

2024

SUSTAINABILITY REPORT — CARBON ANNEX



20 Sustainability
24 Report —
Carbon Annex

Towards Transparency — Analysis of
the IMA Group's Carbon Footprint

Carbon Annex: Towards Transparency – Analysis of the IMA Group’s Carbon Footprint

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1.1 Purpose

Founded in 1961, I.M.A. Industria Macchine Automatiche S.p.A. (hereinafter referred to as the Parent Company, IMA S.p.A.), the operating holding company of the IMA Group (hereinafter, IMA) positions itself as a global leader in the design and manufacturing of automatic machines for the processing and packaging of pharmaceuticals, cosmetics, food, tea and coffee, while also distinguishing itself for the industrial process automation. IMA's leadership is the result of consistent investment in research and development, continuous and constructive dialogue with end-users in its fields of expertise, and its ability to internationalise, capturing new markets.

In 2024, IMA achieved consolidated revenues of **over 2.3 billion euros**, with approximately 88% generated from exports. The Group, chaired by Alberto Vacchi, employs around **7,600 people**, of whom **18% are women**, and operates in about 80 countries. Its global presence is supported by a network of 31 branches for sales and after-sales services, and 55 manufacturing sites across Europe, the Americas and Asia, as well as over 140 agencies. The Group's industrial strength is complemented by a network of highly specialized local suppliers, especially in the Emilia-Romagna region, where IMA has deep roots.

Since 2013, IMA Industria Macchine Automatiche S.p.A. (also "IMA S.p.A."), the operating holding company of the IMA Group (also "IMA" or "the Group"), has been dedicated to monitoring and reducing its Greenhouse Gas (GHG) emissions. Over the years, the Group has progressively incorporated in its accounting all the emissions deriving from its business activity, even those not directly related to it. **In 2021, the Group reported its entire carbon footprint for the first time and has continued this practice annually.**

The present report provides a transparent and comprehensive account of the Group's carbon footprint, including the definition of inventory boundaries, the emission categories considered, and the methodologies and emission factors adopted.

The report covers the period **2022 to 2024**, with a detailed focus on the 2024 reporting year (January 1st – December 31st).

CARBON ANNEX:

TOWARDS TRANSPARENCY ANALYSIS OF THE IMA GROUP'S CARBON FOOTPRINT

1.2 Methodological Note

Company and inventory Boundaries

COMPANY BOUNDARIES

To report its greenhouse gas (GHG) emissions, IMA uses a consolidated approach that aligns with its reporting objectives. Specifically, the IMA Group employs the “**control approach**,” which includes all GHG emissions from facilities where IMA has operational control. This method is consistent with the approach used in the Group’s Sustainability Report.

The GHG inventory encompasses all production sites and service facilities worldwide. In line with its continuous improvement efforts—and in response to recent acquisitions, the expansion of its organizational structure, and its commitment to the Science Based Targets initiative (SBTi)—IMA undertook a comprehensive revision of its reporting boundaries starting from the 2024 reporting year.

As a result, and to further align with international standards, the reporting boundary was recalibrated to ensure coverage of at least 95% of total emissions. This included the addition of selected commercial sites to the GHG inventory, reflecting IMA’s commitment to more transparent and comprehensive emissions accounting.

Financial entities continue to be excluded due to their negligible environmental impact and limited workforce.

As a result of these changes, absolute emissions data presented in this year’s report are not directly comparable with those of previous years.

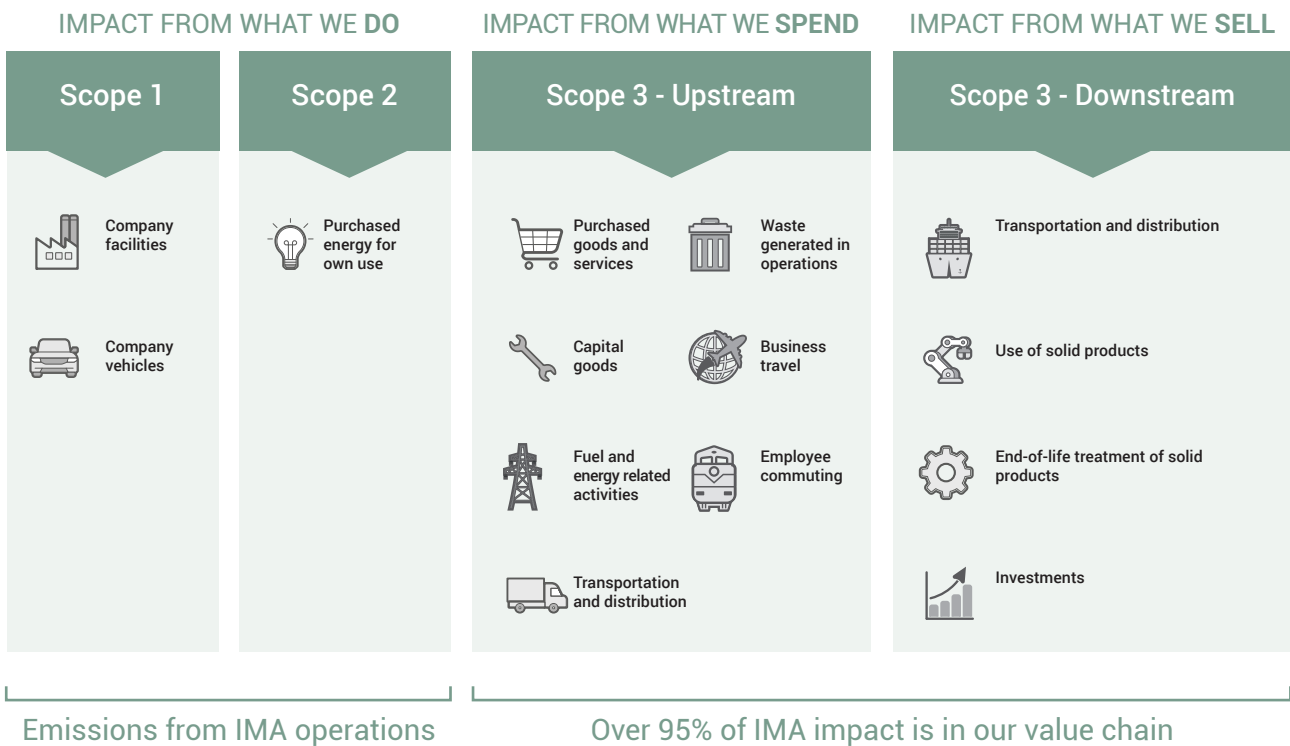


OPERATIONAL BOUNDARIES¹

With regard to operational boundaries, IMA identifies and quantifies its emissions in accordance with the GHG Protocol Corporate Accounting and Reporting Standard, focusing on major emission sources across Scope 1 (direct emissions), Scope 2 (indirect emissions from energy use), and Scope 3 (other indirect emissions). This structured and consistent approach allows the Group to monitor, assess, and manage its emissions effectively across its global operations.

ACCOUNTING FOR OUR CORPORATE CO2 EMISSION

Explaining Scope 1, 2 and 3: the majority of IMA's emissions scope 3 emissions



A comprehensive description of the methodologies, assumptions, and analyses applied to each emission category is provided in the respective sections dedicated to Scope 1, Scope 2, and Scope 3.

¹Appendix D - Industry Sectors and Scopes", which lists GHG sources and activities along the value chain by scope, For Scope 3 calculations, the process relied on two additional documents, namely the "Corporate Value Chain (Scope 3) Accounting and Reporting Standard - Supplement to the GHG Protocol Corporate Accounting and Reporting Standard" and the "Technical Guidance for Calculating Scope 3 Emissions - Supplement to the Corporate Value Chain (Scope 3) Accounting & Reporting Standard" issued by the GHG Protocol for various industry sectors.

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Data Collection and Calculation Methods

GREENHOUSE GAS REPORTING

IMA reports its GHG emissions in CO2 equivalent (CO2eq) to standardize the impact of different greenhouse gases. However, Scope 2 emissions are reported exclusively in CO2.

DATA COLLECTION AND METHODOLOGY

Data is collected from both internal and external sources that adhere to best practices for GHG inventory development. Calculations are performed following the guidelines set by the GHG Protocol.

Emission Factors

Emissions are calculated using emission factors (EFs), which estimate the amount of greenhouse gases emitted based on specific activities or processes. For example, an emission factor might estimate the kilograms of CO2 released per liter of fuel burned. By applying these factors to data on fuel use, energy consumption, and other relevant activities, we calculate the total GHG emissions.

