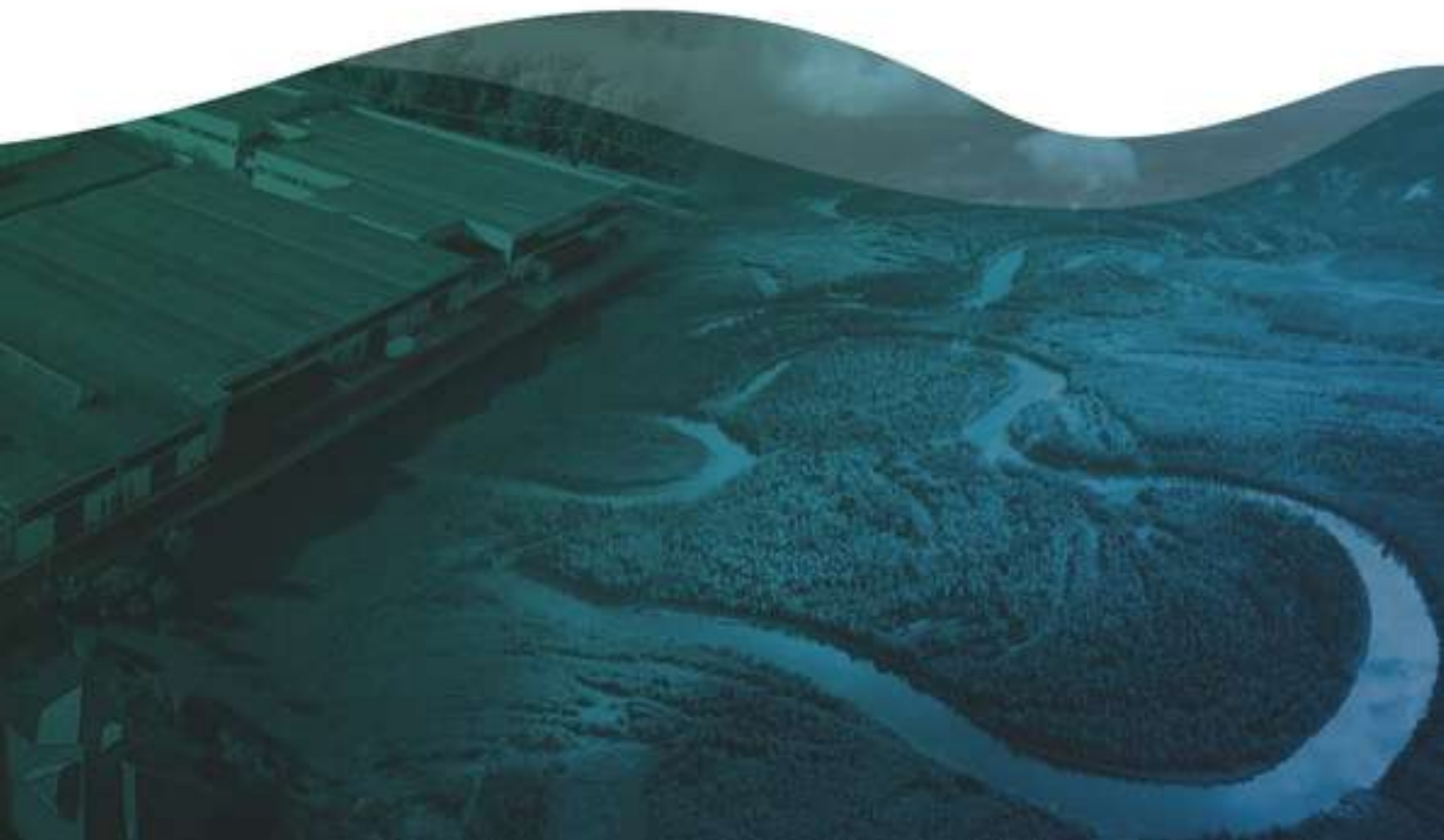




# **SUSTAINABILITY REPORT**

2024



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# INTRODUCTION

Our Sustainability Report is divided into several chapters, the contents of which are described below:

The **'Letter to Stakeholders'** marks the beginning of an open dialogue with our key stakeholders, emphasising the importance of understanding and addressing our mutual expectations and responsibilities. This section is fundamental to establishing open and transparent communication and building a solid, trusting relationship based on long-term collaboration.

In the **'About Us'** section, we offer a clear overview of our corporate identity, outlining the mission and vision that guide all our strategic decisions. Here, we emphasise **innovation as a pillar of our corporate culture**, constantly pushing ourselves to create new, cutting-edge solutions to meet market challenges and the ever-changing needs of our customers. Readers thus have the opportunity to gain an in-depth understanding of our core values and objectives. The **double materiality assessment** is a key element of our ESG Report. Following the IRO approach (Impacts, Risks and Opportunities), in line with the CSRD Directive, we examine in detail both the impacts our activities have on the environment and the influences the environment exerts on our operations. This approach enables us to proactively identify, assess and manage sustainability-related risks and opportunities, ensuring their effective integration into our strategic and operational decision-making processes.

Moreover, we have conducted a thorough **stakeholder mapping**, establishing ongoing dialogue which has given rise to our materiality matrix.

The **"Environment"** section of our ESG Report is characterized by a rigorous and detailed approach, consistent with the European Sustainability Reporting Standards (ESRS).

We provide key data on energy consumption, water use, waste management, circular economy practices, and greenhouse gas emissions. These figures ensure transparency and demonstrate our concrete commitment to reducing our environmental footprint. The initiatives and results presented confirm that **environmental sustainability is a core objective for our company**.

The chapter **"The Social Side of Luxor"** focuses on our human capital, which we consider a key driver of our long-term success and growth. This section also addresses **occupational health and safety**, describing the policies, procedures, and initiatives adopted to ensure a safe, inclusive, and healthy working environment for all employees. We believe that investing in the well-being and development of our employees not only improves the quality of work but also enhances productivity, engagement, and a positive corporate culture. Our ESG Report concludes with the chapter **"Organizational Governance"**, where we outline our commitment to **ethical and transparent business management**. We highlight the importance of leadership grounded in integrity and accountability, describing the governance structures, compliance systems, and internal controls in place to uphold high standards of corporate conduct. The section also details our compliance policies, internal audit activities, and other initiatives aimed at ensuring **transparency**, preventing conflicts of interest, and promoting **responsible business practices**. Our governance framework is not only consistent with current regulatory requirements but also designed to proactively address the evolving challenges of a dynamic global market.

# METHODOLOGICAL NOTE

This Sustainability Report has been prepared in accordance with the **European Sustainability Reporting Standards (ESRS) – VSME Basic Module (Voluntary Sustainability Reporting Standard for SMEs)**, as required by the **Corporate Sustainability Reporting Directive (CSRD) of the European Union**.

This methodological approach aligns with the regulatory framework established by the CSRD Directive, which requires companies to provide clear, transparent, and comparable disclosure on sustainability matters, with a specific focus on environmental, social, and governance (ESG) aspects.

The Report has been developed with reference to the following regulatory sources:

- **Directive 2014/95/EU** (Non-Financial Reporting Directive), as amended by Directive 2021/2101/EU and integrated into the Corporate Sustainability Reporting Directive (CSRD), which defines the framework for non-financial and sustainability-related reporting.
- **Regulation (EU) 2021/2088** (Sustainable Finance Disclosure Regulation – SFDR), which establishes transparency requirements regarding the impacts of corporate activities on ESG matters.
- **European Sustainability Reporting Standards (ESRS)**, which provide the technical guidelines and disclosure principles for companies subject to the CSRD.

Luxor has adopted this framework to ensure full compliance with European sustainability disclosure requirements and to strengthen the transparency, consistency, and accountability of its ESG performance reporting.

In compliance with the CSRD and the European Sustainability Reporting Standards (ESRS), this Report has been prepared considering the applicability of the provisions set out for small and medium-sized enterprises (VSME), with the objective of ensuring the quality and transparency of disclosed information, while taking into account the company's scale and available resources.

