

The background features a large, stylized graphic composed of overlapping shapes and vertical bars. A light green shape is at the top left, partially overlapping a dark blue shape. Below the dark blue shape is a teal shape. To the right, a large orange shape is partially visible. Vertical bars in orange, teal, and light green are scattered across the background, some appearing as thin lines and others as thicker, more prominent bars. The text 'SUSTAINABILITY REPORT 2022' is centered within the teal shape.

SUSTAINABILITY
REPORT
2022



Sustainability Report 2022

Thirty-five years
of circular economy

ECOSISTEM srl

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Methodological note

GRI 2-1 | GRI 2-2 | GRI 2-3

ABOUT THE REPORT

This document is the second Sustainability Report of Ecosistem S.r.l. (hereinafter also referred to as “Ecosistem”, “the company/”). The information contained within the document has been collected and reworked to ensure an understanding of the activities carried out by Ecosistem, its performance, its results and the impact produced by them. The reporting boundary used in this document includes information on the activities carried out by Ecosistem S.r.l.

The Sustainability Report has been prepared on a voluntary basis and does not represent a Consolidated Non-Financial Statement (DNF); in fact, the company does not fall under the scope of Legislative Decree No. 254 of 30 December 2016, which, in implementation of Directive 2014/95/EU, provides for the obligation to prepare a DNF for public interest entities exceeding certain quantitative thresholds.

FRAMEWORK DISCLOSURES

The preparation of the Sustainability Report takes into account the indicators contained in the *GRI Sustainability Reporting Standards* published by the *Global Reporting Initiative (GRI)*, according to the “Referenced” reporting option. The set of *GRI Standards* indicators used for reporting is indicated in the *GRI Content Index* of this document.

A careful analysis of the activities carried out by the company, as well as the impacts generated, made it possible to select those performance indicators suitable for measuring the level of sustainability. At the same time, material issues were analysed for the company and the reference sector, as described in the section ‘Materiality analysis’. This analysis, as part of the sustainability process, saw the involvement of Top Management in an activity to assess

the issues and consequent attribution of a value in consideration of two different aspects: the importance and priority of intervention for the company

The analysis will be further developed and deepened in the course of subsequent reporting by conducting one or more stakeholder listening activities and reporting on the company’s contribution to achieving the defined objectives.

The general principles applied in drafting the Sustainability Report are those established by the GRI Standards, namely: *relevance, inclusiveness, sustainability context, completeness, balance between positive and negative aspects, comparability, accuracy, timeliness, reliability, clarity.*

The Sustainability Report is prepared annually. In order to enable the comparison of data over time and the assessment of the Company’s business performance, qualitative and quantitative data for the two-year period 2021

and 2022 are presented for comparative purposes.

The Sustainability Report is published on the company’s official website www.ecosistem.it.

For further information on the information in this document, please contact the following e-mail address: info@ecosistem.it

Letter to Stakeholders



It was 1988 when two very young friends founded Ecosistem to start a business activity aimed at protecting the environment. From the pioneering spirit of the two founding partners, an ever-improving company was born, based on an increasingly solid and qualified structure. Proof of this are the high levels of company performance achieved in terms of turnover, number of human resources, assets, and investments, which are reported annually in the common balance sheets.

The growing quantitative results have been accompanied over time by shrewd choices and qualitative achievements, such as obtaining authorisations and certifications, the transformation in 1999 from an S.a.s. into a S.r.l., the appointment of a Board of Directors in 2010, the move to the imposing new headquarters in 2015, and the total entrusting of the company's administration to professional managers in 2018 with the exit

of the owner shareholders from management.

Today, Ecosistem is no longer an ordinary company owned by two individuals but qualifies as an economic entity that employs hundreds of people, operating in a complex sector but always positioning itself as a national reference point in respect of environmental issues and as a virtuous example of applied circular economy. It is the awareness of being not only an economic entity but also, and above all, a leading player in the growth of an area in need of redemption, legality and good practices, and of a strategic sector such as the environment and waste, that has led the company's management to continue its path of sustainability by outlining and communicating to the outside world the new initiatives and activities implemented through a solid path of sustainability and responsible growth based on the continuous improvement of environ-

mental performance from which this Sustainability Report originates.

By making sustainability its corporate brand, adopting strategies and developing action plans for sustainable growth in the environmental, social and governance spheres, Ecosistem today proves to be a common asset for the community.

High performance values are the result of sustainable choices and investments combined with a strong corporate commitment to green and responsible growth and continuous monitoring of its activities. It is for this reason that in 2022 Ecosistem decided to measure its performance levels in sustainability issues, placing itself within the high assessment band, with a score of 65/100 and obtaining the ESG (Environmental, Social, Governance) Report certified and issued by the CERVED Institute.

It is corporate social responsibility (CSR) that has prompted corporate

management to provide non-financial reporting to all stakeholders, based on the guiding principle that not only every individual, but also every company has the power and duty to make the world a better place, not only for the current generation but also for future generations.

Salvatore Mazzotta
Chairman and Chief Executive Officer

Ecosystem: Highlights 2022



1988
Year of establishment

ACHIEVED CERTIFICATIONS
UNI ISO 14001:2015

ACHIEVED CERTIFICATIONS
UNI ISO 9001:2015

160
EMPLOYEES AS AT 31.12.2022
+ 5,2% compared to 2021

1.168
HOURS OF OCCUPATIONAL HEALTH AND SAFETY TRAINING

19%
% OF EXPENDITURE TO LOCAL SUPPLIERS

ACHIEVED CERTIFICATIONS
UNI ISO 45001:2018

ACHIEVED CERTIFICATIONS
UNI ISO 37001:2016

ACHIEVED CERTIFICATIONS
SA8000:2014

2.185 kWh
Power of installed photovoltaic systems

3.362 GJ
energy produced by photovoltaics
+ 10% compared to 2021

272 ton CO2 equiv.
Emissions avoided thanks to the photovoltaic system

€ 56.478.705 mln
INCOME
+ 27% compared to 2021

€ 56.708.412 mln
VALUE OF PRODUCTION
+ 26% compared to 2021

€ 7.020.898
NET PROFIT
+ 23% compared to 2021

4.372 ton CO2 equiv.
Emissions produced (Scope 1 e Scope 2)

224.207 tonn
Treated waste
+ 33% compared to 2021

23.327 tonn
Secondary Raw Material (Mps) produced
+ 17% compared to 2021

Context analysis

Waste management is one of the biggest challenges to foster the development of the circular economy and to accelerate the ecological transition of the entire country, ensuring effective and efficient sustainable development.

At European level, in fact, ambitious targets have been set as part of the ecological transition, which also concern waste management and are defined by the “**Green Deal**”, the “**Fit for 55**”, and the “**Next Generation EU**”.

In particular, among the macro-strategies, the Plan for Recovery and Resilience (PNRR) stands out for its goal of allocating EUR 59.47 billion to initiatives in the area of ecological transition, of which EUR 2.1 billion is allocated to improving the capacity for efficient and sustainable waste management and the circular economy. Of this, 1.5 is allocated to the construction of new waste treatment plants and the renovation of existing ones¹.

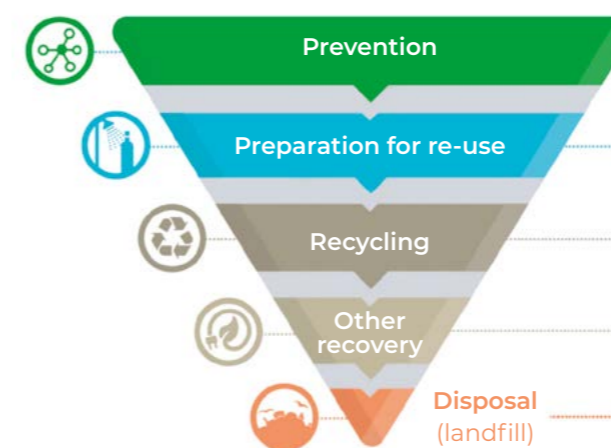
The European Green Deal focuses on the adoption of a circular economy and the goal of making Europe cleaner by 2050. A key element is sustainable waste management, for which **the National Waste Management Plan (NWMP)** was established. This plan provides guidelines to regions and autonomous provinces for efficient waste management in line with the objectives of the Green Deal. The objective of the PNRR is to promote responsible waste collection, treatment and disposal, focusing on the reuse and recycling of materials, to promote the evolution towards a circular economy.

“Waste management” refers to the set of policies, procedures or methodologies aimed at managing the entire waste process, from its generation to its final destination, thus involving the phase of collection, transport, treatment (recovery or disposal) up to the reuse/recycling of waste materials².

With this in mind, the European Union



has established that proper waste management must respect a real “**waste hierarchy**”³, a precise hierarchy of actions aimed at favouring the reduction of waste production and hazardousness by facilitating its reuse, recycling and other recovery operations.



With regard to classification, waste is divided on the basis of its origin into municipal waste (produced in hou-

seholds or from street sweeping or green area cleaning) and hazardous and non-hazardous special waste.

Special waste includes waste from industrial and business activities and is handled and disposed of by authorised companies. This category includes waste from industrial processes, business activities, waste recovery and disposal, sludges from water treatment and purification, fume abatement and waste from health care activities. Special waste management involves direct relations between the producers of this waste (client companies) and the service providers (disposal facilities and operators of the various management phases, such as transport, services, documentation, analysis, etc.).

In ISPRA’s “Rapporto Rifiuti Speciali - Edizione 2022”, the most recent data available refer to 2020, based on 2021 declarations. In Italy, the production of special waste in 2020, resulting from production, industrial, commercial,

craft, service, waste treatment and environmental remediation activities, was 147 million tonnes. This value decreased by 4.5% compared to 2019, equivalent to almost 7 million tonnes. ISPRA attribu-

tes this decrease mainly to the impact of the Covid-19 health emergency.