The applied formula is the following:

$$\text{GHG Emissions} = \text{Primary Data} \times \text{Emission Factor} \times \text{GWP}$$

Where:

- GHG emissions is the quantity of GHGs (expressed in CO2, CH4 and N2O) measured in metric tons of CO2eq;
- Primary data is the activity data, which measures burned fuel (kg), (m3), (l) or (tons), energy (MJ) or (kWh), amount of refilled refrigerant gases (kg), weight of materials used in production processes (kg), weight of purchased materials (kg) or (units), distance related to logistic operations, distance travelled for employee commuting and business travels (km), weight of generated waste (kg), number of hotel nights (units), amount of money spent (USD);
- EF (Emission factor) is the quantity of GHG emissions per every unit of activity data;
- GWP is Global Warming Potential (IPCC, 5AR when DEFRA is considered, 5AR when EPA emission factors are considered or 6AR when ECOINVENT emission factors are considered).

Exceptions are clearly outlined in section 3.3.1 'Scope 3 Categories and Calculation Methods', where the various methodologies and assumptions applied are detailed.

Assurance and Verification

The document "**STATEMENT ON 2024 GHG EMISSIONS**" of the Group, from which the data reported in this annex is drawn have been subject to limited assurance performed by EY S.p.A., in accordance with the International Standard on **Assurance Engagements (ISAE) 3410** – Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board (IAASB)².

This assurance engagement was conducted to assess the reliability and accuracy of the reported emissions data, including Scope 1, Scope 2, and Scope 3 categories, and to verify the consistency of the methodologies applied with recognized international standards.

²Appendix D - I You can find evidence of the limited assurance in the document "**STATEMENT ON 2024 GHG EMISSIONS** of the Group", from which the data reported in this annex is drawn".

1.3 GHG Emissions quantities

Overview of Emissions

Understanding how emissions have evolved over time is essential to evaluating the effectiveness of our sustainability strategy. The table below offers a three-year snapshot of the Group's emissions by scope, with a particular focus on the growing weight of Scope 3.

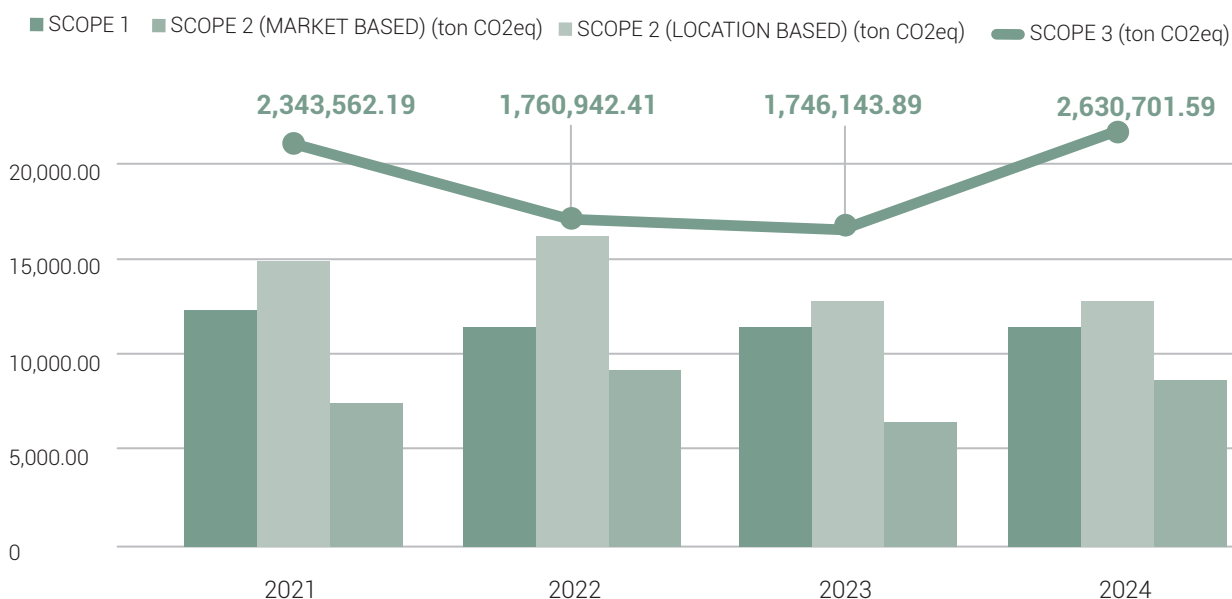
IMA Group Carbon Footprint	2022 Emissions (ton CO2eq)	2023 Emissions (ton CO2eq)	2024 Emissions (ton CO2eq)
SCOPE 1	11,363.63	11,147.77	10,729.51
SCOPE 2 (LOCATION BASED)	15,595.89	13,025.93	12,795.89
SCOPE 2 (MARKET BASED)	9,448.17	7,316.24	8,302.15
SCOPE 3	1,760,942.41	1,746,141.86	2,630,701.59
TOTAL SCOPE 1, 2 MB AND 3 *	1,781,754.20	1,764,607.90	2,649,733.30

* To calculate the total carbon footprint, we considered the Scope 2 Market Based emissions

After the partial reporting of selected Scope 3 emission categories in 2020, the 2021 inventory marked the first full accounting of all categories of Group emissions in accordance with the GHG Protocol.

Scope 3 emissions for 2021 were significantly higher than those of 2020, primarily due to the early-stage reliance on an expenditure-based calculation method. This increase is mainly attributable to a methodological change in the calculation of Category 3.11 (Use of sold products), with a minor impact also observed in Category 3.12 (End-of-life treatment of sold products).

CARBON FOOTPRINT OVERVIEW (2021–2024): SCOPE 1, 2 & 3 EMISSIONS



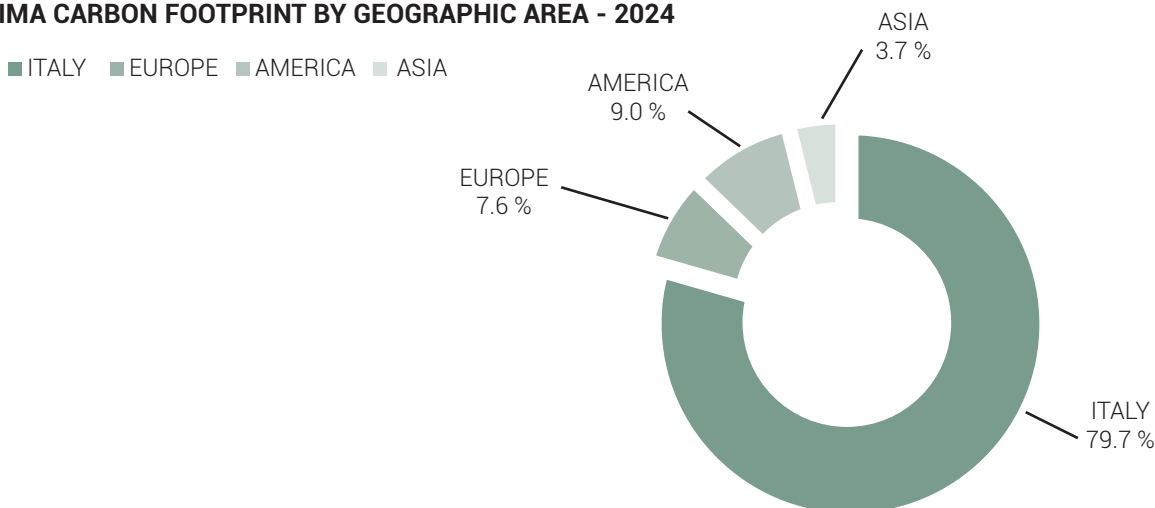
CARBON ANNEX:

TOWARDS TRANSPARENCY ANALYSIS OF THE IMA GROUP'S CARBON FOOTPRINT

GHG Emissions Profile: Upstream and Downstream Activities, Group Consolidation, and Regional Allocation

IMA is an Italian-based company with its primary operations concentrated in Italy, which is clearly reflected in its 2024 carbon footprint. The following chart illustrates the geographical distribution of emissions, highlighting the predominance of Italian operations.

IMA CARBON FOOTPRINT BY GEOGRAPHIC AREA - 2024



79.7% of the IMA Group's total emissions originate from its Italian facilities. While the company maintains a growing global presence, emissions from other European countries account for 7.6%, the Americas contribute 9.0%, and Asia represents 3.7%.

This distribution highlights IMA's strong operational base in Italy, while also reflecting its focus on international market development. As the Group continues to expand globally, managing environmental impact across different regions remains a key priority within its sustainability strategy.

The graph below provides a visual representation of the IMA Group's greenhouse gas (GHG) emissions over three consecutive years: 2022, 2023, and 2024 **across the value chain**.

Between 2022 and 2024, the IMA Group's carbon footprint remained largely dominated by Scope 3 emissions, particularly those associated with downstream activities. During this period, significant progress was made in improving data quality and expanding the Scope 3 reporting boundary—reaching coverage of approximately 95% of the Group's total emissions.

This enhancement reflects IMA's broader decarbonization objectives and its alignment with evolving stakeholder expectations and disclosure standards, including the guidance of the Science Based Targets initiative (SBTi) for setting credible climate targets.