Although not required under the VSME Basic Module, a stakeholder engagement process was carried out, resulting in the development of a materiality analysis and matrix. This demonstrates that the company has not only initiated a structured process of ESG impact reporting, but has also expressed a clear commitment to further explore and integrate these topics in order to enhance the understanding of its value chain and define corresponding strategic directions.

This document reports data for the period from **1 January 2024 to 31 December 2024**, with additional reference to **the actual figures for 2023 as a historical comparison**.

The organizational boundaries and the sites included in the reporting scope are as follows:

**Administrative headquarters, production plant and commercial offices:**

- Via Madonnina 94, Montichiari (BS)
- Via Madonnina 25E, Montichiari (BS)

# METHODOLOGICAL NOTE

In this Report, particular attention has been given to the measurement and disclosure of greenhouse gas (GHG) emissions, in accordance with the Greenhouse Gas Protocol (GHG Protocol) – the internationally recognized standard for calculating and reporting emissions.

Specifically, the following principles have been applied:

- **Scope 1** (Direct emissions): Direct emissions originate from activities directly controlled by the company, such as those related to fuel combustion and the use of industrial processes.
- **Scope 2** (Indirect emissions from purchased energy): These emissions refer to electricity, heat, and cooling purchased and consumed as part of the company's operations.

The calculation of greenhouse gas emissions was carried out using the following approaches:

- **Emission factors:** To determine emissions associated with each activity type, official emission factors were applied, such as those provided by the **Intergovernmental Panel on Climate Change (IPCC) Carbon Footprint Calculator** and the **GHG Protocol guidelines**.

**Data Collection and Calculation Approach:**

To calculate Scope 1 and Scope 2 emissions, energy consumption data (electricity, thermal energy, and fuels) were collected for the reference year.

**Data conversion:** Energy consumption and other environmental information were converted into CO<sub>2</sub> equivalent emissions (CO<sub>2</sub>e) using the appropriate emission factors for each fuel type or energy source, as well as recognized conversion tools.

- **Scope 1: Emission factors from DEFRA (Department for Environment, Food and Rural Affairs).**
- **Scope 2: Emission factors from EEA 2022 (European Environment Agency), ISPRA 2023 (estimated) (Istituto Superiore per la Protezione e la Ricerca Ambientale), and A.I.B. 2023 (Association of Issuing Bodies).**
- **Conversion tools: SNAM converter and ENI energy conversion table.**

**Materiality Analysis and Stakeholder Engagement Methodology**

For the materiality assessment, stakeholder engagement, and adaptation of material topics according to the applicable NACE code, the following guidelines and operational tools were applied:

- **ESRS Annex RA 16**
- **SASB Materiality Map**
- **EU Taxonomy Compass**
- **EU Navigator**
- **ATECO-NACE v.2 correlation table - ISTAT**

# OUR COMMITMENT





# LETTER TO STAKEHOLDERS

**Dear Stakeholders,**

We are pleased to present our **2024 Sustainability Report**, a document that not only summarizes the activities carried out during the year, but also reflects our enduring **commitment to social and environmental responsibility**. This Report serves as tangible evidence of our continuous efforts to create **long-term sustainable value** for all those with whom we interact, including employees, customers, suppliers, local communities and shareholders.

Sustainability is a core principle guiding every business decision we make. It is not merely about compliance with regulations and standards, but about fully integrating sustainability into every stage of our operations. For us, it represents a **driver of innovation and growth**, aimed at **reducing environmental impact**, **improving social conditions**, and fostering an economic model that prioritizes **people's well-being** and the **health of the planet**.

Throughout this year, we have worked diligently to strengthen a **corporate culture based on sustainability**, adopting practices that generate value not only for the company, but also for society and the environment in which we operate. We have achieved significant progress across multiple areas, with the goal of advancing continuously in the social, environmental, economic, and governance dimensions of our business.


Our approach is grounded in **transparency, ethics, and accountability**, and we firmly believe that value creation for stakeholders can only be achieved through shared goals of inclusive and lasting growth. We are aware that the path toward full sustainability is ongoing and constantly evolving, yet we are determined to pursue it with an open mind and a willingness to **embrace change**.

We invite you to explore, through this Report, the journey we have undertaken and the **milestones** we have reached so far. Each achievement represents a step forward in a continuous evolution. Your **trust** is invaluable to us, and we warmly welcome any suggestions or feedback that may help us further improve our sustainability performance.

We sincerely thank you for your support and ongoing commitment to a more sustainable and responsible future.

With gratitude,

**Fabio Astori**  
CEO



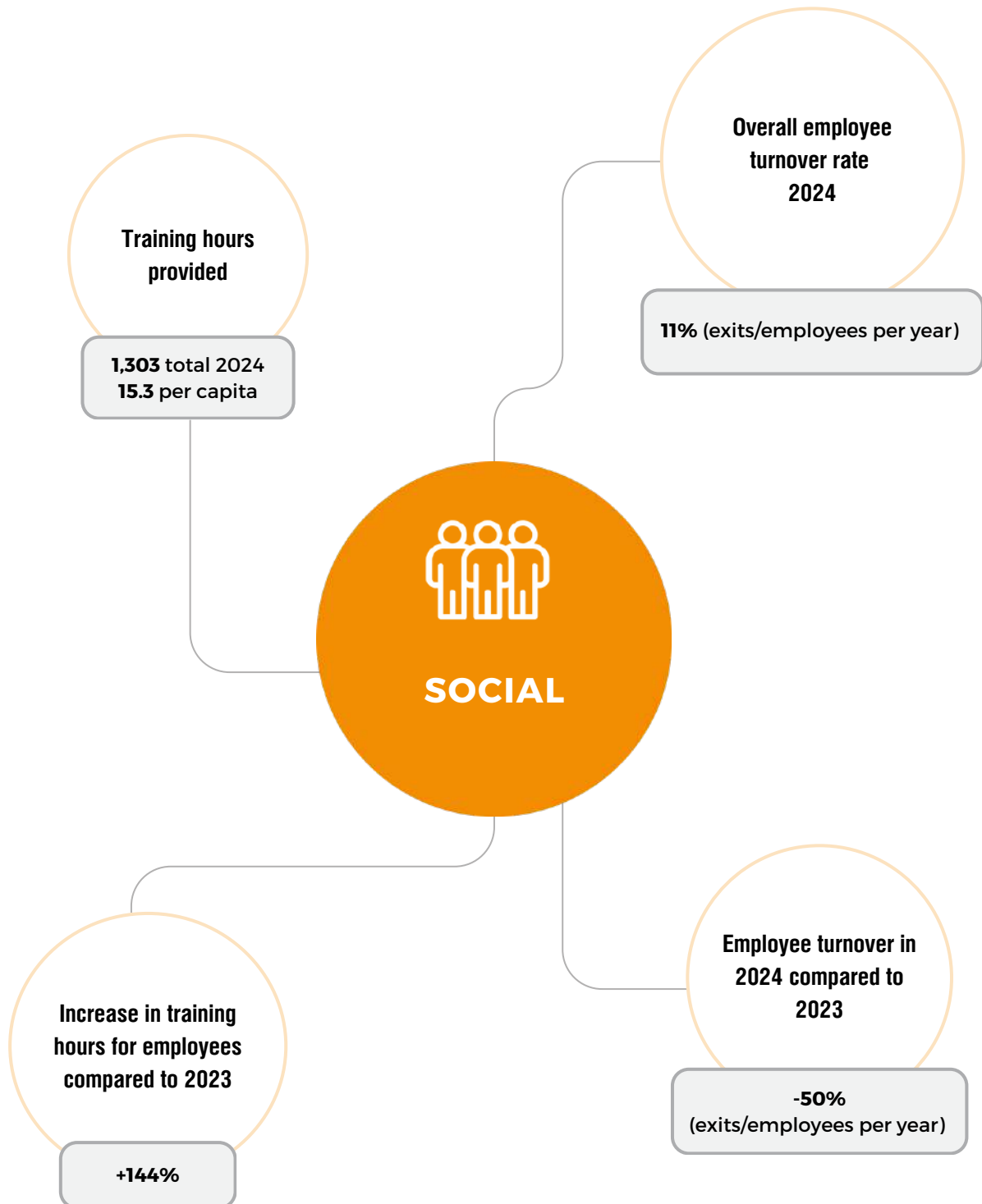
# HIGHLIGHTS



Databases for emission factors: DEFRA 2024 for Scope 1 | AIB 2023 for Market Based | EEA/ISPRA 2023 for Location Based.  
Databases for emission factors: DEFRA 2024 for Scope 1 | AIB 2023 for Market Based | EEA/ISPRA 2022 for Location Based.



