

SUSTAINABILITY REPORT
2022





20
22



Letter from the Chairman	5	Sustainability of the supply chain: responsible sourcing and the supply chain	61
The IMA Group	7	3.1. Our supply chain	62
1.1. About us	8	3.2. Qualification and monitoring of our suppliers	68
Main business sectors	9	Social sustainability: the people of IMA	71
Group structure	14	4.1. Our global policy for responsible management of people	72
1.2. Our values and our philosophy	16	Respect for Human Rights	74
1.3. Our economic performance: the creation of value for stakeholders	17	4.2. Composition and characteristics of our employees	74
Economic value generated and distributed	18	Contractual matters and industrial relations	80
IMA's tax approach	20	4.3. Health and safety	81
1.4. Governance	26	4.4. Personnel training and development	88
Corporate boards	27	4.5. Equal opportunities	90
1.5. Our commitment to business integrity	28	Environmental sustainability: the management of environmental impacts	93
Internal control and risk management system	28	5.1. Environmental policy, projects and objectives	94
Management systems: quality, safety, environment	31	5.2. Environmental, carbon management systems and related risk	95
1.6. Our sustainability strategy	32	5.3. Energy management	96
1.7. Materiality analysis	34	5.4. Carbon footprint and greenhouse gas emissions	99
1.8. Analysis of non-financial risks and management methods	38	5.5. Waste management	102
1.9. Listening to our stakeholders	42	5.6. Water management	104
The design of machines for End users	45	Local sustainability: IMA in support of communities	107
2.1. Our global policy for quality and product responsibility	47	6.1. Support initiatives for communities in Italy and around the world	108
Integrated quality and regulatory compliance system	47	6.2. Relations with trade and sector associations	114
Regulatory and technical know-how	47	Methodological note	116
2.2. Research, Development and Innovation	49	GRI Content Index	120
The organisation of research and development and innovation	49	Independent auditors' report	134
Research, Development and Innovation Worldwide	50		
Patents filed and granted in 2022	50		
IMA's principal innovations	51		
IMA and product sustainability	54		
2.3. End user satisfaction	55		
IMA's after-sales support	57		
Information and communication	58		



Letter from the Chairman

The Sustainability Report has assumed increasing centrality in the policies of the IMA Group. A company that deals with the most sensitive markets for all of humanity, I am referring to the pharmaceutical, food and electric mobility sectors, can only dedicate itself with commitment to the collective effort for Sustainable Development.

It is for this reason that our Board of Directors has decided to produce a non-financial document voluntarily, even though we are not listed on the Stock Exchange.

This choice seems to have proved us right, not only because it allows us to satisfy one of our ethical needs, but also because it is shared by all those who work for IMA and who passionately follow the social and environmental role played by the company in which they work.

Furthermore, we observe daily that the end users of our products and services ask us for a growing commitment to “score the goals” set by the UN Agenda 2030.

If dedicating oneself to sustainable development represented a niche for the business world until about ten years ago, today it has taken on a strong identity character, which makes production and services acceptable for being immersed in a market that is increasingly attentive to environmental and social networks of supplier companies. This is why we are proud of the fact that at IMA we have set ourselves this goal for at least twenty years, cultivating a Corporate Social Responsibility that is already attentive to issues that seemed distant from our businesses at the time.

We consider 2022 as a year of recovery but above all of growth, fuelled by various engines, including the adoption of new technologies and the expansion of the range of services, thanks to the **company’s continuous innovation**, including in terms of sustainability, as for example, demonstrated in the creation of machines for processing compostable and recyclable packaging.

2022 also represents a year of **shared growth with our suppliers**, which is demonstrated in the development of an efficient network which in turn generates **value for the territories** in which IMA operates.

Indeed, IMA is progressively increasing the involvement of suppliers and subcontractors towards a shared commitment in **environmental and social** terms.

With respect to **employees and collaborators** - who represent one of the most important strategic assets for the Group - IMA has multiplied its commitment to their continuous training and growth.

IMA, aware of the global challenges, continues its commitment and its contribution towards the **fight against climate change**. In 2023 it plans to obtain the 14064-1 certification for monitoring not only the emissions related to its activities, but also those of the value chain, so as to be able to identify the areas with the greatest impact on which to intervene. A commitment that has also materialized in the score obtained by Carbon Disclosure Project, passing to B and demonstrating the continuous work of the company.

In summary, our 2022 Sustainability Report is in fact our presentation, it contains the essential numbers of our Group, describing our dedication which will lead us to reinforce the ESG pillars on which to measure our commitment to live and work in a sustainable company and community.

The Chairman
Alberto Vacchi

THE IMA GROUP

IMA
1961-2022

MORE THAN

60

YEARS OF
BUSINESS



REVENUE 2022
ABOUT

2 €

BILLION



OVER

80

COUNTRIES

WHERE IMA
IS PRESENT

EXPORT

86.4 %

OF REVENUE



53

PRODUCTION
SITES



GROUP'S CODE
OF ETHICS

1,840,743 €



ECONOMIC
VALUE
DISTRIBUTED



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, among others.

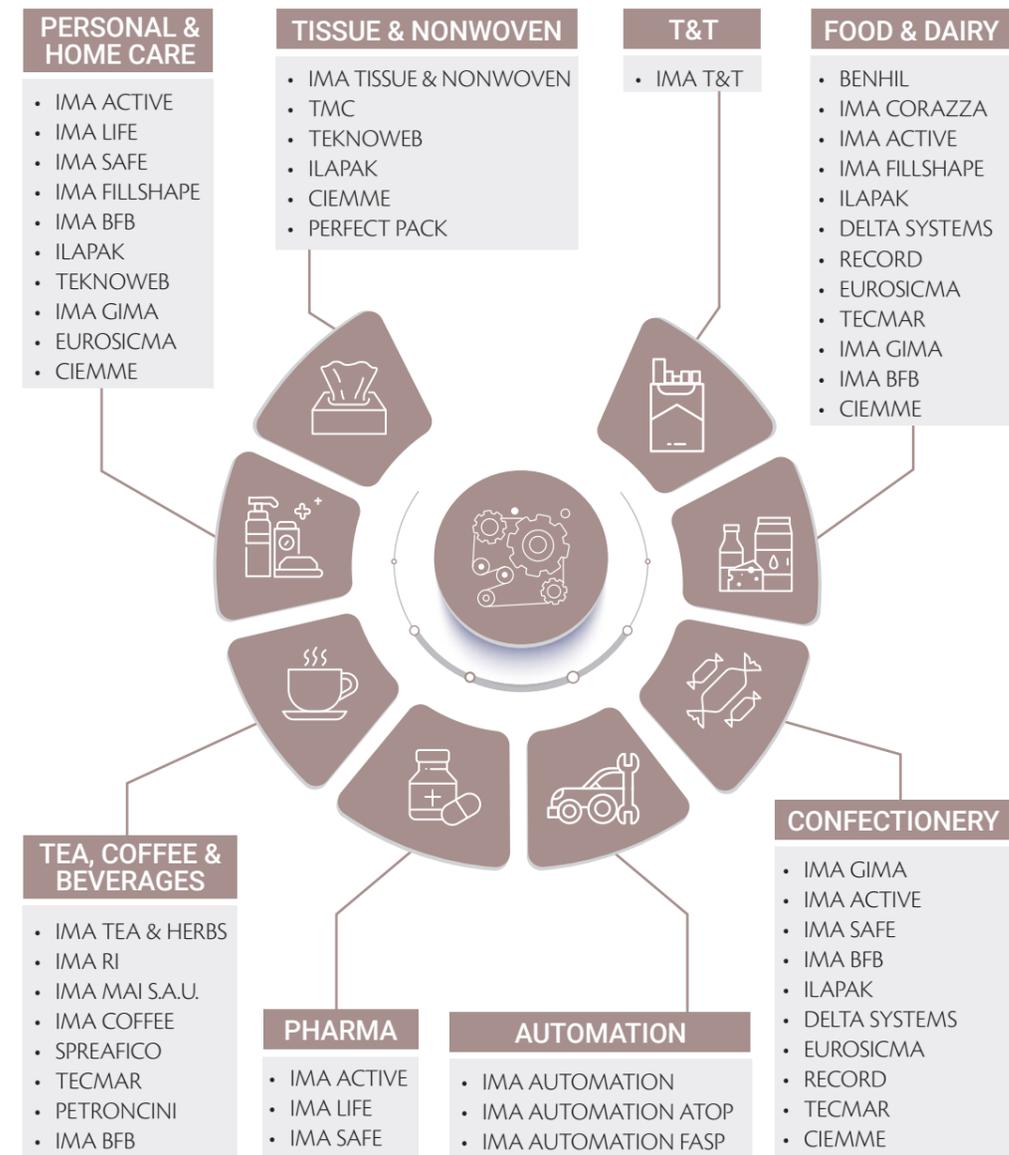
A leadership gained through significant investments in research and development, constant and constructive dialogue with end users in the various sectors, and IMA's ability to internationalise and conquer new markets.

IMA ended 2022 with a consolidated revenue of 1,990.3 million euros, of which 86.4% from exports. IMA, chaired by Alberto Vacchi, has over 6,900 employees, around 58% in Italy and 42% abroad, and is present in over 80 countries, supported by a network of 30 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 140 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 3,000 patents and active patent applications worldwide and has launched numerous new machine models in recent years. In over 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

IMA: AN INTEGRATED ECOSYSTEM



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 high technological profile and the ability to offer tailor-made solutions, IMA is able to meet the most sophisticated requests of the market needs of the various reference markets.

IMA's main lines of business

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, pre-filled pens, 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 and deep draw thermoformers, counters for capsules and tablets, tube and jar fillers, sachet and stick form fill and sealing 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.

FOOD & DAIRY

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

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 a 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 performance 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 use 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 S.A.U.** (Argentina), offering a complete range of solutions for the packaging of tea and herbal tea filter bags.

IMA has a cluster expressly 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 and coating. 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, Teknoweb, IMA GIMA, 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, converting machines for wet wipes, packaging in flowpack, stand-up pouch and disposable sachet, 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, as case packers and palletizers.

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** and **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.

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 is the world reference point in the supply of complete lines to produce wet and dry wipes and cosmetic masks, 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.

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.

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 Next Generation Product (NGP).

IMA T&T has recently developed a new high-speed line for the production of paper straws - 100% biodegradable, that mainly aims at the food & beverage market but can be declined in a variety of fields of application.

With recent legalizations in the cannabis market by many world states, coupled with increasing demands for quality and speed, IMA T&T has designed a solution that combines the pharmaceutical quality standard with the modularity and speed of the tobacco world for the management, filling and control of cones containing CBD or THC cannabinoids.

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 by IMA S.p.A., operates through four macro-groups of companies:

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

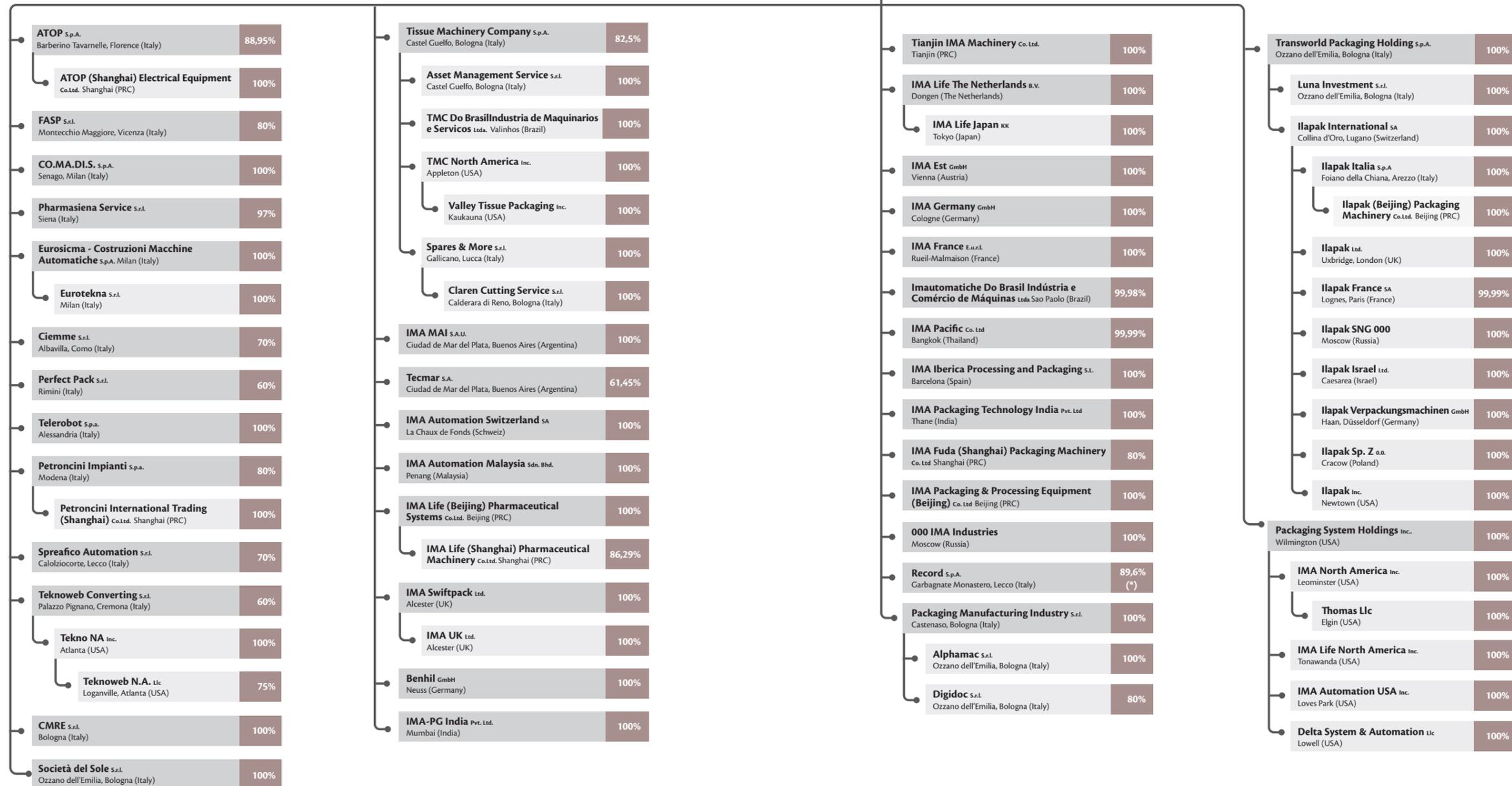


I.M.A. Industria Macchine Automatiche S.p.A.

Registered offices

Via Emilia, 428/442

40060 Ozzano dell'Emilia, Bologna (Italy)



(*) the percentage also includes the shares held through Transworld Packaging Holding S.p.A. (18.58%) and Luna Investment S.r.l. (29.74%).

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 companies 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: it 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 2022 with consolidated revenue of 1,990.3 million euros, an increase of 17.89% compared with 1,688.3 million at 31 December 2021. Gross operating profit (EBITDA) before non-recurring charges shows an increase to 351.9 million euros (+13% compared with 312.8 million at 31 December 2021), gross operating profit (EBITDA) to 347.3 million euros (+16.7% compared with 297.6 million at 31 December 2021). The consolidated backlog increased compared with 31 December 2021 by 26% to 1,399.3 million euros. IMA's net financial debt at 31 December 2022 amounts to 1,587.5 million euros (1,448.1 million euros at 31 December 2021). The figures at 31 December 2022 are up compared with 2021 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 €)

	2020	2021	2022
Revenue	1,490.5	1,688.3	1,990.3
Gross operating profit (EBITDA) before recurring charges	250.3	312.8	351.9
Gross operating profit (EBITDA)	244.9	297.6	347.3
Operating profit (EBIT)	150.4	153.91	183.9
Total net profit for the year	89.8	56.1	108.0
Group backlog	954.3	1,110.5	1,399.3
Net debt	607.7	1,448.1	1,587.5

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 2022, IMA generated an economic value of 2.086 billion euros, an increase of 18.7% compared with 2021, attributable to the recovery of the business following the global pandemic situation. The economic value distributed by IMA amounted to 1.841 billion euros (+17.1% on 2021). 88% of the economic value produced by IMA was distributed to internal and external stakeholders, and the remaining 12% 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 62.5% of the economic value distributed, and by IMA's employees, with 29.4%.

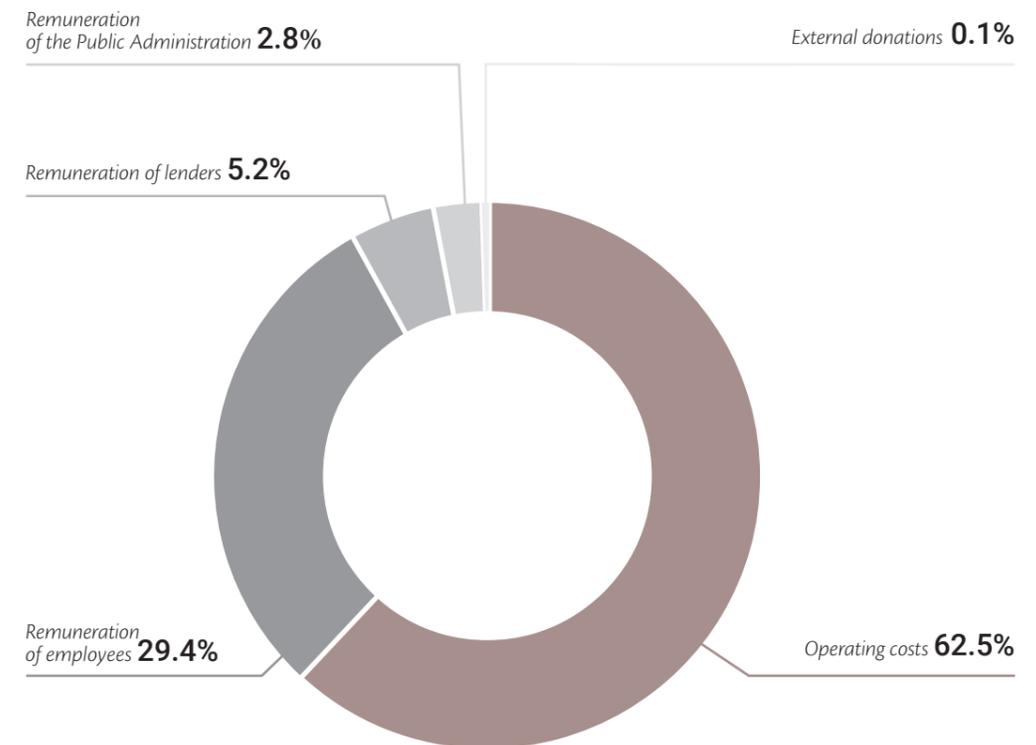
ECONOMIC VALUE GENERATED, DISTRIBUTED AND RETAINED AT 31 DECEMBER

(Amounts in thousands of €)

	2020	2021	2022
Economic value generated	1,537,993	1,757,013	2,085,948
Economic value distributed	1,331,237	1,572,076	1,840,743
Operating costs	850,875	964,466	1,150,675
Value distributed to employees	427,906	463,518	541,641
Value distributed to the Public Administration	18,621	37,026	50,208
Value distributed to the community	2,627	1,769	1,951
Value distributed to lenders	31,208	105,296	96,268
Economic value retained	206,756	184,939	245,207

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 operations¹.