SCOPE 3 - UPSTREAM

Upstream emissions varied over the three-year period, peaking in 2023 and returning in 2024 to levels comparable to those of 2022. At the end of 2023, the Group launched the **IMA Sustainability Program X Supplier**, a supply chain engagement initiative aimed at progressively improving the precision and reliability of upstream emissions data. This initiative aimed not only to enhance data quality but also to position the Group as a catalyst for a more responsible and sustainable supply chain. Working closely with its most strategic suppliers – both product and service providers – the **IMA Sustainability Program X Supplier** focuses on training, engaging, and encouraging suppliers to collect and share primary ESG data, particularly CO₂e emissions.

Thanks to the efforts of the Group's logistics providers and travel agencies, the program has already contributed to improve the quality of emissions data for Categories 3.4 and 3.6. It also lays the foundation for a virtuous cycle of increasing transparency, accountability, and environmental performance across the value chain, aligning with the Group's broader decarbonization and sustainability objectives through the application of updated emission factors and enhanced data verification practices.

Although the full impact of this initiative on reported emissions is not yet visible—given its recent launch and the still-limited coverage of primary data— it represents an important step in supporting the Group's decarbonization ambitions and meeting evolving disclosure expectations.

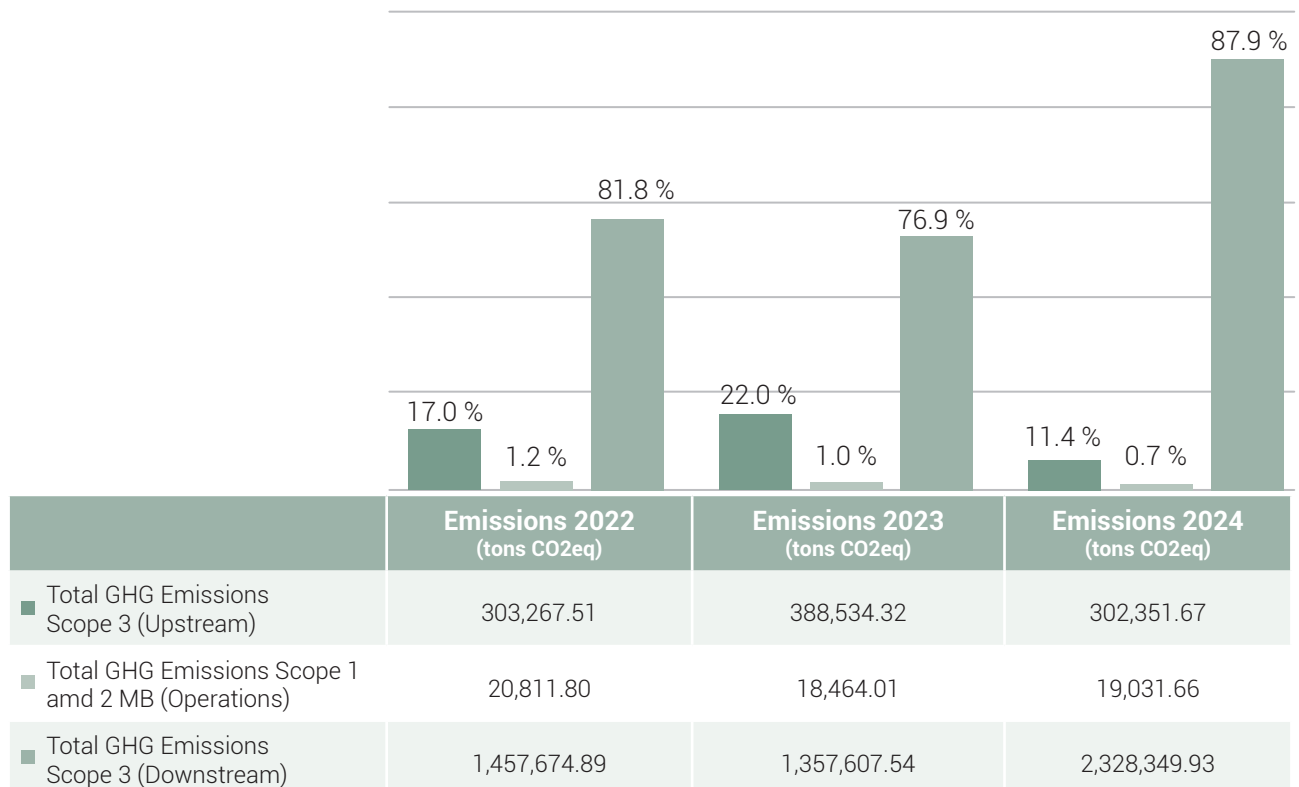
SCOPE 1 AND 2 - OPERATIONS (MARKET-BASED)

Although Scope 1 and 2 emissions represent a small share of the IMA Group's total carbon footprint—less than 1% in 2024—they are emissions that are directly connected to IMA business, and therefore a strategic and highly actionable area of the Group's commitment to a more sustainable business. This ongoing reduction reflects energy efficiency measures implemented across facilities and the strategic decision by IMA S.p.A., the parent Company, to source **100% of its electricity from certified renewable sources** (GOs) starting in 2023. This proactive approach has yielded a measurable reduction in direct emissions and reinforces the Group's leadership in decarbonizing its own operations.

SCOPE 3 - DOWNSTREAM

Downstream emissions have consistently represented the largest share of the Group's total emissions, primarily driven by the **product-use** category, which saw a notable increase in 2024. This rise is mainly attributable to a methodological refinement and improved data accuracy, which enabled a more robust and reliable calculation. This adjustment reflects IMA's commitment to voluntarily extending its Scope 3 reporting boundary to ensure coverage of approximately **95% of total emissions**, in line with the level of completeness expected from companies with significant value chain emissions and aiming to set targets aligned with the Science Based Targets initiative (SBTi).

EMISSIONS ACROSS THE IMA GROUP VALUE CHAIN - 2024

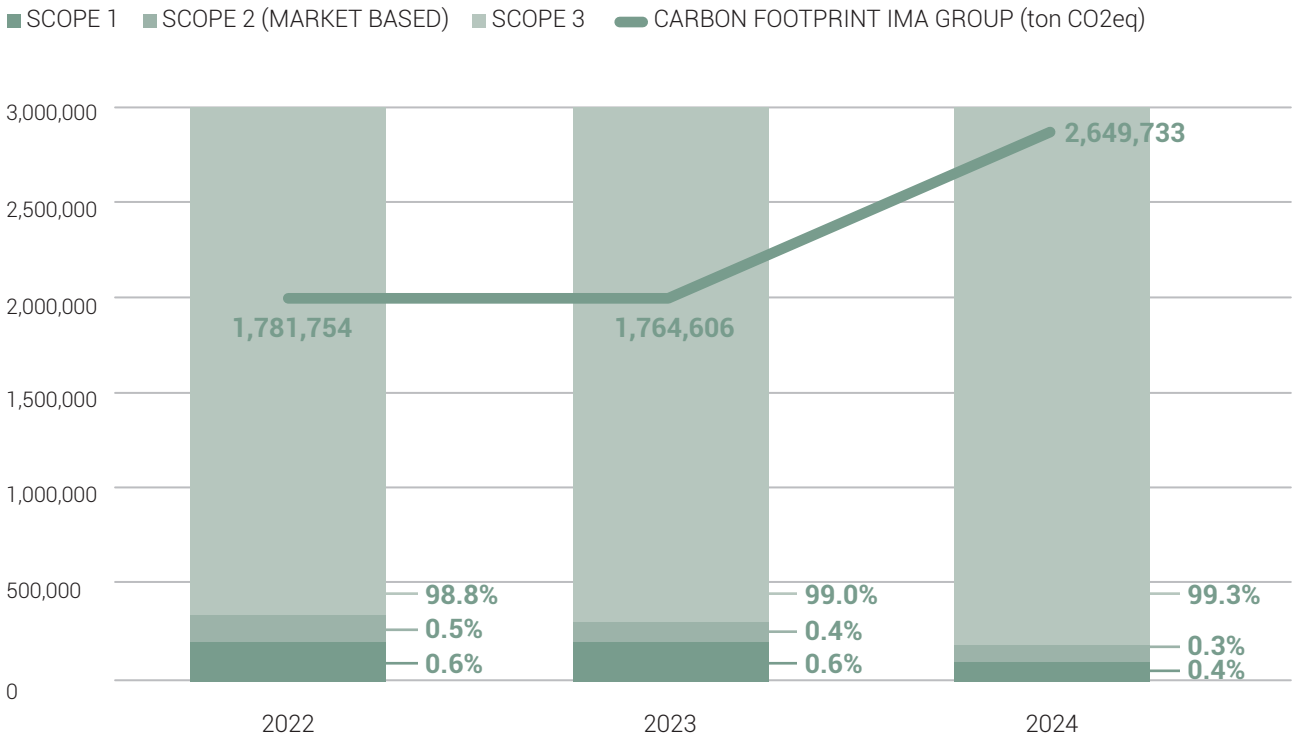


CARBON ANNEX:

TOWARDS TRANSPARENCY ANALYSIS OF THE IMA GROUP'S CARBON FOOTPRINT

The graph titled "Total GHG Emission Over Time - IMA Group" provides a visual representation of the IMA Group's greenhouse gas (GHG) emissions over three consecutive years: 2022, 2023, and 2024. It illustrates the total carbon footprint, measured in tons of CO2 equivalent (ton CO2eq), along with the contributions from different emission scopes:

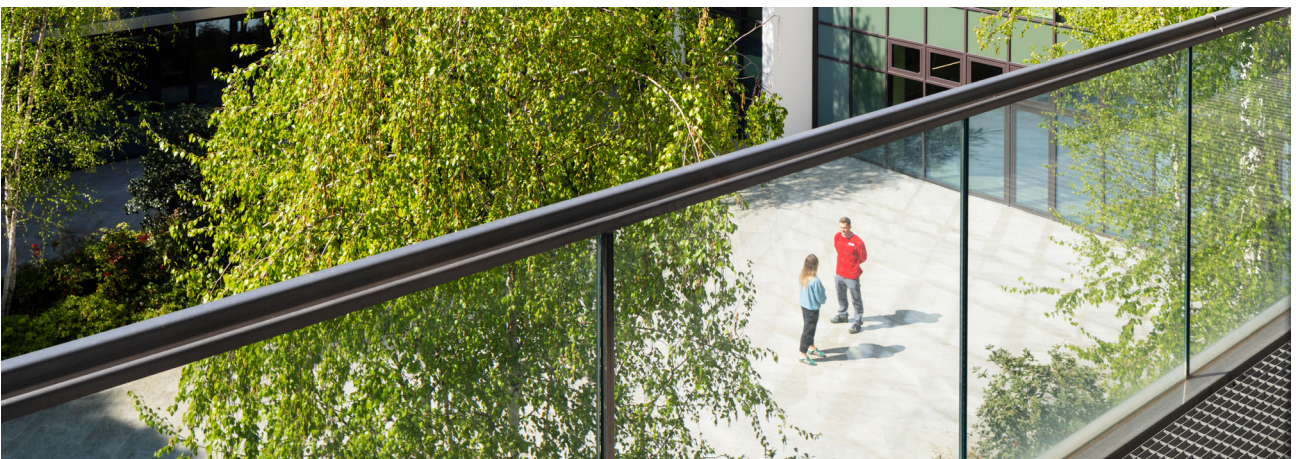
TOTAL GHG EMISSION OVER TIME - IMA GROUP



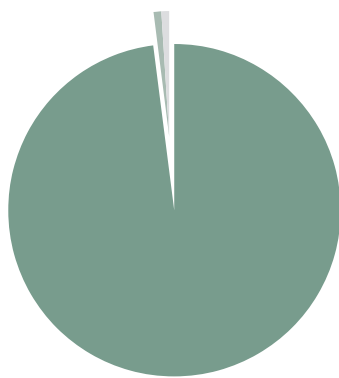
The graph titled "GHG Emissions By Scope - 2024" provides a detailed breakdown of the IMA Group's greenhouse gas emissions for the year 2024. The graph consists of two main sections:

The left side features a pie chart that shows the overall distribution of emissions by scope. This visual emphasizes the considerable impact of indirect emissions within the company's value chain.

The right side presents a bar chart, offering a more granular view of Scope 3 emissions by category. The largest contributors to Scope 3 emissions are: Category 11, Use of Sold Products (2,320,085.25 ton CO2eq) and Category 1, Purchased Goods and Services (228,011.44 ton CO2eq).



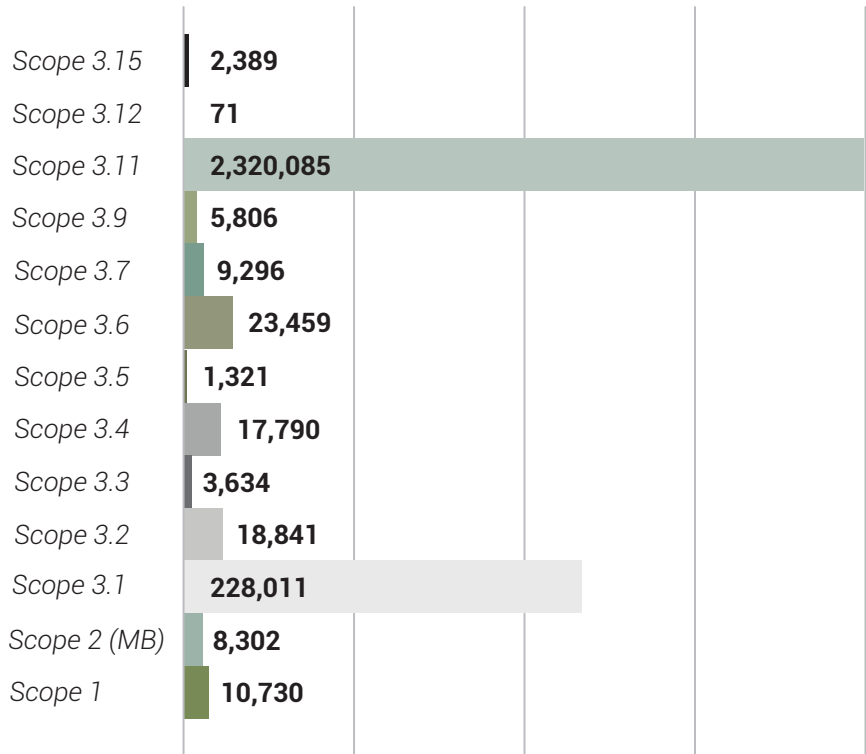
GHG EMISSIONS BY SCOPE - 2024



Scope 1
 99.3%

Scope 2 (Market Based)
 0.3%

Scope 3
 0.4%

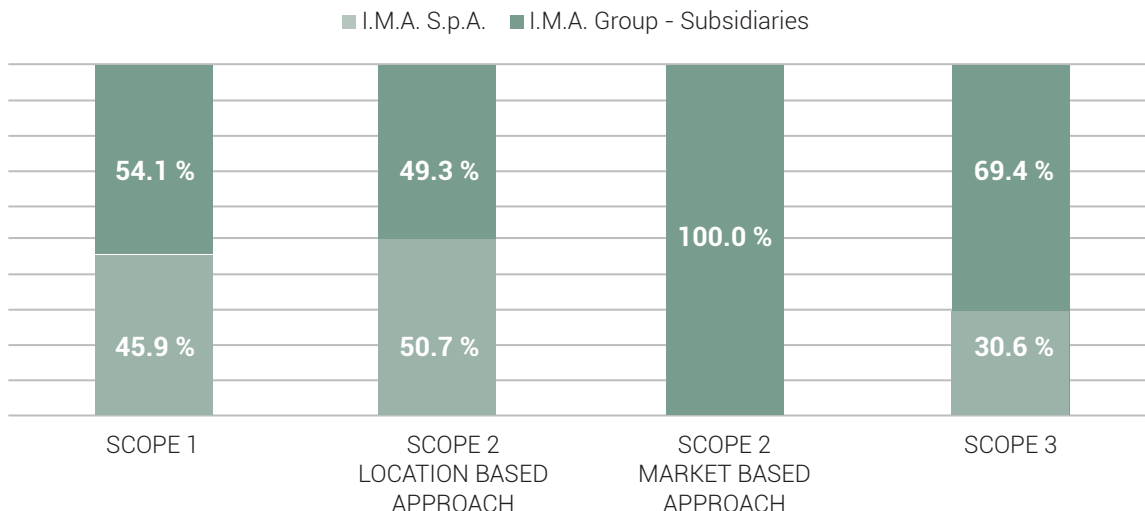


- Scope 3 Cat.15. Investments
- Scope 3 Cat.12. End of life treatment of sold products
- Scope 3 Cat.11. Use of sold products
- Scope 3 Cat.9. Downstream transportation & distribution
- Scope 3 Cat.7. Employee commuting
- Scope 3 Cat.6. Business Travel
- Scope 3 Cat.5. Waste generated in operations
- Scope 3 Cat.4. Upstream Transportation and Distribution
- Scope 3 Cat.3. Fuel - and - energy - related activities
- Scope 3 Cat.1. Purchased Goods and Services
- Scope 3 Cat. 2. Capital Goods
- Scope 2 (Market Based)
- Scope 1

In 2024, IMA S.p.A. contributes significantly to the Group's GHG emissions across all scopes, representing approximately 46% of Scope 1, 51% of Scope 2 (Location-Based), and 31% of Scope 3 emissions. The only notable exception is in Scope 2 (Market-Based), where IMA S.p.A. shows a 0% share. This is due to the company's **full commitment to purchasing 100% renewable electricity**, resulting in zero market-based emissions. This achievement highlights IMA S.p.A.'s proactive decarbonization efforts within the Group.