# HIGHLIGHTS



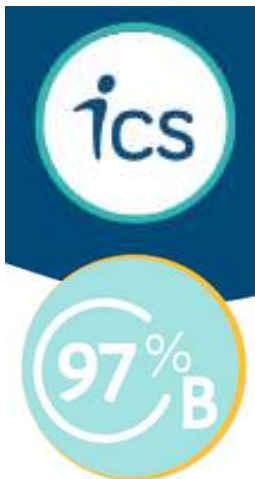
# HIGHLIGHTS



# OUR ESG ACHIEVEMENTS



**EcoVadis** is a global platform that provides corporate sustainability assessments, analyzing companies' environmental, social, and economic impacts. Through a comprehensive rating system that evaluates more than 200 criteria across 21 categories, EcoVadis assesses corporate policies, practices, transparency and measurable results in relation to international sustainability standards. The EcoVadis rating is widely recognized and respected worldwide as one of the most reliable tools for evaluating corporate responsibility performance. Companies achieving high scores can prove their commitment to sustainability, strengthening trust among customers, suppliers, and other stakeholders. Moreover, the EcoVadis assessment is a valuable tool for internal improvement, offering insights to help companies enhance their practices and align with global ESG standards. This supports responsible and sustainable growth.



The Initiative for Compliance and Sustainability (**ICS**) is a multi-stakeholder initiative that brings together international brands and retailers with the goal of improving social compliance and sustainability throughout global supply chains. Through an audit process conducted by ICS members, companies are assessed on their compliance with labour rights, health and safety regulations, and working conditions. The audit results are then shared in a centralized database, ensuring greater efficiency, transparency, and consistency in implementing improvement actions across the supply chain.

# ESG OBJECTIVES AND ACTION PLAN



## ENVIRONMENTAL OBJECTIVES

Environmental aspects are among the top priorities for Luxor S.p.A., which is committed to creating workplaces with a **lower ecological impact**.

This goal is pursued through the continuous assessment and adoption of new eco-sustainable materials, aimed at reducing the use and generation of hazardous substances and promoting a **circular model** in product design and lifecycle management.

Another key objective for Luxor S.p.A. is the **reduction of energy and water consumption**, a target to be achieved in the short term through ongoing monitoring activities and the development of action plans aimed at reducing related **GHG (Greenhouse Gas) emissions**.



## SOCIAL OBJECTIVES

Luxor S.p.A. is committed to maintaining a **high level of employee training** and professional development through internal learning programs and on-the-job mentoring by experienced professionals. The adoption of a shared **corporate regulation and the promotion of active employee engagement** are among the company's primary goals. Luxor S.p.A. firmly believes that involving its people, while ensuring a safe and positive working environment, is essential for achieving its economic and financial objectives and for fostering sustainable organizational growth.



## GOVERNANCE OBJECTIVES

Luxor S.p.A. has recently adopted its own **Code of Ethics**, developed an **Anti-Corruption Policy**, and implemented a **Whistleblowing** mechanism to ensure integrity and transparency in business conduct. The company is also committed to preparing a **Sustainability Report** in compliance with ESRS standards (CSRD framework) for the 2024 reporting year, to be published in 2025.

Furthermore, Luxor S.p.A. aims to strengthen its commitment to **transparent and responsible supply chain management** through a structured supplier assessment process based on ESG criteria, with particular focus on **Corporate Social Responsibility (CSR) principles**.

# OUR MARKETS



ITALY	SLOVENIA	BELGIUM	GEORGIA	VENEZUELA
GERMANY	HUNGARY	AZERBAIJAN	BRAZIL	LEBANON
RUSSIAN FEDERATION	SWITZERLAND	CYPRUS	UZBEKISTAN	LITHUANIA
ROMANIA	SERBIA	SPAIN	TUNISIA	ARABIA SAUDITA
FRANCE	NETHERLANDS	UKRAINE	MAKEDONIJA	TURKEY
NORWAY	REPUBLIC OF MOLDOVA	GREECE	CROATIA	SAN MARINO
PORTUGAL	ISRAEL	LATVIA	ICELAND	DOMINICAN REPUBLIC
AUSTRIA	SWEDEN	DENMARK	REPUBLIC OF IRELAND	HONG KONG
REPUBLIC OF CZECH	AUSTRALIA	BOSNIA- ERZEGOVINA	UNITED KINGDOM	FINLAND
POLAND	U.S.A.	IRAQ	UZBEKISTAN	PUBLIC REP. OF CHINA
BULGARIA	ESTONIA	JORDAN	TUNISIA	
KOSOVO	REPUBLICA ARGENTINA	ALGERIA	ALBANIA	

# ABOUT US

## Company details

Registered office address	Via Zanardelli, 88 – 25013 CARPENEDOLO (BS) Italy
Digital domicile/certified e-mail address	luxorspa@pec.it
REA number	BS-125445
Tax code and registration number from the Companies Register.	00280360173
VAT number	00548540988
Legal form	Società per Azioni
Date of incorporation	30/12/1977
Registration date	23/02/1978
Date of last protocol	06/06/2025
Chairman of the Board	Astori Fabio

## Business

Business start date	30/12/1977
Business activity	Manufacture, transformation, marketing and sale of plumbing and heating products.
ATECO code	28.14.00
NACE code	28.14
Subscribed share capital	3.000.000
Employees as of 31/12/2024	85
Shareholders	3
Directors	5
Office holders	0
Auditors, supervisory bodies	6
Local units	2





# COMPANY PROFILE

Luxor S.p.A. is deeply aware of its **environmental, social and ethical** responsibilities. We firmly believe that adopting **sustainable practices** is essential for building a future in which economic development, environmental protection and **social welfare** can coexist and reinforce each other.

With the aim of **reducing the environmental impact** of our operations, improving the welfare of our employees and adhering to strict governance principles, we have defined a series of sustainable objectives. These objectives guide our daily choices and demonstrate our commitment to **responsible and conscious** growth, integrating environmental, social and governance (ESG) criteria into every area of our business.

We are committed to constantly monitoring and improving our ESG performance in order to promote a more responsible and sustainable production model. Our sustainability policy provides a clear and concrete guide for achieving these objectives, with the aim of generating a lasting positive impact that can create value both for the company and for the ecosystem around us.



# VALUES, MISSION AND VISION

For years, Luxor S.p.A. has been manufacturing flexible hoses with a **low lead content (< 0,2%)**, demonstrating a **constant commitment to preserving the health and well-being of consumers**.

These products already comply with the requirements of Directive (EU) 2020/2184 – ‘Drinking Water Directive (DWD)’, which establishes hygiene criteria for materials intended to come into contact with drinking water, including limits for lead, thus ensuring high safety standards for the end user.

In addition to its focus on consumer health, Luxor S.p.A. demonstrates particular sensitivity to issues related to **environmental protection**. The company is actively engaged in the research and development of **sustainable solutions with low environmental impact**, promoting **energy efficiency** and thus contributing to environmental protection and the pursuit of long-term sustainability goals.



## MISSION

Increase market share through an honest and sustainable process that benefits all stakeholders.