Special waste typology	Quantità (Tonnellate)		
	2018	2019	2020
Special non-hazardous waste excluding waste from construction and demolition operations	73.621.720	75.484.906	73.342.320
Waste from construction and demolition operations	59.812.827	68.334.771	64.793.200
Total non-hazardous (RS NP)	133.434.547	143.819.677	137.135.520
Non-hazardous waste excluding end-of-life vehicles	8.622.066	8.616.601	8.381.523
End-of-life vehicles	1.423.089	1.538.046	1.466.693
Total dangerous (RS P)	10.045.155	10.154.647	9.848.216
Total hazardous waste*	143.479.702	153.974.324	146.983.736

* Including quantities of special waste from the treatment of municipal waste
Fonte: ISPRA

With regard to **urban waste**, according to ISPRA, its production increased by 2.3% in 2021, reaching a total of 29.6 million tonnes. Of this waste, 48% was generated in the North (+1.9%), 30.7% in the South (+2.9%) and 21.3% in the Centre (+2.5%). At the regional level, with the exception of Valle d'Aosta and Emilia-Romagna, which recorded almost stable production, all Italian regions reported an increase in waste generation. This increase was attributed to the end of the pandemic emergency and the resumption of commuting and tourism activities. In this context, waste

management is of fundamental importance, not only in terms of the quantity of waste produced but also in its management. According to the "Was Report 2022"⁴ - prepared by the company Althesys, the waste management industry in Italy is experiencing significant growth, with a production value reaching 13.1 billion euro in 2021, showing an increase of 11%. This growth is supported by the investments foreseen in the National Recovery and Resilience Plan (PNRR).



In particular, an analysis of the main players, both public and private, in the waste collection, treatment and disposal sector showed a significant increase in investments (+59.6%), which reached EUR 912 million. This investment boom was driven by the consolidation of activities, the construction of new plants and the replacement of the vehicle fleet.

In the municipal waste sector, traditionally characterised by a few large ope-

rators and a large number of small and medium-sized companies, the main 124 operators recorded an aggregate production value of EUR 10.26 billion in 2021, an increase of 9% compared to the previous year. Multiutilities posted the highest growth (+14%), followed by treatment and disposal operators (+13%). Small and medium-sized multi-utilities (+11%) and small and medium-sized single-utilities (+8%) also showed growth.

¹ <https://www.althesys.com/thinktank/pnrr-sara-la-ve-ra-svolta-per-la-gestione-rifiuti-in-italia/>

² Framework Directive No. 98/2008 EC

³ Ibid.

⁴ Was Report 2022 - Waste management in Italy: actors, investments and innovative scenarios in the framework of the PNRR



01

**ECO
Evolution:
Identity and
Company
Profile**

The Ecosystem group



In 1988, the Aversa and Marchio families founded the **Ecosistem Group**, whose parent company **Ecosistem S.r.l.** is located in the Zona Industriale Comparto 11 in Lamezia Terme (Italy).

For years, it has been the leading player in industrial waste management in

Southern Italy, operating in the field of ecology and the protection of natural resources through the adoption of **innovative strategies** and the development of effective **action plans** aimed at digital transformation in the **field of environmental protection. Technological innovations** in the treatment of

Ecosistem represents one of the most important Calabrian businesses operating in the field of waste management, environmental remediation, renewable energy and the construction and management of waste and wastewater treatment plants of civil and industrial origin.

pollutant substances and materials, as well as in the recycling of recoverable waste and the disposal of non-recoverable waste, enable the company to minimise the environmental impact of waste and at the same time promote the efficient use of resources by increasing the availability of new resources from recycled materials

The qualified experience developed by Ecosistem, together with advanced technologies, rapid intervention, and the availability of equipment and means always adequate to the needs, in compliance with the relevant regulations, have allowed the company to grow steadily and position itself among the **leading companies in the sector.**

After more than 30 years of activity aimed mainly at Southern Italy and carried out with its operational base in Calabria, the Ecosistem Group has exported its Values and Mission by creating new initiatives and production facilities elsewhere, thanks to the skills and experience it has acquired.



Mission, Vision and Values



MISSION

Achieving corporate goals with a strategy that values People, Planet and Profit.

VISION

Be conscious and responsible actors in the transition to the circular economy and protagonists of a sustainable growth model!

PRINCIPLES AND VALUES

Ecosistem S.r.l. carries out its activities in full **compliance with the principles, values and behavioural rules**

contained in the company's Code of Ethics and the importance of ethical-social responsibility towards its stakeholders.

Confidentiality and protection of privacy

Recipients must keep the information and personal data they have secret, may not use secret information learned in the course of their work, and must not seek private information unless permitted by privacy laws.

Organised crime

Ecosistem rejects and rejects any criminal activity, especially those related to organised criminal groups. This applies whether activities are conducted in a single country or involve several states, or if the adverse consequences occur in a jurisdiction other than where the crime was committed.

Protection of corporate assets

Ecosistem employees are responsible for protecting company assets from theft, loss and damage. The use of company assets and services must be justified as part of the work activity, avoiding waste and inefficient use.

Receiving and laundering

Any operation, at national, transnational and extra-national level, that may even minimally, directly or indirectly, involve Ecosistem, in receiving, laundering and using money, goods and other utilities of unlawful origin is prohibite.

Ecosistem and the customer

Customer relations are based on courtesy, fairness, honesty, responsibility and cooperation, while maintaining the company's image. These principles are equally required of the customers themselves.

Ecosistem and competition

Relations with competitors are characterised by principles of loyalty, fairness and respect, and cooperation is offered if it is compatible with safeguarding the company's interests.

Conflict of interest

Ecosistem's directors, employees and collaborators must avoid situations that put personal interests at odds with those of the company or that compromise the ability to make impartial and objective decisions in favour of the company.

Contributions, sponsorships and gifts

Ecosistem may participate in requests for contributions and sponsorships, subject to a written contract detailing the conditions agreed between the parties. Sponsorships must be directed to cultural, social or charitable initiatives of high value, such as the environment, sports, entertainment, art and solidarity.

Safety, hygiene and environmental protection

Commitment to high standards of safety, hygiene and environmental protection. This commitment is reflected in the promotion of a safety culture among workers, in risk awareness training and in ensuring healthy and safe working environments in compliance with the law.

The virtuous circle of waste: a responsible business model

GRI 2-1 | GRI 2-2

Ecosistem S.r.l. owns **three multi-purpose platforms for waste treatment** located in the municipality of Lamezia Terme.

In full compliance with health and safety regulations and the environmental components involved in the management of Ecosistem platforms, they comply with the requirements of **UNI EN ISO 14001:2015, UNI EN ISO 9001:2015** and **ISO 45001:2018**

Lamezia Terme is the location of the company's registered office and one of its operating sites, in the San Pietro Lametino Comparto 11 industrial zone.

The site area of the plant is over 120,000 square metres, of which about 45,000 is covered.

Not far away and always in the same Industrial Area (Compartment 14), there is also a secondary site, where a plant for the treatment of Waste Electrical and Electronic Equipment

(WEEE) has been built and authorised. The company's other operating site is located in the Municipality of Lamezia Terme, in the locality of Lenza-Viscardi.

One of the peculiarities of the company is the **synergies between the various platforms and production lines** insisting on them, which have enabled and continue to enable minimisation of production costs and optimisation of results.








The downstream result of the various treatments, both process waste and waste produced by third parties, can be classified into five distinct categories such as:

- **obtaining EoW (End of Waste);**
- **material recycling;**
- **energy recovery start-up;**
- **disposal in landfills;**
- **processing of wastewater.**

SERVICES

- Collection, Transport of municipal, special hazardous and non-hazardous waste;
- Remediation: polluted sites, asbestos, tank reclamation, demolition of civil and industrial buildings;
- Collection, Transport of municipal, special hazardous and non-hazardous waste;
- Washing, volume reduction, shredding and granulation for extrusion of recovered plastics in PP, HDPE and LDPE;
- Waste Treatment Through Soil Washing;
- Recovery of inert waste;
- Recovery and storage of waste metal and metal compounds, electrical and electronic equipment (WEEE);
- Brokering of waste without holding;
- Production of electricity from renewable sources (Wind and Photovoltaics);
- Production of CSS;
- Sludge drying;
- End-of-waste recovery of paper and cardboard waste
- Biodisposal of waste;
- Technical-environmental consulting.

THE INSTALLATION

 <p>Chemical-physical liquid waste treatment plant</p>	 <p>Soil Washing plant</p>	 <p>Plastics recycling plant</p>
 <p>Stabilisation-solidification plant</p>	 <p>Sludge drying plant</p>	 <p>Selection and pressing plant</p>
 <p>CSS production plant</p>		



02

**Corporate
ECO
Sustainability**

Sustainability for Ecosystem



Ecosystem contributes to achieving the Sustainable Development Goals of the UN 2030 Agenda **by promoting a fair ecological transition and combating climate change**. With this in mind, we understand the value of business transformation to thrive above all in harmony with the environment,

with a commitment to keep the world alive through sustainability.

Ecosystem has outlined a solid path of sustainability and responsible development based on continuous improvement of environmental and social performance in line with natio-

Ecosystem defines itself as an evolving system dedicated to environmental transformation and recycling, and identifies itself as a creator and lover of ecology by positioning itself as a defender of nature and its elements with a commitment to protect them through technological and ecological solutions.

nal standards ISO 9001, ISO 14001, ISO 45001, SA8000 and ISO 37001.

The formalisation of the commitments made also led to the structuring of an **ESG Office** and the appointment of a Corporate Sustainability Manager, who contributed to the definition of a medium- to long-term policy and **strategy document** to outline initiatives and activities aimed at incorporating environmental sustainability into its business model and communicating them externally.

The essence of Ecosystem's activity is described as **'Applied Circular Economy'**, as it is actively engaged in the application of circular economy principles through recycling for reuse. For the company, what is not recycled, which is transformed into energy, is also important: from the non-recyclable waste of plastic, wood, rubber, from the screening of sewage treatment plants, from rags, from mattresses.