¹ 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 for 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 tables is drawn from the 2020 and 2021 country-by-country report prepared by SO.FI.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 2020 (Amounts in thousands of €)

Tax jurisdiction	Revenue			Profit/loss before taxes	Corporate income taxes paid on a cash basis	Corporate income taxes determined on an accruals basis	Number of employees ²	Tangible assets other than cash and cash equivalents
	Revenue from sales to third parties	Revenue from inter-company transactions	Total					
Argentina	11,391	113	11,504	1,706	863	867	157	1,391
Austria	3	443	446	- 566	12	5	3	21
Brazil	4,973	1,725	6,698	350	405	459	35	212
China	18,940	28,922	47,862	5,158	1,490	899	288	10,896
France	10,753	3,339	14,092	906	221	400	52	1,407
Germany	42,536	5,757	48,293	4,399	934	2,575	214	3,442
India	17,389	1,951	19,340	2,108	658	539	422	4,809
Israel	1,844	135	1,979	17	-	-	8	235
Italy	1,121,939	155,523	1,277,462	263,306	36,248	33,487	3,818	272,268
Japan	2,095	234	2,329	93	11	32	9	129
Malaysia	3,070	1,772	4,842	- 574	-	-	53	604
Netherlands	5,323	5,145	10,468	1,931	376	464	34	649
Poland	6,142	1,671	7,813	826	148	186	35	1,429
Russia	6,195	2,668	8,863	23	61	109	52	109
Spain	6,994	4,044	11,038	1,149	274	287	24	545
Switzerland	90,132	36,741	126,873	3,821	775	878	350	23,775
Thailand	13,591	4,105	17,696	374	-	51	3	22
UK	18,112	8,018	26,130	4,969	1,235	994	94	1,767
Czech Republic	74	621	695	262	11	13	4	51
Romania	1	446	447	133	18	25	3	30
USA	177,401	39,798	217,199	13,619	2,143	4,767	454	26,418

² 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.

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

Tax jurisdiction	Revenue				Profit/loss before taxes	Corporate income taxes paid on a cash basis	Corporate income taxes determined on an accruals basis	Number of employees ²	Tangible assets other than cash and cash equivalents
	Revenue from sales to third parties	Revenue from inter-company transactions	Total						
Argentina	20,547	746	21,293		4,755	1,206	2,119	170	2,947
Austria	-	404	404		-703	5	21	3	12
Brazil	5,128	2,206	7,334		1,425	521	617	35	504
China	14,561	33,680	48,241		4,080	1,008	986	283	10,415
France	10,592	4,497	15,089		1,619	507	486	49	1,260
Germany	43,027	5,564	48,591		4,657	913	909	208	5,444
India	20,713	2,291	23,004		4,309	1,438	1,191	392	5,085
Israel	1,719	221	1,940		147	1	-	6	309
Italy	1,245,935	179,002	1,424,937		7,962	19,867	11,060	3,910	299,987
Japan	6,007	100	6,107		671	32	268	10	131
Malaysia	11,039	1,800	12,839		1,030	-	247	55	434
Netherlands	6,309	4,551	10,860		3,027	655	733	34	513
Poland	3,857	2,116	5,973		990	323	266	38	1,533
Russia	5,268	3,235	8,503		602	85	131	48	148
Spain	1,356	3,745	5,101		759	202	190	24	440
Switzerland	99,885	32,823	132,708		9,950	1,455	1,222	361	21,376
Thailand	7,894	5,100	12,994		-501	66	18	3	37
UK	30,506	7,471	37,977		6,054	1,096	1,192	89	1,414
Czech Republic	21	763	784		321	16	12	3	26
Romania	-	755	755		343	61	62	4	51
USA	237,623	26,301	263,924		20,848	5,612	4,391	523	39,589

² The number of employees is consistent with that published in the 2021 NFR, being the number of persons employed at 31/12/2021 on permanent or fixed-term contracts, excluding other forms of collaboration.

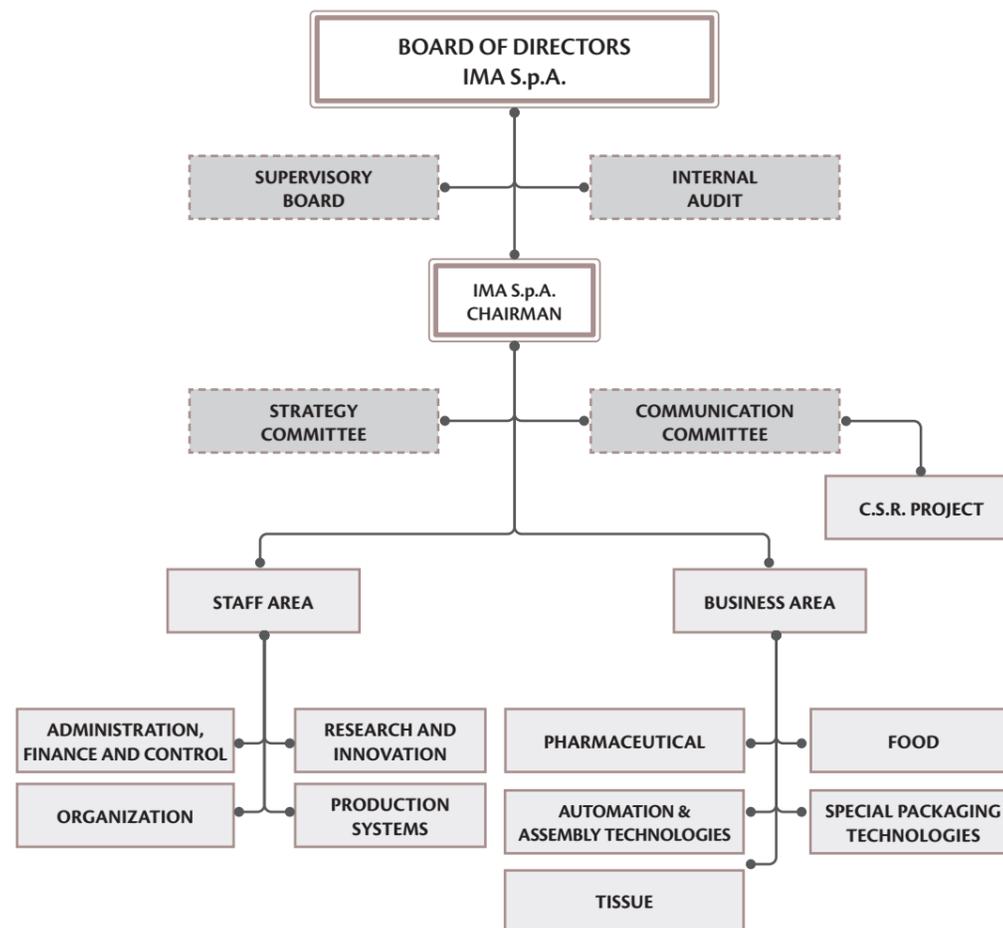
1.4. Governance

Following the delisting of IMA S.p.A. in 2021, it is no longer subject to the regulations applicable to listed companies; however, it 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 31/12/2022.

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

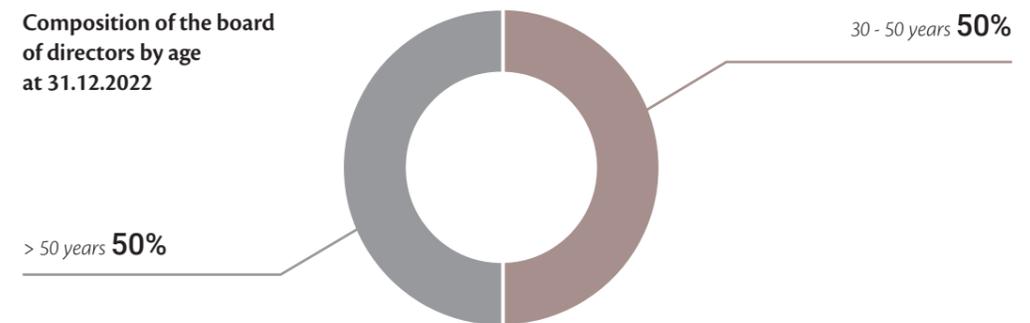
CORPORATE BOARDS

The Board of Directors of IMA S.p.A., currently in office was appointed in 2021 (with the exception of one of the members who was replaced in 2022) and is 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.

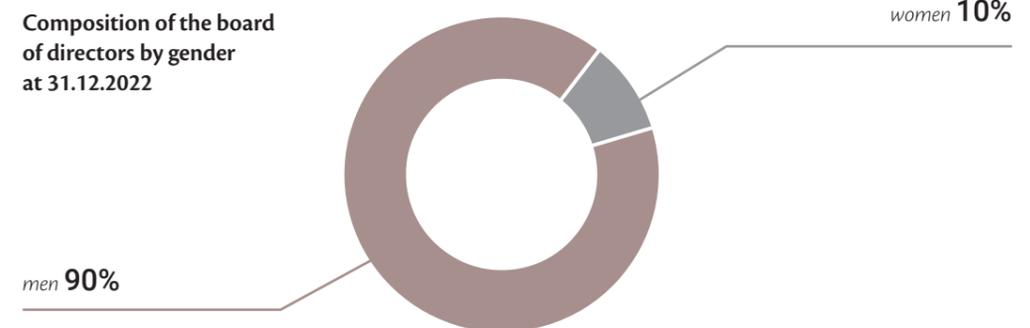
IMA S.p.A., following the delisting, is a closed company, as it does not have recourse to the risk capital market; the members of the Board of Directors were therefore appointed on the basis of the rules established by the Articles of Association and on the basis of the criteria expressed relative to the composition of the current corporate structure.

However IMA S.p.A., in compliance with best practices, has chosen to continue to publish on its website, similarly to what was always done when it was listed as a public company, the curricula of the directors and statutory auditors in office, in order to make clear the distinguished profile of their personal and professional characteristics.

Composition of the board of directors by age at 31.12.2022



Composition of the board of directors by gender at 31.12.2022



The Chairman of the Board of Directors, who also holds the position of Chief Executive Officer of IMA, implements, in the exercise of his duties, the strategies of IMA S.p.A. and of the Group in line with the pursuit of the objective of creating value in the long term for the benefit of shareholders, also taking into account the interests of stakeholders; and monitors its implementation.

The Board of Statutory Auditors currently in office was appointed in 2021 and is made up of 3 Standing Auditors and 2 Alternate Auditors. It will remain in office for three years, until the date of the Shareholders' Meeting called to approve the financial statements as at 31 December 2023.

There is also a collegiate Supervisory Body, made up of 3 members.⁴

⁴ For further information on IMA's management and control bodies, please refer to the website www.ima.it, "Investor Relations" section, from which it is possible, inter alia, to access the Corporate Governance Reports archive.

With regard to the Group's objectives aimed at achieving the sustainability strategies and policies adopted, the IMA Board recognizes the importance of protecting and safeguarding the environment within strategic corporate decisions as well.

The Company's commitment concerns the reduction of its direct impacts, investments in research and development for sustainable innovation and the promotion of responsible behaviours along the value chain. In fact, the Board of Directors holds the ultimate responsibility for decisions relating to issues and impacts on the economy, the environment and people.

The president, through the CSR Project headed by the Communication Committee, carries out the activities aimed at evaluating the initiatives to be pursued in the field of sustainability.

In fact, the company has a Sustainability Policy (for further details, refer to the chapter on the Sustainability Strategy) which sets out the Group's commitments on sustainability issues.

During 2022, (i) IMA S.p.A. acquired a 34.9% stake in the share capital of IMA Dairy & Food GmbH, thus becoming the owner of 74.9% of the share capital; (ii) IMA S.p.A. acquired the minority shares of Atop S.p.A. thus becoming the owner of the entire shareholding; (iii) the deed of merger by incorporation (effective from 1 July 2022) of Eurotekna S.r.l. into Eurosicma S.p.A., a company in turn wholly owned by IMA S.p.A., was stipulated; (iv) the deed of merger by incorporation (effective from 1 January 2023) of Spares & More S.r.l. into Claren Cutting Service S.r.l. was stipulated, and its simultaneous renaming into Spares Service & Machinery S.r.l., a company which is thus wholly owned by Tissue Machinery Company S.p.A., in turn controlled by IMA S.p.A.

At the reporting date of this document, there are no potential situations of conflict of interest between the members of the Board of Directors and the activities of the Group. This result is due to the policies aimed at preventing any form of conflict generated by the positions held by the members of the board of directors.

Reports of potential irregularities relating to the organization's conduct (e.g. reports relating to the Code of Ethics or MOG 231) are communicated through dedicated channels and reported to the Supervisory Body. During the reporting period, there were no critical issues or reports.

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 2022, 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")⁵.

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

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;
- 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.
- Ciemme S.r.l.
- Petroncini Impianti S.p.A.
- Spreafico Automation S.r.l.
- Teknoweb Converting

⁵ Despite having left the Italian Sotock Exchange in 2021, IMA has maintained compliance with the obligations indicated by Law 262 for greater transparency of financial reporting.

In 2022, 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 presumed illegitimate behaviour can, however, be sent to the confidential e-mail address **whistleblowing-ima@ima-group.it**, the use of which is regulated by a specific policy made available to employees and collaborators via a dedicated corporate intranet page. 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 2022, involved 244 employees of IMA S.p.A. and 75 employees of other IMA Group Italian companies.

Furthermore, an e-learning refresher course 231 was initiated, consisting of a common training session on the subject of criminal liability of the company with respect to Legislative Decree 231/01, exempting MOG 231 and integrated corporate compliance and a personalized training session dedicated to the following crime risks:

- corruption, money laundering and receiving stolen goods in the procurement phase;
- counterfeiting and fraud in trade in the design and production phases;
- corruption, money laundering, receiving stolen goods and tax crimes in commercial and administrative activities.

The 231 refresher course is offered to employees at least two years after the basic 231 training, based on the area to which personnel belong. 1427 employees were invited to participate and as of 31/12/2022 the course was attended by 76%.

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.
- 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.
- ATOP
- IMA-PG India Pvt. Ltd.
- Benhil GmbH
- IMA Automation Switzerland SA
- 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.U.
- IMA Life (Shanghai) Pharmaceutical Machinery Co. Ltd.

During 2022, a project began to extend the corporate Quality System to the Automation Caps & Closures division and to the companies Automation Switzerland and ATOP.

The project, which will end approximately at the end of 2023, has the dual objective of integrating these organizations into the Corporate Quality System and harmonizing the processes and operating methods between these divisions with a view to improving project management with customers in the Automation sector, who see these business units working increasingly synergistically to provide integrated assembly plants.

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.U.

Furthermore, at the end of 2021 and maintained in 2022, 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 find 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 users 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. Materiality analysis

The Materiality Analysis guides IMA in choosing the information presented in the Sustainability Report in order to give a full and clear representation of the significance of the impacts generated by the Group's activities.

In fact, as defined by the GRI Standards, the definition of material topics is closely linked to the identification of the impacts that IMA generates or could generate on the economy, the environment and people, including the impacts on human rights, through its activities and commercial relations of the Group.

For the update of the 2022 materiality analysis, a process was structured according to four different phases:

1. *Understanding of the context in which the company operates.* A documentary analysis was carried out, taking into consideration different categories of sources, both internal and external to the company, including sector documents, legislative pressures and a survey of the main articles concerning IMA. Furthermore, the analysis took into consideration the entire value chain of the sector in which the Group operates.
2. *Identification of current and potential impacts.* In this phase, current impacts, i.e. impacts that are currently occurring or have occurred over time, and potential impacts, those that could occur in the future, have been mapped.
3. *Assessment of the significance and relevance of impacts.* All impacts were assessed through a process of assessing the degree of significance developed in line with the criteria indicated by the Standard.
4. *Prioritizing the most significant impacts for reporting.* In the fourth phase, the priority of the most significant impacts was established and the impacts deemed most relevant guided the identification of the material topics included in this document.

The prioritization activity allowed the Group to determine which were the material topics for reporting. At a methodological level, the main negative and positive impacts identified were prioritized and assessed according to their degree of severity and likelihood of occurrence respectively. Indeed, the significance of an actual impact is determined by its severity while the significance of a potential impact is determined by the severity and likelihood of the impact.

In particular, the severity of an impact was assessed by taking into consideration three aspects:

1. **Scale**: refers to the severity of the impact;
2. **Scope**: concerns the scope and extent of the impact;
3. **Irremediable Character**: indicates the limits of the ability to bring the affected subjects or the environment back to a situation equivalent to the condition they were in before the negative impact.

With respect to the assessment of potential impacts, all the policies, procedures and activities implemented by the company to prevent and mitigate the impact identified were considered, within the assessment relating to the likelihood of occurrence.

Finally, based on the degree of severity and likelihood, each impact initially mapped was classified as **very relevant, relevant, moderate, not very relevant, irrelevant**. Very relevant, relevant, and moderate significance impacts were considered material.

The following table shows the results of the process of identifying the topics that emerged as material following the identification and aggregation of the relevant impacts. In fact, the relative GRI Disclosures have been associated with each material topic and, for each individual topic, the appropriate reporting perimeter has been defined which will be specifically indicated in the "Boundary" section in the "Methodological Note".