## VISION

Supplying the market with highly hygienic and functional products that respect the environment.

# QUALITY AND ENVIRONMENT POLICY



In order to achieve these objectives, LUXOR S.p.A. has implemented the following company policy:

- **Customer Orientation:** We place the expectations of our internal and external customers at the centre of our activities. Customer satisfaction and loyalty to our company and brand are the key indicators of our success.
- **Results Orientation:** For Luxor S.p.A., delivering high-quality products and services that exceed competitors' standards is the key to achieving lasting business excellence. This goal is pursued through constant attention to the needs of Customers, Employees, Suppliers and all Stakeholders.
- **Management and Consistency in Objectives:** We operate in a structured and systematic manner, ensuring alignment among departments. We achieve outstanding performance by recognizing quality as a managerial guideline and through the commitment of our Management and all employees
- **Process-Oriented Management:** A consistent process-oriented approach and its ongoing evaluation enable us to achieve objectives efficiently through optimal use of resources. Decisions are made based on facts and strategic direction.
- **Employee Growth and Participation:** Each of us contributes to the quality and success of our performance. Through active participation, we promote skilled and empowered employees capable of working independently and responsibly.
- **Continuous Learning, Innovation and Improvement:** Through creativity and continuous learning, our employees constantly enhance their skills and competencies. Our process of continuous improvement is based both on the use of targeted methodologies and on the effective exchange of knowledge within the organization.
- **Partnership Building:** Long-term and concrete partnerships with our suppliers, employees, customers, and all stakeholders ensure reliable business relationships characterized by shared objectives and mutual trust.
- **Health and Safety:** The protection of workers' health and safety represents a core value, a constant commitment, and a fundamental component of our mission. These principles are implemented through continuous investment in resources, ongoing improvement of performance and process reliability, and strict compliance with applicable health and safety regulations.
- **Environment:** compliance with environmental regulations and the prevention of pollution are corporate priorities. These are achieved through the effective implementation of management and operational procedures, continuous monitoring of waste management processes and air emissions, and the optimization of resource use. Luxor S.p.A. also promotes employee awareness and the adoption of advanced technologies to minimize environmental impact and improve overall sustainability performance.

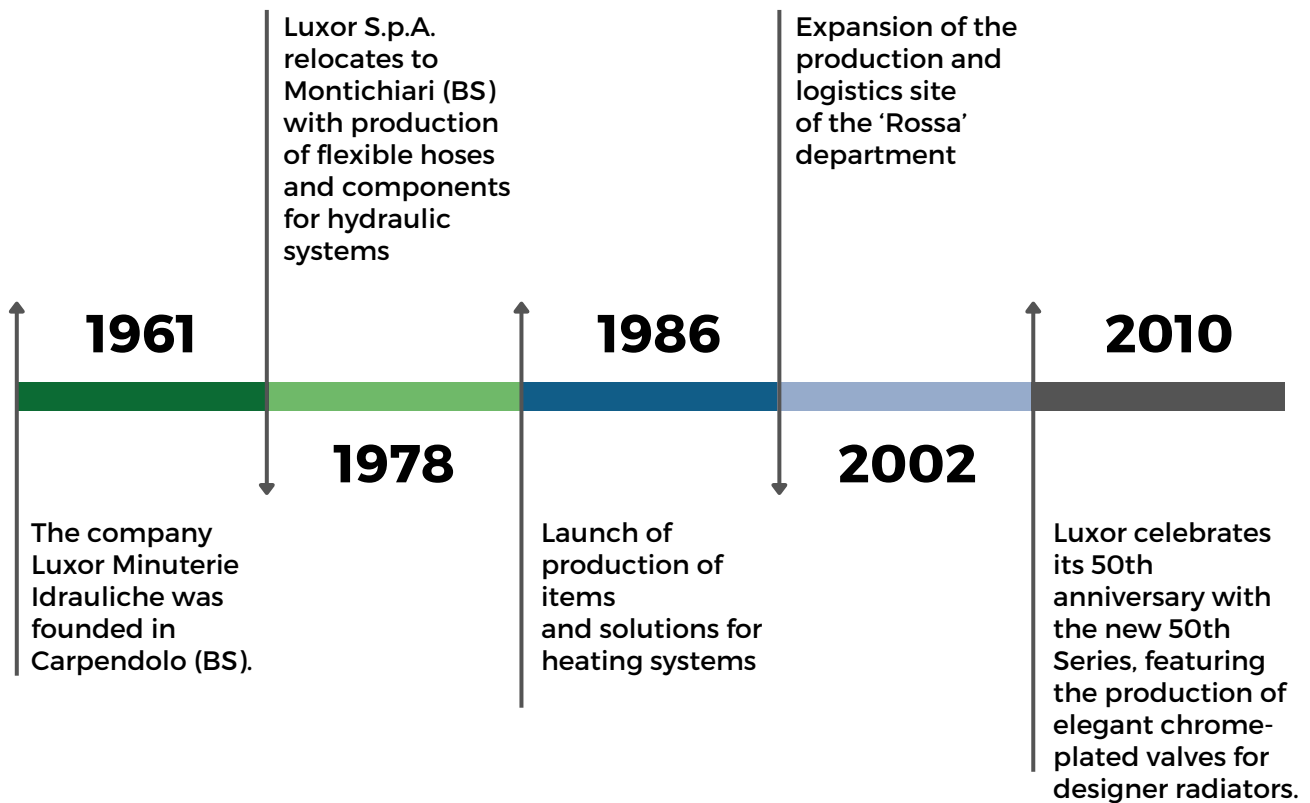
# OUR PRODUCTS AND OUR HISTORY

At Luxor, quality is not just a goal, but a fundamental value that guides every stage of our production process.

**For over 60 years**, we have been committed to excellence, evident in the design and manufacture of highly reliable products. These products are built to last and guarantee the functionality and efficiency of plumbing and heating systems.

All Luxor components and processes are regulated by **ISO 9001:2015 certification**, which guarantees constant attention and continuous improvement of the products manufactured and services offered to customers.

In order to monitor and improve the environmental impact of our business, we have implemented a Quality Management System that complies with the prestigious **ISO 14001:2015 sustainability certification**.



# OUR PRODUCTS

The Luxor S.p.A. product range covers the entire water and heating system of a building, with solutions ranging from domestic water and heating distribution to temperature regulation and control. The range includes flexible hoses, manifolds, valves, mixing units and accessories, designed and manufactured to ensure reliability, efficiency and durability.

## FLEXIBLE HOSES



- Flexible hoses for bathrooms
- Flexible hoses for kitchens
- Flexible hoses for appliances
- Industrial flexible hoses

## ANGLE VALVES



- Screw-down angle valves with filter
- Screw-down angle valves without filter
- Undersink ball angle valves
- Design undersink angle valves
- Cistern angle valves
- Angle valves for household appliances
- Float angle valves
- Accessories for angle valves

# OUR PRODUCTS

## TRAPS



- PL series traps
- Premium series traps
- 50 series traps
- K series domestic appliance traps
- ST series traps
- Accessories

## FITTINGS



- Compression fittings for copper pipes
- Compression fittings for polyethylene, polybutene and polypropylene pipes
- Compression fittings for PEX-AL-PEX multilayer polyethylene pipes
- Chrome-plated and painted compression fittings
- Concealed fittings for distribution with removable pipes
- Fittings for copper, plastic and multilayer pipes



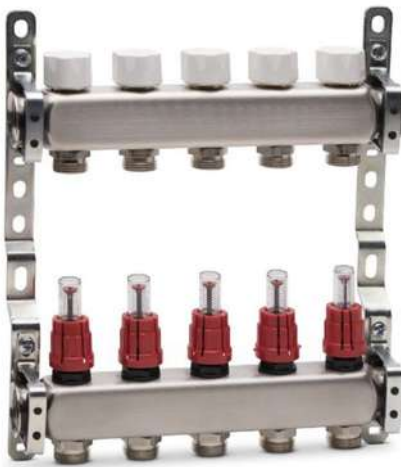
# OUR PRODUCTS

## RADIATOR VALVES



- Manual radiator valves Easy Series
- Thermostatic radiator valves Thermotekna Series
- Chromed design series 30 Series
- Chromed design series 50th Series
- Valves for single/double pipe distribution system M-MT Series
- Accessories for radiator valves