Ecosystem's commitment to ESG management inside and outside the company enables it to contribute to the following Sustainable Development Goals (SDGs).

 SDG 7 Affordable and Clean energy	 SDG 8 Decent Work and Economic Growth
 SDG 9 Industry, Innovation and Infrastructure	 SDG 10 Reduced inequalities
 SDG 12 Responsible Consumption and Production	 SDG 13 Climate Action
 SDG 16 Peace, justice and strong institutions	 SDG 17 Partnership for the Goals

Internal materiality analysis

GRI 3-1 | GRI 3-2

Material issues represent those aspects that reflect the significant economic, environmental and social impacts of a company and substantially influence stakeholder assessments and decision.




The identification of ESG issues relevant for Ecosystem also considered their connection with the Sustainable Development Goals (SDGs), defined within the 2030 Agenda of the United Nations.

With the commitment to act on these issues, the Group seeks and will seek to

contribute - to the extent possible - to the achievement of global sustainability challenges. The correlation is the result of an analysis of the GRI indicators, reported in this document, and the defined targets compared to the SDGs and targets according to the framework *Linking the SDGs and the GRI Standards*.

TOPIC	DESCRIPTION	SDGS
Circular Economy	Development of new solutions to extend the life cycle of products involving sharing, lending, reusing, repairing, reconditioning and recycling of materials. The search for new solutions must be aimed at optimising the use of products, minimising the production of waste and scrap, to reduce environmental impact and the exploitation of virgin resources.	 SDGS 12,13
Waste Management	Conscientious management of hazardous and non-hazardous waste related to the company's business activities, promotion of conscious management methods and practices such as: reuse, sorting and recycling of waste and scrap produced.	 SDGS 12,13
Water resource management	Responsible management of water as a primary resource subject to scarcity that needs to be protected through mechanisms to monitor and reduce consumption resulting from the company's main and auxiliary activities.	 SDGS 6,12
Air emissions and climate change	The analysis of the carbon emissions produced by the company's activities, the awareness of its environmental footprint and the definition of actions to adapt and/or mitigate the atmospheric emissions of the company's activities.	 SDGS 12,13,15
Energy and energy efficiency	Policies for the efficient monitoring and management of energy consumption to achieve direct benefits and to counter the Global Warming phenomenon. Use of energy from renewable sources (green certificates, photovoltaic plants, etc.). Initiatives, activities and policies adopted with the aim of reducing energy consumption.	 SDGS 7,8,12,13

TOPIC	DESCRIPTION	SDGS
Relationship with the territory and local communities	Establish a climate of dialogue, collaboration and involvement of local communities. Ensure the development and value creation of local communities through sourcing from local producers/suppliers.	 SDGS 1,2,11,17
Health and safety at work	Creation of a safety culture, promotion of safety through the involvement of all operators and implementation of systemic monitoring to provide an overview of the different health and safety aspects.	 SDGS 3,8,16
Training and skills development	Development and training activities aimed at enhancing the technical, managerial and organisational skills of employees and consolidating the professionalism required by the role covered. Personnel incentive policies and systems, career development and talent attraction.	 SDGS 4,5,8,10
Employee welfare and well-being	Promoting a welcoming, stimulating and positive working environment aimed at ensuring the psychological and physical health of employees, providing welfare programmes for all employees, and ensuring working conditions that guarantee full respect of the right to health and the protection of well-being.	 SDGS 3,5,8

TOPIC	DESCRIPTION	SDGS
Management the supply chain	Assess the social and environmental impact of suppliers along the supply chain with the aim of spreading a culture of sustainability through the supply chain.	 SDGS 8,12,13,16
Innovation, Research and Development	Activities and policies related to technological innovation and Research and Development activities aimed at the continuous improvement of processes and products/services, with a focus on reducing socio-environmental impacts.	 SDGS 9,12,13
Prevention of corruption	Commitment to fight corruption, active and passive, through the application of policies, procedures and mechanisms for reporting potential irregularities or illegal behaviour and specific training activities on the subject.	 SDGS 16
Service quality and value creation for users and the community	To maximise the degree of satisfaction of the customers served in order to fully meet their expectations and needs and build lasting and stable relationships over time through listening, involvement and sharing with a view to continuous improvement.	 SDGS 8,9,12,13
Ethics and Transparency	Pursuing values of ethics, integrity and transparency in business activities may include the adoption of policies and procedures to support compliance with applicable laws and any specific regulations, as well as adherence to national and international principles and guidelines covering areas of social and environmental responsibility.	 SDGS 8,12,16,17

Stakeholders relations

GRI 2-28 | GRI 2-29

Stakeholders represent individuals or entities that can be significantly affected by an organisation's activities or that can influence the success of its strategies and objectives. An understanding of their needs and expectations guides corporate strategic choices

Ecosistem values the concerns of its stakeholders and acts proactively to avoid potential risks and negative impacts. This translates into an active commitment to maintaining a collaborative dialogue with the various stakeholders, from employees to shareholders, from suppliers to customers, ensuring a conscious and responsible management of the relationships established.

The company adheres to a network of industry consortia and associations relevant to its business, including: *Anco, Unirima, A.I.R.E.C., IPPR, Confindustria Calabria, Confindustria Catanzaro*

Involving and interacting with stakeholders is of paramount importance to understand their expectations, interests and evaluations. Careful and constructive participation allows for a more informed definition of objectives and facilitates decision-making.

The map and table below list the main stakeholder categories with which the company or the Group interacts and describes the methods of involvement adopted.

ECOSISTEM'S STAKEHOLDER MAP



STAKEHOLDERS ENGAGEMENT

STAKEHODER	ENGAGEMENT
Shareholders	<ul style="list-style-type: none"> • Board of Directors meeting • Publication of corporate performance information on the website through financial and non-financial reporting • Specific meetings
Employees	<ul style="list-style-type: none"> • Training Activities • Sharing the code of ethics with employees • Meetings dedicated to listening to employees' needs • Internal communication through newsletters • Internal communication via totems.
Trade Unions	<ul style="list-style-type: none"> • Regular briefing meetings • Negotiation meetings on company and plant issues
Trade associations and third sector organisations	<ul style="list-style-type: none"> • Specific and periodic meetings • Newsletter updates
Suppliers	<ul style="list-style-type: none"> • Direct contacts and specific meetings • Sharing the Code of Ethics
Customers	<ul style="list-style-type: none"> • External communication (website) • Newsletter



03

**Ecosystem
Governance**

Organisational Structure

GRI 2-29 | GRI 450-1



The Board of Directors of Ecosistem, in office since 2018, is consists of 2 members, Mazzotta Salvatore, chairman of the board and CEO of the company, and Director Carnovale Giampaolo.

The Board of Statutory Auditors is led by Tallarico Laura, Statutory Auditor in office.

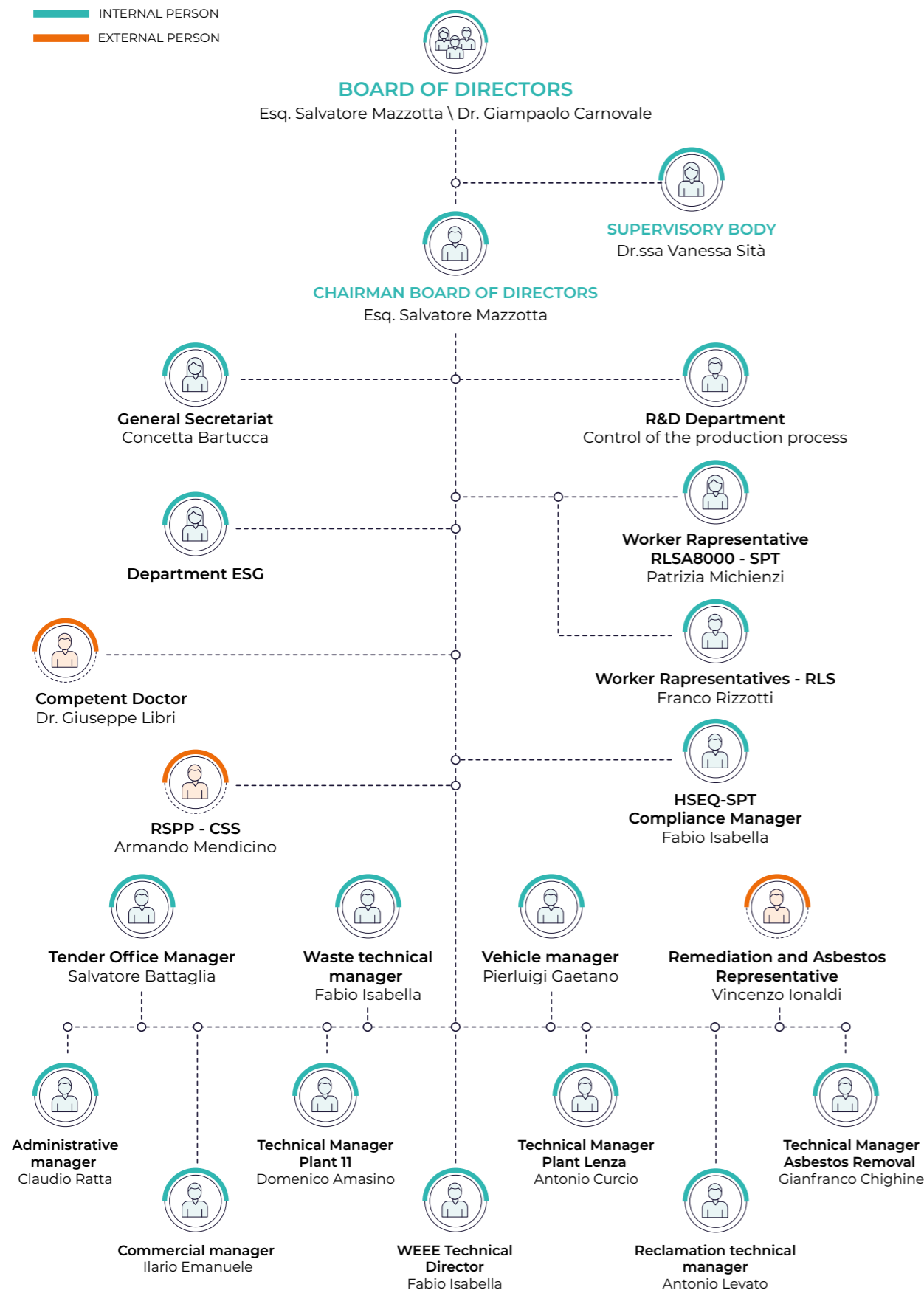
The Chief Executive Officer, Mazzotta Salvatore, as well as Employer, in office since 2010, who is responsible for setting goals, implementing projects, and proposing investments, is answerable to all the corporate functions provided for in the company organigram, both internal and external.