MATERIAL ISSUES		GRI STANDARDS
Material Topic	Description	
Fight against climate change	<p>The direct and indirect activities of the IMA Group require the consumption of energy and consequently generate greenhouse gas emissions, contributing to climate change. In order to mitigate and counteract these impacts, the Group undertakes the implementation of solutions aimed at saving energy and using energy from clean sources, such as renewable energy deriving from the photovoltaic park and the purchase of energy from certified renewable sources.</p> <p>For further information, please refer to the sections "Energy management" and "Carbon footprint and greenhouse gas emissions".</p>	<p>302-1: Energy consumption within the organization 305-1: Direct (Scope 1) GHG emissions 305-2: Energy indirect (Scope 2) GHG emissions</p>
Waste management	<p>As part of its production and logistics activities, IMA generates waste of an industrial nature, such as packaging and metal surface processing residues, and waste similar to urban waste. In order to counter the environmental impact that waste disposal can generate on the environment, IMA prefers reuse or recycling solutions, in fact sending almost all of its waste for recovery.</p> <p>For further information, please refer to the sections "Waste management".</p>	<p>306-3 Waste generated from disposal 306-4 Waste diverted from disposal 306-5 Waste directed to disposal</p>
Occupational Health and Safety	<p>The health and safety of workers is an issue of priority importance for the Group. In fact, in order to counter potential risks in the workplace, which expose employees and collaborators to the risk of accidents or occupational diseases, the group has adopted, for some companies, an occupational safety management system and is equipped with various monitoring and improvement procedures and actions for the responsible management of the issue.</p> <p>For further information, please refer to the sections "Health and safety".</p>	<p>403-9 Work-related injuries 403-10 Work-related ill health</p>

MATERIAL ISSUES		GRI STANDARDS
Material Topic	Description	
Respect for Human Rights	<p>Operating globally, the IMA Group has implemented actions to protect human rights and monitoring along the supply chain, and provides hours of training on issues and procedures relating to respect for human rights to all Group companies.</p> <p>For further information, please refer to the sections "Our global policy for responsible management of people: Respect for Human Rights".</p>	<p>405-1: Diversity of governance bodies and employees 406-1: Incidents of discrimination and corrective actions taken</p>
Professional growth and talent management	<p>Personnel retention and the ability to attract new talent are also related to employee training and professional growth programmes, their involvement in the company and welfare initiatives. IMA considers training and skills development processes a strategic asset. In fact, also with a view to limiting turnover levels, IMA undertakes to guarantee harmonious and synergistic growth of the company's distinctive skills, thanks to the implementation of various training programs aimed at developing and maintaining skills and supporting them with the implementation of new technologies.</p> <p>For further information, please refer to the sections "Personnel training and development".</p>	<p>401-1: New employee hires and employee turnover 404-1: Average hours of training per year per employee</p>
Creation of value for the community	<p>Through its activities, the Group participates in the creation of jobs and inducing local growth in the territories in which it operates, also thanks to the choice to transact mainly with local suppliers, promoting the logic of industrial clusters and networks between companies of the territory. Furthermore, the Group sponsors projects and initiatives in local communities, with the aim of building a strong bond with the community and promoting sustainable development.</p> <p>For further information, please refer to the sections "Local sustainability: IMA in support of communities".</p>	<p>201-1: Direct economic value generated and distributed 204-1: Proportion of spending on local suppliers 207-4: Country-by-country reporting</p>

MATERIAL ISSUES		GRI STANDARDS
Material Topic	Description	
Security of the product	<p>For IMA, quality is synonymous with a guarantee, for end users, of the best safety conditions when using the machines. The safety and health of end users can be endangered by inadequate product controls. Right from the design phase, IMA adopts the most up-to-date quality policies and procedures and carries out in-depth analyses of the risks associated with safety according to the applicable regulations.</p> <p>For further information, please refer to the sections "Our global policy for quality and product responsibility".</p>	<p>416-1: Assessment of the health and safety impacts of product and service categories</p>
Innovation and sustainability of the product	<p>The Group, which has always been characterized by its strong orientation towards proposing itself as a supplier of solutions and not just of machinery, pays particular attention to its R&D activities, experimenting and implementing new technologies, carefully evaluating the choice of materials used to produce the components of end products and continuously encouraging training in technological innovation for all new hires.</p> <p>For further information, please refer to the sections "Research, Development and Innovation".</p>	<p>Extra GRI</p>
Promotion of security of Information Technology	<p>An increasing use of digital tools, as well as the adoption of remote working methods, can generate risks of data breach or the destruction, loss, modification, unauthorized disclosure or access to personal data transmitted, stored or otherwise processed by the Company. In order to counter this risk, IMA undertakes to define and implement adequate controls for monitoring and for compliance with the legislation on the protection of personal data.</p> <p>For further information, please refer to the sections "End user satisfaction".</p>	<p>418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data</p>
Ethics, integrity and anti-corruption	<p>IMA undertakes to conduct its business with integrity, transparency, legality, impartiality, prudence and in compliance with the laws, regulations and reference guidelines on social responsibility, in order to prevent and reduce the risks of non-compliance.</p> <p>For further information, please refer to the sections "Our commitment to business integrity".</p>	<p>205-3: Confirmed incidents of corruption and actions taken</p>

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		MONITORING/ MANAGEMENT
ANTI CORRUPTION	<ul style="list-style-type: none"> • Commission of illegal acts and in particular acts of corruption by members of the organisation. • Inappropriate or ignored delegations of authority. • Non-compliance or violation of the reference legislation. • Failure to obtain or losing certifications or approvals or authorisations to operate. • Risks linked to corporate crimes. 		<p>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.</p> <p>The management and organisation tools and methods implemented:</p> <ul style="list-style-type: none"> • 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.
HUMAN RESOURCES AND HUMAN RIGHTS	<ul style="list-style-type: none"> • Increase in turnover and loss of capable and relevant personnel. • Increase in accidents. • Increase in work-related stress. • Risk of incompetence and negligence. • Risk of discrimination and inequality of treatment along supply chains (Human Rights). • Difficulty in finding trained and capable human capital. 		<p>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.</p> <p>The management and organisation tools and methods implemented:</p> <ul style="list-style-type: none"> • Code of Ethics; • local policies; • Corporate welfare initiatives for certain IMA companies; • Training management (IMA Academy).

FIELD	RISK TYPE		MONITORING/ MANAGEMENT
<p>SOCIAL ASPECTS</p>	<ul style="list-style-type: none"> • Reputational risk. • Conflict due to lack of dialogue and discussion with local stakeholders. • Risks related to intellectual property. • Loss of competitiveness due to inadequate innovation development. • End user dissatisfaction due to non-compliance with quality standards. • Non-compliance in product information. • Lack of collaboration with customers and suppliers to minimize any negative external effects generated. • Lack of control over Human Rights in the supply chains of non-EU countries. • Risk of terrorist financing and export of dual use products. • Risk of involvement in partnership with black-listed subjects with export restrictions and/or in embargoed countries. 		<p>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.</p> <p>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.</p> <p>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.</p> <p>The management and organisation tools and methods implemented:</p> <ul style="list-style-type: none"> • 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) archive of goods for dual use and/or subject to export restrictions based on the country of destination; • Systematic checks of the corporate structure of customers in targeted markets through a dedicated application (Business NoRisk); • Audits at suppliers according to the quality system; • Ecovadis platform; • CRM system and electronic document management; • Internal Audit.
<p>ENVIRONMENT</p>	<ul style="list-style-type: none"> • Negative effects on activities resulting from climate change. • Negative effects on activities resulting from new or more stringent regulation. • Inability to correctly align the GHG (greenhouse gas) strategy with the business (e.g. end user requests). • Increase in energy supply costs. • Increase in emissions due to the use of fossil energy sources. • Sanctions for non-compliance with environmental regulation. • Reputational risk. • Risks along the supply chain, related to non-compliance with applicable environmental legislation. 		<p>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.</p> <p>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.</p> <p>The management and organisation tools and methods implemented:</p> <ul style="list-style-type: none"> • Membership of the Carbon Disclosure Project; • Respect for regulatory compliance; • Possession of 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, which 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	PARTNERS	COMMUNITY	COMMUNITY
	TRADE UNIONS SUPPLIERS AND THEIR WORKERS	SUPPLIERS	SCHOOLS UNIVERSITIES	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"> Respect for Human Rights; Health and safety in the workplace; Compliance with contract terms; Protection from harassment, including sexual harassment; Promotion of equal opportunities; Respect for individual cultural and religious preferences; Presence and dissemination of the Code of Ethics; Promotion of merit; Professional development and training. 	<ul style="list-style-type: none"> Differentiation of suppliers: company policy that promotes the purchase of goods and services from different firms; Sustainability policy throughout the supply chain; Development of the industrial cluster. 	<ul style="list-style-type: none"> Relationship with schools, universities and promotion of youth employment; Adherence to international codes on transparency and corporate governance, such as the Sarbanes-Oxley Act in the U.S.A.



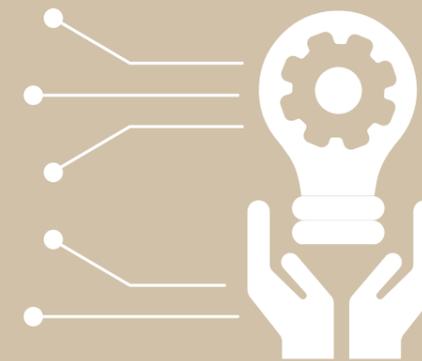
In 2022, IMA was successfully assessed by EcoVadis, which awarded it a "Bronze EcoVadis Medal". EcoVadis is a platform for the analysis of CSR standards, based on international CSR standards including the Global Reporting Initiative, UN's Global Compact, and the ISO 26000 standard. In its evaluation, EcoVadis considers 21 criteria referring to our sector, based on international sustainability standards and divided into 4 main themes: **Environment, Labour & Human Rights, Ethics, and Sustainable Purchasing**.

THE DESIGN OF MACHINES FOR END USERS



190 PATENTS
FILED IN 2022

246 PATENTS
GRANTED IN 2022



3.5 %
OF REVENUE
INVESTED IN
RESEARCH AND
INNOVATION

ISO 9001
QUALITY
CERTIFICATIONS



COLLABORATIONS WITH
**UNIVERSITIES
AND RESEARCH
INSTITUTES**

(OPEN INNOVATION WITH MIT)



- IMA NOP
- OPENLAB
- IMA DIGITAL



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 **stakeholders** 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.

		
<p>Global policy for product quality</p> <ul style="list-style-type: none"> • 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 	<p>Research, Development and Innovation</p> <ul style="list-style-type: none"> • 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 	<p>End user's Satisfaction</p> <ul style="list-style-type: none"> • 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. With 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 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 2022, 18 internal audits were carried out (20 in 2021 and 18 in 2020), 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. Furthermore, an internal audit was carried out as part of the ISO 27001 certification on the security of computer data currently being obtained.

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 the risks associated with safety is carried out according to the applicable regulations including, first and foremost, Directive 2006/42/EC of the European Parliament and Council of 17 May 2006 (hereinafter, **Machinery Directive**) relating to the CE marking. 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. As part of the IMA Digital agenda, a project was developed for the creation of a database and software tools to improve the management and archiving of the technical files produced by the Group's divisions and companies.

In 2022, customers experienced documentation issues on 0.7% 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.

* 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. This document has been included in the procedures developed as part of the ISO 27001 certification.

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 2022, equal to 3.5% of revenue, amounted to 70.2 million euros, up from the 61 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, 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 emergence of innovative start-ups and collaborations with departments of the Massachusetts Institute of Technology (MIT) on projects of common interest oriented towards the use of artificial intelligence at the service of the autonomy and sustainability of the production processes of automatic machines. Among the various activities, we note the collaboration with two spin-outs of MIT. Firstly, Continuum 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:

- 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 Centre and co-financed by the Ministry of Economic Development on the topics of additive manufacturing, big data, cyber-security and predictive maintenance;
- SPARK (Advanced Productive Solutions for the Automotive, Robotics and Knowledge Economy) co-financed by the Italian Ministry of Economic Development: project linked to the development of advanced production systems in the fields of e-mobility, packaging with sustainable packaging and pharmaceutical lines for innovative drugs.

The design of machines for end users

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 2022

(out of a total of more than 3,000 patents and patent applications pending worldwide)

	PATENT APPLICATIONS FILED	PATENTS GRANTED
IMA Life North America, Inc.	7	5
Ilapak Italia S.p.A.	4	1
Ilapak International SA	1	1
IMA S.p.A.	133	185
Teknoweb Converting S.r.l.	2	6
Perfect Pack S.r.l.	2	1
Eurosicma - Costruzioni Macchine Automatiche S.p.A.	1	0
ATOP S.p.A.	26	36
Delta System & Automation LLC	0	4
ALPHAMAC S.r.l.	0	0
Tissue Machinery Company S.p.A.	14	7

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.

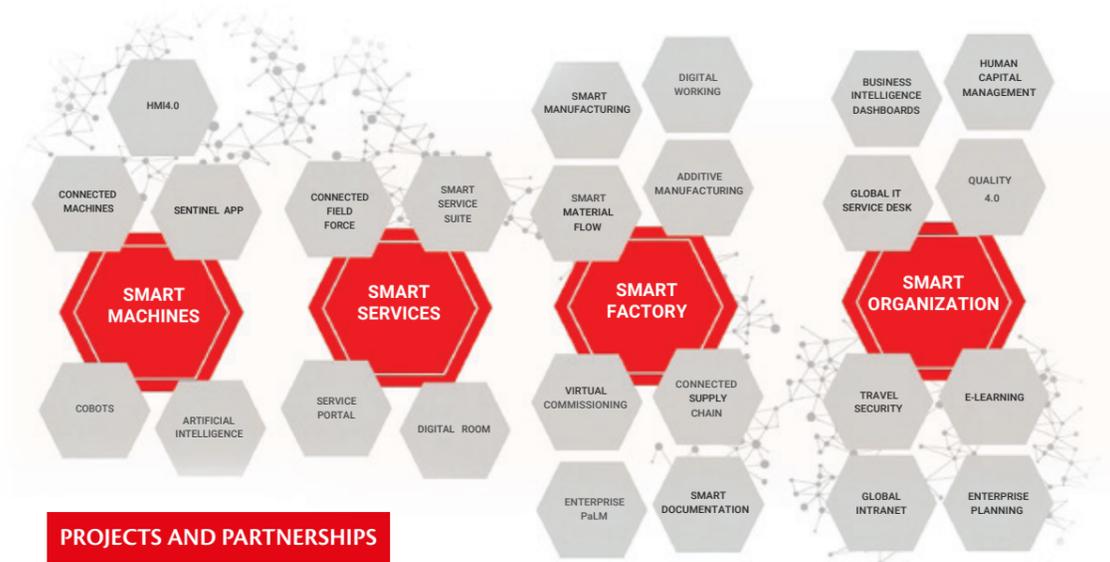
The concept of Smart Machines led to the creation of the new function Connected Machines DataOps, intended as a point of connection between IT and OT and active on DATA sourced from manufacturing and on the management and processing services connected to them.

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. Related projects: 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 Organisation**, 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.



The design of machines for end users

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

<p>A4Gate</p>	<p>Sentinel</p>	<p>IMA Control Room</p>
<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 LIFE

IMA LIFE in 2022 continued with the industrialization of the **Injecta** robotic lines which meet the need for flexibility in containers (syringes, carpules and vials). The interest shown by the market towards the flexible and hygienic approach of this range of machines, as well as the functional confirmations obtained on a technological level have prompted IMA to continue the completion of a wider range of Injecta products which includes high-speed solutions and specific solutions for the syringe market. Another development theme concerned the continuation of research for the creation of an innovative process, i.e. the freeze-drying of the product before filling. The direct freeze-drying process and no longer through a glass container opens up important frontiers in the management of medicines with an important impact on the consumption necessary for the production of the medicines themselves. The **digital roadmap** has been defined, applied transversally to all the machines, for the creation of integrated packages on the Sentinel product, a roadmap developed and validated also thanks to the participation in the project of important pharmaceutical companies with the aim of optimizing functionality and guaranteeing maximum efficiency of the lines with particular attention to machines with an important impact on energy consumption. The development of the roadmap was made possible also thanks to collaborations for the integration of **advanced analytics** functions. With regard to the management of the introduction of containers into the aseptic line, a study was made of systems for the decontamination of RTU containers before introduction into the aseptic area; the main purpose is to provide the possibility to reduce the impact of packaging materials and have more efficient machines by reducing management complexity. Finally, in terms of technological development, IMA LIFE has measured itself against a growing trend, linked to the request for technical solutions in the field of Gene & Cell Therapy, which has an important impact on the management of new pharmaceutical frontiers. This strong technological thrust and the ever growing sensitivity towards the issue of sustainability has imposed particular attention to the choice of technological solutions aimed at reducing consumption in the management of the machine, such as pneumatic air, electrical consumption and chemical consumption for cleaning the same.

IMA ACTIVE

IMA ACTIVE is actively working to offer **Continuous Manufacturing** solutions, the new production paradigm that combines the various production technologies in series, allowing for an uninterrupted flow of 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 compared with current batch production, but also the size of the plants, with consequent benefits in terms of energy consumption and production times reduced. After the launch of CROMA for the continuous coating of tablets in 2020 and the acquisition of Thomas Processing in 2021 which has had continuous coating in its portfolio for years with various references on the market (ACCELA CTC), from 2022, the line for Continuous Direct Compression which includes continuous dispensing and mixing of the powder is also available. In 2023 work will continue on the development of the upstream process for the continuous feeding of the capsule filling machines. Furthermore, the partnership with CONTINUUS Pharmaceuticals Inc. continues for the development of a **modular technological platform (ICM)**, with the aim of producing a finished dosage form with optimal therapeutic properties starting from the synthesis of raw materials. 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 SAFE

The development activities of **IMA SAFE** focused on the industrialization of the new model of the **Giant5** machine and on the development of solutions for the production of low environmental impact products. **Giant5** is the newborn of the **Giant** family, designed for the high-speed production of medium-large batches and with high flexibility. Among the developments aimed at reducing the significant environmental impact we have the replacement of plastic trays for the packaging of syringes, ampoules and bottles with paper trays.

IMA TEA & HERBS

IMA TEA&HERBS has developed two new machine models. The first for the production of double chamber sachets at high speed and reduced use of materials. The second for the production of single-chamber sachets at high speed with PLA-based compostable filter material.

IMA COFFEE

IMA COFFEE has developed a new technology for the production of capsules in recyclable material or paper-based with low energy consumption and a new flexible and easily configurable cartoning machine that can be used for all formats currently on the market.

The design of machines for end users

ILAPAK

ILAPAK has developed various solutions for the modernization of models and the use of materials with a lower environmental impact.

ILAPAK DOY has developed a new technology for making 100% recyclable PE pouches.

ILAPAK VFFS has developed various technologies enabling the use of paper-based materials, the reduction of material consumption, the use of mono-material and the reduction of energy consumption.

ILAPAK HFFS has developed technologies enabling the use of materials with a lower environmental impact and the reduction of energy consumption.

IMA E-Commerce

IMA is exploring the e-commerce sector to increase automation in the logistics process to support operators and optimize the use of materials.

The first machine model proposed on the market is the E-CO Flex1, a solution suitable for the production of boxes-on-demand with collection of American-type cartons from the warehouse and box closing with paper-based tape.

IMA AUTOMATION

IMA AUTOMATION is a division active in the development and diffusion of technological platforms dedicated to the growth of the sustainability profiles of some specific market areas traditionally linked to production and products, in contrast with the policies aimed at reducing their environmental impact. In particular, thanks to the experience gained over decades of presence on the market, **IMA AUTOMATION** is a point of reference for the complete renewal of the fleet of machines for the production and assembly of Tethered Caps & Closures designed according to the European Directive (EU) 2019/904 with reference to **SINGLE USE PLASTIC**. At the same time, the design of the machines was carried out with a view to reducing the footprint but with the same production capacity and improving efficiencies to reduce consumption and waste.

Similarly, another area of high growth and development with a view to greater sustainability is the so-called **E-MOBILITY: IMA AUTOMATION** is very active in the development of technologies necessary for the conversion of mobility from ICE (Internal Combustion Engine) to BEV (Battery Electrical Vehicle) in the known variants. **IMA AUTOMATION** has therefore consolidated the technological platforms for the production of electric motors for traction, made up of stators and rotors, and is today one of the reference players: also in this case, all designed with a view to maximizing system efficiencies and automations through the aid of robots and AGV systems. Furthermore, **IMA AUTOMATION** is present on the market with production lines for Battery Cells for electric mobility, with machines that contain innovative principles in accordance with more sustainable production compared to even the recent past.

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 have focused on the development of solutions aimed at reducing the resources used, while promoting the use of new materials with a lower environmental impact. In 2022

IMA completed the OPENLab network of laboratories, with the opening of the new Delta Systems & Automation facility in Lowell in the United States which will complement the IMA one in Ozzano dell'Emilia (Italy), and the Ilapak ones in Lugano (Switzerland) and Arezzo (Italy). 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:

- 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;
- **actively work on the development of low environmental impact materials**, recyclable, biodegradable or compostable;
- **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";
- **initiation of a doctorate** for the definition of methods for assessing the environmental sustainability of products and processes (eco design) applied to the world of packaging machines.
- **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:

Sending a **a questionnaire by the Sales Body at the end of the machine/line installation** at the customer's premises.

Customer evaluation by means of a questionnaire of all the main aspects of the product, from sales to installation.

Collection of feedback and its transmission to the managements of the companies / divisions involved for reviews.

The design of machines for end users

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:

Audits carried out by the end user as part of the qualification process of IMA as a supplier.	Managing and minimizing complaints and disputes , such as failure to pay for technical/quality problems.	Reduction of warranty costs.	Measurement and monitoring of quality problems and delivery times for the products and services provided.
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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 2022 are the following⁷:

AREA	% Questionnaires sent/Machines installed	% Questionnaires received/ Questionnaires sent	AVERAGE SCORE OF ANSWERS (from 1 to 5, where 3 is satisfactory)
PHARMA	55%	28%	3.52
NON-PHARMA	45%	17%	3.49

⁷ 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 RI, IMA FILLSHAPE, IMA CORAZZA, ILAPAK INTERNATIONAL and ILAPAK ITALIA.