## MANIFOLDS



- CP Series - Simple modular manifolds
- CC Series - Coplanar manifolds
- CD Series - Brass distribution manifolds
- CX Series - Stainless steel distribution manifolds
- CV Series - Modular manifolds with front shut-off valves
- Manifolds accessories

# OUR PRODUCTS

## PREASSEMBLED GROUPS



- Pumping and mixing group
- Regulation system with pump unit GP 1190
- Group GP 1190 and kit FM 750
- Regulation systems for radiant panels heating with mixing Group GM 1192
- Regulation system with pump group GP 1190 and kit KA 1191
- Solar pump group

## SIM



- Modular solution for the distribution and management of systems, integrating manifolds and booster and mixing units

# OUR PRODUCTS

## ACCESSORIES



- Tubes
- Squares
- Compression fittings
- Wall covers
- Valves
- Electrical and electronic accessories
- Drains
- Grates and handles
- Accessories
- Demax magnetic dirt separator



# OUR STAKEHOLDER



# OUR STAKEHOLDERS

In the context of stakeholder assessment, engaging stakeholders is not only a good practice, but an essential requirement to ensure the effectiveness and credibility of the process. Active stakeholder engagement goes beyond the mere collection of information, paving the way for a constructive and transparent dialogue.

This approach allows the integration of diverse perspectives, expertise, and experiences, enriching the analysis and reducing the risk of gaps or distortions in the results. Involving stakeholders helps foster a sense of shared responsibility, facilitating the acceptance of the assessment outcomes and encouraging active participation in the subsequent actions derived from it.

When stakeholders feel heard and involved, they are more likely to actively engage in the process and contribute to its successful outcome. Moreover, dialogue and collaboration strengthen the relationships between the organization and its stakeholders, fostering an environment of trust and mutual understanding.

In summary, stakeholder inclusion is essential to ensure that the assessment is comprehensive, accurate, and effective in guiding informed decision-making and targeted actions. An inclusive assessment process not only enhances the quality and reliability of the analysis but also promotes a collaborative environment and supports long-term sustainability.

Categories	Expectations	Commitment	Risks and Opportunities	Engagement Tools
<b>Ownership / Shareholders</b>	<b>Fulfilment of the following expectations:</b> <ul style="list-style-type: none"> <li>Establish a strong market position through high-quality, recognized products</li> <li>Asset growth</li> <li>Achievement of corporate objectives</li> <li>Profit maximization</li> <li>Acting as a customer-oriented problem solver</li> </ul>	<ul style="list-style-type: none"> <li>Adoption of UNI EN ISO 9001 and 14001 Management Systems</li> <li>Management control system</li> <li>Implementation of corporate policies</li> </ul>	<b>Risks:</b> <ul style="list-style-type: none"> <li>Loss of profit</li> <li>Loss of internal know-how</li> <li>Loss of clients</li> <li>Loss of market credibility</li> </ul> <b>Opportunities:</b> Promote innovation and growth through strong and decisive leadership	Board meetings, operational reports, strategic planning sessions
<b>End Customers</b>	<b>Fulfilment of expectations regarding:</b> <ul style="list-style-type: none"> <li>Product quality</li> <li>Compliance with delivery times</li> <li>Transparent and effective communication</li> <li>Technical support and expertise</li> </ul>	<ul style="list-style-type: none"> <li>Quality management system and Quality control</li> <li>Technical training for staff and sales agents</li> <li>Production efficiency</li> <li>Product certification by external accredited bodies</li> <li>EcoVadis Scorecard achieved - Bronze Medal (66/100)</li> </ul>	<b>Risks:</b> <ul style="list-style-type: none"> <li>Customer loss</li> <li>Negative brand image</li> <li>Revenue loss</li> </ul> <b>Opportunities:</b> Strengthening brand identity and expanding into ESG-oriented market segments	Customer feedback and satisfaction management, prompt response to information requests and questionnaires, and coordinated handling of client requirements

# OUR STAKEHOLDERS

Categories	Expectations	Commitment	Risks and Opportunities	Engagement Tools
Employees	<b>Fulfilment of expectations regarding:</b> <ul style="list-style-type: none"> <li>Workplace safety</li> <li>Clear agreements on compensation, working hours, and job roles</li> <li>Fair remuneration and professional growth opportunities</li> <li>Health and safety in all work activities</li> <li>Willingness to invest in improving work efficiency</li> <li>Sharing and involvement in common objectives</li> </ul>	<ul style="list-style-type: none"> <li>Adopted UNI EN ISO 9001_14001 Management System</li> <li>Compliance with health and safety regulations</li> <li>Quality policy</li> <li>Implemented contracts between the parties</li> </ul>	<b>Risks:</b> <ul style="list-style-type: none"> <li>Loss of human resources</li> <li>Workplace injuries</li> <li>Loss of productivity</li> <li>Absenteeism</li> <li>Sanctions or penalties</li> </ul> <b>Opportunities:</b> Create a positive work environment that fosters motivation and career development.	Updated and shared organizational chart, career development paths, clear and shared procedures, team building initiatives
Suppliers	<b>Fulfilment of expectations regarding:</b> <ul style="list-style-type: none"> <li>Continuity in supply</li> <li>Compliance with contractual obligations</li> <li>Technical collaboration in supply decisions</li> <li>Clear and transparent communication</li> </ul>	<ul style="list-style-type: none"> <li>Use of an IT system for planning and managing purchase orders</li> <li>Adoption of UNI EN ISO 9001 and 14001 Management Systems</li> </ul>	<b>Risks:</b> Supply chain disruptions <b>Opportunities:</b> Build strong and long-lasting partnerships	Creation of a "vendor rating" system based on ESG criteria, enabling closer assessment of supplier sustainability performance
External Verification Bodies	<b>Fulfilment of expectations regarding:</b> <ul style="list-style-type: none"> <li>Compliance with UNI EN ISO 9001 and 14001 standards</li> <li>Compliance with specific product-related regulations</li> <li>Adherence to applicable environmental requirements</li> </ul>	Ensure compliance with legal, environmental, and social regulations through periodic audits and effective risk management	<b>Risks:</b> <ul style="list-style-type: none"> <li>Non-compliance and potential sanctions</li> <li>Loss of UNI EN ISO 9001_14001 certification</li> <li>Client loss</li> <li>Reputational damage</li> <li>Loss of profit</li> </ul> <b>Opportunities:</b> Obtain certifications and compliance recognitions	Periodic audits, compliance reports, and timely communication with regulatory bodies
Public Authorities (National and Local)	<b>Fulfilment of expectations regarding:</b> <ul style="list-style-type: none"> <li>Compliance with applicable regulations, including environmental laws</li> <li>Collaboration and transparency during inspections</li> <li>Compliance with tax obligations</li> </ul>	Compliance with current legislation and promotion of continuous dialogue with local and national institutions to ensure regulatory adherence	<b>Risks:</b> <ul style="list-style-type: none"> <li>Administrative and criminal sanctions</li> <li>Plant shutdowns or production halts</li> </ul> <b>Opportunities:</b> Develop institutional partnerships and access public support opportunities	Preparation of the Sustainability Report to ensure transparent disclosure of the organization's activities