Ecosistem's management and supervision model follows a conventional approach. The management of the company is entrusted entirely to the Board of Directors (BoD), which is responsible for all activities necessary to implement the company's objectives.

The Board has the power to assign all or part of its responsibilities to one or more members of the group. The board of directors consists exclusively of independent directors, selected by the shareholders of the company, including the managing director.



Ethics and Transparency



THE ORGANISATION AND CONTROL MODEL

Acting in full compliance with laws and regulations is of paramount importance, especially in the waste sector; for this reason, Ecosistem, has equipped itself with an **Organisation and Control Model (MOG)** adopted on the basis of the provisions contained in Legislative Decree No. 231 of 2001, in order to prevent unlawful behaviour by its directors, employees and collaborators subject to management or supervision by the Company. The MOG is a tool intended to raise the awareness of all those who act on behalf of the company, encouraging them to behave correctly and to prevent the offences covered by the Decree in order to pursue the following aims:

- Create awareness among those working for the company in risk areas, regarding the possibility of incurring offences that may lead to criminal and administrative sanctions.
- Reiterate that unlawful behaviour is strongly condemned by the company, even if it appears to bring benefits, contrary not only to the law, but also to the company's "Code of Ethics".
- Enable the company to intervene quickly by monitoring risk areas to prevent or counteract the commission of offences.



Regulatory Compliance and Prevention of Corruption

GRI 2-28 | GRI 2-29

Ecosistem has formalised an Anti-Corruption Policy that also provides for the full implementation of the Management System for the Prevention of Corruption in compliance with UNI ISO 37001: 2016.

SUPERVISORY BODY AND CODE OF ETHICS

In compliance with the provisions of Legislative Decree 231/2001, a body called the “Organismo di Vigilanza” (Supervisory Board) has been established within Ecosistem to oversee the implementation and effectiveness of the Model adopted by the company to prevent the offences envisaged. The body has a monocratic structure and operates as a direct support unit to Top Management. The functioning of the Body is regulated by a specific Regulation, approved by Top Management, which defines its functions, powers, duties and information flows. The appointment of the Body is the re-

sponsibility of Top Management, while its term of office is established by it. The main functions of the Supervisory Board include supervising the effectiveness of the Model, assessing the adequacy of the Model and updating it according to changes in the company’s situation and in the law. The SB has the task of verifying that the company’s Code of Ethics is actually applied and complied with, and works actively to disseminate and make the document understood within the organisation. This body is open to reports of violations of the Code of Ethics and assesses them carefully.

During the financial year 2022, as in the previous year, there were no significant instances of non-compliance with economic, environmental and social laws and/or regulations. No monetary sanctions or non-monetary sanctions were received, i.e. any restrictions imposed by governments, regulators or public bodies on the organisation’s operations or activities.

Similarly, at the date of drafting this Sustainability Report, there are no outstanding disputes.

Finally, during the reporting period under review, there were no cases of violation of customer privacy or discrimination.

FIGHT AGAINST CORRUPTION

Ecosistem is fully aware that the phenomenon of corruption represents a serious obstacle to the economic, political and social development of a country and a heavy distortion of the rules, fairness and transparency of markets, with particular reference to that of public works. In this sense, the company guarantees actions and conduct based exclusively on criteria of transparency, correctness and moral integrity, which prevent any attempt at corruption.

Since 2021, the company has held the **legality rating**, which testifies to Ecosistem's compliance with high standards of legality. In addition to this, the company has signed the following protocols with the aim of operationali-

zing its commitment to anti-corruption and the use and dissemination of good legality practices:

- Protocol Confindustria of Catanzaro of 10 May 2010 and S.M.I.;
- Legality protocol signed at the Prefecture of Caltanissetta on 10/07/2007;
- Legality Protocol signed at the Prefecture of Crotona on 10/05/2010;
- Legality Protocol signed at the Prefecture of Catanzaro on 19/05/2015;



Economic results and economic value generated and distributed

GRI 201-1 | GRI 201-4



Ecosistem is committed to continuing to generate economic value in a sustainable manner, ensuring that all stakeholders benefit from its growth and success.

Ecosistem achieved a positive economic result in 2022, with an **increase in turnover of approximately 27%** (EUR 56,478,705) compared to the year 2021 (EUR 44,316,953), closing the financial year with a **profit of EUR 7,020,898**.

Economic Data

	2020	2021	2022
Turnover	€ 44,104,071	€ 44,316,953	€ 56,478,705
Value of production	€ 43,868,956	€ 45,041,275	€ 56,708,412
Net profit	€ 4,710,006	€ 5,685,729	€ 7,020,898

Ecosistem operates according to criteria of economic responsibility towards all the stakeholders with whom it dialogues, taking into account the applicable laws and regulations. For Ecosistem, the creation of value for all stakeholders is closely linked to the achievement of positive economic results.

The table below shows the value generated and distributed, prepared on the basis of the income statement for the reporting period. The aim is to show the economic value directly generated and its distribution to internal and external stakeholders.

The economic value generated refers to the value of production, which includes net revenue from services and other revenues and income; while the economic value distributed includes costs, reclassified by stakeholder category, and any dividends distributed during the year.

Retained economic value relates to the difference between generated and distributed economic value, and includes depreciation of tangible and intangible assets, provisions, reserves, profits and deferred/prepaid taxation, as well as generated and distributed value that cannot be allocated to stakeholders.

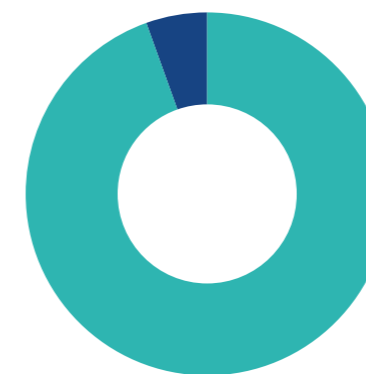
In 2022, Ecosistem **generated an economic value of Euro 59,709,889**, an increase of 27 % compared to 2021 values.

The **economic value distributed amounted to Euro 47,711,413**, an increase of 28% over the previous year. The main stakeholder categories involved are Suppliers, Human Resources and Public Administration, for which 81%, 13% and 5% respectively was distributed. Furthermore, in 2022, a distribution towards the local community and third sector entities is also noted, proof of the company's willingness and commitment to contribute to the development of the territory.

The **value retained in the company amounted to Euro 12,037,133**, relating to the difference between Economic Value Generated and Distributed, an increase of 25% compared to the previous year consistent with the positive company results achieved at the end of the year.

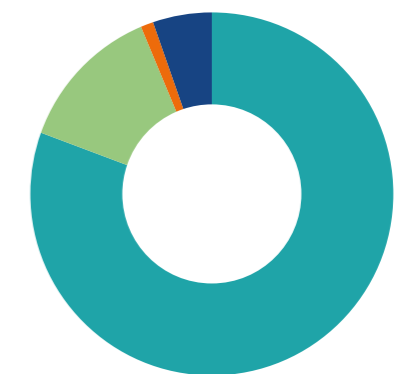
	2021	% on tot.	2022	% on tot.
Economic value generated and received	46,489,297	100.0%	59,709,889	128.4%
Economic value generated	46,202,981	99.4%	58,027,730	
Economic value received	286,315	0.6%	1,682,160	
Distributed economic value	36,874,271	79.3%	47,672,757	102.5%
Suppliers	28,104,098	60.5%	38,371,367	82.5%
Directors and auditors	222,253	0.5%	222,052	0.5%
Human Resources	6,033,752	13.0%	6,093,400	13.1%
Banks and other lenders	531,805	1.1%	556,391	1.2%
Public Administration	1,982,362	4.3%	2,379,857	5.1%
Local Community	-	0.0%	49,690	0.1%
Economic value retained	9,615,026	20.7%	12,037,133	25.9%

ECONOMIC VALUE GENERATED



● 95% Revenues from sales and services
● 5% Other revenues

DISTRIBUTED ECONOMIC VALUE



● 81% Suppliers - Operating costs
● 13% Human resources- personnel costs
● 5% Public Administration- Taxes
● 1% Banks and other lenders - Financial charges



04

**Service
quality
and value
creation for
users**

Quality, Environment and Safety Policy



The company is committed to carrying out actions to promote respect for people and their rights, the environment and, more generally, the interests of the territories in which it operates.

This policy, defined by Management, applies to all operations of the organisa-

tion and to all Ecosistem people according to their competencies,

In particular, it undertakes to:

1. Fully comply with the requirements of the relevant standards (UNI ISO 45001:2018 - UNI EN ISO 14001:2015) by giving utmost importance to environ-

Ecosistem has adopted an integrated Quality, Environment and Safety Policy in order to formalise its commitment to continuous improvement of company performance, inspired by the principles of transparency, legality, integrity and responsibility.

mental and safety aspects as essential elements of any new activity;

2. Ensuring that all employees are adequately trained, informed and sensitised to perform their duties in a safe and environmentally friendly manner;
3. Communicate the objectives and implementation programmes of the occupational health and safety system to all staff members of the organisation.

