ul style="list-style-type: none"> <li>IMA Iberica Processing and Packaging S.L.</li> </ul> <p><b>SWITZERLAND</b></p> <ul style="list-style-type: none"> <li>Ilapak International SA</li> <li>IMA Automation Switzerland SA.</li> <li>Luna Investment SA.</li> </ul> <p><b>UK</b></p> <ul style="list-style-type: none"> <li>Ilapak Ltd.</li> <li>IMA Swiftpack Ltd.</li> <li>IMA UK Ltd.</li> </ul>	<p><b>ARGENTINA</b></p> <ul style="list-style-type: none"> <li>IMA MAI S.A.</li> <li>TECMAR S.A.</li> </ul> <p><b>BRAZIL</b></p> <ul style="list-style-type: none"> <li>IMAUTOMATICHE do Brasil Industria e Comercio de Maquinas Ltda</li> <li>TMC do BRASIL Industria de Maquinarios e Servicos Ltda</li> <li>ILAPAK DO BRASIL MAQUINAS DE EMBALAGEM LTDA. (in liquidazione)</li> </ul> <p><b>USA</b></p> <ul style="list-style-type: none"> <li>Delta Systems &amp; Automation Llc</li> <li>Ilapak Inc.</li> <li>IMA Automation USA Inc.</li> <li>IMA Life North America Inc.</li> <li>IMA North America Inc.</li> <li>Packaging Systems Holdings Inc.</li> <li>Tekno NA Inc.</li> <li>TEKNOWEB N.A. Llc</li> <li>TMC NORTH AMERICA Inc.</li> <li>Valley Tissue Packaging Inc.</li> </ul>	<p><b>CHINA</b></p> <ul style="list-style-type: none"> <li>ATOP (Shanghai) Electrical Equipment Co. Ltd</li> <li>Ilapak (Beijing) Packaging Machinery Co. Ltd.</li> <li>IMA FUDA (Shanghai) Packaging Machinery Co. Ltd.</li> <li>IMA Life (Beijing) Pharmaceutical Systems Co. Ltd.</li> <li>IMA Life (Shanghai) Pharmaceutical Machinery Co. Ltd.</li> <li>IMA Packaging &amp; Processing Equipment (Beijing) Co. Ltd.</li> <li>Petroncini International Trading (Shanghai) Co. Ltd.</li> <li>Tianjin IMA Machinery Co. Ltd.</li> </ul> <p><b>INDIA</b></p> <ul style="list-style-type: none"> <li>HASSIA PACKAGING PVT. LTD.</li> <li>IMA Packaging Technology India Pvt. Ltd.</li> <li>IMA-PG India Pvt. Ltd.</li> </ul> <p><b>ISRAEL</b></p> <ul style="list-style-type: none"> <li>Ilapak Israel Ltd.</li> </ul> <p><b>JAPAN</b></p> <ul style="list-style-type: none"> <li>IMA Life Japan KK</li> </ul> <p><b>MALAYSIA</b></p> <ul style="list-style-type: none"> <li>IMA Automation Malaysia Sdn. Bhd.</li> </ul> <p><b>THAILAND</b></p> <ul style="list-style-type: none"> <li>IMA Pacific Co. Ltd.</li> </ul>

<sup>25</sup> The data for IMA Est GmbH based in Austria (income taxes paid on a cash basis with reference to the number of employees and tangible assets other than cash and cash equivalents) has been allocated, in part, to the Czech Republic and Russia where there are two Permanent Establishments (PE), as envisaged in the instructions from the Italian Tax Authorities dated 28 November 2017 on preparation of the Country-by-Country Report.