# OUR STAKEHOLDERS

Categories	Expectations	Commitment	Risks and Opportunities	Engagement Tools
<b>Financial Institutions</b>	<b>Fulfilment of expectations regarding:</b> <ul style="list-style-type: none"> <li>Continuous dialogue on business performance and achievement of objectives</li> <li>Transparency in communication</li> <li>Accuracy and reliability of the information provided</li> </ul>	Annual financial reporting	<b>Risks:</b> <ul style="list-style-type: none"> <li>Sanctions for lack of or incomplete financial disclosure</li> </ul> <b>Opportunities:</b> <p>Greater transparency towards stakeholders</p>	Preparation of financial statements.
<b>Trade Unions</b>	<b>Fulfilment of expectations regarding:</b> <ul style="list-style-type: none"> <li>Compliance with the provisions of the National Collective Labour Agreement (CCNL)</li> <li>Clear and transparent communication</li> </ul>	<ul style="list-style-type: none"> <li>Corporate policies</li> <li>Formalized labour contracts</li> </ul>	<b>Risks:</b> <ul style="list-style-type: none"> <li>Loss of human resources</li> <li>Reduced productivity</li> <li>Absenteeism</li> <li>Sanctions</li> </ul> <b>Opportunities:</b> <p>Strengthening dialogue and collaboration with employees</p>	Trade union meetings are duly scheduled and properly recorded.
<b>Universities and Schools</b>	<b>Fulfilment of expectations regarding:</b> <ul style="list-style-type: none"> <li>Training and internship opportunities for research and employment placement</li> </ul>	Recruitment and internship programs with educational institutions	<b>Risks:</b> <ul style="list-style-type: none"> <li>Reputational damage</li> <li>Time loss</li> <li>Management costs</li> </ul> <b>Opportunities:</b> <p>Attracting new talents</p>	Partnership initiatives with schools and technical institutes.
<b>Outsourcing Suppliers</b>	<b>Fulfilment of expectations regarding:</b> <ul style="list-style-type: none"> <li>Continuity of supply</li> <li>Clear and transparent communication (technical specifications and forecasts)</li> <li>Compliance with contractual obligations</li> <li>Accuracy and punctuality in the delivery of raw materials</li> </ul>	<ul style="list-style-type: none"> <li>Use of an IT system for planning and managing purchase orders</li> <li>Adoption of UNI EN ISO 9001 and 14001 Management Systems</li> </ul>	<b>Risks:</b> <ul style="list-style-type: none"> <li>Irregularities in procurement and supply delivery</li> <li>Services or products not meeting actual needs or expectations</li> </ul> <b>Opportunities:</b> <p>Development and strengthening of long-term professional relationships and service quality</p>	Periodic alignment meetings for progress assessment and goal-setting

# DOUBLE MATERIALITY ASSESSMENT

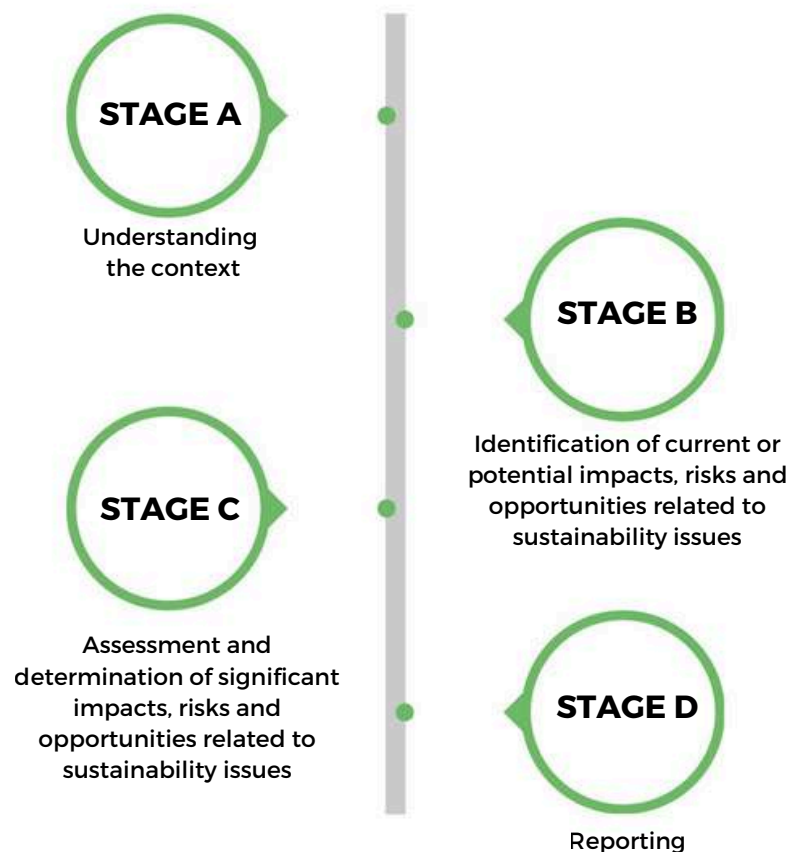
A double materiality analysis was conducted in accordance with the most recent requirements of the European Sustainability Reporting Standards (ESRS). The results of this assessment are illustrated in the chart presented on this page.

This process enables the company to clearly identify the most material Environmental, Social, and Governance (E, S and G) topics for both the organisation and its stakeholders.

**Impact Materiality:** The assessment of the significant actual or potential impacts, whether negative or positive, generated by the organisation on the environment, economy, and people, including effects on human rights, over the short, medium, or long term.

**Financial Materiality:** The assessment of impacts, in terms of risks and opportunities for the organisation, which influence strategy, financial performance and business objectives;

It is structured as follows:



# DOUBLE MATERIALITY ANALYSIS

## STAGE A

In STAGE A, in order to identify relevant stakeholders, it is essential to focus the analysis on those who could be affected by the company's operations and value chain, both upstream and downstream. During this process, it is crucial to understand the opinions and interests that these players have in relation to the company's activities.

In order to identify relevant stakeholders, the company may consider

- *Assessment of current stakeholder engagement initiatives;*
- *Mapping of stakeholders involved in the company's operations and business relationships. Distinct stakeholder groups may emerge in relation to specific activities, products or services, especially when addressing sustainability issues;*
- *Determining the most appropriate times to engage stakeholders in the materiality assessment process.*

## STAGE B

STAGE B focuses on identifying actual and potential impacts, risks, and opportunities related to sustainability topics. During this stage, the company analyses material ESG factors associated not only with its own operations but also across the entire value chain, both upstream and downstream. The outcome of this stage is a comprehensive list integrating the elements required by ESRS 1, paragraph AR16, together with the sector-specific sustainability issues for the company.

For each impact, risk or opportunity identified, the company must specify which operations it refers to (its own or along the value chain) and establish the time horizon (short, medium or long term).