Ecosistem has introduced two new control bodies that increasingly ensure collaboration between operational management and workers, specifically:

- **Social Performance Team** that ensures the application of all elements of SA8000 by guaranteeing a balanced representation of employee representatives and management;
- **Health and Safety Committee** to be formed and periodically updated in order to be able to competently engage in the continuous improvement of health and safety conditions in the workplace, also to be composed in a balanced manner of management and worker representatives.

THE PRIMARY OBJECTIVES DRIVING ECOSYSTEM

Ecosistem's company management is committed, by providing human, instrumental and economic resources, to pursuing the objectives of improving company performance in terms of product quality, workers' health and safety and environmental impact as an integral part of its activities and as a strategic commitment with respect to the company's more general aims.

The company, with a view to continuous improvement, has as its primary objectives:

1. Punctuality. Efficiency and courtesy in service delivery
2. Individual customer care with satisfaction of individual requests and expectations
3. First telephone technical support
4. Continuous technical training of personnel (through internal and external training courses) and adequacy of logistical tools and equipment.

Management systems and certifications

The certifications acquired by Ecosistem demonstrate the company's strong commitment to implementing continuous improvement processes and the importance attached to environmental and social aspects.

Ecosistem S.r.l. has a documented Quality System in compliance with the **UNI En ISO 9001/2015** Standard, certified since 2000 by DNV Italia. In full compliance with the regulations and the environmental components involved, the management of all services implemented by Ecosistem S.r.l. also complies with the requirements of the UNI En ISO 14001/2015 Standard, since 2004, for the management of the centre for the storage and sorting of special waste, waste transport and reclamation of asbestos and asbestos sites and for the production of energy from renewable sources. In addition, it has obtained the **SOA certificate** in category OG 12 Works and plants for en-

vironmental remediation and protection.

The company has always taken a particular interest in social issues and ethics: since 2012 Ecosistem S.r.l. has been certified according to OHSAS 18001:2007 and now with **ISO 45001:2018** "Management Systems for Occupational Health and Safety. Lastly, it has achieved **ISO 37001:2016 certification** regarding its Management System for the Prevention of Corruption and its concrete commitment to combat corruptive phenomena, and **SA8000:2014**, which certifies certain aspects of company management pertaining to corporate social responsibility.



QUALITY MANAGEMENT SYSTEM

It certifies the presence of a quality management system that improves the company and increases customer satisfaction in accordance with the current standard.



ENVIRONMENTAL MANAGEMENT SYSTEM

It certifies the presence of an environmental management system that identifies, manages and monitors the environmental impacts of an organisation's activities.



HEALTH AND SAFETY MANAGEMENT SYSTEM

It certifies the presence of an occupational health and safety management system to create a healthy and safe working environment for its employees and visitors.



ANTI-CORRUPTION MANAGEMENT SYSTEM

It helps to prevent, detect and manage situations of corruption (active or passive) on the part of the organisation, its staff and business associates, by promoting a series of measures and controls and providing supporting guidance for their implementation.



SOCIAL RESPONSIBILITY MANAGEMENT SYSTEM

It certifies the company's commitment to managing and monitoring activities and processes that impact on issues concerning workers' conditions: respect for labour law, protection against child exploitation, and guarantees of safety and health in the workplace.

ALTRE CERTIFICAZIONI	SDA	Certificate N: 7208/57/01 Category OG12 Classification IV-bis for works and III-bis for design, issued by SOALAGHI with validity from 18/06/2020 to 17/06/2025
	ESG	Issued by CERVED on 24/02/2023 with a score of 65/100
	REG. UE 333/2011	N.104267-2011-OTH-ITA-DNV issued by DNV GL BUSINESS ASSURANCE ITALIA SRL in Vimercate (MB) with validity from 14/10/2020 to 13/10/2023
	REG. UE 715/2013	N.159872-2014-E-ITA-DNV issued by DNV GL BUSINESS ASSURANCE ITALIA SRL in Vimercate (MB) with validity from 16/07/2020 to 15/07/2023
	Certificate of Conformity of Factory Production Control EN 12620:2002 + A1:2008 and EN 13242:2022 + A1:2007	No. 2309/CPR/0241 issued by AJA Europe Srl Via delle Arti, 123- 00054 Fiumicino (RM) from 20/09/2022 to 20/09/2023 with annual renewal
	Plastic second life ISO 14021 and UNI 10667	N. 005/2019 issued by Kiwa cermet Italia Spa Via Cadriano 23 40057 Granarolo dell'Emilia (BO) until 10/06/2025

Supply Chain Management

Ecosistem pursues the goal of growing the social and environmental value of the company over time. To create virtuous relationships with suppliers, the company introduces checkpoints and sustainability indicators at all stages of the supply chain process.

The importance attached to service quality is also evident in supply chain management. Ecosistem requires documentation from its key suppliers attesting to their compliance with quality and social standards, following established procedures for managing quality, environmental issues and social responsibility principles.

EVALUATION CRITERIA

Strategic suppliers are selected on the basis of their ability to meet supply requirements. The products and services

they supply become an integral part of Ecosistem's operations and, as a result, directly influence the company's overall quality.

In particular, in the selection of suppliers, criteria such as: compliance with delivery times, flexibility, compliance with delivery methods, financial soundness, the presence of adequate product and/or service quality (with supporting certifications) and the guarantee of health and safety in the workplace are considered.

Particular attention is paid to the respect of legality; each supplier is expli-



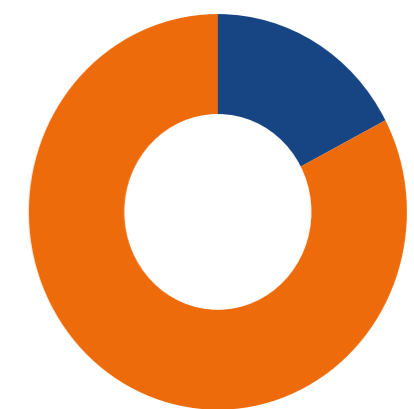
citly asked for a declaration in lieu of anti-mafia, which shows their commitment to operate in compliance with the laws and regulations in force.

Finally, preference is given to suppliers certified SA8000 or assessed through audits conducted by Ecosistem itself, in accordance with the social responsibility standard.

ECOSYSTEM PROVIDERS

Ecosistem's supply chain consists of 83% suppliers of goods and raw materials and the remaining part (17%) of service providers.

SUPPLIERS 2022 BY TYPE



- 83% suppliers of services
- 17% Suppliers of goods and raw materials

Research, development and innovation

The **total expenditure for suppliers in 2022 amounts to EUR 39,725,044**, up 35% from the previous year (EUR 29,468,745). On the other hand, the

procurement budget towards local suppliers from Calabria is constant, accounting for 19% of the total expenditure incurred for supplies.

PROCUREMENT EXPENDITURE	2021		2022	
	Amount €	%	Amount €	%
Total expenditure for suppliers	€ 29,468,745	100%	€ 39,725,044	100%
Budget spent on local suppliers*	€ 5,577,040	19%	€ 7,384,283	19%



Research and Development is the engine of innovation, essential to improve operational efficiency, develop more sustainable and environmentally friendly solutions, and weave new synergies with local stakeholders.

COLLABORATIONS WITH ORGANISATIONS AND UNIVERSITIES

There are currently two ongoing research and development projects in the field of sustainability and innovation. These represent significant efforts in research and innovation, focusing on the improvement of industrial processes, advanced recycling of lithium batteries and the recovery of valuable materials from different types of waste.

Lithium Battery Recycling Project:

The Li.Co.Bat project focuses on the recycling of lithium batteries in the context of the international Europe-

an research programme Era.Min. The project has achieved very positive results in battery recycling, with the aim of developing a pilot plant. The results will be useful to create an industrial-scale plant that not only recovers lithium, but also cobalt in batteries, metals that have a high added value.

NET-RECYCLING Industrial Research Project:

Ecosistem S.r.l., Econet S.r.l., the National Research Council (CNR) and the University of Calabria (Unical) are collaborating in a research and development project with a total value of approximately € 12,410,000.00.



Link with the territory and local community development

Ecosistem believes in the importance of establishing strong and synergetic relationships with the territory and communities for the development of a sustainable growth model, oriented towards the constant exchange of opinions and promises in line with corporate and stakeholder objectives.

The project is divided into three sub-projects:

- ECOBAT: aims to recover lithium and other precious metals from lithium batteries;
- NEURRCO: focuses on the application of Artificial Intelligence to create a learning system that optimises treatment processes.
- R-Sand: focuses on the recovery of inert materials from demolition waste, with a focus on regulatory aspects.

RESEARCH PROJECTS IN PROGRESS

In the course of 2022, there are four R&D projects with in-depth topics:

- Material recovery from decommissioned photovoltaic panels;
- Material recovery from disused wind turbines;
- Classic hydrogen production system by electrolysis;
- Innovative hydrogen production system from metal powder oxidation.

Education, training, social inclusion, territorial development and charity activities are the starting point for the company.

Youth Employment Initiative: Integrating Work and Training

Since its inception, Ecosistem has been aware of the investment in young people as a success factor that contributes significantly to the sustainable development of the company.

Since 2016, the company has welcomed more than two thousand students from schools of all levels to tour its industrial

facilities and to provide training on waste management and the circular economy, hence the **'Open Doors' Project**.

The company also participates in the **'Alternanza scuola lavoro'** initiative: a cooperative education project, which combines classroom instruction with practical work experience.