## GRI 207-4 scope with reference to 2020 data

Italy	EU	Americas	Asia
<ul style="list-style-type: none"> <li>I.M.A. Industria Macchine Automatiche S.p.A.</li> <li>Alphamac S.r.l.</li> <li>Asset Management Service S.r.l.</li> <li>ATOP S.p.A.</li> <li>Ciemme S.r.l.</li> <li>Claren Cutting Service S.r.l.</li> <li>CMRE S.r.l.</li> <li>CO.MA.DI.S. S.p.A.</li> <li>CORAZZA S.p.A.</li> <li>DIGIDOC S.r.l.</li> <li>Eurosicma - Costruzioni Macchine Automatiche S.p.A.</li> <li>Eurotekna S.r.l.</li> <li>Ilapak Italia S.p.A.</li> <li>IMA Bidco S.p.A.</li> <li>Luna Investment S.r.l.</li> <li>Packaging Manufacturing Industry S.r.l.</li> <li>Perfect Pack S.r.l.</li> <li>Petroncini Impianti S.p.A.</li> <li>Pharmasienna Service S.r.l.</li> <li>Record S.p.A.</li> <li>Società del Sole S.r.l.</li> <li>SO.FI.M.A. Società Finanziaria Macchine Automatiche S.p.A.</li> <li>SOFIMA Holding S.p.A.</li> <li>SOFIMA PIK S.p.A.</li> <li>Spares &amp; More S.r.l.</li> <li>Spreafico Automation S.r.l.</li> <li>Teknoweb Converting S.r.l.</li> <li>Telerobot S.p.A.</li> <li>Tissue Machinery Company S.p.A.</li> <li>Transworld Packaging Holding S.p.A.</li> </ul>	<p><b>AUSTRIA</b></p> <ul style="list-style-type: none"> <li>IMA Est GmbH<sup>26</sup></li> </ul> <p><b>FRANCE</b></p> <ul style="list-style-type: none"> <li>Ilapak France SA</li> <li>IMA France E.u.r.l.</li> </ul> <p><b>GERMANY</b></p> <ul style="list-style-type: none"> <li>Benhil GmbH</li> <li>Ilapak Verpackungsmaschinen GmbH</li> <li>IMA Germany GmbH</li> </ul> <p><b>NETHERLANDS</b></p> <ul style="list-style-type: none"> <li>IMA Life The Netherlands B.V.</li> </ul> <p><b>POLAND</b></p> <ul style="list-style-type: none"> <li>Ilapak Sp. Z.o.o.</li> </ul> <p><b>RUSSIA</b></p> <ul style="list-style-type: none"> <li>Ilapak SNG 000</li> <li>000 Ima Industries</li> </ul> <p><b>SPAIN</b></p> <ul style="list-style-type: none"> <li>IMA Iberica Processing and Packaging S.L.</li> </ul> <p><b>SWITZERLAND</b></p> <ul style="list-style-type: none"> <li>Ilapak International SA</li> <li>IMA Automation Switzerland SA.</li> </ul> <p><b>UK</b></p> <ul style="list-style-type: none"> <li>Ilapak Ltd.</li> <li>IMA Swiftpack Ltd.</li> <li>IMA UK Ltd.</li> </ul>	<p><b>ARGENTINA</b></p> <ul style="list-style-type: none"> <li>IMA MAI S.A.</li> <li>TECMAR S.A.</li> </ul> <p><b>BRAZIL</b></p> <ul style="list-style-type: none"> <li>IMAUTOMATICHE do Brasil Industria e Comercio de Maquinas Ltda</li> <li>TMC do BRASIL Industria de Maquinarios e Servicos Ltda</li> <li>ILAPAK Do Brasil Maquinas De Embalagem LTDA. (in liquidazione)</li> </ul> <p><b>USA</b></p> <ul style="list-style-type: none"> <li>Delta Systems &amp; Automation Llc</li> <li>Ilapak Inc.</li> <li>IMA Automation USA Inc.</li> <li>IMA Life North America Inc.</li> <li>IMA North America Inc.</li> <li>Packaging Systems Holdings Inc.</li> <li>Tekno NA Inc.</li> <li>Teknoweb N.A. Llc</li> <li>TMC North America Inc.</li> <li>Valley Tissue Packaging Inc.</li> </ul>	<p><b>CHINA</b></p> <ul style="list-style-type: none"> <li>ATOP (Shanghai) Electrical Equipment Co. Ltd</li> <li>Ilapak (Beijing) Packaging Machinery Co. Ltd.</li> <li>IMA FUDA (Shanghai) Packaging Machinery Co. Ltd.</li> <li>IMA Life (Beijing) Pharmaceutical Systems Co. Ltd.</li> <li>IMA Life (Shanghai) Pharmaceutical Machinery Co. Ltd.</li> <li>IMA Packaging &amp; Processing Equipment (Beijing) Co. Ltd.</li> <li>Petroncini International Trading (Shanghai) Co. Ltd.</li> <li>Tianjin IMA Machinery Co. Ltd.</li> </ul> <p><b>INDIA</b></p> <ul style="list-style-type: none"> <li>IMA Packaging Technology India Pvt. Ltd.</li> <li>IMA-PG India Pvt. Ltd.</li> </ul> <p><b>ISRAEL</b></p> <ul style="list-style-type: none"> <li>Ilapak Israel Ltd.</li> </ul> <p><b>JAPAN</b></p> <ul style="list-style-type: none"> <li>IMA Life Japan KK</li> </ul> <p><b>MALAYSIA</b></p> <ul style="list-style-type: none"> <li>IMA Automation Malaysia Sdn. Bhd.</li> </ul> <p><b>THAILAND</b></p> <ul style="list-style-type: none"> <li>IMA Pacific Co. Ltd.</li> </ul>

### Independent auditors' report

This Sustainability Report has been subjected to a limited assurance engagement, in accordance with the "International Standard on Assurance Engagements ISAE 3000 (Revised)", by EY S.p.A.