## STAGE C

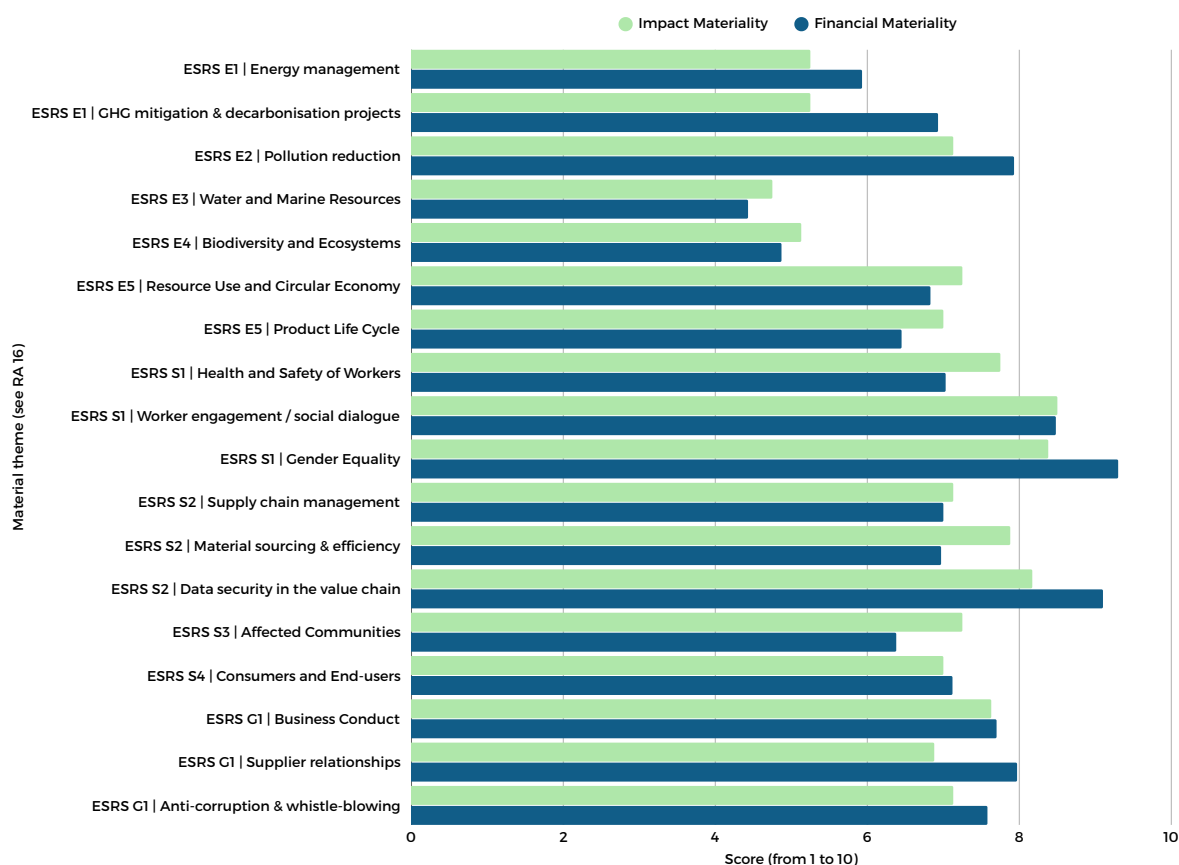
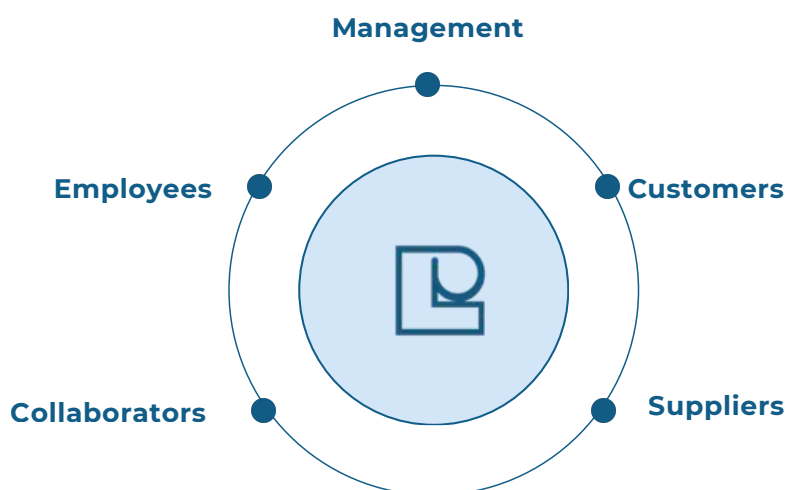
STAGE C marks the conclusion of the materiality assessment process, in which the list of selected impacts, risks and opportunities becomes the basis for drafting the sustainability statement. This stage is divided into three distinct phases:

1. *Assessment of impact materiality;*
2. *Assessment of financial materiality;*
3. *Synthesis of results, combining both perspectives and identifying any potential interconnections between them.*

## STAGE D

























STAGE D marks the final stage of the process, culminating in the creation of the Double Materiality Matrix. At this stage, the company must present, in a clear, concise, and effective manner, the materiality assessment process and its outcomes, based on the sustainability policies adopted. It is necessary to describe the strategies implemented, the main risks and opportunities identified and addressed as well as the results achieved, supported by specific performance indicators (KPIs) where applicable.

# DOUBLE MATERIALITY MATRIX



# IMPACT ANALYSIS

## 1/2

Energy management and pollution reduction projects	MATERIAL TOPIC	IMPACT (ACTUAL/POTENTIAL)		DESCRIPTION	IMPACT ANALYSIS
		POT	–	The lack of energy-efficient technologies can cause an increase in air pollutant levels, with potential negative impacts on public health.	
		ACT	–	Without an ongoing commitment or future strategy to reduce pollution, the company could continue to generate negative environmental impacts.	
		POT	–	Failure to monitor consumption and resulting emissions in tCO2eq damages the company's image among stakeholders and represents a lack of transparency.	
		ACT	–	Current production methods may have a negative environmental impact due to high consumption of natural resources and energy-intensive processes, contributing to environmental pollution.	
		POT	+	Educational projects and awareness programmes on pollution and its consequences, both for employees and the community, can have a positive impact in raising awareness and promoting responsible behaviour.	
Workplace health and safety	MATERIAL TOPIC	IMPACT (ACTUAL/POTENTIAL)		DESCRIPTION	IMPACT ANALYSIS
		POT	–	The absence of ongoing training, the lack of adequate personal protective equipment (PPE) or insufficient monitoring of employees' health conditions can increase the risk of accidents, occupational diseases or accidents at work	
		ATT	+	Increased employee motivation and productivity through a healthy and stimulating work environment.	
Gender equality and skills development	MATERIAL TOPIC	IMPACT (ACTUAL/POTENTIAL)		DESCRIPTION	IMPACT ANALYSIS
		ATT	+	Failure to train employees in the skills required by the sector, in addition to mandatory training.	
		ACT	–	Lack of awareness of ESG issues within the company, with a particular focus on inclusion, equity and diversity.	
Circular economy, supply chain management and product life cycle	MATERIAL TOPIC	IMPACT (ACTUAL/POTENTIAL)		DESCRIPTION	IMPACT ANALYSIS
		ACT	+	The adoption of circular economy practices, such as design for durability and the ability to repair or recycle products, can lead to a longer product lifespan.	
		POT	–	Integrating circular economy principles into product design such as using recycled or easily reusable materials, could lead to higher initial production costs.	
		ACT	+	Evaluating suppliers based on ESG criteria enables the organization to achieve greater alignment of strategic choices throughout its value chain	

### KEY

Critical impact  
Significant impact  
Important impact  
Informational impact  
Minor impact











Environmental impact  
Social impact  
Governance impact  
Positive impact  
Negative impact



# IMPACT ANALYSIS

## 2/2

Good Business Conduct and Data Security	MATERIAL TOPIC	IMPACT (ACTUAL/POTENTIAL)		DESCRIPTION	IMPACT ANALYSIS
		POT	–	Weak or non-transparent corporate governance can undermine stakeholder trust and damage the company's reputation.	
		ACT	+	The adoption of strong and responsible governance practices, with a focus on ESG-related topics, can promote a more efficient and resilient management structure.	
		ACT	–	Vulnerability to cyberattacks, data loss, or breaches of customer and employee privacy may result in reputational damage, legal sanctions, and significant financial losses. Inadequate data security management may also compromise the trust of users and investors.	