Supporting Local Sport: A Step Towards the Active Community

Ecosistem's value of culture, inclusion and dialogue with the region sees it involved within the sports world by supporting various projects including:

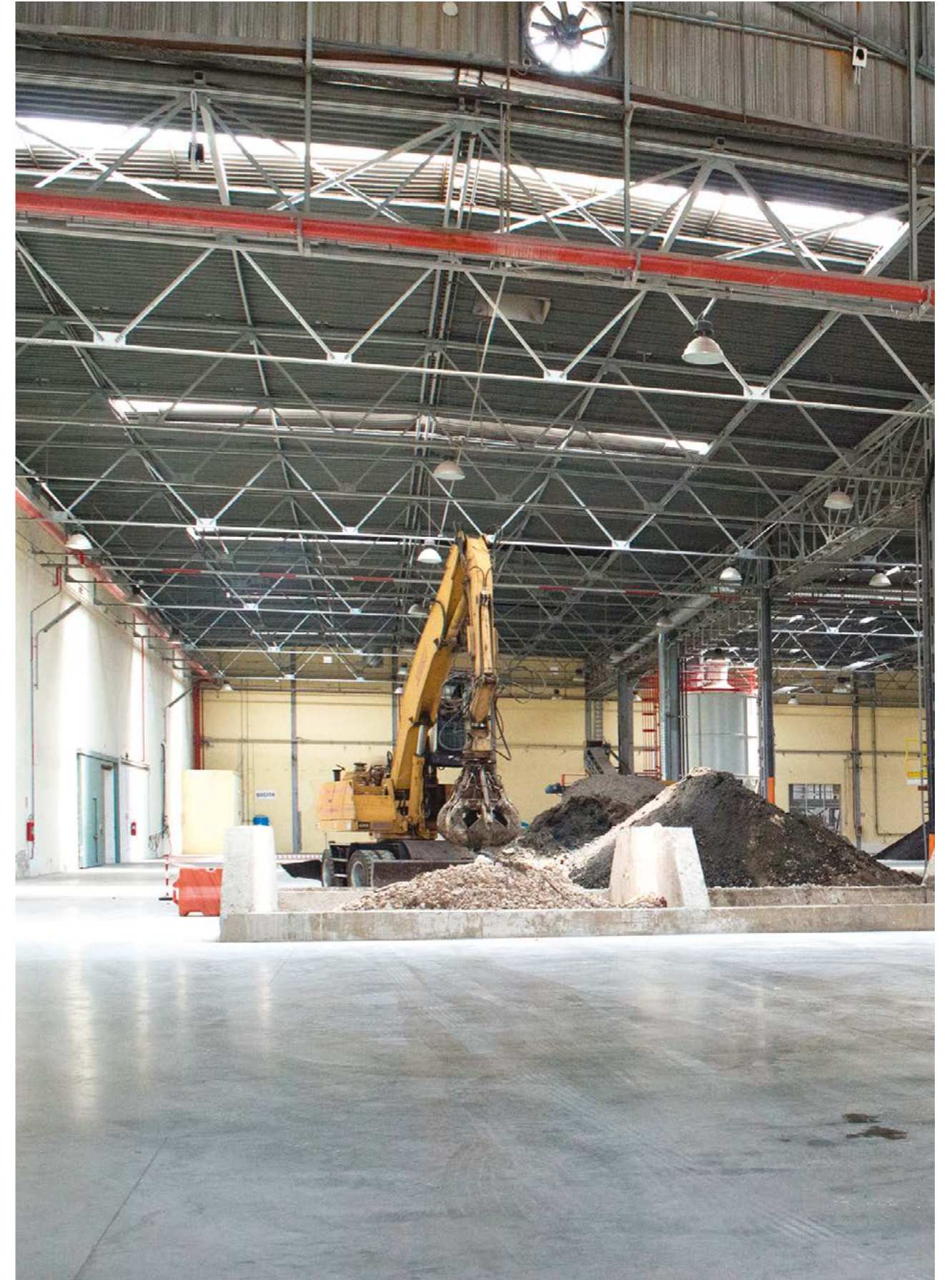


- **Ecosistem Lamezia Soccer**, an amateur sports association competing in the Serie B five-a-side football league and the regional amateur championship,
- **Junior (under 19)** national five-a-side football championship and provincial amateur over 35 championship.
- **Panarea Ecosistem Catanzaro**, competes in the national Beach Soccer league championship broadcast on numerous national TVs.

Sustainability for the Community

Ecosistem is actively involved in various activities in the region, including events such as workshops and seminars, with the aim of sharing its expertise on environmental protection and preservation. All Ecosistem managers and team members regularly participate in conferences and events dedicated to the topic of the circular economy.

In addition, **blood donation days and preventive campaigns** are organised at the company headquarters in cooperation with Avis Odv. These initiatives aim to raise awareness and assist the company's workers with regard to their health.





05

**The people
of Ecosystem**

The value of HR and the enhancement of human capital

GRI 2-7 | GRI 2-8 | GRI 2-30 | GRI 401-3 | GRI 404-1

Ecosystem considers its employees a strength, a fundamental resource for its economic success.

It is therefore committed to protecting and promoting the value of resources.



As at 31 December 2022, the company consists of **160 employees**, all of whom are duly contracted through the **Ci-sal Servizi, Environmental Hygiene, Private Construction and Freight Forwarding and Transport National Collective Agreement (CCNL)**.

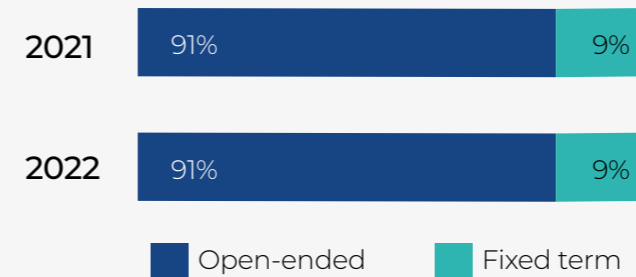
The workforce consists of 8 women and 152 men, and has **increased by 5.2 % compared to the previous year** (152 persons in 2021).

Ecosystem tries to build a stable and lasting relationship with its human resources, so that they can feel satisfied

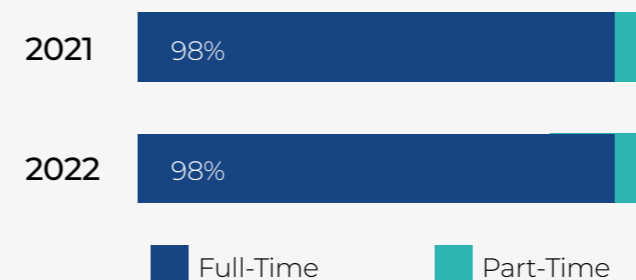
personally and professionally. This attitude is demonstrated by the fact that the **majority of employees, around 91%, are on permanent employment contracts**, and **almost all are employed full-time**.

Part-time contracts, although present to a lesser extent, represent a possibility that the company reserves for its employees, guaranteeing a condition of flexibility, which in the reporting period concerned, in particular, 3 women.

THE STABILITY OF CONTRACTS



FORMS OF EMPLOYMENT



Training and skills development

Ecosystem wants to contribute to the increase of employment and the development of local skills, which is why all its employees come from the same territory where the production plants covered by this report are located: specifically, **100% of employees come from the Calabria Region.**

With reference to the structure of employment by professional figure and consistent with the characteristics of the business model, the figure of the blue collar prevails, representing 81% of the company population. The waste sector is characterised by a greater presence of men, while all women hold the position of clerk.

EMPLOYEES BY PROFESSIONAL FIGURE		
	2021	2022
Workers Men	122	130
Workers Women	0	3
WORKERS	122	130
Employees Men	22	22
Employees Women	8	8
EMPLOYEES	122	130

EMPLOYEES by professional figure and gender						
	2021			2022		
	Women	Men	Total	Women	Men	Total
Employees	8	22	30	8	22	30
Workers	0	122	122	0	130	130
Total	8	144	152	8	152	160

In the following tables, we detail the composition of the workforce, as required by the GRI.

Employees by gender		
	2021	2022
Woman	8	8
Man	144	152
Grand total	152	160

Employees by type of contract and gender		
	2021	2022
Open-ended	139	145
Woman	8	8
Man	131	137
Fixed-term	13	15
Woman	0	0
Man	13	15
Grand total	152	160

The company guarantees equal opportunities to all persons wishing to join our team, in fact, as provided for by Law 68/99, in 2022 there will be five women in the workforce belonging to protected categories, one of whom will be classified as a clerk and the other four as workers.



Investments in training essentially concern the area of business-related risks. All employees and collaborators are trained at the start of employment on prevention and safety at work, but also on the correct use of vehicles and machinery.

Periodically, in close connection with the evolution of the relevant legislation, employees are trained on the risks related to the management of the treated waste.

Health and safety at work: a priority for Ecosystem

GRI 403-1 | GRI 403-2 | GRI 403-3 | GRI 403-4 | GRI 403-5
 GRI 403-6 | GRI 403-8 | GRI 403-9 | GRI 403-10



Ensuring healthy and healthy workplaces for all employees is an unparalleled commitment for Ecosystem. Ecosystem has a management system certified according to the **international standard UNI EN ISO 45001**, demonstrating the importance given to health and safety in the workplace in relation to the company's production activities.

In accordance with the Consolidation Act Legislative Decree 81/2008 and subsequent amendments, the company verifies the technical and professional competence of anyone working

within the facility and provides detailed information to workers on the specific risks of the environment in which they work and on preventive and emergency measures. This is done through general and specific training sessions, and with the dissemination of the Risk Assessment Document to all company levels

In 2022, **1168 hours of Health and Safety training** were provided, of which 292 hours were general training involving 73 employees, and the remainder specific training.

Type of training	2021		2022	
	No. of training hours	No. of employees involved	No. of training hours	No. of employees involved
Health and safety - general training	48	10	292	73
Health and safety - specific training	120	nd	876	nd
Total	168	10	1168	73

Ecosystem's commitment to ensuring safe workplaces is reflected above all in the practices made available to workers, who can report the presence of any hazards at work by filling in a questionnaire anonymously in order to protect and safeguard whistleblowers from possible retaliation. The organisation has therefore set up a system of worker consultation and participation at all levels and in all company functions, with the support of the company's various internal management systems.

The **Health and Safety Committee** has developed a consultation process to plan, implement and evaluate performance and actions to improve workers' health and safety. In addition to this, the Social Performance Team periodically involves and consults workers to propose solutions and measures to ensure the effectiveness of the system, the achievement of objectives and continuous improvement.