<sup>26</sup> The data for IMA Est GmbH based in Austria (income taxes paid on a cash basis with reference to the number of employees and tangible assets other than cash and cash equivalents) has been allocated, in part, to the Czech Republic, Russia, Poland and Romania where there are two Permanent Establishments (PE), as envisaged in the instructions from the Italian Tax Authorities dated 28 November 2017 on preparation of the Country-by-Country Report.

# GRI Content Index

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GRI 102: General Disclosures 2016 – Organisational Profile	102-1	Name of the organisation	Cover	
	102-2	Activities, brands, products, and services	1. The IMA Group - 1.1 Who we are   p. 6-13	
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	102-4	Location of operations	1. The IMA Group - 1.1 Who we are   p. 8	
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	102-6	Markets served	1. The IMA Group - 1.1 Who we are   p. 9-13	
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	102-8	Information on employees and other workers	4. Social sustainability: the people of IMA - 4.2 Composition and characteristics of our employees   p. 68-76	
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GRI standard title	GRI disclosure number	GRI disclosure title	Section title	Omissions
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<b>GRI 102:</b> General Disclosures 2016 – Governance	102-18	Governance structure	1. The IMA Group - 1.4 Governance   p. 26-29	
<b>GRI 102:</b> General Disclosures 2016 – Stakeholder engagement	102-40	List of stakeholder groups	1. The IMA Group - 1.9 Listening to our stakeholders   p. 42-43	
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	102-51	Date of most recent report	April 2021	
	102-52	Reporting cycle	Methodological note   p.108-111	
	102-53	Contact point for questions regarding the report	Contact details   p.131	



GRI standard title	GRI disclosure number	GRI disclosure title	Section title	Omissions
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	103-2	The management approach and its components	1. The IMA Group - 1.3 Economic performance: value creation for stake- holders 1.8 Analysis of non-financial risks and man- agement methods   p. 17-19, 38-41	
	103-3	Evaluation of the man- agement approach	1. The IMA Group - 1.3 Economic performance: value creation for stake- holders   p.17-19	
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	103-2	The management approach and its components	1. The IMA Group - 1.8 Analysis of non-financial risks and management methods; 3. Sustainability of the supply chain: responsible sourcing and the supply chain   p. 38-41, 60-67	
	103-3	Evaluation of the man- agement approach	3. Sustainability of the sup- ply chain: responsible sourcing and the supply chain   p. 60-67	
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GRI standard title	GRI disclosure number	GRI disclosure title	Section title	Omissions
<b>GRI 205:</b> Anti-corruption 2016	103-1	Explanation of the material topic and its Boundary	1. The IMA Group - 1.7 Relevant topics   p. 32-37	
	103-2	The management approach and its components	1. The IMA Group - 1.5 Our commitment to business integrity; 1.8 Analysis of non-financial risks and management methods   p. 28-30, 38-41	
	103-3	Evaluation of the management approach	1. The IMA Group - 1.5 Our commitment to business integrity   p. 28-30	
	205-3	Confirmed incidents of corruption and actions taken	1. Il Gruppo IMA – 1.5 Il nostro impegno per la business integrity   p. 28	
<b>GRI 207:</b> Tax 2019	103-1	Explanation of the material topic and its Boundary	1. The IMA Group - 1.7 Relevant topics; Methodological note   p. 32-37,110-111	
	103-2	The management approach and its components	1. The IMA Group - 1.3 Economic performance: value creation for stakeholders; 1.8 Analysis of non-financial risks and management methods   p. 20-21, 38-41	
	103-3	Evaluation of the management approach	1. The IMA Group - 1.3 Economic performance: value creation for stakeholders   p. 20-21	
	207-1	Approach to tax	1. The IMA Group - 1.3 Economic performance: value creation for stakeholders   p. 20-21	
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GRI standard title	GRI disclosure number	GRI disclosure title	Section title	Omissions
<b>GRI 207:</b> Tax 2019	207-3	Stakeholder engagement and management of concerns related to tax	1. The IMA Group - 1.3 Economic performance: value creation for stakeholders   p. 20-21	
	207-4	Country-by-country reporting	1. The IMA Group - 1.3 Economic performance: value creation for stakeholders   p. 22-25	
<b>GRI 302:</b> Energy 2016	103-1	Explanation of the material topic and its Boundary	1. The IMA Group - 1.7 Relevant topics   p. 32-37	
	103-2	The management approach and its components	1. The IMA Group - 1.8 Analysis of non-financial risks and management methods; 5. Environmental sustainability – 5.1 Environmental policy, projects and objectives, 5.2 Environmental, carbon management systems and related risk, 5.3 Energy management   p. 38-41, 90-95	
	103-3	Evaluation of the management approach	5. Environmental sustainability – 5.1 Environmental policy, projects and objectives, 5.2 Environmental, carbon management systems and related risk, 5.3 Energy management   p. 90-95	
	302-1	Energy consumption within the organisation	5. Environmental sustainability – 5.3 Energy management   p. 93-94	