1.4 Detailed Emissions by Scopes

COMPARATIVE GHG EMISSIONS BY SCOPE: IMA S.P.A. VS SUBSIDIARIES (2024)



CARBON ANNEX:

TOWARDS TRANSPARENCY ANALYSIS OF THE IMA GROUP'S CARBON FOOTPRINT

Scope 1 - Direct GHG Emissions

Scope 1 emissions refer to direct greenhouse gas emissions from sources that are owned or controlled by the organization. These include, in particular, emissions resulting from the combustion of fossil fuels within production facilities and from the use of company-owned vehicles. Such emissions are generated by activities that occur within the organizational boundaries of IMA and are under its direct operational control.

Stationary combustion: emissions from fuels burned in stationary equipment, such as the combustion of oil or methane gas in heating systems or thermal power stations.

Mobile combustion: emissions resulting from the fuel used by the company's fleet of vehicles.

Process emissions: emissions generated by physical or chemical processes, such as fumes released during on-site production and other industrial activities.

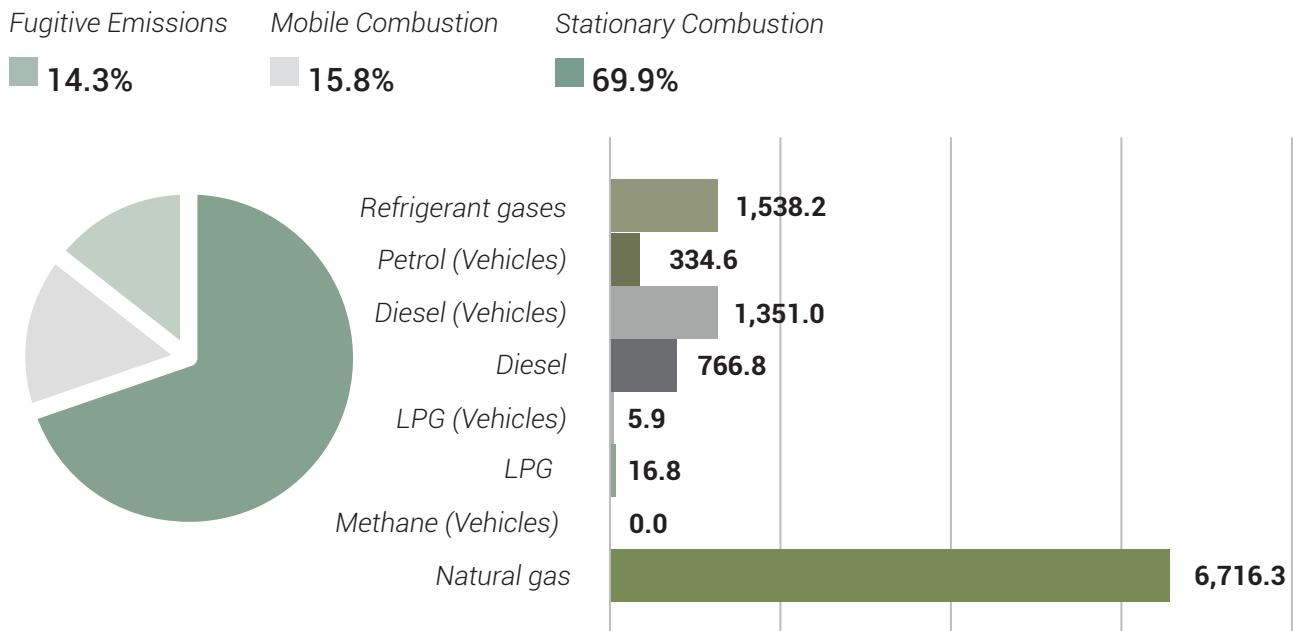
Fugitive emissions: unintentional leaks or gradual release of gases over time, commonly seen in wastewater treatment or from cooling towers.

The table below presents the IMA Group's direct Scope 1 emissions data from their 2024 inventory. Scope 1 emissions are detailed here by source and fuel type, with natural gas and diesel being the main contributors.

TOTAL DIRECT EMISSIONS - SCOPE 1		2024 ton CO ₂ eq
STATIONARY COMBUSTION	Natural gas used for heating work environments	6,743.17
	LPG (liquid propane gas) (used for heating work environments, roasting tests and testing roasting machines)	16.81
	Diesel (used for heating work spaces, generators, motor-driven fire-fighting units, high-pressure cleaners)	766.83
MOBILE COMBUSTION	Methane used in vehicles	-
	LPG (liquid propane gas) (used in vehicles)	5.85
	Diesel (used in vehicles)	1,350.96
	Petrol used in vehicles	334.58
FUGITIVE EMISSIONS	Refrigerant gases	1,538.22
TOTAL DIRECT EMISSIONS - SCOPE 1		10,729.51

HOW SCOPE 1 EMISSIONS ARE GENERATED – 2024 [TON CO2EQ]

The following graph displays 2024 Scope 1 emissions disaggregated by categories and source:



The total direct emissions for **2024** amounted to **10,729.51 ton CO2eq**. The largest source of emissions came from natural gas used for heating work environments, totaling 6,716.3 ton CO2eq, and representing well over 60% of the total. Diesel used for various stationary purposes, including heating, generator sets, fire-fighting boosters, and pressure washers, contributed 766.8 ton CO2eq. LPG, used for heating, roasting tests, and testing roasting machines, accounted for 16.8 ton CO2eq.

In terms of mobile combustion, diesel used in vehicles was the most significant contributor, with 1,351.0 ton CO2eq. Petrol used in vehicles added 334.6 ton CO2eq, while LPG used in vehicles contributed 5.9 ton CO2eq. Methane used in vehicles did not result in any reported emissions.

Fugitive emissions from refrigerant gases totaled 1,538.2 ton CO2eq, adding a notable portion to the overall emissions.

Scope 2 - Energy Indirect GHG Emissions

Scope 2 emissions are associated with the electricity, steam, heating, and cooling that IMA Group purchases from third parties. Although these emissions are produced by the energy providers, they are attributed to our energy consumption. Indeed, Scope 2 emissions can be calculated using two different methods.

- **Location Based Approach:** This method calculates emissions based on the average emissions factor for the National energy mix in each country where IMA operates. It provides an estimate of the emissions associated with the energy consumed in a given region, regardless of our specific energy procurement practices.
- **Market Based Approach:** This method considers the renewable energy that IMA purchases. It uses emission factors that reflect the benefits of using renewable energy sources.

CARBON ANNEX:

TOWARDS TRANSPARENCY

ANALYSIS OF THE IMA GROUP'S CARBON FOOTPRINT

This table compares Scope 2 emissions under both accounting methods and highlights avoided emissions from renewable sources:

TOTAL ENERGY INDIRECT EMISSIONS - SCOPE 2		2024 ton CO2eq
LOCATION BASED APPROACH	Emissions from electricity consumption	12,795.89
	Avoided emissions from on-site renewable self-consumption (Solar PV system) ³	362.80
MARKET BASED APPROACH	Emissions from electricity consumption	8,302.15
	Avoided emissions through the purchase of GOs ⁴	14,802.23
TOTAL ELECTRICITY DEMAND (GJ)		176,786.04
SHARE FROM RENEWABLE SOURCES (SOLAR PV + GOs)		65.1%

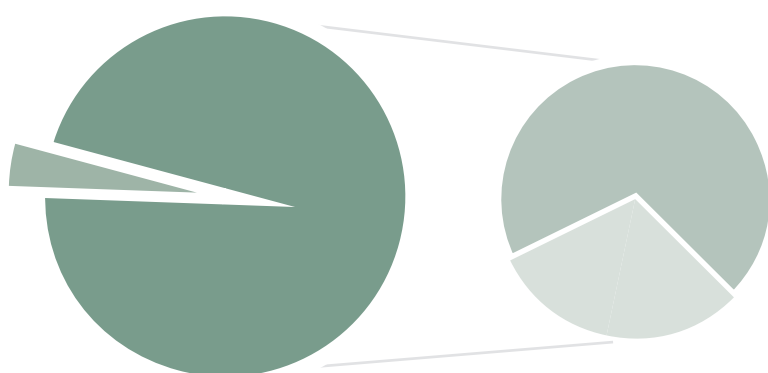
³Avoided emissions from on-site renewable energy self-consumption are not subject to external verification. The calculation was performed using the national energy mix emission factor, in line with the GHG Protocol Scope 2 – location-based approach.

⁴Avoided emissions from the purchase of Guarantees of Origin (GOs) are not subject to external verification and were calculated using the residual mix emission factor, in line with the GHG Protocol Scope 2 – market-based approach.

The pie chart illustrates the breakdown of electricity consumption by the IMA Group in 2024. The majority, **61.6%**, derives from **certified renewable sources** (e.g. RECs), while an additional **3.5%** is **self-produced renewable electricity** from photovoltaic systems. The remaining **34.9%** originates from the national grid mix without certification.

Overall, **more than 65% of the electricity** used by the Group comes from renewable sources, reinforcing IMA's continued commitment to energy transition and climate responsibility.