OCCUPATIONAL MEDICINE SERVICE

In compliance with current regulations, Ecosystem has appointed a competent doctor who has participated in the drafting of the Risk Assessment Document. The Competent Doctor is responsible for carrying out periodic medical examinations and inspections of workplaces, illustrating the results at the annual periodic meeting attended by the Workers' Safety Representative (RLS). All the activities of the Competent Doctor are drawn up within the Health Protocol and agreed with the RSPP and the Employer considering the specific risk for all activities.

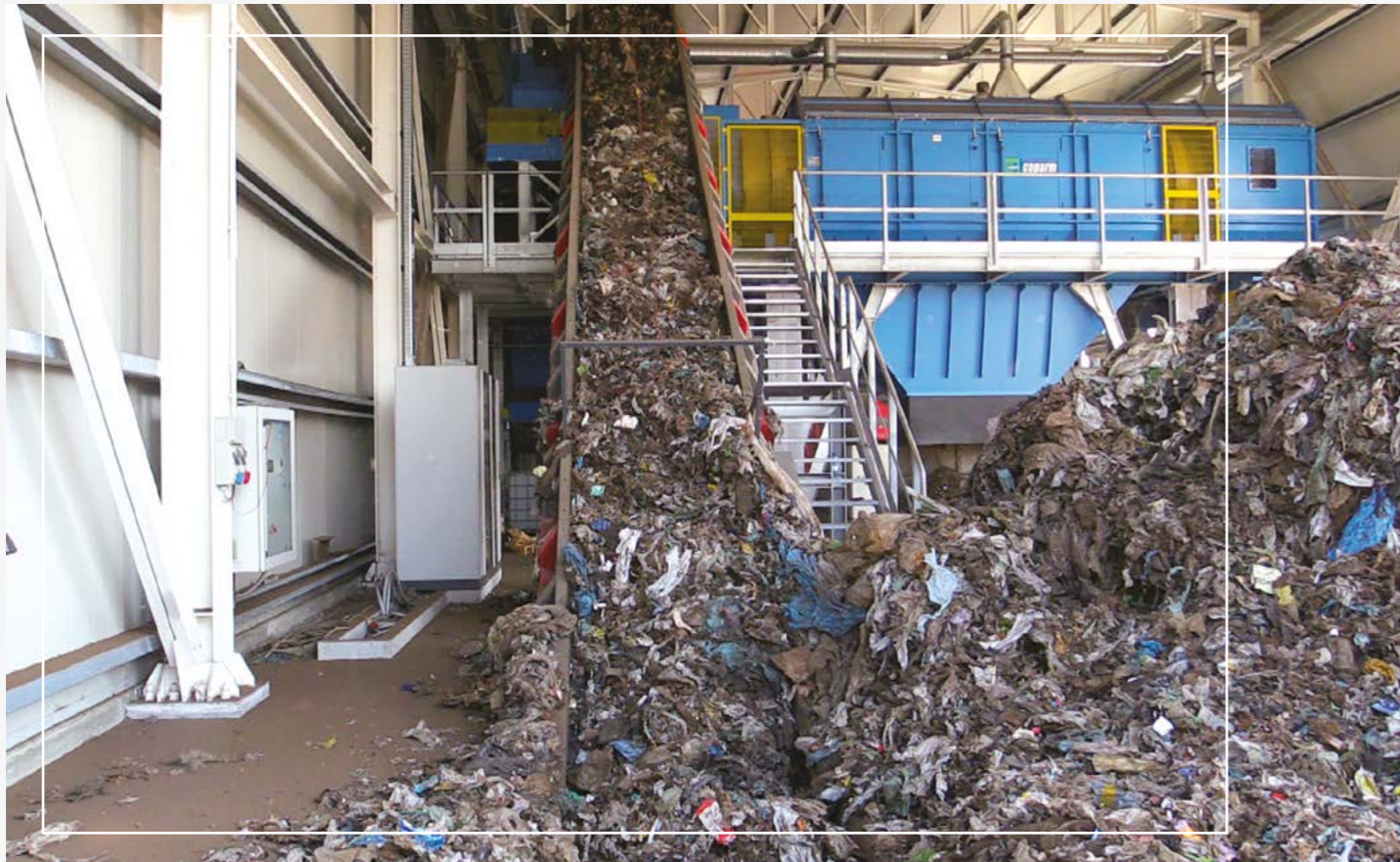
During 2022 there were 3 accidents at work, all caused by falling and slipping, none serious and/or fatal. No occupational diseases were recorded.



06

**Applied
circular
economy for
Ecosystem**

Responsibility towards the environment



Ecosystem is actively engaged in the application of circular economy principles through the recycling for reuse of multiple materials: paper and cardboard; plastic from packaging; agricultural sheeting; mulch; plastic and metal pipes; drums; fruit and vegetable crates; car bumpers and tanks; aluminium and steel from packaging; wood from packaging and furniture; iron, aluminium and copper from electrical and electronic equipment; electrical cables;

scrap metal in general; sand and gravel from polluted land; materials from road sweeping and sewer cleaning.

Technology, innovation and plant efficiency enable Ecosystem to minimise waste and make the most of existing resources. This involves the transformation of waste itself into valuable resources through recycling, reuse and recovery.

Selection and pressing plant

The purpose of the sorting and pressing plant is to separate mixed waste from 'multi-material collections' and to obtain separated materials of suitable purity for subsequent use. The sorting of material in the plant is semi-automatic. Paper, aluminium, glass, plastics and ferrous metals. In addition, paper and cardboard, plastic, wood, metal, composite and used rubber packaging will be stored and separated for subsequent recovery.

The plant will produce pressed and compacted material, which will be temporarily stored in 2 m³ bales in a dedicated area for the storage of these products, to be subsequently delivered to the plants of the Consorzi di Filiera circuit or to other authorised plants.

For paper and cardboard, the sorting and baling activities constitute R3 recovery activities and therefore the baled material ready for the paper mills constitutes secondary raw material (MPS).

Polymer production plant

Ecosystem's shredding, washing and extrusion plant for high-density plastics waste is installed on the Ecosystem platform.

The plant under investigation is used for washing pre-ground batteries (PP accumulators) with an average size of about 10-15 cm; the material is mainly contaminated by internal battery separators such as PVC in addition to the typical contaminants wood, sand, soil, some lead residue and acid. The line is also able to alternately process bottles, bottles and blown containers in HPDE post-consumer.

In addition to high-density plastics, there is also a line for processing low-density plastics, used for shredding, washing and extruding polyethylene film (LDPE-LLDPE) from agricultural film (greenhouse and mulch), given the agricultural vocation of the surrounding area.



Production of secondary fuels

Ecosistem has a sludge drying plant with 80% product inlet moisture and 10% residual product outlet moisture. The main objective of the plant is to reduce the mass of the incoming product. In particular, a production cycle is planned to obtain, from non-recyclable dry waste, a material of homogeneous composition and size, ready for energy cogeneration. In order to obtain CSS, the waste will have to undergo a series of treatments aimed, above all, at reducing the presence of inert or low-calorific power material such as metals, silica, etc., with the aim, moreover, of increasing the combustible value of the waste by restricting the field of variability of its characteristics as much as possible.

The output product is a Secondary Solid Fuel, compliant with UNI CEN/TS 15359.

Soil and aggregate recovery

The soil washing plant allows the granulometric selection and washing of the waste constituting the solid phase (soil, slag, sediment, etc.), facilitating the total or partial transfer of contamination to the liquid used as a washing agent.

The solids will be sent to a sorting process followed by a chemical-physical treatment of the resulting turbidity, so as to concentrate the pollutants in the dewatered sludge (silts and clays) and allow the recirculation of the wash water.

Soil fractions with larger particle sizes (sands and gravels), after pre-treatment, are sent for recovery; smaller particle sizes (silts and clays), containing most of the contaminants, are sent for subsequent stabilisation/solidification treatment (D9) after dewatering.



Waste management: the company's core business



The following tables show the data on waste treated by Ecosystem during the two-year period covered by this document. The data presented have been obtained from the Company's internal management systems and the relevant MUDs.

Ecosystem has an analysis laboratory with all the equipment needed to perform tests and analyses for the detection and titration of most pollutants.

Specialised personnel ensure the determination of incoming waste treatments as well as the control of all production processes in compliance with the acceptance parameters of the final disposal facilities.

For waste recovery and treatment activities, Ecosystem has the **Integrated Environmental Authorisation and Single Authorisation** issued by the Calabria Region. This allows the company to manage waste authorized EWC in an optimal and responsive manner to the best technologies available

In 2022, the waste treated by Econet amounted to 224,207 tonnes (33+% compared to 2021), when 168,487 tonnes were recorded), of which 6,229 tonnes was hazardous waste and 217,978 tonnes non-hazardous waste.

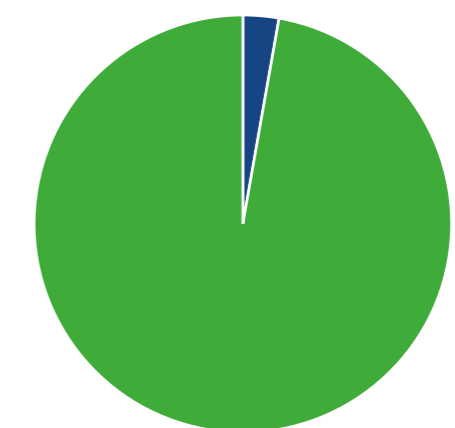
Compared to the previous year, **the share of treated non-hazardous waste increased (+37%, 168,487 tonnes in 2021).**

The table below details the waste received and processed by the Company and the relative quantity based on the classification into **macro-categories** and **classes relative to the EWC Code**. The first is determined by the very nature of the code and can be summarised as follows:

- **Category 1:** waste immediately attributable to the source generating the waste (EWC 01 to 12 + EWC 17 to 20)
- **Category 2:** Oils, solvents and packaging (EWC 13-14-15)
- **Category 3:** waste not otherwise specified in the list (EWC 16).