GRI standard title	GRI disclosure number	GRI disclosure title	Section title	Omissions
<b>GRI 305:</b> Emissions 2016	103-1	Explanation of the material topic and its Boundary	1. The IMA Group - 1.7 Relevant topics   p. 32-37	
	103-2	The management approach and its components	1. The IMA Group - 1.8 Analysis of non-financial risks and management methods; 5. Environmental sustainability – 5.1 Environmental policy, projects and objectives, 5.2 Environmental, carbon management systems and related risk, 5.4 Carbon footprint and greenhouse gas emissions   p. 38-41, 90-91, 95-97	
	103-3	Evaluation of the management approach	5. Environmental sustainability – 5.1 Environmental policy, projects and objectives, 5.2 Environmental, carbon management systems and related risk, 5.4 Carbon footprint and greenhouse gas emissions   p. 90-91, 95-97	
	305-1	Direct (Scope 1) GHG emissions	5. Environmental sustainability – 5.4 Carbon footprint and greenhouse gas emissions   p. 96-97	
	305-2	Energy indirect (Scope 2) GHG emissions	5. Environmental sustainability – 5.4 Carbon footprint and greenhouse gas emissions   p. 96-97	



GRI standard title	GRI disclosure number	GRI disclosure title	Section title	Omissions
<b>GRI 306:</b> Waste 2020	103-1	Explanation of the material topic and its Boundary	1. The IMA Group - 1.7 Relevant topics   p. 32-37	
	103-2	The management approach and its components	1. The IMA Group - 1.8 Analysis of non-financial risks and management methods; 5. Environmental sustainability – 5.1 Environmental policy, projects and objectives, 5.2 Environmental, carbon management systems and related risk, 5.5 Waste management   p. 38-41, 90-91, 98-99	
	103-3	Evaluation of the management approach	5. Environmental sustainability – 5.1 Environmental policy, projects and objectives, 5.2 Environmental, carbon management systems and related risk, 5.5 Waste management   p. 90-91, 98-99	
	306-4	Waste diverted from disposal	5. Environmental sustainability – 5.5 Waste management   p. 98-99	
	306-5	Waste directed to disposal	5. Environmental sustainability – 5.5 Waste management   p. 99	
<b>GRI 307:</b> Environmental compliance 2016	103-1	Explanation of the material topic and its Boundary	1. The IMA Group - 1.7 Relevant topics   p. 32-37	
	103-2	The management approach and its components	1. The IMA Group - 1.5 Our commitment to business integrity; 1.8 Analysis of non-financial risks and management methods;   p. 28-30, 38-41	



GRI standard title	GRI disclosure number	GRI disclosure title	Section title	Omissions
<b>GRI 307:</b> Environmental compliance 2016	103-3	Evaluation of the management approach	1. The IMA Group - 1.5 Our commitment to business integrity   p. 28-30	
	307-1	Non-compliance with environmental laws and regulations	There were no cases of non-compliance with environmental laws and regulations during 2021.	
<b>GRI 401:</b> Employment 2016	103-1	Explanation of the material topic and its Boundary	1. The IMA Group - 1.7 Relevant topics   p. 32-37	
	103-2	The management approach and its components	1. The IMA Group - 1.8 Analysis of non-financial risks and management methods; 4. Social sustainability: the people of IMA - 4.1 Our global policy for responsible management of people; 4.2 Composition and characteristics of our employees   p. 38-41, 70-77	
	103-3	Evaluation of the management approach	4. Social sustainability: the people of IMA - 4.1 Our global policy for responsible management of people; 4.2 Composition and characteristics of our employees   p. 70-77	
	401-1	New employee hires and employee turnover	4. Social sustainability: the people of IMA - 4.2 Composition and characteristics of our employees   p. 74-75	