HOW IMA GROUP SOURCED ITS ELECTRICITY IN 2024



Electricity produced and self-consumed on site

3.5%

Grid-supplied electricity

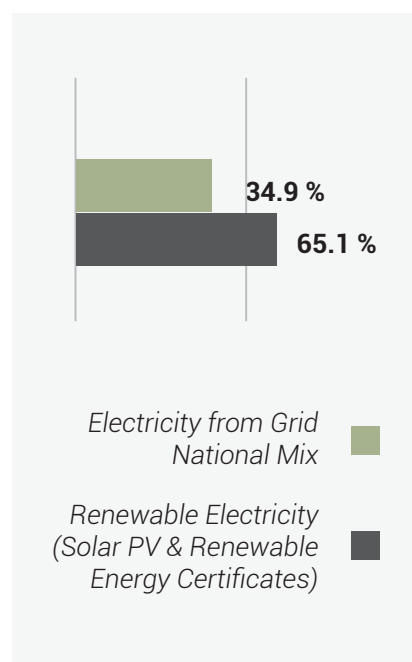
96.5%

Electricity purchased from certified renewable sources (e.g. RECs)

61.6%

Electricity purchased without certified renewable origin

34.9%



Electricity from Grid National Mix

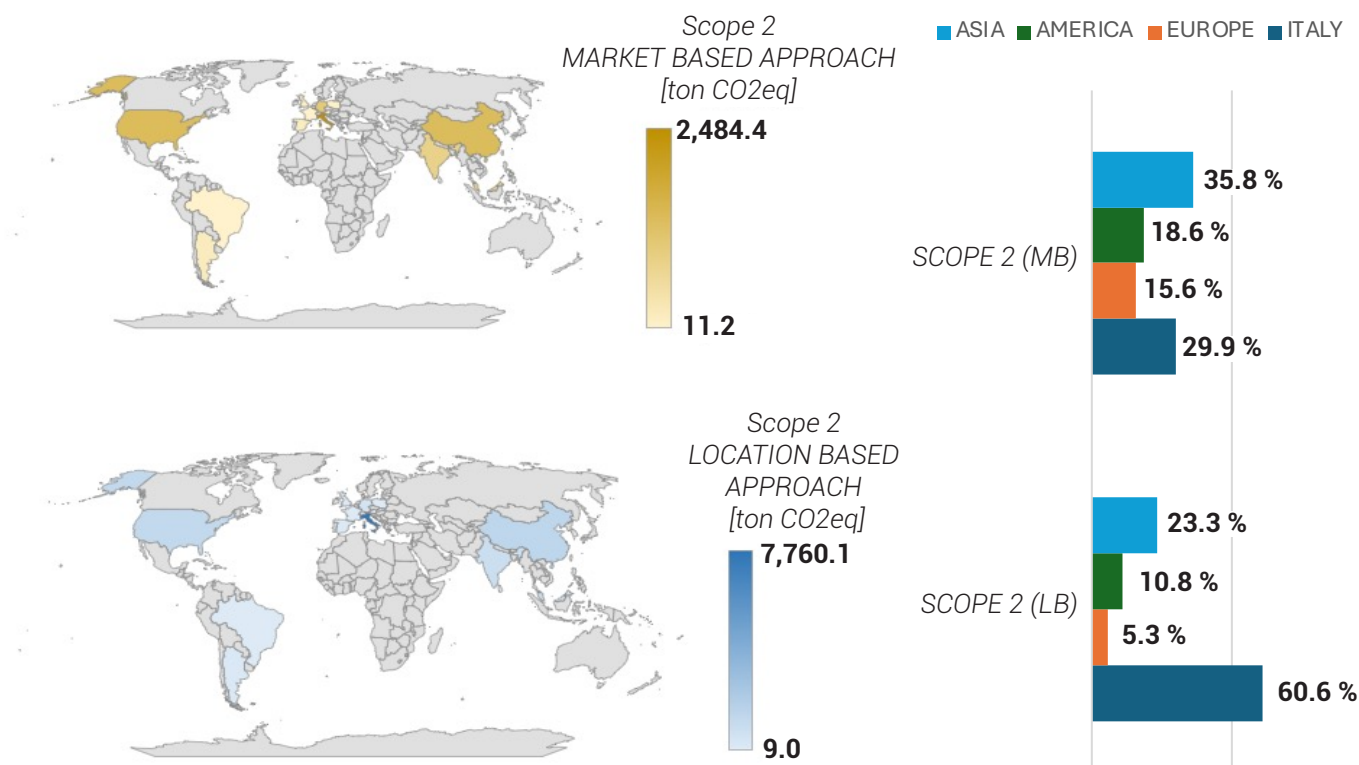
34.9%

65.1%

Renewable Electricity (Solar PV & Renewable Energy Certificates)

The following graphs display 2024 Scope 2 emissions disaggregated by Country:

HOW SCOPE 2 EMISSIONS VARY BY REGION AND ACCOUNTING METHOD⁵



Scope 3 - Other Indirect GHG Emissions (Value Chain)

Scope 3 emissions include all other indirect emissions not included in Scope 1 and 2. These emissions arise from various activities along the value chain and are divided into 15 categories summarised in the table below. To calculate Scope 3 emissions, we use two main methods for data collection:

Alternative A: Consumption-based data (e.g. kilometers travelled, kilograms or liters of goods).

Alternative B: Spend-based data, specifying the type of currency used.

In the data collection forms sent to and received from all Group companies in the reporting perimeter, some emission categories had a dual compilation option. The global framework primarily relies on the expenditure-based approach (Alternative B), as most data was provided in this unit of measurement. Additionally, a smaller portion of the data was reported using the Alternative A approach, utilizing other units of measurement such as kilometers for business travel and logistics, and kilograms or liters for purchased goods.

Scope 3 emissions across the IMA Group remained relatively stable between 2022 and 2023, followed by a notable increase in 2024, reaching 2,630,701.59 tons CO₂eq, an increase of approximately **50.7%** compared to the previous year. This apparent rise is primarily due to the recalculation and expansion of the reporting boundary.

With specific regard to Category 1 (Purchased Goods and Services), the Group continues to strengthen its engagement with suppliers to improve primary data quality and promote decarbonization across the supply chain.

⁵The charts show Scope 2 emissions (in ton CO₂eq) based on the location and market-based accounting methods. The maps on the left display emissions by country, based on the locations of our company sites. The bar charts on the right provide a regional breakdown: Europe refers to the continent excluding Italy, which is shown separately due to its significant weight in total emissions, accounting for over one-third alone, and the presence of the Group's headquarters.

CARBON ANNEX:

TOWARDS TRANSPARENCY

ANALYSIS OF THE IMA GROUP'S CARBON FOOTPRINT

The following table presents Scope 3 emissions by category, showing trends over the last three years.