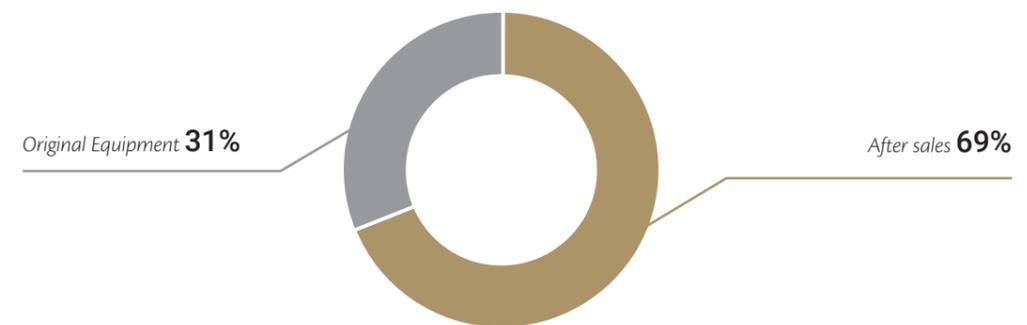
IMA is well aware that a **policy for the prevention of defects** is not only a competitive advantage, but also a way of reducing internal costs: for this reason the Company undertakes to resolve any critical issues before the shipping phase so as to limit the detection of non-compliance by end users.

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 level of assistance.

A substantial portion of IMA's revenues, equal to approximately 31%, 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.



Revenue by sector	2020		2021		2022		CHANGE 2021/2022
Million euros	Amount	%	Amount	%	Amount	%	%
Consumer	707.07	47.4%	660.60	39.1%	820.70	41.2%	24.2%
Pharma	699.86	47.0%	811.00	48.0%	885.60	44.5%	9.2%
Automation	83.54	5.6%	216.70	12.8%	284.00	14.3%	31.1%
TOTAL	1,490.47	100.0%	1,688.32	100%	1,990.30	100%	17.9%

The design of machines for end users

Export revenues represent approximately 87% of turnover, with particular emphasis in European countries and North America. 68.99% of revenue was generated by plant and machines⁸, while 31.01% came from after-sales activities (support, provision of spare parts, format parts etc.)⁹.

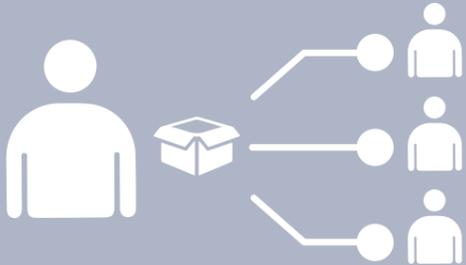
Revenue by geographical area	2020		2021		2022		CHANGE 2021/2022
	Amount	%	Amount	%	Amount	%	
European Union (excluding Italy)	433.63	29.1%	482.73	28.6%	536.9	27.0%	11.2%
Other European countries	145.79	9.8%	210.15	12.4%	243.5	12.2%	15.9%
North America	269.47	18.1%	347.84	20.6%	446.4	22.4%	28.3%
Asia & Middle East	267.02	17.9%	273.86	16.2%	328.0	16.5%	19.8%
Other countries	140.55	9.4%	148.55	8.8%	163.9	8.2%	10.3%
TOTAL EXPORTS	1,256.46	84.3%	1,463.13	86.7%	1,718.7	86.4%	17.5%
Italy	234.01	15.7%	225.19	13.3%	271.6	13.6%	20.6%
TOTAL	1,490.47	100.0%	1,688.32	100%	1,990.3	100%	17.9%

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 2022, no complaints were received about breaches of customer privacy or losses of customer data.

⁸ Original Equipment.
⁹ After sales.

SUSTAINABILITY OF THE SUPPLY CHAIN: RESPONSIBLE SOURCING AND THE SUPPLY CHAIN



IMA MODEL:
SUPPLIERS
(NETWORK AND DISTRICT)

19,493
SUPPLIERS
(4 DIFFERENT TYPES)



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



94 %
OF SPENDING
ON LOCAL
SUPPLIERS



INITIATIVES AND
PROJECTS:

- DEMATERIALISATION
- 3D
- ADDITIVE MANUFACTURING



16.3 %
OF SUPPLIERS
EVALUATED
ACCORDING TO
SOCIAL CRITERIA

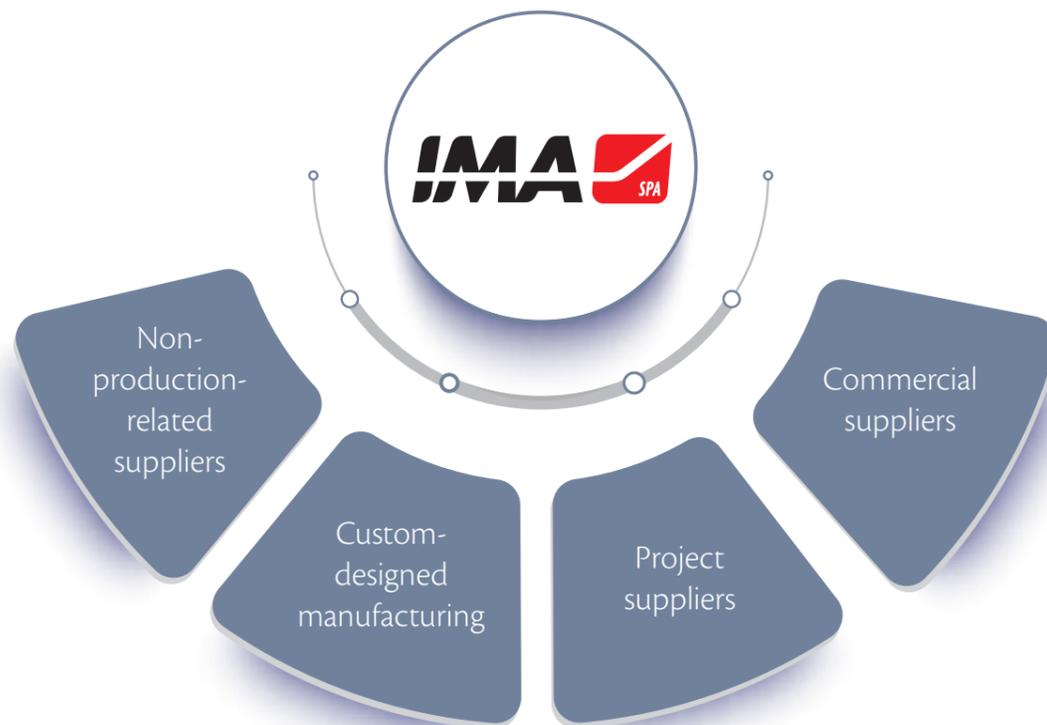


Sustainability of the supply chain

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.

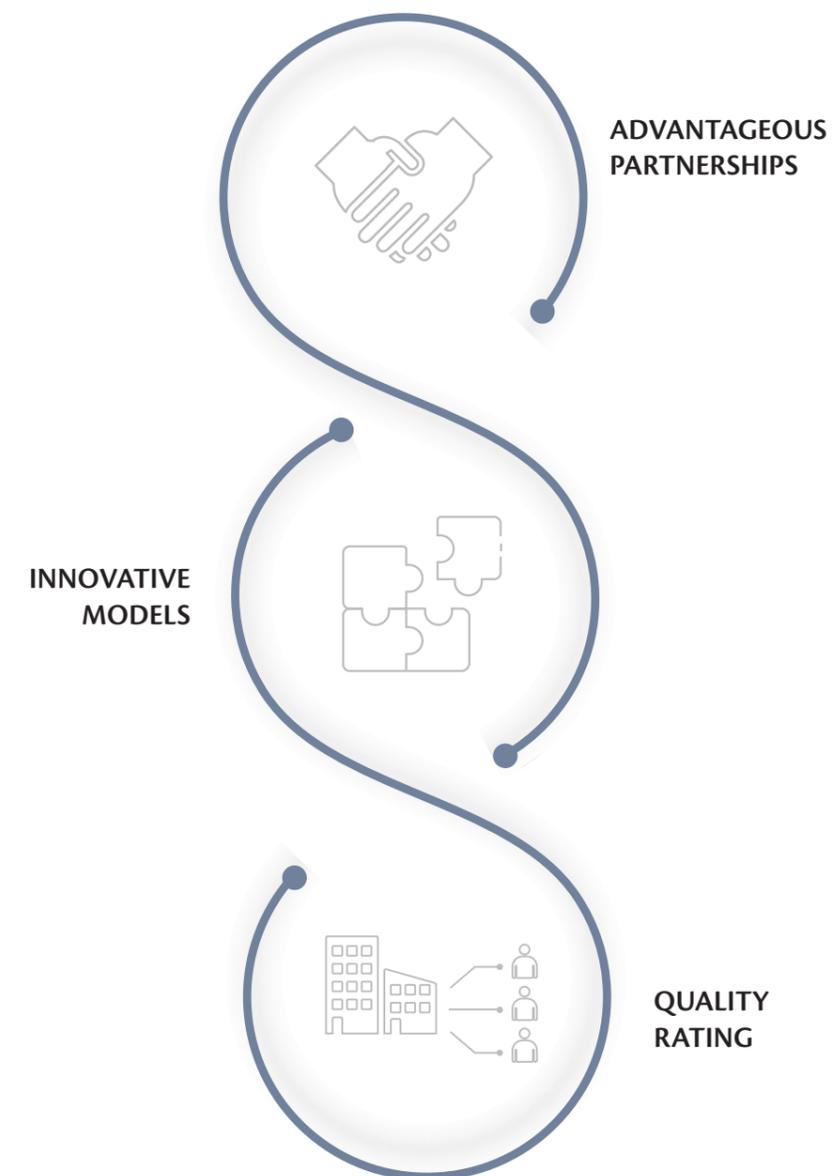
3.1. Our supply chain

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:



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 2022, 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 manufacturers



The **suppliers of custom components** are those who supply components based on IMA's drawings and projects.

In 2022 there were **2,923** custom-designed component suppliers.

In order to develop the custom-designed suppliers' skills, training courses are 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 due to the pandemic, although periodic meetings were still held through which suppliers (whether affiliates or not), were aligned and updated on the results obtained, the production programmes and the operational strategies pursued.

Catalogue-component manufacturers



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

In 2022 there were **6,544** Catalogue-component manufacturers.

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 war, pandemic and generally unstable market conditions, delivery times and costs remained above the average of the pre-pandemic three-year period during 2022.

Suppliers of goods and services



Suppliers of goods and services 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 2022 suppliers of goods and services were **8,476**.

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 2022, using these cups by IMA made it possible to save a total of 11,236 kg of CO₂.

Project suppliers



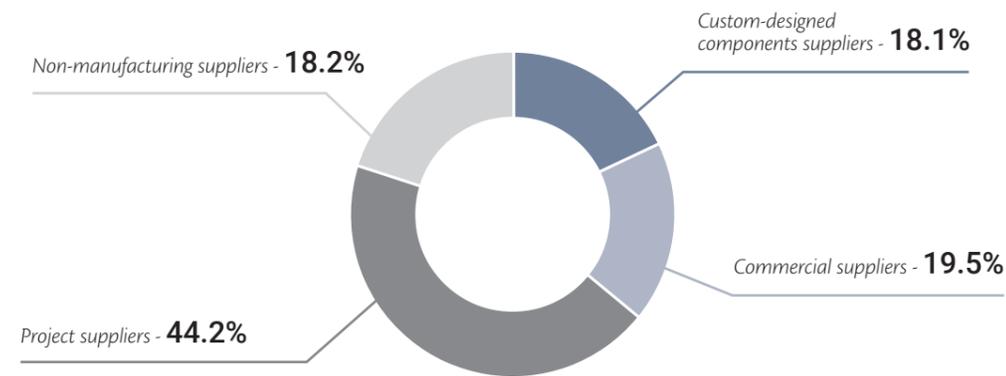
The **project suppliers** are those which provide goods and services strictly linked to the entire cycle of realisation of projects for clients, such as assembly, design, and third party machines.

In 2022 there were **1,550** 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 2022 (% of expenditure)



Considering purchases made in 2022 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, **94.0% of sales revenue went to local suppliers**¹⁰. At the regional level, the amount for Italy was 93.3%, for Europe 94.3%, for the Americas 87.8% and for Asia 98.4%. 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.

In line with 2021, the Group's procurement strategy for 2022 was also impacted by the scarce availability of materials and semi-finished products dictated by the global crisis on the **scarcity of resources**, with specific reference to semiconductors, chips, polymers and wood; the consequent **price increases and delayed delivery times**.

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.

¹⁰ "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 2022, there were **705** suppliers qualified through the IMA method (assessment completed or in progress):

361	77	100
of components	of assembly and wiring	of design and documentation
17	68	82
of third-party machinery	technical assistance	of complex 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 2022 **22** 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 2022, this activity sees a number of qualified suppliers equal to 118.

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.

On the occasion of the periodic requalification audits of suppliers which began at the end of 2022, for the first time IMA has also introduced a **verification of sustainability** aspects by requesting any existing certifications, such as environmental or health and safety certifications or, alternatively, with the compilation of a questionnaire focused on these topics. In fact, through this questionnaire, the company has the opportunity to investigate with respect to its suppliers the possible presence of sustainability policies, the use of raw materials considered sustainable, the presence of policies aimed at safeguarding human rights, compliance with European REACH regulation, monitoring of GHG emissions and other items related to sustainability practices. This activity, which began in 2022, represents a first step in raising IMA's awareness towards its suppliers base on sustainability issues.

Furthermore, IMA drew up a **Supplier Code of Conduct** as an incentive for the Group's 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.

SOCIAL SUSTAINABILITY: THE PEOPLE OF IMA



53.2 %
BETWEEN
30 AND 50
YEARS OF AGE



6,901
EMPLOYEES
OF WHOM
18 %
WOMEN



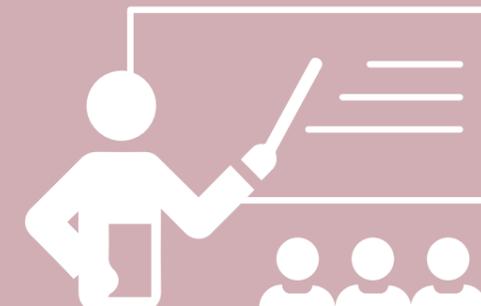
97 %
PERMANENT
CONTRACTS

MEMBER OF CapoD
NETWORK
TOP EMPLOYER 2022



AVERAGE HOURS OF
TRAINING PER
CAPITA

137,250
HOURS OF TRAINING PROVIDED



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 2022, so as to counter the spread of the virus and implement adequate control safeguards that could allow activities to be conducted.

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.

Remuneration

The Shareholders' Meeting which, on 8 April 2021, proceeded to appoint the Company's Board of Directors, setting the expiry of the related mandate on the date of approval of the financial statements to be closed on 31 December 2023, determined the gross compensation on an annual basis for each of directors of Euro 20,000.

To the member of the administrative body identified as executive and to senior managers (hereinafter, **Senior Management**) instead, for the three-year period 2020-2023, remuneration was assigned (hereinafter, **Remuneration**) which has the purpose of stimulating the achievement of the Company's strategic objectives, pursuing the priority objective of creating sustainable value in the medium-long term.

The Remuneration, which is based on a strong link between remuneration and performance, envisages, in favour of Senior Management, a fixed remuneration associated with a variable component to be quantified on the basis of results over an annual period; the executive director shall also be entitled to shares by way of employment termination indemnity.

The Remuneration identifies:

- a) minimum thresholds for each objective of the variable components; failure to achieve them does not give rise to the payment of the corresponding payout;

- b) progressions, in the event of exceeding the minimum objectives, which allow for an increase in the payout up to the achievement of specific maximum limits.

The parameters chosen for the definition of the variable remuneration of Senior Management refer to quantitative parameters that take into consideration sales, EBITDA and net working capital of the Group. The objectives for determining the variable part of the remuneration, which are related to the targets established by the budget are objectively measurable.

The Senior Management, who then benefit from certain non-monetary *benefits* customary for the type of company, such as the use of the company car and telephone, as well as life and health insurance, do not have agreements that provide for indemnities in the event of termination of employment: in fact, no so-called golden parachute agreements have been entered into.

Furthermore, in order to adapt the Company to the most recent provisions, clauses have been introduced which allow the Company to request the return by the Senior Management of the variable components of the remuneration paid or to withhold the sums subject to deferral, determined on the basis of data which later turned out to be manifestly wrong (so-called *clawback clause*).

Below are the differences between pension schemes and contribution rates for members of governing bodies, key executives and all other executive employees.

	Notice	Severance pay	Other types of pay	Social contributions
Executive directors	no	Termination indemnity, accrued annually	INPS contributions paid by the director 11.41% + INPS contributions paid by the company 22.42% with an annual ceiling of Euro 105.014K for both amounts	
Non-executive directors	no	no	If established by the shareholders' meeting	INPS contributions paid by the director 11.41% + INPS contributions paid by the company 22.42% with an annual ceiling of Euro 105.014K for both amounts
Strategic managers / senior managers	yes as per National Labour Contract for Managers, based on seniority in the company	Severance indemnities as per law for employees	if agreed as part of a termination settlement	INPS contributions paid by the manager 10.19% + Previdai contributions paid by the manager 4% up to a maximum of 180K + INPS contributions paid by the company 26.28% + Previdai contributions paid by the company 4% up to a maximum of 180K
Other Managers	yes as per National Labour Contract for Managers, based on seniority in the company	Severance indemnities as per law for employees	if agreed as part of a termination settlement	INPS contributions paid by the manager 10.19% + Previdai contributions paid by the manager 4% up to a maximum of 180K + INPS contributions paid by the company 26.28% + Previdai contributions paid by the company 4% up to a maximum of 180K

The pro tempore Appointments and Remuneration Committee, made up of three non-executive directors, the majority of whom are independent (hereinafter, the **Committee**), played a key role in the process of preparing and approving the Remuneration.

In fact, the Committee, whose meetings have always been attended by at least one member of the Board of Statutory Auditors, elaborated, after having received a remuneration proposal from the Company's human resources management – drawn up on the basis of the lines dictated by the Chief Executive Officer – a specific document, which accurately summarizes the terms of the Remuneration.

For the preparation of this document, the Committee made use of the intervention of independent experts to carry out a benchmarking activity, as a result of which the full alignment of the Remuneration with the practices most commonly used by the comparables emerged.

Finally, the ratio of the total annual compensation for the highest-paid individual in the organization, the Chairman of the Board of Directors, to the median total annual compensation for all employees¹¹ equals 28.5, and the ratio of the percentage increase in total annual compensation for the highest-paid individual to the median percentage increase in total annual compensation for all employees is -1.68% over the previous year.

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, ratings by IMA companies around the world covered around 16% of new suppliers, who were assessed using social criteria such as working conditions and respect for human rights; this is a slight decrease on the previous year versus an increase in new suppliers chosen during the year. Given the sensitivity of this topic in some countries, IMA companies around the world delivered a total of 1,019.45 hours of training on policies and procedures in the area of human rights, reaching 7.5% of the entire workforce or 17.9% of the IMA personnel outside of Italy.

Finally, IMA is committed to opposing any violation of human rights, such as discrimination, child labour or any form of forced labour. Given that the presence of any minor employees is linked to training projects managed in accordance with the law and agreements with schools or training bodies, no employee employed is under 15 years of age and no employee under 18 years of age is exposed to forced labour or to risks deriving from chemicals, pesticides, machines or tools, dust or excessive cold, heat or noise among the companies of the Group.

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

¹¹ Compensation for part-time employees is re-parametrised and made equivalent to full-time employees.

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.