GRI standard title	GRI disclosure number	GRI disclosure title	Section title	Omissions
<b>GRI 403:</b> Occupational Health and Safety 2018	103-1	Explanation of the material topic and its Boundary	1. The IMA Group - 1.7 Relevant topics   p. 32-37	
	103-2	The management approach and its components	1. The IMA Group - 1.8 Analysis of non-financial risks and management methods; 4. Social sustainability: the people of IMA - 4.3 Health and safety   p. 38-41, 77-83	
	103-3	Evaluation of the management approach	4. Social sustainability: the people of IMA - 4.3 Health and safety   p. 77-83	
	403-1	Occupational health and safety management system	4. Social sustainability: the people of IMA - 4.3 Health and safety   p. 77-83	
	403-2	Hazard identification, risk assessment, and incident investigation	4. Social sustainability: the people of IMA - 4.3 Health and safety   p. 77-83	
	403-3	Occupational health services	4. Social sustainability: the people of IMA - 4.3 Health and safety   p. 77-83	
	403-4	Worker participation, consultation, and communication on occupational health and safety	4. Social sustainability: the people of IMA - 4.3 Health and safety   p. 77-83	
	403-5	Worker training on occupational health and safety	4. Social sustainability: the people of IMA - 4.3 Health and safety; 4.4 Personnel training and development   p. 77-83	



GRI standard title	GRI disclosure number	GRI disclosure title	Section title	Omissions
<b>GRI 403:</b> Occupational Health and Safety 2018	403-6	Promotion of worker health	4. Social sustainability: the people of IMA - 4.3 Health and safety   p. 77-83	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4. Social sustainability: the people of IMA - 4.3 Health and safety   p. 77-83	
	403-9	Work-related injuries	4. Social sustainability: the people of IMA - 4.3 Health and safety   p. 81-83	
	403-10	Work-related ill health	4. Social sustainability: the people of IMA - 4.3 Health and safety   p. 81-83	
<b>GRI 404:</b> Training and Education 2016	103-1	Explanation of the material topic and its Boundary	1. The IMA Group - 1.7 Relevant topics   p. 32-37	
	103-2	The management approach and its components	1. The IMA Group - 1.8 Analysis of non-financial risks and management methods; 4. Social sustainability: the people of IMA - 4.1 Our global policy for responsible management of people; 4.4 Personnel training and development   p. 38-41, 70, 84-86	
	103-3	Evaluation of the management approach	4. Social sustainability: the people of IMA - 4.1 Our global policy for responsible management of people; 4.4 Personnel training and development   p. 70, 84-86	
	404-1	Average hours of training per year per employee	4. Social sustainability: the people of IMA - 4.4 Personnel training and development   p. 85	



GRI standard title	GRI disclosure number	GRI disclosure title	Section title	Omissions
<b>GRI 405:</b> Diversity and Equal Opportunity 2016	103-1	Explanation of the material topic and its Boundary	1. The IMA Group - 1.7 Relevant topics   p. 32-37	
	103-2	The management approach and its components	1. The IMA Group - 1.8 Analysis of non-financial risks and management methods; 4. Social sustainability: the people of IMA - 4.1 Our global policy for responsible management of people; 4.2 Composition and characteristics of our employees; 4.5 Equal opportunities   p. 38-41, 70-77	
	103-3	Evaluation of the management approach	4. Social sustainability: the people of IMA - 4.1 Our global policy for responsible management of people; 4.2 Composition and characteristics of our employees; 4.5 Equal opportunities   p. 70-77, 86-87	
	405-1	Diversity of governance bodies and employees	1. The IMA Group - 1.4 Governance; 4. Social sustainability: the people of IMA - 4.2 Composition and characteristics of our employees; 4.5 Equal opportunities   p. 27, 73, 76	



GRI standard title	GRI disclosure number	GRI disclosure title	Section title	Omissions
<b>GRI 406:</b> Non-discrimination 2016	103-1	Explanation of the material topic and its Boundary	1. The IMA Group - 1.7 Relevant topics   p. 32-37	
	103-2	The management approach and its components	1. The IMA Group - 1.2 Our values and our philosophy; 1.6 Our sustainability strategy; 1.8 Analysis of non-financial risks and management methods; 4. Social sustainability: the people of IMA - 4.1 Our global policy for responsible management of people; 4.5 Equal opportunities   p. 16, 38-41, 70, 86-87	
	103-3	Evaluation of the management approach	1. The IMA Group - 1.2 Our values and our philosophy; 1.6 Our sustainability strategy 4. Social sustainability: the people of IMA - 4.1 Our global policy for responsible management of people; 4.5 Equal opportunities   p. 16, 70, 86-87	
	406-1	Incidents of discrimination and corrective actions taken	There were no episodes of discrimination during 2021.	