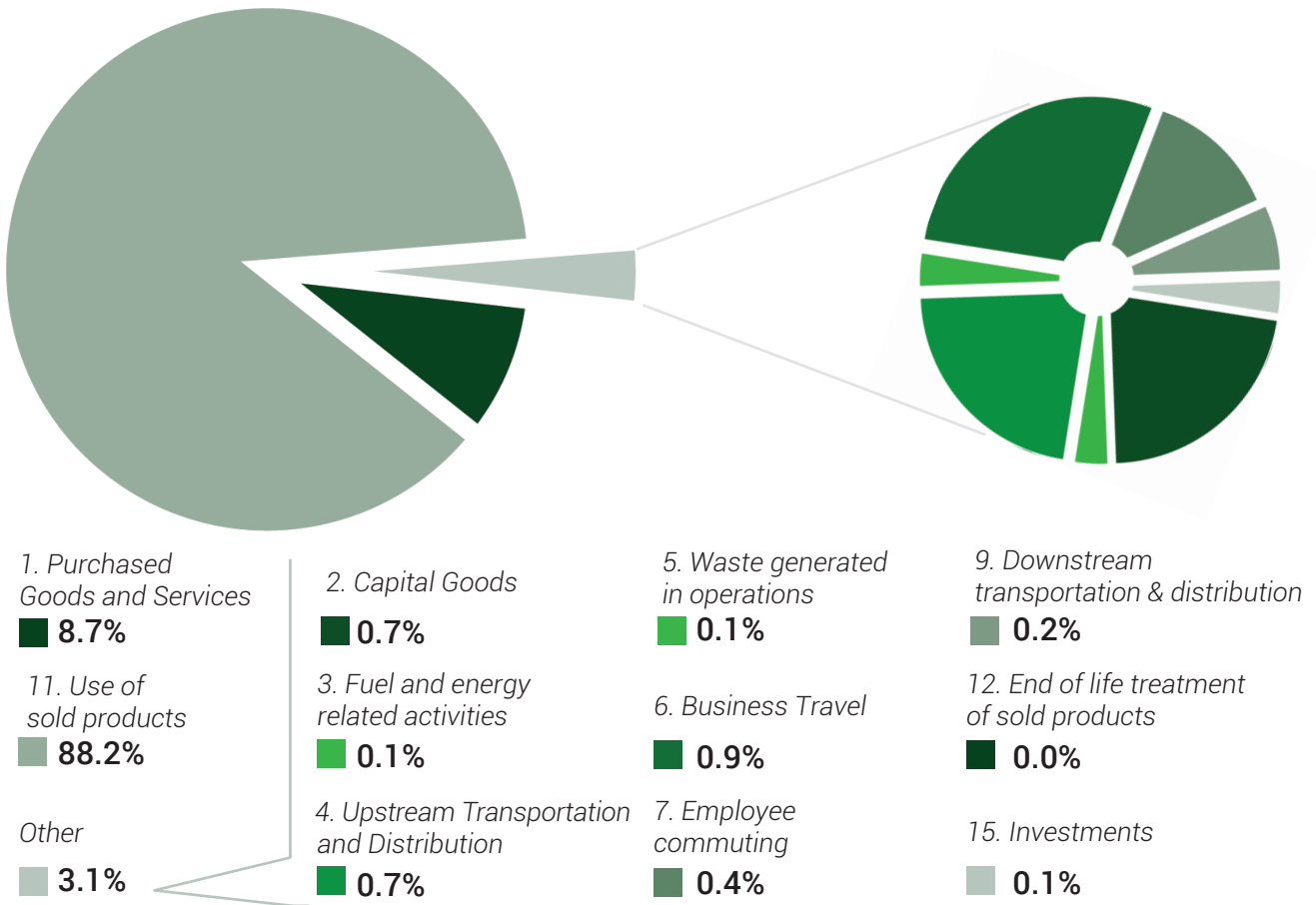
IMA GROUP SCOPE 3 EMISSIONS	Emissions 2022 (ton CO2eq)	Emissions 2023 (ton CO2eq)	Emissions 2024 (ton CO2eq)
Scope 3 Purchased Goods and Services	231,277.92	305,813.61	228,011.44
Scope 3 Cat.2. Capital Goods	14,026.54	17,420.64	18,840.64
Scope 3 Cat.3. Fuel- and energy-related activities	4,234.59	3,727.24	3,633.97
Scope 3 Cat.4. Upstream Transportation and Distribution	31,366.16	30,043.61	17,789.53
Scope 3 Cat.5. Waste generated in operations	1,220.46	1,124.75	1,321.17
Scope 3 Cat.6. Business Travel	13,698.46	21,786.75	23,459.37
Scope 3 Cat.7. Employee commuting	7,443.38	8,617.72	9,295.55
Scope 3 Cat.8. Upstream leased assets	Not applicable	Not applicable	Not applicable
Scope 3 Cat.9. Downstream transportation & distribution	11,424.20	7,846.43	5,805.51
Scope 3 Cat.10. Processing of sold products	Not applicable	Not applicable	Not applicable
Scope 3 Cat.11. Use of sold products	1,444,620.39	1,348,124.53	2,320,085.25
Scope 3 Cat.12. End of life treatment of sold products	407.56	255.03	70.62
Scope 3 Cat.13. Downstream leased assets	Not applicable	Not applicable	Not applicable
Scope 3 Cat.14. Franchises	Not applicable	Not applicable	Not applicable
Scope 3 Cat.15. Investments	1,222.74	1,381.55	2,388.55
Total	1,760,942.41	1,746,141.86	2,630,701.59

It is important to note that not all Scope 3 categories contribute equally to total emissions. In the IMA Group's value chain, the predominant source of Scope 3 emissions is the **use of sold products by customers**, which accounts for approximately **88.2% of total Scope 3 emissions**. This category alone accounts for more than three-quarters of the Group's overall footprint, underscoring the critical role of eco-design in the development of our automatic machines.

By designing machines that are more energy-efficient, IMA reduces the energy consumption required during their operational lifetime. This is achieved through the integration of next-generation components with higher energy performance, as well as through the optimization and rationalization of energy use within each production cycle, aligning with our broader decarbonization strategy.

The breakdown below reveals the dominant role of product use in Scope 3 emissions, followed by purchased goods and services.

SCOPE 3 GHG EMISSIONS BREAKDOWN – 2024



The next most significant category is the Purchasing of Goods and Services, which represents 8.7% of our Scope 3 emissions. This reflects the substantial impact of our supply chain on our overall emissions profile and underscores the importance of incorporating supply chain considerations into our decarbonization strategy.

The remaining Scope 3 categories collectively make up **less than 4% of the total Scope 3 emissions**.

This pie chart clearly illustrates the distribution of Scope 3 greenhouse gas emissions for the organization in 2024. It highlights that the primary areas for targeting emission reductions are the use of sold products and purchased goods and services. Nonetheless, it remains essential to continue reporting on all Scope 3 categories to effectively monitor and assess progress over time.

SCOPE 3 CATEGORIES AND CALCULATION METHODS

IMA Group's Scope 3 emissions accounting follows a hybrid methodology, primarily based on spend-based data and supplemented by activity-based data where available. The reporting period is from **January 1 to December 31, 2024**, and data was collected from nearly all Group entities using structured templates.

Expenditures, originally expressed in local currencies (including €), were converted into USD. This allowed calculations using EPA conversion factors, expressed in kg CO₂eq/USD for the year 2022.

Details for the specific Scope 3 categories are provided in the GHG Statement and are schematically summarized below.

CARBON ANNEX:

TOWARDS TRANSPARENCY ANALYSIS OF THE IMA GROUP'S CARBON FOOTPRINT

Cat 3.1 – Purchased Goods and Services

Method: primary and spend based data.

Exclusions: costs already accounted for in Scope 1, 2, or other Scope 3 categories.

Water supply: included using DEFRA EF

Cat. 3.2 – Capital Goods

Method: spend-based data

Definition: includes long-term assets used in production or operations.

Data: complete across all entities; no estimates required.

Cat. 3.3 – Fuel- and Energy-Related Activities

Method: based on Scope 1 and 2 energy data.

EFs: DEFRA for "Well-to-Tank" (WTT) emissions.

Assumptions: none needed due to complete data.

Cat. 3.4 – Upstream Transportation and Distribution

Method: mix of primary data and the spend-based method depending on data availability.

Estimates: applied for missing data using supplier geography or revenue-based scaling.

Cat. 3.5 – Waste Generated in Operations

Method: based on waste type and disposal method.

EFs: DEFRA 2024.

Includes: solid waste and wastewater.

Assumptions: none required.

Cat. 3.6 – Business Travel

Method: mix of primary data and the spend-based method depending on data availability.

Data sources: primary data from travel agencies, rental companies, internal expense reports.

EFs: EPA and DEFRA 2024 database for transport and accommodation.

Estimates: based on employee count for non-responding entities.

Cat. 3.7 – Employee Commuting

Method: detailed survey for IMA S.p.A.; extrapolated to other entities.

EFs: DEFRA 2024.

Assumptions: based on national vehicle fleet data (ANFIA 2022).

Cat. 3.9 – Downstream Transportation and Distribution

Includes: customer-paid outbound logistics.

Method: distance-based (DEFRA) or spend-based (EPA).

Estimates: based on revenue for non-responding companies.

Cat. 3.11 – Use of Sold Products

Data collected: machine power, estimated usage hours, expected lifetime, installation country and revenue

Method: total energy consumption over lifetime × country-specific EF.

EFs: TERNA, AIB, Green-e.

Estimates: based on revenue and average emission intensity for missing data.

Cat. 3.12 – End-of-Life Treatment of Sold Products

Data collected: machine weight, material composition, disposal method.

EFs: DEFRA 2024 ("Waste disposal").

Estimates: based on revenue or typical material profiles.

Cat. 3.15 – Investments

Includes: emissions from investee companies (<50% ownership).

Method: Scope 1+Scope 2

Estimates: based on nominal capital where energy data was missing.

1.5 Emission Reduction Strategy and Initiatives

IMA (Industria Macchine Automatiche) is actively working to reduce greenhouse gas (GHG) emissions through a variety of initiatives and projects aimed at improving sustainability. Here's a detailed overview of the actions IMA is implementing:

Energy Efficiency Programs: IMA is continuously improving energy efficiency in its production facilities by implementing structured initiatives and yearly action plans. These include targeted interventions on equipment, lighting, and HVAC systems. In parallel, we are investing in advanced monitoring and control systems to track energy consumption in real time and optimize energy use across all stages of the production process.

Investments in Renewable Energy: IMA has installed photovoltaic systems on the rooftops of several production sites and is committed to purchasing certified green electricity. These actions significantly reduce our Scope 2 emissions and support the broader transition to a low-carbon energy mix, decreasing reliance on fossil fuels.

Waste Reduction Efforts: We are developing waste minimization strategies that include both internal recycling programs and initiatives to repurpose industrial waste into new raw materials. Circularity and material recovery are key priorities in our environmental roadmap.

Product Innovation for Environmental Impact Reduction: IMA is designing automatic machines with enhanced environmental performance. These machines are optimized to reduce energy consumption during use, are compatible with bio-based and recyclable materials, and are developed with end-of-life recyclability in mind (design for disassembly). This contributes not only to emissions reductions but also to improved environmental performance across the product life cycle.