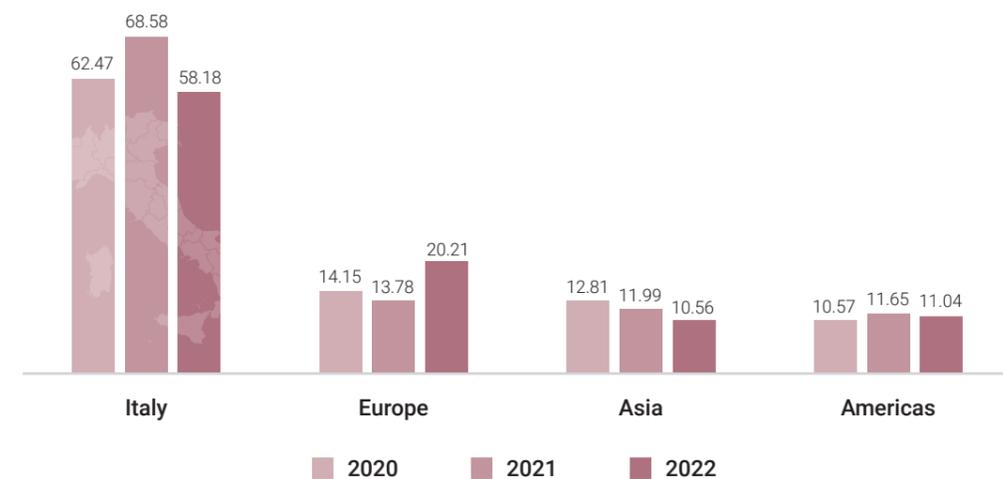
Our willingness to emphasise the importance of the individual is a goal that the Company pursues from the moment that a person first joins IMA:

- 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.

In fact, during the hiring phase, the Group undertakes to provide its employees, in line with the regulations applicable to the various countries in which IMA operates, with information relating to the contractual conditions, including remuneration conditions, and contacts to which they can refer for more details. In particular, in Italy, newly hired employees have access, also through the company intranet, to in-depth channels relating to company contracts and working conditions.

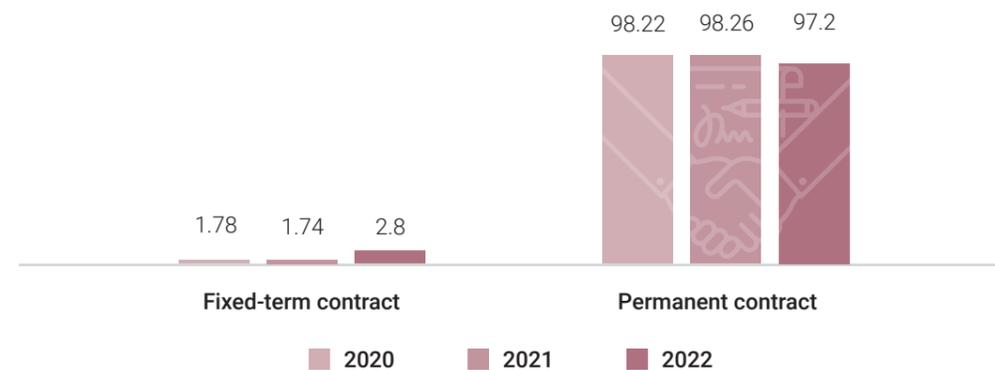
Considering the scope of the Group, at 31 December 2022 there were 6,901 employees in total. The majority of the workforce is in Italy (58.18%), followed by the rest of Europe (20.21%), Asia (10.56%) and the Americas (11.04%).

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



97.20% of personnel, i.e. 6,708 employees, are hired on permanent contracts, in line with the Company's policy to create stable, long-term employment for its workers: 97.64% of men are employed on permanent contracts, while for women this percentage is 95.18%. During 2022, in addition to employees, IMA companies in Italy and around the world used 456 external collaborators, including temporary agency workers, contracted workers, posted workers, interns and trainees.

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



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

		Italy	EU	Asia	Americas	Total
2020	Permanent contract	3,764	843	754	642	6,003
	Fixed-term contract	54	22	29	4	109
	Non-guaranteed hours employees	0	0	0	0	0
	Total	3,818	865	783	646	6,112
2021	Permanent contract	3,851	843	721	724	6,139
	Fixed-term contract	59	18	28	4	109
	Non-guaranteed hours employees	0	0	0	0	0
	Total	3,910	861	749	728	6,248
2022	Permanent contract	3,957	1,339	658	754	6,708
	Fixed-term contract	58	56	71	8	193
	Non-guaranteed hours employees	0	0	0	0	0
	Total	4,015	1,395	729	762	6,901

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

	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Permanent contract	4,956	1,047	6,003	5,067	1,072	6,139	5,543	1,165	6,708
Fixed-term contract	74	35	109	60	49	109	134	59	193
Non-guaranteed hours employees	0	0	0	0	0	0	0	0	0
Total	5,030	1,082	6,112	5,127	1,121	6,248	5,677	1,224	6,901

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

	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Full Time	4,985	892	5,877	5,079	929	6,008	5,595	1,017	6,612
Part Time	45	190	235	48	192	240	82	207	289
Totale	5,030	1,082	6,112	5,127	1,121	6,248	5,677	1,224	6,901

IMA gives part-time work to employees who make a reasoned request, within the limits set by collective agreements: in 2022, out of 289 part-time contracts, 71.63% had been requested by women. In total, 207 women are in part-time work, this being 16.9% of the total number of women working for IMA at 31 December 2022. Part-time work has been requested by 4.19% of personnel. At a global level, the recruitment rate¹² is 10.76% for men and 12.09% for women. During the period, 759 new workers entered the Company (611 men and 148 women) while 649 left (513 men and 136 women). In absolute terms, IMA has predominantly recruited staff aged between 30 and 50 years, representing 48.0% of all new staff hired, while those under the age of 30 years account for 41.6%. Most of the personnel who left are between 30 and 50 years of age (47.9% of the total number of employees leaving); 19.6% 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.

¹² The hiring rate is calculated as the number of workers hired in the period compared with the headcount by category and gender.

Number of new employee hires

GENDER	Italy			EU			Americas			Asia			Group	
	Men	Women		Men	Women		Men	Women		Men	Women		Men	Women
2020	133	45		54	14		42	12		30	12		259	83
2021	204	63		75	26		97	15		43	5		401	109
2022	301	75		139	31		114	27		57	15		611	148

AGE	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
	2020	89	73	16	18	36	14	20	28	6	13	26	3	140	163
2021	126	121	20	18	44	21	43	48	21	17	29	2	204	242	64
2022	174	179	23	68	77	25	60	59	22	14	49	9	316	364	79

Hiring rate

GENDER	Italy			EU			Americas			Asia			Group	
	Men	Women		Men	Women		Men	Women		Men	Women		Men	Women
2020	4.3%	6.3%		7.5%	9.9%		8.0%	9.8%		4.4%	12.0%		5.1%	7.7%
2021	6.5%	8.4%		8.0%	17.8%		16.2%	11.6%		6.6%	5.3%		7.8%	9.7%
2022	9.3%	9.8%		11.9%	13.9%		18.2%	20.0%		9.0%	15.3%		10.8%	12.1%

AGE	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
	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%
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%
2022	27.4%	8.0%	2.0%	40.0%	12.1%	4.2%	43.5%	19.2%	6.9%	23.3%	9.8%	5.3%	31.5%	9.9%	3.5%

Number of terminations

GENDER	Italy			EU			Americas			Asia			Group	
	Men	Women		Men	Women		Men	Women		Men	Women		Men	Women
2020	145	28		49	13		69	9		67	9		330	59
2021	187	36		65	21		73	17		71	11		396	85
2022	213	58		140	44		100	24		60	10		513	136

AGE	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
	2020	22	65	86	7	32	23	15	30	33	4	53	19	48	180
2021	48	84	91	10	45	31	11	53	26	9	58	15	78	240	163
2022	51	137	83	37	85	62	30	44	50	9	45	16	127	311	211

Turnover rate

GENDER	Italy			EU			Americas			Asia			Group	
	Men	Women		Men	Women		Men	Women		Men	Women		Men	Women
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%		9.1%	14.4%		12.2%	13.2%		10.8%	11.7%		7.7%	7.6%
2022	6.6%	7.6%		11.9%	19.7%		15.9%	17.8%		9.5%	10.2%		9.0%	11.1%

AGE	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
	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%
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%
2022	8.0%	6.1%	7.2%	21.8%	13.4%	10.5%	21.7%	14.3%	15.8%	15.0%	9.0%	9.4%	12.7%	8.5%	9.5%

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.¹³ The majority of employees are "white collar": 64% of the total, i.e. 4,434 employees.

Total number of IMA's employees broken down by category and gender¹⁴ (at 31 December)

	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Managers	257	32	289	286	47	333	316	57	373
White collars	2,940	1,018	3,958	2,963	1,042	4,005	3,303	1,131	4,434
Blue collars	1,833	32	1,865	1,878	32	1,910	2,058	36	2,094
Total	5,030	1,082	6,112	5,127	1,121	6,248	5,677	1,224	6,901

Total number of IMA's employees broken down by category and age¹⁵ (at 31 December)

	2020				2021				2022			
	<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	0	126	166	289	2	137	194	333	6	144	223	373
White collars	425	2,379	1,154	3,958	433	2,404	1,168	4,005	513	2,553	1,368	4,434
Blue collars	431	950	484	1,865	428	966	516	1,910	484	975	635	2,094
Total	859	3,452	1,804	6,112	863	3,507	1,878	6,248	1003	3,672	2,226	6,901

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 2022 live in the country where they work. Furthermore, IMA undertakes to comply with all local regulations in the countries in which it operates, with reference to the applicable contractual conditions, and therefore, where provided, provides various benefits and economic treatments, including payment and/or compensation for extra working hours parental leave, compensatory rest, paid annual holidays, etc. Where envisaged by law, IMA guarantees its employees the minimum wage envisaged by the regulations, as for example in Italy within the scope of what is defined by the relevant CCNL or National Collective Bargaining Agreement.

Furthermore, 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.).

¹³ The 2021 figure includes "managers" of foreign companies previously qualified as "employees".

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

¹⁵ The figures for "middle managers" have been combined with those of "white collars" for greater consistency with the consolidated financial statements.

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.

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. 71.4% 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 3.4 weeks on average.

Over the course of the last year, through discussions with the union representatives and union organisations, the Company Supplemental Agreements of IMA S.p.A. and the major Italian companies were renewed. The main issues included in the various agreements include the flexibility of work start times, extended with respect to what has already been undertaken in the past, and the management of Agile or Smart working. 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 2022, there were no disputes open against the parent company relating to personnel management. Two cases of labour disputes in two minor companies in Italy are being finalised.

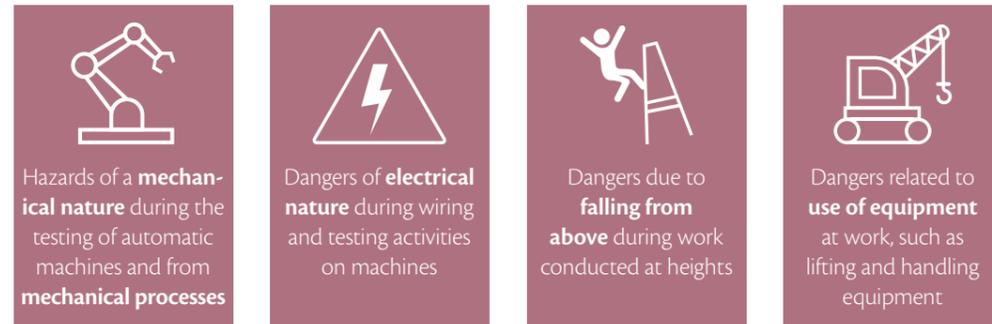
4.3. Health and safety

An issue of great importance for the companies of the IMA Group is the **attention to the health and safety of workers**. In 2022, the Parent Company IMA S.p.A. and the Italian company TMC S.p.A. reconfirmed the certification of their Occupational Safety Management System (SGSL) according to the ISO 45001 standard. With reference to the Parent Company's SGSL, an audit was carried out in February 2022 by a third-party body responsible for extending the SGSL to the new production sites started up in the previous months (plants in Ozzano dell'Emilia, via Europa no. 2-6, Italy and Castel San Pietro Terme, Italy and carrying out a surveillance visit regarding the effective application 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 companies are appointed through a tender 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 through which IMA evaluates the risks of interference with the contracted activities and defines the prevention and protection measures deemed appropriate to eliminate or, where not possible, reduce the "interfering" risks in matters of health and safety.

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:



The main workplace hazards, which constitute a health risk and the consequent potential **onset of occupational diseases**, are instead represented by the exposure of personnel to test materials sent to IMA by customers for testing automatic machines, by carrying out occasional manual handling of loads and exposure to noise produced by machinery and work equipment in use, risks in any case assessed as low.

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 a 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 in all the Italian companies of the IMA Group with the aim of **specifically dealing with any changes to the risk assessment, the health and safety training plans for personnel, the suitability of personal protective equipment (PPE) supplied, and the results of the health surveillance carried out**. 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.: **they cover the role of representing the workers**, collecting any reports from them and attending the training courses provided to newly hired personnel. 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.

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. For the Parent Company IMA S.p.A. in particular, given the size and complexity of the company, there is a team of competent doctors coordinated by the coordinating MC to ensure the proper conduct of the routine medical check-ups required by law (pre-employment, periodic, at termination of employment), and extraordinary medical examinations, if any, requested by the worker.

Training (general and specific), **information and any other eventual training** is carried out for all personnel, with reference to the tasks and risk levels, related also to the use of work equipment that has an impact on safety, by in-house and/or external teachers; trainers equipped with specific knowledge and skills with regard to issues specific to the activities carried out and the related risks. **Workers are provided with all the necessary PPE required** by the safety procedures and instructions (e.g.: protection from dangerous substances), chosen by the SPP on the basis of the results of the risk assessment, in order to further reduce the risks that cannot be reduced through organizational measures. **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 2022, 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 guideline to all the Italian companies of the IMA Group. The principal anti-contagion measures contained in the above internal protocol are summarised below:



A specific Travel Protocol is in force and is applied, initially prepared in 2020 and periodically updated in relation to the evolution of the epidemiological situation: among the protective measures included in the Travel Protocol, a PPE kit is prepared and supplied to all business travellers before departure; 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 2022, 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 2022, 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;
- extension of all the prevention and protection measures already adopted and in place, to the new production plants in Ozzano dell'Emilia (Bologna) via Europa n. 2-6 and Castel San Pietro Terme (Bologna) via degli Artigiani n. 303-341, as well as the new local units of Alessandria (AL) (following the merger of Telerobot S.p.A. into IMA S.p.A.).

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, three-quarters 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, more than 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**.

Furthermore, half 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 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 work-related risks** to their safety and procedure coordinators and the information is translated into the local languages (of the countries) in which the different companies are located.

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.

There were 66 workplace injuries during 2022 (23 in Italy and 43 at other IMA companies in the world). No fatalities occurred as a result of injuries. During the year 2022, the global frequency index for IMA is equal to 5.60, while the rate of injuries at work with serious consequences is equal to 0 for the entire Group, since no injuries of this type have occurred.

Injury rates¹⁶ by region of IMA's employees (at 31 December)

2020	Italy	EU	Americas	Asia	IMA
No. of work-related injuries	18	8	18	5	49
<i>of which with high consequences</i>	-	-	-	1	1
<i>of which fatalities</i>	-	-	-	-	-
Hours worked	6,325,593	1,417,233	1,267,475	1,422,283	10,432,584
Injury rate	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 injuries	-	-	-	-	-
<i>Cases of recordable ill health cases</i>	-	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 with high consequences</i>	1	-	-	-	1
<i>of which fatalities</i>	-	-	-	-	-
Hours worked	6,593,224	1,377,145	1,388,382	1,630,283	10,989,034
Injury rate	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 injuries	-	-	-	-	-
recordable ill health cases	-	-	2	-	2
<i>of which fatalities</i>	-	-	-	-	-

¹⁶ The number of injuries excludes minor events requiring first aid and those occurring on travel between home and work not organised by IMA. Injury Rate = No. of injuries/hours worked*1,000,000. The rate for workplace injuries with serious consequences is calculated as the number of injuries with serious consequences/hours worked*1,000,000. The rate for deaths deriving from workplace injuries is calculated as the number of deaths from workplace injury/hours worked*1,000,000.

2022	Italy	EU	Americas	Asia	IMA
No. of work-related injuries	23	20	20	3	66
<i>of which with high consequences</i>	-	-	-	-	-
<i>of which fatalities</i>	-	-	-	-	-
Hours worked	6,518,957	2,233,986	1,489,121	1,552,092	11,794,156
Injury rate	3.53	8.95	13.43	1.93	5.60
Rate of high-consequence work-related injuries	-	-	-	-	-
Rate of fatalities as a result of work-related injuries	-	-	-	-	-
Recordable ill health cases	-	1	1	1	3
<i>of which fatalities</i>	-	-	-	-	-

Injury rates¹⁷ by region of IMA 's external workers (at 31 December)

2020 External workers ¹⁸	Italy	EU	Americas	Asia	IMA
No. of work-related injuries	11	2	-	-	13
<i>of which with high consequences</i>	-	-	-	-	-
<i>of which fatalities</i>	-	-	-	-	-
Hours worked	1,133,798	98,432	182,790	56,242	1,471,262
Injury rate	9.70	20.32	-	-	8.84
Rate of high-consequence work-related injuries	-	-	-	-	-
Rate of fatalities as a result of work-related injuries	-	-	-	-	-
Recordable ill health cases	-	-	-	-	-
<i>of which fatalities</i>	-	-	-	-	-

2021 External workers	Italy	EU	Americas	Asia	IMA
No. of work-related injuries	7	-	-	-	7
<i>of which with high consequences</i>	-	-	-	-	-
<i>of which fatalities</i>	-	-	-	-	-
Hours worked	1,039,757	129,683	69,882	80,123	1,319,445
Injury rate	6.73	-	-	-	5.31
Rate of high-consequence work-related injuries	-	-	-	-	-
Rate of fatalities as a result of work-related injuries	-	-	-	-	-
Recordable ill health cases	-	-	-	-	-
<i>of which fatalities</i>	-	-	-	-	-

2022 External workers	Italy	EU	Americas	Asia	IMA
No. of work-related injuries	16	7	-	1	24
<i>of which with high consequences</i>	-	-	-	-	-
<i>of which fatalities</i>	-	-	-	-	-
Hours worked	759,236	188,451	156,072	79,800	1,183,559
Injury rate	21.07	37.14	0.00	12.53	20.28
Rate of high-consequence work-related injuries	-	-	-	-	-
Rate of fatalities as a result of work-related injuries	-	-	-	-	-
Recordable ill health cases	-	-	-	-	-
<i>of which fatalities</i>	-	-	-	-	-

¹⁷ The number of injuries excludes minor events requiring first aid and those occurring on travel between home and work not organised by IMA. Injury Rate = No. of injuries/hours worked*1,000,000. The rate for workplace injuries with serious consequences is calculated as the number of injuries with serious consequences/hours worked*1,000,000. The rate for deaths deriving from workplace injuries is calculated as the number of deaths from workplace injury/hours worked*1,000,000.

¹⁸ 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).