Class categorisation is provided by the first two digits of the EWC Code and the related categories are shown in the table below.

TYPE OF WASTE TREATED - 2022



97% Non-hazardous waste
3% Hazardous waste

MACRO-CATEGORY	CLASS	CATEGORY	tonne	tonn 2022
WASTE THAT CAN BE IMMEDIATELY ASSOCIATED WITH THE SOURCE GENERATING THE WASTE	01	wastes from prospecting, mining, quarrying, physical and chemical processing of minerals	22	40
	02	wastes from agriculture, horticulture, aquaculture, forestry, hunting and fishing food processing and preparation	2,242	1,697
	03	waste from wood processing and the production of panels, furniture, pulp, paper and cardboard	1	634
	04	waste from leather and textile processing	1	164
	05	wastes from oil refining, natural gas purification and pyrolytic treatment of coal	2	0
	06	waste from industrial chemical processes	6	273
	07	waste from organic chemical processes	306	101
	08	wastes from the manufacture, formulation, supply and use of coatings (paints, varnishes, and glazes), adhesives, sealants and printing inks	109	74
	09	photographic industry waste	18	14
	10	waste from thermal processes	189	36
	11	wastes from chemical surface treatment and coating of metals and other materials; non-ferrous hydrometallurgy	14	17
	12	wastes from physical and mechanical surface treatment and processing of metals and plastics	373	49
OILS, SOLVENTS AND PACKAGING	13	spent oils and liquid fuel residues (except fuel oils and oils in Chapters 05, 12 and 19)	2,379	2,328
	14	solvents, refrigerants, waste propellants (except 07 and 08)	12	10
	15	packaging waste, absorbents, rags, filter materials and protective clothing (not otherwise specified)	14,204	14,527
NOT SPECIFIED	16	wastes not otherwise specified in the list	83,015	65,023

MACRO-CATEGORY	CLASS	CATEGORY	tonne	tonn 2022
WASTE THAT CAN BE IMMEDIATELY ASSOCIATED WITH THE SOURCE GENERATING THE WASTE	17	waste from construction and demolition operations (including soil from contaminated sites)	23,493	19,062
	19	wastes from waste treatment plants, off-site wastewater treatment plants, as well as from the drinking water treatment and preparation of water for industrial use	41,161	113,782
	20	municipal waste (household and similar waste from commercial and industrial activities, as well as from institutions) including separately collected waste	939	6,374
	TOTAL		168,487	224,207

Also shown below are the percentages of waste treated by Ecosystem, i.e. waste sent to internal treatment lines for subsequent **recovery** (plastic washing, multi-material selection, sludge drying, stabilisation line pre-treatment, repackaging) or **disposal** (chemical-physical treatment of liquid waste stabilisation, sorting of materials containing asbestos). Finally, the quantities of **secondary raw mate-**

rials (SRMs) are also reported, i.e. the materials produced by waste recovery activities initiated and destined for the market. These include, for example, granules from shredding, washing and granulation of low-density plastics from blowing or moulding, flakes from polyethylene or polypropylene or recycled/artificial sand.

Indicator	2020	2021	2022
Waste Sent for Disposal Input Waste	51,6%	46,4%	36,8%
MPS produced	14.069 ton	19.580 ton	23.237 ton

Energy and energy efficiency

GRI 302-1| GRI 306-3| GRI 306-4



ENERGY PRODUCTION

Respect for the environment also goes through the use of clean sources of energy, with a production of 3.6 MW. Therefore, **photovoltaic production systems with a capacity of 2,185 kW** were installed on the roofs of the industrial halls of the platforms and employee car parks.

The Ecosystem plant is equipped with **high-efficiency methane gas cogenerators** used both for the production of electricity, self-consumed within the waste-to-energy platform, and for the operation of a sludge drying plant.

The integrated system implemented with cogeneration makes it possible to minimise Ecosystem’s dependence on external power suppliers, as well as to obtain dried sludge with a dryness of more than 95 % against an average initial moisture content of 80 per cent.

ENERGY CONSUMPTION

In line with the environmental issues identified as material, Ecosystem decided to report on the generated impacts related to electricity consumption, GHG emissions and water consumption.

As far as the energy vectors used by Ecosystem are concerned, they are represented by **electricity, methane gas** and **diesel fuel**; the latter represents the energy vector most widely used within the organisation and is mainly used for internal logistics (and more specifically for powering company-owned operating machinery and mobile equipment) and for the company fleet.

The electricity is partly taken from the grid, partly self-generated by the four photovoltaic plants present and finally, partly produced by the cogenerator.

% ENERGY CARRIERS - 2022



62% Fuel
26% EE
11% Methan Gas

Air emissions and climate change

GRI 305-1 | GRI 305-2| GRI 305-3

During the reporting period under consideration, Ecosystem consumed energy (electricity, methane gas and diesel oil) totalling **63,789 GJ in 2022**, and this **consumption** was **virtually unchanged compared to** 2021, when 63,990 GJ was recorded in 2021 (-0.3%).

Diesel covers the largest demand (62% of consumption), with 39,779 GJ consumed in 2022, while electricity about 26%. In this respect, there was **a 10%**

increase in electricity produced by PV between 2021 and 2022: the total energy produced by PV during 2022 amounted to 5,362 GJ and of this, 1,949 GJ was that sold to the grid by the company.

In accordance with GRI (disclosure 302-1), the reporting standard used in the preparation of this document, we report consumption also expressed in GJ in the tables below:

Internal energy consumption within the organisation - GJ ⁵		
	2021	2022
Fuel		
Diesel fuel for internal logistics and corporate fleet	33,410	39,779
Total Fuel (Gj)	33,410	39,779
Methane gas		
For industrial uses	17,285	7,184
Total Natural Gas (Gj)	17,285	7,184
Electricity (Gj)		
Electricity purchased from NON-renewable sources	10,609	13,414
Electricity produced by photovoltaic plant - renewable source	4,878	5,362
Electricity produced and sold to the grid	2,191	1,949
Total electricity consumed	63,990	63,789

⁵ Conversion factors used:
 · Electricity: Calculation with conversion factor Energy kWh/GJ
 · Gasoil: Table 1 Resolution EEN 9/11 - EN ISO 3675
 · Natural gas: Table 1 Resolution EEN 9/11

The treatment of air inside the workplaces is carried out by means of extraction and abatement systems for pollutant emissions originating from scrubbers and bag filters for dust.

The protection of water and soil is achieved by paving the entire outdoor and indoor area with industrial flooring with a high impermeability coefficient, conveying atmospheric precipitation water and its treatment, placing a suitable geomembrane under the floor of the industrial hall to prevent pollutants from reaching the soil through any cracks in the floor, and placing piezometric wells in the area of the plants in order to monitor the quality of groundwater and detect any pollution in time.

With regard to the emissions produced and with particular reference to its environmental impacts, Ecosystem has decided to report on the emissions of carbon dioxide produced by greenhouse gases (hereafter GHG - Greenhouse

Gases), obtaining the most complete and representative analysis of the company's activities according to **Scope 1** and **Scope 2**. The former represents direct emissions from domestic operations, while the latter represents indirect emissions from imported electricity consumption.

As far as Ecosystem is concerned, Scope 1 emissions are related to the consumption of methane gas and diesel fuel used, and the amount of tonnes of CO2 equivalent related to **Scope 1 was 3,279 tCO2eq in 2022** and 3,411 tCO2eq in 2021, thus decreasing by 4% over the two-year period.

With regard to **Scope 2**, the amount of tCO2-equivalent emissions is on the rise, totalling **1,093 tCO2eq in 2022** and 864 tCO2eq in 2021. This increase is in line with the increase in electricity consumption in 2021-2022 highlighted in the previous section. However, the importance of the **presence of the photovoltaic plants present** should

be emphasised once again, which at the same time recorded an increase in the energy produced between 2021 and 2022 and **allowed Ecosystem to avoid 278 tonnes of CO2 equivalent in 2022 alone**⁶.

In accordance with GRI's requirements (Disclosure 305-1 and 305-2), data on emissions from Ecosystem's activities in the years 2021-2022 are reported:

Scope 1	GHG emissions Scope 1 – tCO2 eq ⁷	
	2021	2022
Natural gas	1,009	419
Diesel fuel	2,402	2,860
Total Scope 1	3.441	3.279

Scope 2	GHG emissions Scope 2 – tCO2 eq ⁸	
	2021	2022
Purchased electricity	864	1.093
Total Scope 2	864	1.093

Total	GHG emissions Scope 1 and 2 – tCO2 eq	
	2021	2022
Scope 1	3.411	3.279
Scope 2	864	1.093
Total Scope 1 and 2	4.275	4.372

⁶ The avoided emissions were calculated as the difference between the emissions that would have been caused by purchasing electricity from the grid (ISPRA conversion factor 0.0002933 tCO2/kWh) and the zero impact that electricity production from photovoltaics has as direct emissions.

⁷ Fonte Source of emission factors Scope 1:
 • Methane gas: DEFRA 2022
 • Diesel: DEFRA 2022

⁸ Fonte Source of factors used Scope 2:
 • Electricity: emission factor relating to electricity consumption (forecast data for the year 2022) given in ISPRA Report 386/2023.

Water use and liquid emissions



Ecosystem adopts good practices for the management of water resources. All treatment plants that require water for the various washing and/or cooling processes are equipped with purification plants that allow for its continuous reuse. Therefore, the company has purification plants for washing and regeneration of plastic waste and for washing contaminated soil. In this way, the water consumed is only that required to restore minimum levels in the various plant units following natural evaporation losses.

The water consumed by the company is divided into mains water and industrial water; consumption is shown in the table below:

	2021	2022
Mains water (mc)	3,000	3,392
Industrial water (mc)	14,892	15,433
Totale (mc)	17.892	18.825



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**and...
everything
changes.**