GRI standard title	GRI disclosure number	GRI disclosure title	Section title	Omissions
<b>GRI 412:</b> Human Rights Assessment 2016	103-1	Explanation of the material topic and its Boundary	1. The IMA Group - 1.7 Relevant topics   p. 32-37	
	103-2	The management approach and its components	1. The IMA Group - 1.8 Analysis of non-financial risks and management methods; 4. Social sustainability: the people of IMA - 4.1 Our global policy for responsible management of people   p. 38-41, 70	
	103-3	Evaluation of the management approach	4. Social sustainability: the people of IMA - 4.1 Our global policy for responsible management of people   p. 70	
	412-2	Employee training on human rights policies or procedures	4. Social sustainability: the people of IMA - 4.1 Our global policy for responsible management of people   p. 70	
<b>GRI 416:</b> Consumer Health and Safety 2016	103-1	Explanation of the material topic and its Boundary	1. The IMA Group - 1.7 Relevant topics   p. 32-37	
	103-2	The management approach and its components	1. The IMA Group - 1.8 Analysis of non-financial risks and management methods; 2. Machine design for End Users - 2.1 Our global policy for quality and product responsibility   p. 38-41, 47-48	



GRI standard title	GRI disclosure number	GRI disclosure title	Section title	Omissions
<b>GRI 416:</b> Consumer Health and Safety 2016	103-3	Evaluation of the management approach	2. Machine design for End Users - 2.1 Our global policy for quality and product responsibility   p. 47-48	
	416-1	Assessment of the health and safety impacts of product and service categories	2. Machine design for End Users - 2.1 Our global policy for quality and product responsibility   p. 47	
<b>GRI 419:</b> Socioeconomic Compliance 2016	103-1	Explanation of the material topic and its Boundary	1. The IMA Group - 1.7 Relevant topics   p. 32-37	
	103-2	The management approach and its components	1. The IMA Group - 1.8 Analysis of non-financial risks and management methods; 1. The IMA Group - 1.5 Our commitment to business integrity   p. 38-41, 28-30	
	103-3	Evaluation of the management approach	1. The IMA Group - 1.5 Our commitment to business integrity   p. 28-30	
	419-1	Non-compliance with laws and regulations in the social and economic area	There were no cases of non-compliance with laws and regulations in the social and economic area during 2021.	



GRI standard title	GRI disclosure number	GRI disclosure title	Section title	Omissions
Cooperation with schools, universities and promotion of youth employment	103-1	Explanation of the material topic and its Boundary	1. The IMA Group - 1.7 Relevant topics   p. 32-37	
	103-2	The management approach and its components	1. The IMA Group - 1.8 Analysis of non-financial risks and management methods; 6. Local sustainability: IMA in support of communities   p. 38-41, 102-106	
	103-3	Evaluation of the management approach	6. Local sustainability: IMA in support of communities   p. 102-106	
	-	Initiatives in support of technical and higher education and in support of the community	6. Local sustainability: IMA in support of communities   p. 102-106	
Continuing innovation and product sustainability	103-1	Explanation of the material topic and its Boundary	1. The IMA Group - 1.7 Relevant topics   p. 32-37	
	103-2	The management approach and its components	1. The IMA Group - 1.8 Analysis of non-financial risks and management methods; 2. The design of machines for End Users   p. 38-41, 49-55	
	103-3	Evaluation of the management approach	2. The design of machines for End Users   p. 49-55	
	-	Number of patents filed and granted	2. The design of machines for End Users – 2.2 Research, Development and Innovation   p. 50	



GRI standard title	GRI disclosure number	GRI disclosure title	Section title	Omissions
Soddisfazione del cliente	103-1	Explanation of the material topic and its Boundary	1. The IMA Group - 1.7 Relevant topics   p. 32-37	
	103-2	The management approach and its components	1. The IMA Group - 1.8 Analysis of non-financial risks and management methods; 1.9 Listening to our stakeholders; 2. The design of machines for End Users   p. 38-41, 42-43, 46, 55-57	
	103-3	Evaluation of the management approach	1. The IMA Group - 1.9 Listening to our stakeholders; 2. The design of machines for End Users   p. 42-43, 46, 55-57	
	-	Average assessment of the satisfaction questionnaires	2. The design of machines for End Users – 2.3 End user satisfaction   p. 56	

# Independent auditors' report



Building a better  
working world

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## Independent auditors' report on the Sustainability Report (Translation from the original Italian text)

To the Board of Directors of  
I.M.A. Industria Macchine Automatiche S.p.A.