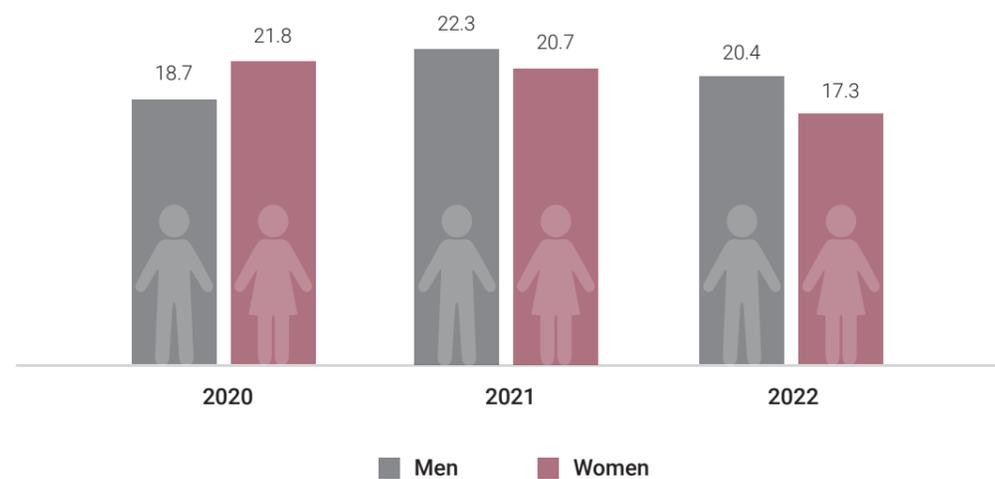
4.4. Personnel training and development

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.

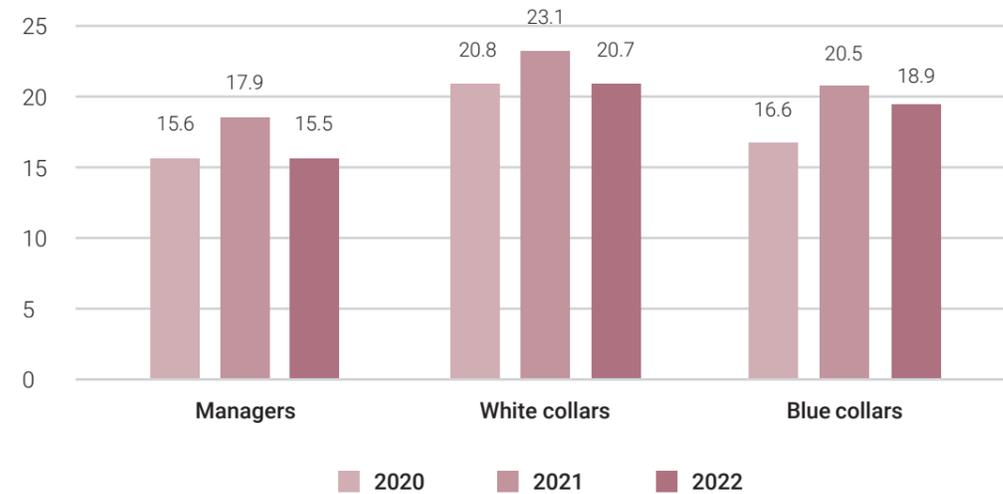
The delivery methods have been transformed and improved to better manage situational contingencies with increased training carried out in synchronous virtual classrooms through various online platforms. E-learning training has now become an integral part of the training services offered, joining traditional methodologies such as for example face-to-face training which remains fundamental, above all, for any type of course. The e-learning training offerings have gradually been enriched by including further asynchronous courses video-recorded by in-house teachers in the catalogue. 2022 saw the consolidation of the Skillgate platform, confirmed as an IMA Group platform that allows all Companies and Divisions to have a single system available for any type of remote training need. In total, more than 40 courses were recorded to be used in this way.

Overall, in 2022 the training hours provided were approximately 137,250, a slight decrease compared to 2021 (-0.29%). Globally, the average hours of training per year per employee were 20. Most of the training covered the soft skills area (22.6% of the total hours provided) but the areas included within the training catalogue include safety (21.6%), languages (13.8%), planning (13.4%), production (12.8%), quality/regulation (8.1%) and ICT (6.9%). 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 category¹⁹



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 2022 IMA welcomed over 180 trainee students and over 600 students in orientation programmes; it participated in meetings of Technical and Didactic Committees for more than 60 hours; has provided over 500 hours of training modules aimed at students of all levels. The training has made it possible to create synergies and strengthen ties with realities of the territory with the common goal of spreading a technical culture. There were 100 hours of face-to-face training, the remainder were carried out in distance learning using the platforms used by schools and universities, in order to transfer skills and create positive synergies with the realities of the territory.

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** describe 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.

¹⁹ The figures for "middle managers" have been combined with those of "white collars" for greater consistency with the consolidated financial statements.

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 choice of topics to address ranges from open innovation, to industrial applications, from robotics, to cognitive psychology, to the analysis of materials. 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.

In line with the path to reduce GHG emissions that the company has undertaken, among the various activities and initiatives launched at group level in addition to the annual preparation of a GHG Inventory (consisting of a GHG Inventory Report and its annexes) drawn up in compliance with the GHG Protocol Corporate Accounting and Reporting Standard and with the ISO 14064-1:2018 standard, training was launched for a group of employees belonging to all the IMA group's production sites around the world.

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.

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; 92.4% 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.

IMA's workforce includes people in protected categories as required by current legislation: to this end, for example in Italy, the Company has entered into agreements with the relevant entities.

Protected categories of employees²⁰ (at 31 December)

	Number of employees	% of the total
Total 2020	185	3.03%
Total 2021	205	3.28%
Total 2022	189	2.74%

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.

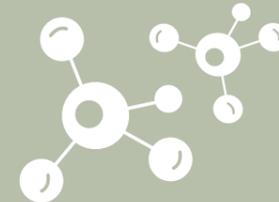
Top Employer Certification

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 2022 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.**

¹⁹ The figure is representative of the Group perimeter.

ENVIRONMENTAL SUSTAINABILITY: THE MANAGEMENT OF ENVIRONMENTAL IMPACTS



20,776
TON CO₂EQ

(SCOPE 1+2 MB)
OFFSET WITH PURCHASE OF
CARBON CREDITS

CDP CLIMATE
CHANGE 2022:
B SCORE

ECOVADIS
2022:
BRONZE MEDAL



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



63.8 %
OF WASTE SENT
FOR RECYCLING
AS MATERIAL
OR ENERGY

336,293 GJ
OF TOTAL ENERGY
CONSUMED

56.2 %
OF ENERGY
FROM RENEWABLE SOURCES:
11,824.2 TON CO₂EQ
AVOIDED



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 reuse.

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 β 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, for the first time 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 β Neutral). This management system and the value of energy consumption, together with GHG emissions, are subject to annual control and verification by the certifying body. In fact, following a specific audit conducted during 2022 by this body (based on the data relating to the 2021 financial year), IMA is waiting to confirm the ISO 14064-1 certification of the greenhouse gas emissions reporting system of the organization for the year 2022 as well.

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 objective of this strategy reflects the need for annual reporting and monitoring on the GHG inventory, as well as the publication of information to all stakeholders, testifying to the progress achieved with the targets for reducing its emissions. In addition, within the ISO 14064-1 management system, the Group has implemented internal training initiatives, also with the aim of increasing knowledge and awareness of the topics covered and improving the environmental management performance of all units.



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 2022 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 company IMA Mai S.A.U. in Argentina, 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, also with respect to consumption of energy and GHG emissions, 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.

For 2022, approximately 30% of the production sites will be covered by ISO 14001 certification, with the aim of further expanding this perimeter over the next few years.

With reference to emissions into the atmosphere which derive from activities, such as for example mechanical processing, carried out internally and which produce pollutants which are suitably conveyed and sucked into special air ducts, filtered and purified before their expulsion, IMA fully complies with the regulatory requirements in force and each company of the IMA Group in Italy is in possession of the Authorizations issued by the competent bodies, where applicable. Compliance with the limits associated with emissions into the atmosphere is also monitored through specific sampling and analytical determinations, respecting the frequencies established by law. This is confirmed by the fact that in 2022 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 CO₂eq emissions and the individual greenhouse gases CO₂, CH₄, and N₂O, 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), previously submitted to this diagnosis in 2015, and that in Via Romagnoli 2-6 in Bentivoglio (Bologna).

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 S.p.A. is implementing an energy management system compliant with the **ISO 50001** standard on the most representative production sites in this regard: the achievement of the ISO 50001 certification of the SGE of these sites is planned by 5 December 2023, through specific audits conducted by an independent certification body.

During 2022 there was an increase in the total consumption of **electric energy** mainly due to the Italian and European companies of IMA. In fact, in line with previous years, there was a simultaneous further expansion in the number of IMA's industrial sites, in particular for foreign sites, which again led to growth in terms

of personnel and production area in 2022 as well. 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 8,608.50 kWh_e in 2022. The number is 6,943.55 kWh_e 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 decrease in natural gas consumption is mainly due to the Italian companies. 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 7.80 Smc/m² in 2022, while the global energy intensity number for IMA was equal to 6.75 Smc/m². On the other hand, the energy intensity for 2022, 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 1.30 Smc/m³ and equal to 1.08 Smc/m³ 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 2022, the values of the energy intensity indices decreased compared to 2022 confirming the limited use of methane gas, especially for companies based in Italy.

Summary of annual energy consumption (GJ)

	Total 2020	Total 2021	Total 2022
Energy consumption from fuels			
Natural gas (used for heating work environments)	124,950.84	134,413.96	122,188.22
Methane (used in vehicles)	4.50	6.26	2.21
LPG (liquid propane gas) (used for heating work environments, roasting tests and testing roasting machines)	184.69	240.00	318.15
LPG (liquid propane gas) (used in vehicles)	58.11	55.68	58.24
Diesel (used for heating working spaces, generators, motor-driven fire-fighting units, high-pressure cleaners, fork-lift trucks)	3,381.46	5,803.83	6,420.06
Diesel (used in vehicles)	27,216.09	29,564.19	31,891.25
Petrol (used in vehicles)	3,793.71	4,914.48	6,549.84
TOTAL ENERGY CONSUMPTION FROM FUELS	159,589.40	174,998.41	167,427.81

	Total 2020	Total 2021	Total 2022
ELECTRICITY CONSUMPTION			
Electricity from the grid	129,829.13	152,615.71	163,396.75
<i>of which from certified renewable sources</i>	66,948.09	90,233.90	89,459.84
Self-produced electricity (from photovoltaic systems)	3,172.16	3,302.58	6,795.44
<i>of which Electricity that is self-produced and consumed (from photovoltaic systems)</i>	2,512.30	2,576.16	5,468.63
<i>of which Electricity that is self-produced and sold/fed back into the grid (by photovoltaic systems)</i>	659.85	726.42	1,326.81
Total electricity consumption from renewable sources	69,460.40	92,810.06	94,928.47
Total electricity need	132,341.43	155,191.87	168,865.38
Total energy consumption (fuels + electricity)	291,930.83	330,190.28	336,293.19
Total electricity consumption (MWh)	81,091.90	91,719.52	94,424.62

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 2021, the Italian sites under guarantees of origin have expanded by a further 4 units. In 2022, 69.81% of 124,427 GJ of energy needs came from certified renewable sources for the Italian companies of the IMA Group. As well, among the Group's companies using certified renewable energy, the IMA Automation Switzerland S.A. plant also sourced 51.86% of the 172,503 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 2022, the Italian PV installations generated 5,468.63 GJ of electricity for self-consumption, while another 1,326.81 GJ was sold to the grid. For the year 2023, the installation of additional photovoltaic systems is planned at some IMA S.p.A. production sites: specifically, the installation of further photovoltaic systems is planned on the roofs of the Ozzano dell'Emilia (Bologna) plant via Emilia 428-442 for additional power of approximately 300 kW; the installation of a photovoltaic system on the roof is planned of the Zola Predosa (Bologna) plant via Kennedy 17 for power of approximately 300 kW; and the doubling of the photovoltaic system installed on the roof of the Vicofertile (Parma) plant via Ferrandi 4 is planned for additional power of approximately 100 kW kW;
- **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 2022, 29,171 kWh 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 relamping for the years to come: in 2022 the relamping interventions concerned the sites of Zola Predosa (Bologna) via Kennedy 17 and Ozzano dell'Emilia (Bologna) via I° Maggio 14-16. For the year 2023, relamping interventions are planned at the Bologna sites via Corazza n. 9 and Ozzano dell'Emilia (Bologna) via Emilia n. 428-442;
- progressive replacement of older generation **compressors** with new models equipped with inverter-controlled motors more efficient even at partial loads to optimize management of compressed air production, of air **conditioners and refrigeration units** with new heat pump models, with modulation in different compression stages and/or with inverters, thus guaranteeing greater efficiency at partial loads as well as aiming at the centralization of systems, and of traditional boilers with **condensing boilers** which exploit the condensation of the combustion fumes to recover their useful heat for heating water thereby guaranteeing the same thermal load with lower consumption of natural gas;
- a **Power Quality** system was purchased, installed and made operational during the first half of 2022, serving a MV/LV electrical substation at the Via Emilia 428-442 plant in Ozzano dell'Emilia (Bologna). 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.

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_{2eq}, 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) ²¹
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.	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.	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.

²¹ 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 2022, the supply of electricity certified with a Guarantee of Origin from renewable sources, made it possible to avoid 11,015.69 tons of CO₂eq of indirect emissions of Scope 2 in Italy. Including the IMA Group's companies, 11,048.70 tons of CO₂eq of indirect emissions of Scope 2²² were avoided.

The production of IMA's Italian photovoltaic park in 2022, net of transfers to the grid, amounted to self-consumption of a total of 1,887,622 KWh, partially satisfying the energy needs of the related plants served, helping to avoid 829.10 tons of CO₂eq²³.

The self-consumption of thermal energy produced by IMA S.p.A.'s solar thermal collectors in 2022 avoided 58.80 tons of CO₂eq.

The trend in Scope 1 emissions mainly reflects a decrease in use of natural gas in 2022 compared to 2021 and, secondarily, reduced use of the car fleet. On the contrary, 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 to 2021 and is on the rise due to the greater use of electricity from the grid. The increase in Scope 2 emissions (calculated instead according to the Market based method) which occurred in 2022 compared to the previous year, despite the partial supply of certified electricity deriving from the generation of renewable sources, has in any case been affected by the increase in the energy needs of the Group.

Greenhouse gas emissions	ton CO ₂ eq 2020	ton CO ₂ eq 2021	ton CO ₂ eq 2022
Total direct emissions - Scope 1	11,032.46	12,149.55	11,328.32
Natural gas (used for heating work environments)	7,677.82	7,943.31	6,863.62
Methane (used in vehicles)	0.25	0.35	0.12
LPG (liquid propane gas) (used for heating work environments, roasting tests and testing roasting machines)	11.81	15.35	20.36
LPG (liquid propane gas) (used in vehicles)	3.72	3.56	3.73
Diesel (used for heating working spaces, generators, motor-driven fire-fighting units, high-pressure cleaners)	256.52	440.41	457.72
Diesel (used in vehicles)	1,935.84	2,078.78	1,997.14
Petrol (used in vehicles)	262.91	336.41	259.85
Total fuels for car pool	2,202.73	2,419.11	2,260.83
Refrigerant gases	883.58	1,331.36	1,725.81

²² The value of CO₂eq 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

²³ The value of CO₂eq 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 ₂ eq 2020	ton CO ₂ eq 2021	ton CO ₂ eq 2022
Total indirect emissions - Scope 2			
Electricity consumption emissions (Location Based Method)	13,149.75	14,931.01	15,595.89
Electricity consumption emissions (Market Based Method)	8,040.17	8,238.42	9,448.17
Total direct emissions Scope 1 + indirect ones Scope 2 (Location Based)	24,182.21	27,080.56	26,924.21
Total direct emissions - Scope 1 + indirect ones Scope 2 (Market Based)	19,072.63	20,387.96	20,776.49

The intensity rates are calculated by dividing the Scope 1+2²⁴ emissions in ton of CO₂eq by the usable surface area in m², 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 2022 are respectively, 0.054 tons of CO₂eq/ m² for Italy, (0.053 tons of CO₂eq/ m² considering foreign companies); 0.000071 tons CO₂eq/ € (0.000014 tons CO₂eq/ € considering foreign companies) and 4.92 tons CO₂eq/ FTEs (3.98 tons CO₂eq/ FTEs considering foreign companies).

Other polluting emissions

IMA's activities involve insignificant NO emissions_x (nitrogen oxides), SO_x (sulfur dioxides), volatile organic compounds (VOCs) and atmospheric particulate matter (PM), deriving from the combustion generated in the thermal power stations of the plants.

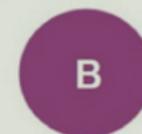
CDP

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 2022, IMA further improved its score, reaching the **score of B** compared to the score of B - which it had obtained for the year 2021, a year in which in any case IMA had already been placed in the "management" category, i.e. within that panel of companies working to manage their environmental impact (compared to 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 issues²⁵.

²⁴ The calculation was made according to the Location Based method of the GHG Protocol.

²⁵ 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).

With respect to liquid waste (in any case mostly sent to purification plants, i.e., not constituting discharge into 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 2022 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 7.24% of the waste disposed of by IMA is classified as hazardous. In addition, 32.16% of the waste products produced by IMA in 2022 are to be recycled and reused; while 8.98% was destined for energy recovery.

Again in 2022, 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 waste generated in 2022 is in line with the value recorded in 2021: the increasing trend of foreign companies, is due to the expansion of the perimeter and is offset by the decrease from the Italian sites.

Waste diverted from disposal by disposal method (in tonnes)

	Total 2020			Total 2021			Total 2022		
	Haz-ardous waste	Non-haz-ardous waste	TOTAL	Haz-ardous waste	Non-haz-ardous waste	TOTAL	Haz-ardous waste	Non-haz-ardous waste	TOTAL
Recycling/ Re-use	0.44	1,797.09	1,797.53	0.97	2,249.17	2,250.14	55.73	1,875.35	1,931.08
Other recovery operations (e.g. putting in stock or in reserve for recovery purposes)	153.39	1,129.92	1,283.32	145.68	1,279.39	1,425.07	164.70	1,194.94	1,359.64
Landfill	0.02	328.72	328.74	-	256.08	256.08	7.20	432.78	439.98
Incineration	11.11	34.26	45.37	7.67	30.53	38.20	4.00	61.27	65.27
Energy recovery	-	460.67	460.67	-	388.33	388.33	7.01	532.28	539.29
Other disposal operations (e.g. purifier, putting in stock or in reserve for disposal purposes)	231.56	1,317.62	1,549.19	273.87	1,398.84	1,672.71	196.00	1,473.62	1,669.62
Total	396.53	5,068.28	5,464.81	428.19	5,602.35	6,030.54	434.64	5,570.25	6,004.89

5.6. Water management

The consumption of water within the IMA Group plants occurs mainly for domestic/sanitary use (such as for preparing meals for staff in the canteen rooms and for use in the restrooms).

To a minor extent, water is used within the production process of certain IMA business sectors, mainly for carrying out tests and functionality checks on automatic machines: the aqueous solutions deriving from these activities, with very low pollution, are in any case mainly sent, through authorized transporters, to purification plants and not discharged into the public sewer (in the few cases in which this occurs, IMA is in possession for these production sites of specific authorization for industrial discharges issued by the competent Authorities and performs periodic analyses, through accredited laboratories, aimed at ascertaining the conformity of the discharge quality with respect to the limits set by current legislation). In fact, in 2022 there were no pecuniary penalties or sanctions for non-compliance with the legislation.

The Group's objective is to progressively make its water consumption more efficient, to be achieved through water management initiatives and the purchase of machinery considered efficient in managing the resource, aimed at reducing waste to a minimum. In fact, the Group has implemented a rainwater collection system at the IMA S.p.A. site in Castel San Pietro Terme (Italy), which aims to capture the resource for later reuse in daily operations.

In general, IMA recognizes the importance of water as a resource for the planet and, as part of the sustainability of the impacts deriving from its production processes, implements a management system for this resource aimed at monitoring consumption (in order to avoid and /or minimize losses due to disruptions along the supply chain) and avoid waste (implementing, as part of the tests conducted on the automatic machines, whenever possible, systems capable of allowing the reuse of water within the plants and not continuously discharged).