Sustainable Sourcing and Supply Chain Engagement: In early 2024, IMA launched a project to promote sustainable sourcing across its supply chain. We are engaging suppliers to ensure the use of certified sustainable materials and the adoption of stringent environmental and social standards. Environmental criteria are being integrated into procurement processes to reduce the company's footprint across Scope 3.

Environmental Targets and Policy Commitments: IMA has formalized a structured environmental policy that includes qualitative objectives and is progressively integrating quantitative targets across key impact areas:

- Water: Reduction in consumption through reuse and efficient systems.
- Air pollution: Reduction of VOCs and particulates through cleaner technologies.
- Materials and Chemicals: Elimination of hazardous substances and increased use of sustainable alternatives.
- Waste: Measurable targets for increasing recycling and reducing landfill disposal.
- Product Use Phase and End of Life: Development of products that reduce operational impact and improve recyclability.
- Biodiversity: Avoidance of sourcing from areas of high ecological value and alignment with due diligence regulations (e.g., EUDR).

Future Goals

At the end of 2023, IMA launched the **IMA Sustainability Program X Supplier**. This strategic initiative supports sustainable sourcing and supply chain management. The program offers training and capacity-building to help key suppliers measure, manage, and reduce their environmental impact.

The initiative also seeks to enhance the quality and traceability of Scope 3 upstream emissions data, thereby fostering a more transparent, resilient, and climate-aligned supply chain.

The Group will continue to collaborate closely with its suppliers to ensure alignment with IMA's sustainability objectives, including the sourcing of certified sustainable raw materials and the consistent application of stringent environmental and social standards across all supply tiers.

In parallel, IMA remains committed to advancing the environmental performance of its technologies. Its machines are increasingly developed according to eco-design principles—enabling the use of sustainable materials, reducing energy consumption, and supporting the creation of packaging solutions that are easier to recycle or dispose of responsibly.

In **June 2024**, IMA Group submitted a public **commitment letter to the Science Based Targets initiative (SBTi)**, formally pledging to define and validate science-based emissions reduction targets within the next two years. This step reinforces the Group's broader commitment to sustainability and climate action.



IMA is currently developing **short- and long-term GHG emission reduction scenarios** across Scope 1, 2, and 3. These scenarios are the foundation for a structured decarbonization strategy, including the definition of a time-bound action plan aligned with international best practices.

Emission reduction activities are managed by a cross-functional sustainability team with defined responsibilities and direct involvement of senior leadership. A **dedicated annual budget** has been allocated to support GHG mitigation initiatives, including energy efficiency upgrades, emissions monitoring, consulting services, and staff training. This structured governance ensures that emissions reduction is a priority across all operational levels.

This long-term vision reflects IMA's dedication to positively contributing to global sustainability efforts. Through these initiatives, IMA not only reduces its environmental footprint but also positions itself as a leader in sustainable industrial practices, demonstrating responsible corporate citizenship.

1.6 Conclusion

Over the reporting period from 2020 to 2024, IMA Group has made notable strides in monitoring, reporting, and reducing its greenhouse gas (GHG) emissions. The comprehensive assessment covers Scope 1, Scope 2, and Scope 3 emissions, providing a holistic view of the Group's carbon footprint.

Continuous Improvement: The Group has continuously improved its methodologies and data collection processes for calculating GHG emissions. In 2024, more accurate and detailed data collection, along with an extension of reported categories, allowed IMA S.p.A. to better monitor and report its GHG emissions.

Emissions Breakdown: A consolidated view of 2024 emissions is provided below, summarizing the Group's carbon footprint by scope and key categories, according to the GHG Protocol. This summary integrates previously presented data for a clearer overview:

ACHIEVEMENTS:

GHG EMISSIONS 2024	IMA Group [tCO ₂ eq]
DIRECT EMISSIONS (SCOPE 1)	10,729.51
INDIRECT EMISSIONS (SCOPE 2) – LOCATION BASED APPROACH	12,795.89
INDIRECT EMISSIONS (SCOPE 2) – MARKET BASED APPROACH	8,302.15
Cat. 1 – Purchased goods & services	228,011.44
Cat. 2 – Capital goods	18,840.64
Cat. 3 – Fuel and energy-related activities	3,633.97
Cat. 4 – Upstream transportation and distribution	17,789.53
Cat. 5 – Waste generated in operations	1,321.17
Cat. 6 – Business travel	23,459.37
Cat. 7 – Commuting	9,295.55
Cat. 9 – Downstream transportation and distribution	5,805.51
Cat. 11 – Use of sold products	2,320,085.25
Cat. 12 – End of life treatment of sold products	70.62
Cat. 15 – Investments	2,388.55
TOTAL – OTHER INDIRECT EMISSIONS (SCOPE 3)	2,630,701.59

CARBON ANNEX:

TOWARDS TRANSPARENCY ANALYSIS OF THE IMA GROUP'S CARBON FOOTPRINT

The Group successfully reported its full carbon footprint, including all relevant Scope 3 categories, for the first time in 2021, and has maintained this comprehensive reporting in subsequent years.

IMA Group's Scope 1 emissions decreased by 5.6% from 2022 to 2024, reflecting steady progress. This reduction results from efficiency improvements and the ongoing electrification of IMA Group's plants, which are driving down direct emissions.

Scope 2 emissions show a clear reduction trend, highlighting the positive impact of energy efficiency measures and the increasing share of renewable electricity across IMA Group sites.

Using the Location-Based (LB) method, emissions dropped from 15,595.89 ton CO₂e in 2022 to 12,795.89 ton CO₂eq in 2024, marking a reduction of 17.9%.

Using the Market-Based (MB) method, emissions went from 9,448.17 ton CO₂eq in 2022 to 8,302.15 ton CO₂eq in 2024, corresponding to a 12.1% reduction.

Total Scope 3 emissions increased significantly in 2024, rising from 1,746,141.86 ton CO₂eq in 2023 to 2,630,701.59 ton CO₂ eq. This increase is mainly due to the redefinition of the reporting boundary following the growth of the IMA Group, in full alignment with the GHG Protocol accounting methodology. Despite ongoing efforts to improve efficiency and implement emission reduction measures—particularly in Category 1 (Purchased Goods and Services) and Category 11 (Use of Sold Products), the broader organizational scope and enhanced data accuracy have led to a higher overall footprint in 2024.

AREAS FOR IMPROVEMENT:

While substantial progress has been made, there is potential for further enhancement in data accuracy and completeness, particularly in Scope 3 categories that currently partially rely on expenditure-based data. Continued efforts are needed to engage suppliers and service providers in emissions reduction initiatives, ensuring a more sustainable supply chain.

Appendices

Glossary of terms

The following glossary provides definitions of key terms used throughout the report

CO₂eq

CO₂ equivalent (CO₂eq) is a unit of measurement that expresses the impact of each greenhouse gas in terms of the amount of CO₂.

Decarbonization

The collective effort of governments, businesses, and individuals to reduce carbon emissions, primarily by decreasing reliance on fossil fuels, which are a major contributor to the climate crisis.

Green economy

An economic model that emphasizes sustainable development by balancing economic growth with environmental protection, promoting resource efficiency, and reducing ecological harm.

Energy Efficiency

The application of strategies, practices, and technologies to optimize energy consumption by reducing waste and improving the efficiency of energy generation, conversion, and use across all processes.

Carbon footprint

A measurement of the total carbon emissions produced by an individual, organization, or activity, used to quantify its environmental and climate impact.

Greenhouse Gas Emissions Protocol (GHG Protocol)

A standardized global framework for measuring and managing greenhouse gas (GHG) emissions across both private and public sector activities, including all stages of the production chain and associated mitigation actions.

Science Based Targets Initiative (SBTi)

A collaboration between the Carbon Disclosure Project (CDP), the UN Global Compact, the World Resources Institute (WRI), and the *Worldwide Fund for Nature* (WWF). The SBTi guides companies on how much and how quickly they need to reduce their greenhouse gas emissions to avoid the most severe impacts of climate change. It establishes and promotes best practices for emission reduction and net-zero targets based on climate science, offering technical assistance, expert resources, and independent assessment and validation of targets.

Scope 1, 2 e 3

Scope 1, 2, and 3 are categories used by companies to report their greenhouse gas emissions across their operations. Scope 1 covers direct GHG emissions from sources owned or controlled by the company. Scope 2 refers to indirect GHG emissions from the production of purchased electricity, heat, or steam. Scope 3 includes all other indirect GHG emissions not covered by Scope 2, such as those from the extraction and production of purchased materials and fuels, transportation not owned or controlled by the company, outsourced activities, and waste disposal.

Climate transition

Climate transition refers to the process of shifting toward more sustainable practices and commitments in response to climate change. It emphasizes the credibility of an issuer's climate change actions and strategies. Climate transition financing assesses how well an issuer's financial programs support the implementation of their climate strategy.