We have been appointed to perform a limited assurance engagement on the Sustainability Report of I.M.A. Industria Macchine Automatiche S.p.A. and its subsidiaries (hereinafter also the "Group") for the year ended on December 31<sup>st</sup>, 2021.

### Directors' responsibility on the Sustainability Report

The Directors of I.M.A. Industria Macchine Automatiche S.p.A. are responsible for the preparation of the Sustainability Report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" issued by GRI - Global Reporting Initiative ("GRI Standards"), as described in the paragraph "Methodological note" of the Sustainability Report.

The Directors are also responsible for that part of internal control that they consider necessary in order to allow the preparation of a Sustainability Report that is free from material misstatements caused by fraud or not intentional behaviors or events.

The Directors are also responsible for defining the commitments of the Group regarding the sustainability performance, as well as the identification of the stakeholders and of the significant matters to report.

### Auditors' independence and quality control

We are independent in accordance with the ethics and independence principles of the *International Code of Ethics for Professional Accountants* (including *International Independence Standards*) (*IESBA Code*) issued by *International Ethics Standards Board for Accountants*, based on fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behavior.

Our audit firm applies the *International Standard on Quality Control 1 (ISQC Italia 1)* and, as a result, maintains a quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable laws and regulations.

### Auditors' responsibility

It is our responsibility to express, on the basis of the procedures performed, a conclusion about the compliance of the Sustainability Report with the requirements of the GRI Standards. Our work has been performed in accordance with the principle of "*International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information*" (hereinafter "*ISAE 3000 Revised*"), issued by the *International Auditing and Assurance Standards Board* (IAASB) for limited assurance engagements. This principle requires the planning and execution of procedures in order to obtain a limited assurance that the Sustainability Report is free from material misstatements.

Therefore, the extent of work performed in our examination was lower than that required for a full examination according to the *ISAE 3000 Revised* ("*reasonable assurance engagement*") and, hence, it does not provide assurance that we have become aware of all significant matters and events that would be identified during a reasonable assurance engagement.

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The procedures performed on the Sustainability Report were based on our professional judgment and included inquiries, primarily with Company's personnel responsible for the preparation of the information included in the Sustainability Report, documents analysis, recalculations and other procedures in order to obtain evidences considered appropriate.

In particular, we have performed the following procedures:

1. analysis of the process relating to the definition of material aspects included in the Sustainability Report, with reference to the criteria applied to identify priorities for the different stakeholders categories and to the internal validation of the process outcomes;
2. comparison of economic and financial data and information included in the paragraph "1.3 Our economic performance: the creation of value for stakeholders" of the Sustainability Report with those included in the Group's consolidated Annual Report;
3. understanding of the processes that lead to the generation, detection and management of significant qualitative and quantitative information included in the Sustainability Report.

In particular, we have conducted interviews and discussions with the management of I.M.A. Industria Macchine Automatiche S.p.A. and with the personnel of Tissue Machinery Company S.p.A., Asset Management Service S.r.l. and IMA Swiftpack Ltd., and we have performed limited documentary evidence procedures, in order to collect information about the processes and procedures that support the collection, aggregation, processing and transmission of data and non financial information to the department responsible for the preparation of the Sustainability Report.

Furthermore, for significant information, considering the Group's activities and characteristics:

- at Group level
  - a) with reference to the qualitative information included in the Sustainability Report, we carried out inquiries and acquired supporting documentation to verify its consistency with the available evidences;
  - b) with reference to quantitative information, we have performed both analytical procedures and limited assurance procedures to ascertain on a sample basis the correct aggregation of data.
- For the site of Castel Guelfo (Italy) of Tissue Machinery Company S.p.A. and Asset Management Service S.r.l., and the site of Alcester (United Kingdom) of IMA Swiftpack Ltd. that we have selected based on their activities, relevance to the consolidated performance indicators and location, we have carried out site visits and remote interviews during which we have had discussions with management and have obtained evidences about the appropriate application of the procedures and the calculation methods used to determine the indicators.

## Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the Sustainability Report of I.M.A. Group for the year ended on December 31<sup>st</sup>, 2021 has not been prepared, in all material aspects, in accordance with the requirements of the GRI Standards, as described in the paragraph "Methodological note" of the Sustainability Report.

Bologna, March 30<sup>th</sup>, 2022

EY S.p.A.

Signed by: Marco Mignani  
(Auditor)

*This report has been translated into the English language solely for the convenience of international readers.*



## **Contact details**

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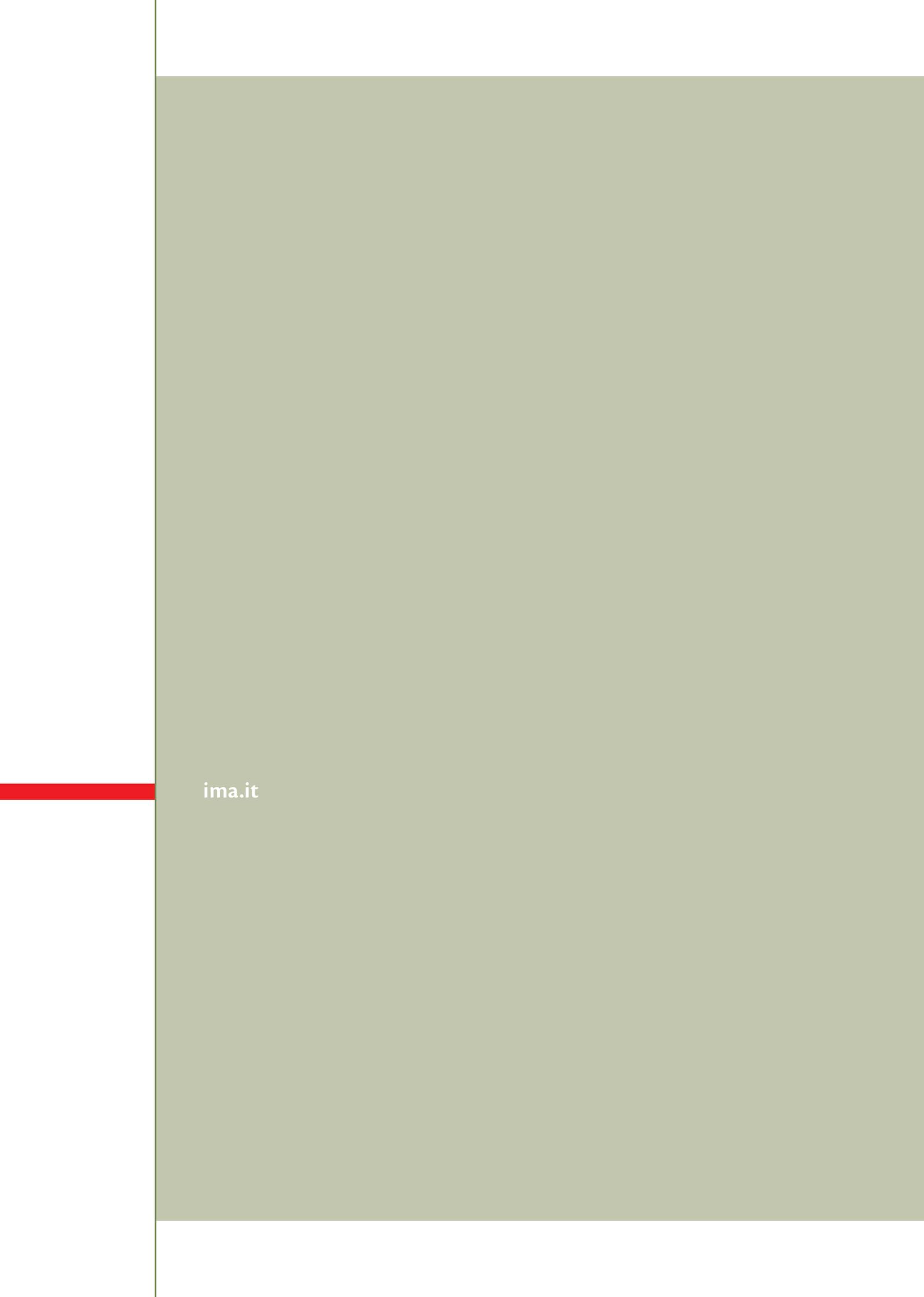


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