Finally, the Group is evaluating the mapping of water stress in the areas most at risk in terms of drought and difficulty in finding the resource, with the aim of identifying the sites most exposed to these risks with potential negative consequences.

	2020	2021	2022
TOTAL WATER WITHDRAWN ML (Megaliters)	-	-	289.32

LOCAL SUSTAINABILITY: IMA IN SUPPORT OF COMMUNITIES

1,951,220 €

SPONSORSHIPS AND
DONATIONS TO
THIRD PARTIES



IMA IS A MEMBER OF



55
TRADE
ASSOCIATIONS

22 PROJECTS

FOR SOCIAL
ACTIVITIES
AND THE
EMPLOYEES



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



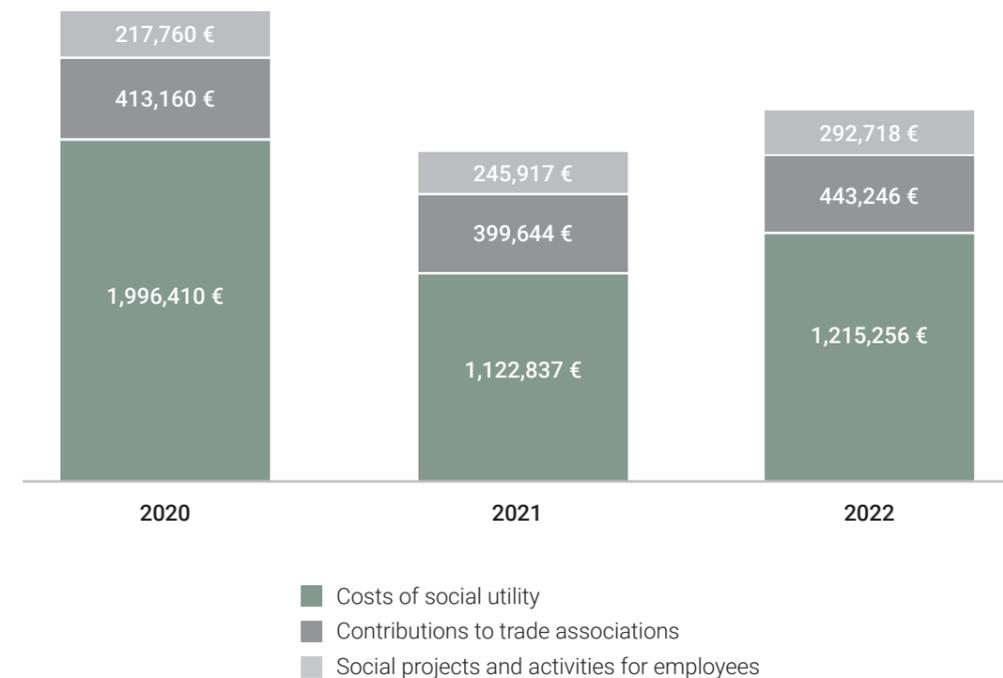
On the continents where IMA has production sites and plants, the companies of the Group are committed to contributing to activities in support of local associations and entities. During 2022, IMA companies around the world supported projects and initiatives in various fields, including:

-  **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 2022, the IMA Group's companies supported numerous **social, cultural, training and sports initiatives**, providing contributions and donations for a total sum of **1,951,220 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 the Group to join representative or industry associations.



The global impact of the pandemic still has repercussions at an economic, social, historical, institutional and scientific level. The choices made by the Chairmanship of IMA and the various Group companies with regard to support for the community also took into account the emergency following the war in Ukraine and, more generally, issues related to health and the protection of people. In fact, in 2022 the war in Ukraine brought economic repercussions linked to the international situation which put many families, already penalized by the loss of work and increases in the cost of living, in further difficulty.

Malpighi Schools - Bologna

IMA supports the project **"School path for Ukrainian students enrolled in the Malpighi Schools"**. The reception of the children of refugees from Ukraine has required the Malpighi Schools and its teachers to activate multiple inclusive teaching methods to allow new students to follow lessons in the classroom. IMA's contribution to this project aims to allow these students to continue attending middle school and high school in the 2022/23 school year.

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

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

During 2022, 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.

In terms of broader social initiatives, IMA has been supporting **"Together for Families" by Antoniano Onlus, Doctors Without Borders and the Santa Chiara Foundation** for several years.

Antoniano Onlus - Aid to families in need

For several years, IMA has been contributing to the **"Together for Families"** project dedicated to welcoming and supporting people in difficulty. From the results of the **Antoniano Onlus** analysis, there is a constant increase in the number of families who resort to the aid of the network of Franciscan canteens in Italy. During 2022 Antoniano Onlus welcomed 115 families (mothers, fathers, minors); among these, the number of minors has increased compared to the previous year. The process of social protection, integration and autonomy provides for **food support** (daytime canteen, Monday evening canteen, food parcels, shopping vouchers, childhood and personal hygiene products); **economic contributions** for payment of rent, utilities, health expenses, administrative costs for documentation and document release; **delivery of clean clothing**; support for administrative and legal procedures, **training workshops** (Italian and English language teaching, CV preparation, homework help), assistance for **job reintegration**.

Fondazione Santa Chiara

The initiatives of the **Santa Chiara Foundation** are aimed at people with intellectual disabilities, with particular attention to those without a nucleus or adequate family support, promoting their potential through the creation of job opportunities and social inclusion. IMA's contribution is aimed at the construction of the new Centre named after Aldina Balboni for people with disabilities which will be built within the Villa Pallavicini area in Bologna. In particular, a social-rehabilitation day centre and a residential facility will be built. With these new realities, there will be new opportunities for integration for people with disabilities.

Doctors Without Borders - Lebanon, to help people fleeing conflicts

MSF (Médecins Sans Frontières - Doctors Without Borders) has been present in Lebanon for over 40 years with important medical and health activities. Since 2013, MSF has been providing medical assistance to **refugee populations living in Shatila, Sabra and Burj el Barajne** in the southern suburbs of **Beirut**. The activities of the health centres, mainly intended for Syrian refugees, the latest arrivals and the most vulnerable, are accessible to all residents of the camp. Primary health care, including maternal and child health, chronic diseases and mental health services are at the heart of MSF's interventions.

The goal is to continue to ensure timely and free access to free and quality basic health care for mothers and children through maternal and child medicine interventions, pre- and post-natal paediatric and gynaecological visits, home assistance and paediatric first aid within the **Birth Centre**, together with a vaccination program for newborns and children who have just arrived at the refugee camp.

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. It also promotes and supports projects and programs with **social, educational and cultural purposes**.

Asvis - Alleanza Italiana per lo Sviluppo Sostenibile

Asvis - Italian Alliance for Sustainable Development was born in 2016 to raise awareness of the importance of the 2030 Agenda for sustainable development and to mobilize in order to achieve the Sustainable Development Goals. IMA participated in the Sustainable Development Festival which took place on 12 October 2022 in Rome. The event entitled "The ecological transition: challenges and opportunities in Italy and in the world" addressed, among other things, the issue of youth employment which has always been central to Goal 8 of the 2030 Agenda. Alberto Vacchi, President and Chief Executive Officer of IMA, spoke in the panel "Challenges and opportunities for youth employment".

Foundation for World Wide Cooperation

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.

Furthermore, with respect to its commitment to the training and education of young people, IMA has maintained its support for the University of Bologna through the support of a master's degree and the funding of three research doctorate scholarships for the academic year 2022/23.

Masters in Journalism of the University of Bologna

IMA has been supporting the Masters in Journalism of the University of Bologna for some years and renewed its commitment in 2022. It is a two-year master's program that starts in October. IMA's contribution is both economic and educational. The Master stands out within the University and in the territory as an institution up to the difficult task of training competent and responsible future journalists.

Scholarships in favour of the Alma Mater Studiorum - University of Bologna

*In response to the innovation needs of companies, IMA confirmed for 2022 the funding of 3 scholarships for the 2022/23 academic year in favour of the **University of Bologna**.*

As part of the Ph.D. course in Mechanics and Advanced Engineering Sciences, a scholarship is dedicated to carrying out research activities on the topic:

- **"Intelligent systems for innovation in the automatic machinery industry".**

Within the Ph.D. course in Civil, Chemical, Environmental and Materials Engineering, there are two scholarships funded by IMA:

- **"Evaluation of the overall environmental sustainability of products and processes in the automatic machinery industry" and**
- **"Determination of microplastics in food matrices, also in relation to the influence of the packaging process".**

Finally, in the **sports** arena, IMA supports the Bologna Football Club 1909, affiliated to the Lega Nazionale Professionisti Serie A, and various sports associations, including Virtus Pallacanestro Bologna and other recreational and non-recreational associations. The Group also promotes charitable sports initiatives, such as **Race for the Cure**, in which company employees participate voluntarily.

Race for the Cure 2022

*IMA has been participating for years in the **Race for the Cure** event with the **IMA for the Race** team, which has seen an increasingly large participation in recent editions. The non-competitive run-walk took place on 18 September 2022 in Bologna. IMA employees, but also relatives and friends, participated by paying a fee, thus contributing to the cause of the association that deals with the prevention, diagnosis, treatment and assistance for breast cancer.*

The support and involvement of communities by IMA companies around the world

During 2022, as in previous years, the companies belonging to the Group around the world also offered their economic contribution to projects for the territories and local communities in which they operate.

- **Erca S.A.** in France is part of the foundation *Territorial Foundation of Falaise* in Normandy, aimed at evaluating and implementing solidarity projects relating to humanitarian causes, promotion of fair opportunities, protection of social and cultural assets and initiatives in the environmental and solidarity fields;
- **Benhil GmbH** has donated to an orphanage in southern Germany and continued its support to several local associations for people with disabilities and handicaps;
- **IMA North America Inc.** has made donations and collected materials, driven by some suggestions received from its employees, to support families and people in difficulty during the Christmas period, contributing to the delivery of gifts, household goods and economic contributions to the community of Leominster in Massachusetts;
- **IMA Life North America Inc.** made donations to the families of the victims of the shooting that took place in Buffalo during the month of May 2022;
- **IMAUTOMATICHE do Brasil Industria e Comercio de Maquinas Ltda** has, also for this year, maintained its support through donations to the Hospital do GRAACC of San Paolo, a hospital specialized in the treatment of childhood tumours;
- **IMA PG India Pvt. Ltd.** continued its support activity to various local associations in the Mumbai area focusing on cancer research, through the *Tata Memorial Hospital and Zilika Foundation*; and the education of children, young boys and women from disadvantaged backgrounds through various associations, including the *Vinimay Trust and Matrumandir Devrukh*;
- **Intecma**, in Spain, collaborates, both through donations and through volunteer work, with the *Sant Joan de Déu* hospital in Barcelona, specializing in treatment and research on childhood cancer;
- **IMA Automation USA** has made donations to three different associations (*Paws Humane Society* located in Georgia, *Rock River Valley Pantry* and *Rockford Rescue Mission* in Illinois) selected directly by employees, through a survey aimed at identifying the causes deemed most important for the personnel of the organization. In particular, the donations concerned initiatives to support homeless people, rescue stray animals and provide food donations to the most needy.

IMA in the world supporting education

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

- **Hassia Verpackungsmaschinen GmbH** in Germany has entered into a cooperation agreement with two technical institutes located in the north-west of the country near Frankfurt, the *Staatliche Technikaakademie Weilburg* and *Berufsschule Butzbach Technikerschule*, for the support and elaboration of theses on projects in favour of enrolled students;
- **IMA Mai SAU**, in Argentina, continued its collaboration with the Faculty of Architecture, Urban Planning and Industrial Design of the *Universidad Nacional de Mar de la Plata* for the launch of a six-month work 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, the company offered students of technical secondary schools the possibility to carry out activities in alternation between school and work to get in touch with the industrial processes and the working world, thus favouring a complete and accessible education;
- **IMA PG India Pvt. Ltd.** has made donations to the *Relief Foundation*, known for its Montessori method in approaching children's education;
- **Thomas LLC**, in the United States, in line with what has been done in recent years, has provided its contribution to initiatives aimed at high school students interested in manufacturing processes, once again promoting *Manufacturing Day 2022* this year.

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)
- Fondazione Filiera Italia
- 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
- AAPS - The Association of American Physicians and Surgeons
- AiChe - The Global Home of Chemical Engineers
- ASME - The American Society of Mechanical Engineers
- AICPA - American Institute of Certified Public Accountants
- MSCPA - Mississippi society of Certified Public Accountants
- Northland Workforce Training Center Industry Sponsorship Program

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 Assoziation
- MERCURIO German-Italian Business Organisation
- Industrial and Patronal Association
- Chamber of Industry of Neuchâtel
- AITI - Industrial Association for companies based in Canton Ticino

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

IMA's 11th annual sustainability report

This document, the eleventh consecutive prepared and published by IMA annually, constitutes the Sustainability Report, drawn up on a voluntary basis in 2022. 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 2022. Comparisons with previous years (2021 and 2020) are also provided.

No *restatements* were made in the reference period.

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 2021.

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 validate 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 2022 Defra database (UK Department for Environment, Food and Rural Affairs).

The emission factors used for the calculation of CO₂ emissions reported in the Sustainability Report are as follows:

- Direct emissions (scope 1): emission factors taken from the 2022 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 2021. 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

The 2022 Sustainability Report was approved by the Board of Directors of IMA S.p.A. on 15 March 2023.

Reporting scope

2022 Sustainability Report includes the data of IMA and its subsidiaries consolidated line by line, grouped by macro geographical regions:

Scope of sustainability report 2022			
Italy	EU	Americas	Asia
<ul style="list-style-type: none"> • I.M.A. Industria Macchine Automatiche S.p.A.* • Alphamac S.r.l.* • ATOP S.p.A.* • Ciemme S.r.l.* • Claren Cutting Service S.r.l.* • CO.MA.DI.S. S.p.A.* • Digidoc S.r.l.Eurosicma - Costruzioni Macchine Automatiche S.p.A.* • FASP S.r.l.*Ilapak Italia S.p.A.* • Packaging Manufacturing Industry S.r.l. • Perfect Pack S.r.l.* • Petroncini Impianti S.p.A.* • Pharmasiena Service S.r.l.* • Record S.p.A.* • Società del Sole S.r.l. • Spares & More S.r.l.* • Spreafico Automation S.r.l.* • Teknoweb Converting S.r.l.*Tissue Machinery Company S.p.A.* 	<ul style="list-style-type: none"> • Benhil GmbH* • CDE-Packaging GmbH* • Erca S.A.S.* • GASTI Verpackungsmaschinen GmbH* • Hassia Verpackungsmaschinen GmbH* • Ilapak France SA • Ilapak International SA* • Ilapak Ltd. • Ilapak SNG OOO • Ilapak Sp. Z.o.o. • Ilapak Verpackungsmaschinen GmbH* • IMA Dairy & Food Holding GmbH • IMA Dairy and Food Russia OOO • IMA Automation Switzerland SA.* • IMA Dairy & Food Spain and Portugal S.A. • IMA Dairy & Food UK Ltd. • IMA Est GmbH • IMA France E.u.r.l. • IMA Germany GmbH • IMA Iberica Processing and Packaging S.L. • IMA Life the Netherlands B.V. • IMA Swiftpack Ltd.* • IMA UK Ltd. • INTECMA S.A.* • OOO Ima Industries 	<ul style="list-style-type: none"> • Delta Systems & Automation Llc* • Ilapak Inc. • IMA Automation USA Inc.* • IMA Dairy & Food USA Inc. • IMA Life North America, Inc.* • IMA MAI S.A.U.* • IMA North America Inc.* • IMAUTOMATICHE do Brasil Industria e Comercio de Maquinas Ltda • Packaging System Holdings Inc. • Tecmar S.A.*Thomas Llc* • TMC do BRASIL Industria de Maquinarios e Servicos Ltda • TMC NORTH AMERICA Inc. • Valley Tissue Packaging Inc.* 	<ul style="list-style-type: none"> • ATOP (Shanghai) Electrical Equipment Co. Ltd • Ilapak Israel Ltd. • IMA Automation Malaysia Sdn. Bhd.* • IMA Dairy & Food Asia Pacific Sdn Bhd • IMAFuda (Shanghai) Packaging Machinery Co. Ltd. • IMA Life (Beijing) Pharmaceutical Systems Co. Ltd.* • IMA Life (Shanghai) Pharmaceutical Machinery Co. Ltd.* • IMA Life Japan KK • IMA Pacific Co. Ltd. • IMA Packaging & Processing Equipment (Beijing) Co. Ltd. • IMA Packaging Technology India Pvt. Ltd. • IMA-PG India Pvt. Ltd.* • Tianjin IMA Machinery Co. Ltd.

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.

Methodological note

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

GRI 207-4 scope with reference to 2020 data			
Italy	EU	Americas	Asia
<ul style="list-style-type: none"> I.M.A. Industria Macchine Automatiche S.p.A. Alphamac S.r.l. Asset Management Service S.r.l. ATOP S.p.A. Ciemme S.r.l. Claren Cutting Service S.r.l. CMRE S.r.l. CO.MA.DI.S. S.p.A. CORAZZA S.p.A. Digidoc S.r.l. Eurosicma - Costruzioni Macchine Automatiche S.p.A. Eurotekna S.r.l. Ilapak Italia S.p.A. IMA Bidco S.p.A. Luna Investment S.r.l. Packaging Manufacturing Industry S.r.l. Perfect Pack S.r.l. Petroncini Impianti S.p.A. Pharmasiena Service S.r.l. Record S.p.A. Società del Sole S.r.l. SO.FI.M.A. Società Finanziaria Macchine Automatiche S.p.A. SOFIMA Holding S.p.A. SOFIMA PIK S.p.A. Spares & More S.r.l. Spreafico Automation S.r.l. Teknoweb Converting S.r.l. Telerobot S.p.A. Tissue Machinery Company S.p.A. Transworld Packaging Holding S.p.A. 	<p>AUSTRIA</p> <ul style="list-style-type: none"> IMA Est GmbH²⁶ <p>FRANCE</p> <ul style="list-style-type: none"> Ilapak France SA IMA France E.u.r.l. <p>GERMANY</p> <ul style="list-style-type: none"> Benhil GmbH Ilapak Verpackungs-maschinen GmbH IMA Germany GmbH <p>NETHERLANDS</p> <ul style="list-style-type: none"> IMA Life The Netherlands B.V. <p>POLAND</p> <ul style="list-style-type: none"> Ilapak Sp. Z.o.o. <p>RUSSIA</p> <ul style="list-style-type: none"> Ilapak SNG OOO OOO Ima Industries <p>SPAIN</p> <ul style="list-style-type: none"> IMA Iberica Processing and Packaging S.L. <p>SWITZERLAND</p> <ul style="list-style-type: none"> Ilapak International SA IMA Automation Switzerland SA. <p>UK</p> <ul style="list-style-type: none"> Ilapak Ltd. IMA Swiftpack Ltd. IMA UK Ltd. 	<p>ARGENTINA</p> <ul style="list-style-type: none"> IMA MAI S.A. Tecmar S.A. <p>BRAZIL</p> <ul style="list-style-type: none"> Imautomatiche do Brasil Industria e Comercio de Maquinas Ltda TMC do BRASIL Industria de Maquinarios e Servicos Ltda ILAPAK Do Brasil Maquinas De Embalagem LTDA. (in liquidation) <p>USA</p> <ul style="list-style-type: none"> Delta Systems & Automation Llc Ilapak Inc. IMA Automation USA Inc. IMA Life North America, Inc. IMA North America Inc. Packaging Systems Holdings Inc. Tekno NA Inc. Teknoweb N.A. Llc TMC North America Inc. Valley Tissue Packaging Inc. 	<p>CHINA</p> <ul style="list-style-type: none"> ATOP (Shanghai) Electrical Equipment Co. Ltd Ilapak (Beijing) Packaging Machinery Co. Ltd. IMA Fuda (Shanghai) Packaging Machinery Co. Ltd. IMA Life (Beijing) Pharmaceutical Systems Co. Ltd. IMA Life (Shanghai) Pharmaceutical Machinery Co. Ltd. IMA Packaging & Processing Equipment (Beijing) Co. Ltd. Petroncini International Trading (Shanghai) Co. Ltd. Tianjin IMA Machinery Co. Ltd. <p>INDIA</p> <ul style="list-style-type: none"> IMA Packaging Technology India Pvt. Ltd. IMA-PG India Pvt. Ltd. <p>ISRAEL</p> <ul style="list-style-type: none"> Ilapak Israel Ltd. <p>JAPAN</p> <ul style="list-style-type: none"> IMA Life Japan KK <p>MALAYSIA</p> <ul style="list-style-type: none"> IMA Automation Malaysia Sdn. Bhd. <p>THAILAND</p> <ul style="list-style-type: none"> IMA Pacific Co. Ltd.

²⁵ 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 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"> I.M.A. Industria Macchine Automatiche S.p.A. Alphamac S.r.l. Asset Management Service S.r.l. ATOP S.p.A. Ciemme S.r.l. Claren Cutting Service S.r.l. CMRE S.r.l. CO.MA.DI.S. S.p.A. Digidoc S.r.l. Eurosicma - Costruzioni Macchine Automatiche S.p.A. Eurotekna S.r.l. Ilapak Italia S.p.A. Luna Investment S.r.l. Packaging Manufacturing Industry S.r.l. Perfect Pack S.r.l. Petroncini Impianti S.p.A. Pharmasiena Service S.r.l. Record S.p.A. Società del Sole S.r.l. SO.FI.M.A. Società Finanziaria Macchine Automatiche S.p.A. SOFIMA Holding S.p.A. SOFIMA PIK S.p.A. Spares & More S.r.l. Spreafico Automation S.r.l. Teknoweb Converting S.r.l. Telerobot S.p.A. Tissue Machinery Company S.p.A. Transworld Packaging Holding S.p.A. FASP S.r.l. 	<p>AUSTRIA</p> <ul style="list-style-type: none"> IMA Est GmbH²⁷ <p>FRANCE</p> <ul style="list-style-type: none"> Ilapak France SA IMA France E.u.r.l. <p>GERMANY</p> <ul style="list-style-type: none"> Benhil GmbH Ilapak Verpackung-smaschinen GmbH IMA Germany GmbH <p>NETHERLANDS</p> <ul style="list-style-type: none"> IMA Life The Netherlands B.V. <p>POLAND</p> <ul style="list-style-type: none"> Ilapak Sp. Z.o.o. <p>RUSSIA</p> <ul style="list-style-type: none"> Ilapak SNG OOO OOO Ima Industries <p>SPAIN</p> <ul style="list-style-type: none"> IMA Iberica Processing and Packaging S.L. <p>SWITZERLAND</p> <ul style="list-style-type: none"> Ilapak International SA IMA Automation Switzerland SA. <p>UK</p> <ul style="list-style-type: none"> Ilapak Ltd. IMA Swiftpack Ltd. IMA UK Ltd. 	<p>ARGENTINA</p> <ul style="list-style-type: none"> IMA Mai S.A.U. TECMAR S.A. <p>BRAZIL</p> <ul style="list-style-type: none"> Imautomatiche do Brasil Industria e Comercio de Maquinas Ltda TMC do BRASIL Industria de Maquinarios e Servicos Ltda <p>USA</p> <ul style="list-style-type: none"> Delta Systems & Automation Llc Ilapak Inc. IMA Automation USA Inc. IMA Life North America, Inc. IMA North America Inc. Packaging Systems Holdings Inc. Tekno NA Inc. TEKNOWEB N.A. Llc TMC NORTH AMERICA Inc. Valley Tissue Packaging Inc. Thomas Llc 	<p>CHINA</p> <ul style="list-style-type: none"> ATOP (Shanghai) Electrical Equipment Co. Ltd Ilapak (Beijing) Packaging Machinery Co. Ltd. IMA Fuda (Shanghai) Packaging Machinery Co. Ltd. IMA Life (Beijing) Pharmaceutical Systems Co. Ltd. IMA Life (Shanghai) Pharmaceutical Machinery Co. Ltd. IMA Packaging & Processing Equipment (Beijing) Co. Ltd. Petroncini International Trading (Shanghai) Co. Ltd. Tianjin IMA Machinery Co. Ltd. <p>INDIA</p> <ul style="list-style-type: none"> IMA Packaging Technology India Pvt. Ltd. IMA-PG India Pvt. Ltd. <p>ISRAEL</p> <ul style="list-style-type: none"> Ilapak Israel Ltd. <p>JAPAN</p> <ul style="list-style-type: none"> IMA Life Japan KK <p>MALAYSIA</p> <ul style="list-style-type: none"> IMA Automation Malaysia Sdn. Bhd. <p>THAILAND</p> <ul style="list-style-type: none"> IMA Pacific Co. Ltd.

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. The quantitative indicators not referring to any General or Topic-specific disclosure of the GRI Standards, reported on the pages indicated in the Content Index, are not subject to limited examination by EY S.p.A.

²⁶ 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 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

STATEMENT OF USE	IMA S.p.A. has prepared a report in compliance with the GRI Standards for the period from 1 January 2022 to 31 December 2022.
GRI 1 USED	GRI 1: Foundation - version 2021
APPLICABLE GRI SECTOR STANDARDS	Currently there are no GRI industry standards relevant to the activities of the IMA Group

GRI STANDARDS	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			Requirement(s) omitted	Reason	Explanation	
General Disclosures						
GRI 2: General Disclosures – 2021	2-1 Organizational details	Cover; 1.1 About us - 1.4 Governance - pp.26-28				
	2-2 Entities included in the organization's sustainability reporting	1. The IMA Group - 1.1 About us; Methodological note - pp. 14-15, 117-119				
	2-3 Reporting period, frequency and contact point	Methodological note; Contact details - pp.116				
	2-4 Restatements of information	Methodological note - pp.116				
	2-5 External assurance	Independent auditors' report - p.119				
	2-6 Activities, value chain and other business relationships	1. The IMA Group - 1.1 About us; 3. Sustainability of the supply chain: responsible sourcing and the supply chain - pp. 8-13, 62-69				
	2-7 Employees	1. The IMA Group - 1.1 About us; 4. Social sustainability: the people of IMA - 4.2 Composition and characteristics of our employees - pp. 8, 71, 76, 77, 80				



GRI STANDARDS	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			Requirement(s) omitted	Reason	Explanation	
General Disclosures						
GRI 2: General Disclosures – 2021	2-8 Workers who are not employees	4. Social sustainability: the people of IMA - 4.2 Composition and characteristics of our employees - pp.76-77				
	2-9 Governance structure and composition	1. The IMA Group - 1.4 Governance - pp.26-28				
	2-10 Nomination and selection of the highest governance body	1. The IMA Group - 1.4 Governance - p.27-28				
	2-11 Chair of the highest governance body	1. The IMA Group - 1.4 Governance - p.27-28				
	2-12 Role of the highest governance body in overseeing the management of impacts	1. The IMA Group - 1.4 Governance - p.27-28				
	2-13 Delegation of responsibility for managing impacts	1. The IMA Group - 1.4 Governance - p.27-28				
	2-14 Role of the highest governance body in sustainability reporting	1. The IMA Group - 1.4 Governance - p.27-28				
	2-15 Conflicts of interest	1. The IMA Group - 1.4 Governance - p.27-28				



GRI Content Index

GRI STANDARDS	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			Requirement(s) omitted	Reason	Explanation	
General Disclosures						
GRI 2: General Disclosures – 2021	2-16 Communication of critical concerns	1. The IMA Group - 1.4 Governance - p.27-28				
	2-17 Collective knowledge of the highest governance body	1. The IMA Group - 1.4 Governance - p.27-28				
	2-18 Evaluation of the performance of the highest governance body	1. The IMA Group - 1.4 Governance - p.27-28				
	2-19 Remuneration policies	4. Social sustainability: the people of IMA - 4.1 Our global policy for responsible management of people - pp.72-74				
	2-20 Process to determine remuneration	4. Social sustainability: the people of IMA - 4.1 Our global policy for responsible management of people - pp.72-74				
	2-21 Annual total compensation ratio	4. Social sustainability: the people of IMA - 4.1 Our global policy for responsible management of people - p. 74				
	2-22 Statement on sustainable development strategy	Letter from the Chairman - p.5				



GRI STANDARDS	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			Requirement(s) omitted	Reason	Explanation	
General Disclosures						
GRI 2: General Disclosures – 2021	2-23 Policy commitments	1. The IMA Group - 1.2 Our values and our philosophy nostri valori e la nostra 1. The IMA Group - 1.6 Our sustainability strategy; 1. The IMA Group - 1.8 Analysis of non-financial risks and management methods; 5. Environmental sustainability: the management of environmental impacts - pp.16-17, 32-33, 38-41, 94				
	2-24 Embedding policy commitments	1.1 About us - 1.5 Our commitment to business integrity - pp. 28-31				
	2-25 Processes to remediate negative impacts	1.1 About us - 1.5 Our commitment to business integrity - pp. 28-31				
	2-26 Mechanisms for seeking advice and raising concerns	1.1 About us - 1.5 Our commitment to business integrity - pp. 29-30				
	2-27 Compliance with laws and regulations	There were no cases of non-compliance with laws and regulations in the environmental, social and economic area during 2022.				



GRI STANDARDS	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			Requirement(s) omitted	Reason	Explanation	
General Disclosures						
GRI 2: General Disclosures - 2021	2-28 Membership associations	6. Local sustainability: IMA in support of communities – 6.2 Relations with trade and sector associations - pp.114-115				
	2-29 Approach to stakeholder engagement	1. The IMA Group - 1.9 Listening to our stakeholders - pp. 42-43				
	2-30 Collective bargaining agreements	4. Social sustainability: the people of IMA - 4.2 Composition and characteristics of our employees - p.80				
Material Topics						
GRI 3: Material Topics - 2021	3-1 Process to determine material topics	1. The IMA Group - 1.7 Materiality analysis; Methodological note - pp. 34-37, 116-119				
	3-2 List of material topics	1. The IMA Group - 1.7 Materiality analysis; Methodological note - pp. 34-37, 116-119				



GRI STANDARDS	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			Requirement(s) omitted	Reason	Explanation	
Economic performance						
GRI 3: Material Topics - 2021	3-3 Management of material topics	1. The IMA Group - 1.3 Economic performance: value creation for stakeholder - pp. 34-37, 17-19				
GRI 201: Economic performance - 2016	201-1 Direct economic value generated and distributed	1. The IMA Group - 1.3 Economic performance: value creation for stakeholders - pp. 17-19				
GRI 3: Material Topics - 2021 version	3-3 Management of material topics	3. Sustainability of the supply chain: responsible sourcing and the supply chain - pp. 34-37, 62-69				
GRI 204: Procurement practices - 2016	204-1 Proportion of spending on local suppliers	3. Sustainability of the Supply chain: responsible sourcing and the supply chain mento responsabile - pp. 68-69				
Anti corruption						
GRI 3: Material Topics - 2021	3-3 Management of material topics	1. The IMA Group - 1.5 Our commitment to business integrity - pp. 34-37, 28-31				
GRI 205: Anti-corruption -2016	205-3 Confirmed incidents of corruption and actions taken	1. The IMA Group - 1.5 Our commitment to business integrity - p.28				



GRI Content Index

GRI STANDARDS	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			Requirement(s) omitted	Reason	Explanation	
Tax						
GRI 3: Material Topics - 2021	3-3 Management of material topics	1. The IMA Group 1.3 Economic performance: value creation for stakeholders - pp. 34-37, 20-25				
GRI 207: Taxes 2019	207-1 Approach to tax	1. The IMA Group 1.3 Economic performance: value creation for stakeholders - pp. 20-21				
	207-2 Tax governance, control, and risk management	1. The IMA Group - 1.3 Economic performance: value creation for stakeholders - pp. 20-21				
	207-3 Stakeholder engagement and management of concerns related to tax	1. The IMA Group - 1.3 Economic performance: value creation for stakeholder - pp. 20-21				
	207-4 Country-by-country reporting	1. The IMA Group - 1.3 Economic performance: value creation for stakeholders - pp. 20-25				
Energy						
GRI 3: Material Topics - 2021	3-3 Management of material topics	5. Environmental sustainability – 5.3 Energy management - pp. 34-37, 94-99				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	5. Environmental sustainability – 5.3 Energy management - pp. 97-99				



GRI STANDARDS	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			Requirement(s) omitted	Reason	Explanation	
Emissions						
GRI 3: Material Topics - 2021	3-3 Management of material topics	5. Environmental sustainability – 5.4 Carbon footprint and greenhouse gas emissions - pp. 34-37, 99-101				
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	5. Environmental sustainability – 5.4 Carbon footprint and greenhouse gas emissions				
	305-2 Energy indirect (Scope 2) GHG emissions	5. Environmental sustainability – 5.4 Carbon footprint and greenhouse gas emissions - pp. 99-101				
Effluents and Waste						
GRI 3: Material Topics - 2021	3-3 Management of material topics	5. Environmental sustainability – 5.5 Waste management - pp. 34-37, 102-103				
GRI 306: Waste 2020	306-3 Waste generated	5. Environmental sustainability – 5.5 Waste management - pp. 102-103				
	306-4 Waste diverted from disposal	5. Environmental sustainability – 5.5 Waste management - pp. 102-103				
	306-5 Waste directed to disposal	5. Environmental sustainability – 5.5 Waste management - pp. 102-103				



GRI Content Index

GRI STANDARDS	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			Requirement(s) omitted	Reason	Explanation	
Employment						
GRI 3: Material Topics - 2021	3-3 Management of material topics	4. Social sustainability: the people of IMA - 4.2 Composition and characteristics of our employees - pp. 34-37, 78-79				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	4. Social sustainability: the people of IMA - 4.2 Composition and characteristics of our employees - pp. 78-79				
Occupational health and safety						
GRI 3: Material Topics - 2021	3-3 Management of material topics	4. Social sustainability: the people of IMA - 4.3 Health and safety - pp. 34-37, 81-87				
GRI 403: Occupational health and safety -2018	403-1 Occupational health and safety management system	4. Social sustainability: the people of IMA - 4.3 Health and safety - pp. 81-87				
	403-2 Hazard identification, risk assessment, and incident investigation	4. Social sustainability: the people of IMA - 4.3 Health and safety - pp. 81-87				
	403-3 Occupational health services	4. Social sustainability: the people of IMA - 4.3 Health and safety - pp. 81-87				



GRI STANDARDS	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			Requirement(s) omitted	Reason	Explanation	
GRI 403: Occupational health and safety -2018	403-4 Worker participation, consultation, and communication on occupational health and safety	4. Social sustainability: the people of IMA - 4.3 Health and safety - pp. 81-87				
	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 - pp. 81-87				
	403-6 Promotion of worker health	4. Social sustainability: the people of IMA - 4.3 Health and safety - pp. 81-87				
	403-7 Prevention and mitigation of occupational health and safety directly linked by business relationships	4. Social sustainability: the people of IMA - 4.3 Health and safety - pp. 81-87				
	403-9 Work-related injuries	4. Social sustainability: the people of IMA - 4.3 Health and safety - pp. 85-87				
	403-10 Work-related ill health	4. Social sustainability: the people of IMA - 4.3 Health and safety - pp. 85-87				



GRI STANDARDS	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			Requirement(s) omitted	Reason	Explanation	
Training and Education						
GRI 3: Material Topics - 2021	3-3 Management of material topics	4. Social sustainability: the people of IMA - 4.4 Personnel training and development - pp. 34-37, 72-74, 88-89				
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	4. Social sustainability: the people of IMA - 4.4 Personnel training and development - pp. 88-89				
Diversity and Equal Opportunity						
GRI 3: Material Topics - 2021	3-3 Management of material topics	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 opportunity - pp. 34-37, 72-74, 90-91				
GRI 405: Diversity and equal opportunity 2016	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 opportunity - pp. 74-75, 90-91				



GRI STANDARDS	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			Requirement(s) omitted	Reason	Explanation	
Non-discrimination						
GRI 3: Material Topics - 2021	3-3 Management of material topics	4. Social sustainability: the people of IMA - 4.5 Equal opportunity - pp. 34-37, 90-91				
GRI 406: Non-discrimination 2016	3-3 Management of material topics	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; nostra politica globale 4.5 Equal opportunity - pp. 90-91				
	406-1 Incidents of discrimination and corrective actions taken	There were no episodes of discrimination during 2022.				
Customer Health and Safety						
GRI 3: Material Topics - 2021	3-3 Management of material topics	1. The IMA Group Analysis of non-financial risks and management methods; 2. Machine design for End Users - 2.1 Our global policy for quality and product responsibility - pp. 34-37, 47-48				
GRI 416: Consumer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	2. The design of machines for End users – 2.1 Our global policy for quality and product responsibility - pp. 47-48				



GRI Content Index

GRI STANDARDS	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			Requirement(s) omitted	Reason	Explanation	
Customer Privacy						
GRI 3: Material Topics - 2021	3-3 Management of material topics	2. The design of machines for End users – 2.3 End user satisfaction - PP. 34-37, 58				
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	There were no complaints about customer privacy breach or data loss during 2022.				
Non-GRI material topics						
Collaboration with schools and universities and support for projects in the area						
GRI 3: Material Topics - 2021	3-3 Management of material topics	1. The IMA Group - 1.7 Materiality analysis; 1.8 Analysis of non-financial risks and management methods; 6. Local sustainability: IMA in support of communities - pp. 34-37, 108-115				
Collaboration with schools and universities and support for projects in the area	Initiatives in support of technical and higher education and in support of the community	6. Local sustainability: IMA in support of communities - pp. 108-115				



GRI STANDARDS	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			Requirement(s) omitted	Reason	Explanation	
Continuing innovation and product sustainability						
GRI 3: Material Topics - 2021	3-3 Management of material topics	1. The IMA Group – 1.7 Materiality analysis; 1. The IMA Group - 1.8 Analysis of non-financial risks and management methods; 2. The design of machines for End users - pp. 34-37, 38-41, 46-48				
Continuing innovation and product sustainability	Number of patents filed and granted	2. The design of machines for End users – 2.2 Research, Development and Innovation - pp. 46-48, 49-54				
Customer Privacy						
GRI 3: Material Topics - 2021	3-3 Management of material topics	1. The IMA Group - 1.7 Materiality analysis; 1.8 Analysis of non-financial risks and management methods; 1.9 Listening to our stakeholders; 2. The design of machines for End users - pp. 34-37, 38-41, 42-43, 46-48, 55-58				
Customer satisfaction	Average assessment of the satisfaction questionnaires	2. The design of machines for End users – 2.3 End user satisfaction - pp. 55-58				



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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 31st, 2022.

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,

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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.

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 methods of analysis and understanding of the reference context, the identification, assessment and prioritization of actual and potential impacts and the internal validation of the process outcome;
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 personnel of I.M.A. Industria Macchine Automatiche S.p.A. and of IMA North America Inc. 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 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 evidence;
 - 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 sites of Ozzano dell'Emilia and Castel San Pietro Terme (Italy) of I.M.A. Industria Macchine Automatiche S.p.A. and the site of Leominster (United States) of IMA North America Inc. (MA) 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 evidence 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 31st, 2022 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 30th, 2023

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Signed by: Marco Mignani
(Auditor)

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



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