Non-material Impacts (below threshold)	MATERIAL TOPIC	IMPACT (ACTUAL/POTENTIAL)		DESCRIPTION	IMPACT ANALYSIS
		POT	–	Failure to comply with mandatory health and safety regulations	
		POT	–	Land use practices negatively affecting local fauna and flora	
		POT	–	Poorly controlled waste management processes	

### KEY

Critical impact  
 Significant impact  
 Important impact  
 Informational impact  
 Minor impact



















Environmental impact  
 Social impact  
 Governance impact  
 Positive impact  
 Negative impact





# FINANCIAL MATERIALITY

Energy Management and Pollution Reduction Projects	IMPACT RISK / OPPORTUNITY	IMPACT (CURRENT/ POTENTIAL)	RISK / OPPORTUNITY	FINANCIAL MATERIALITY
	OPP	ACT	Existence of laws and incentives aimed at supporting sustainable projects and investments for social and economic development in the areas where the company operates.	
	RIS	ACT	Lack of data on the reporting of CO <sub>2</sub> e emissions in relation to stakeholder requests.	
	RIS	ACT	Companies that fail to align promptly with ESG regulations may face financial penalties, fines, or operational restrictions	
	RIS	POT	Damages resulting from adverse climate events.	
Workers' Health and Safety	IMPACT RISK / OPPORTUNITY	IMPACT (CURRENT/ POTENTIAL)	RISK / OPPORTUNITY	FINANCIAL MATERIALITY
	RIS	POT	The absence of adequate workplace safety practices may result in penalties.	
	RIS	POT	An increase in non-occupational illnesses among workers caused by an inadequate health culture in the environment in which the company operates.	
Gender Equality and Skills Development	IMPACT RISK / OPPORTUNITY	IMPACT (CURRENT/ POTENTIAL)	RISK / OPPORTUNITY	FINANCIAL MATERIALITY
	RIS	ACT	Companies that do not actively commit to ensuring gender equality, both in workforce composition and career advancement opportunities, may face reputational damage.	
	OPP	POT	The promotion of an inclusive culture and the adoption of policies supporting women's career development can enable the company to benefit from a broader and more diverse talent pool.	
	OPP	ACT	Selection of incentives and funding schemes to support training and skills development programs	
Circular Economy, Supply Chain Management and Product Life Cycle	IMPACT RISK / OPPORTUNITY	IMPACT (CURRENT/ POTENTIAL)	RISK / OPPORTUNITY	FINANCIAL MATERIALITY
	OPP	ACT	Improved corporate reputation by collaborating with suppliers that comply with sustainability criteria.	
Good Business Conduct and Data Security	IMPACT RISK / OPPORTUNITY	IMPACT (CURRENT/ POTENTIAL)	RISK / OPPORTUNITY	FINANCIAL MATERIALITY
	RIS	POT	Inadequate management of the company's cybersecurity systems, with the risk of reputational, legal, and financial damages resulting from cyberattacks leading to the loss of sensitive data belonging to employees, customers, and suppliers.	
	RIS	POT	Revenue reduction caused by low customer retention and dissatisfaction, due to poor quality products or services.	
	RIS	ACT	Exclusion from tenders and procurement processes due to non-compliance with ESG standards and requirements	
	OPP	ACT	The market increasingly favours companies that provide transparent and reliable ESG reporting, strengthening collaboration opportunities and competitiveness	
	RIS	ACT	Increased operational and bureaucratic complexity, leading to additional costs, as a result of the need to comply with multiple sustainability-related regulations.	
	RIS	POT	Greenwashing practices lead to a lack of strategic focus on sustainability and inaccurate non-financial reporting, undermining the credibility of the organization	

## KEY

Critical impact  
Significant impact



Important impact  
Informational impact  
Minor impact



# ENVIRONMENT AND GHG EMISSIONS



# ENVIRONMENT AND GHG EMISSIONS

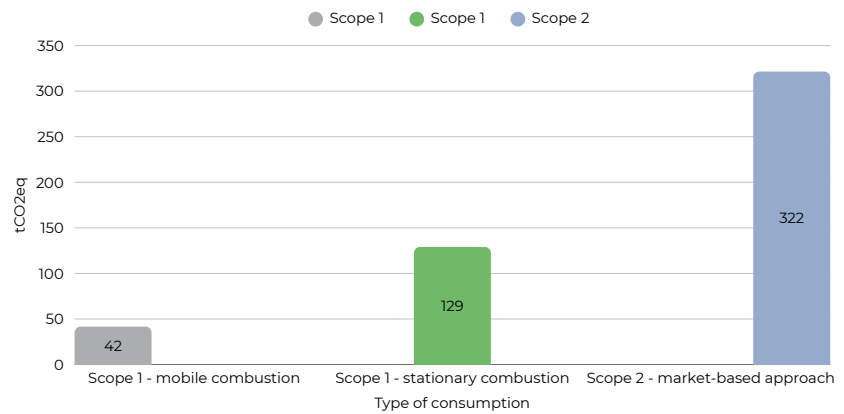
Material topics:

- **Energy efficiency**
- **GHG emissions**
- **Water consumption**
- **Waste management**



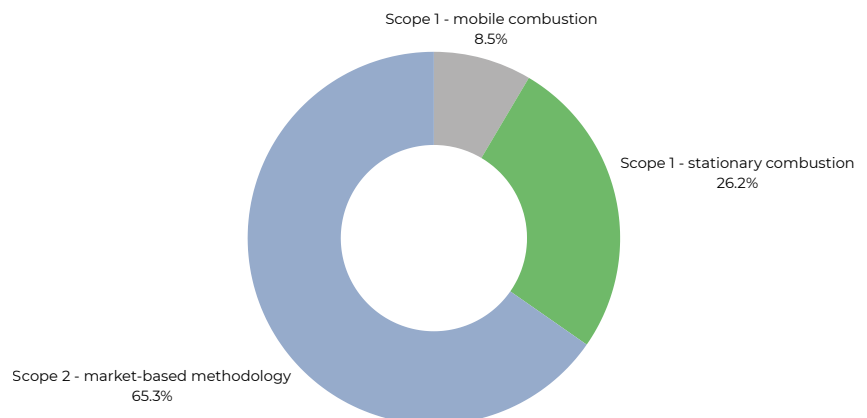
## Highlights

- 💡 Scope 1 – Direct emissions from mobile combustion
- 💡 Scope 1 – Direct emissions from stationary combustion
- 💡 Scope 2 – Calculation method: market-based approach



## Highlights

- 💡 Scope 1 – Direct emissions from mobile combustion
- 💡 Scope 1 – Direct emissions from stationary combustion
- 💡 Scope 2 – Calculation method: market-based approach



# GREENHOUSE GAS (GHG) EMISSION

**Sustainability** has always been a core principle for Luxor S.p.A., which views respect for the environment not only as an ethical responsibility, but also as a concrete opportunity to ensure a prosperous and responsible future.

The growing awareness of the impact of industrial activities on climate change has driven the company to undertake a **dedicated path** aimed at reducing its greenhouse gas (GHG) emissions, including carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), and other harmful gases.

**This first Sustainability Report marks a crucial milestone in Luxor's ongoing journey toward becoming an increasingly sustainability-oriented organization.**

By certifying its commitment in a tangible and transparent way, Luxor S.p.A. demonstrates its intention to adhere to **high environmental standards**, aligning with international best practices.

The company has implemented concrete actions to reduce both direct (Scope 1) and indirect (Scope 2) emissions by optimizing **energy consumption**, promoting the use of renewable energy sources, and upgrading production systems to **minimize waste**.

A key example of this commitment is the adoption of the UNI EN ISO 14001 Environmental Management System.

**Luxor S.p.A. has also established a greenhouse gas (GHG) emissions monitoring system that ensures full transparency in reporting.**

This system enables the company to promptly identify areas for improvement and to implement corrective actions aimed at continuously optimizing its environmental performance.

**The company is fully aware that its commitment to reducing emissions must be continuous and measurable in order to generate a tangible impact in the fight against climate change.**

In 2024, Luxor S.p.A. initiated a comprehensive process to measure its GHG emissions, adopting the **GHG Protocol**, the internationally recognized standard for emission accounting. This protocol provides clear guidance based on key principles of **relevance, completeness, consistency, transparency and accuracy**.

Luxor's detailed approach has enabled the creation of a comprehensive **emissions inventory**, accurately reflecting the environmental impact of its operations. This inventory now serves as a fundamental tool to identify actions and strategies for emission reduction.

The measurement process began with the definition of organizational boundaries, encompassing all relevant activities, sites, and operational units. This initial phase was crucial to delineate the scope of the inventory and ensure that all significant emission sources were included. Subsequently, the company identified the various emission sources, distinguishing between direct emissions (from internal activities such as production and heating) and indirect emissions (from external activities).

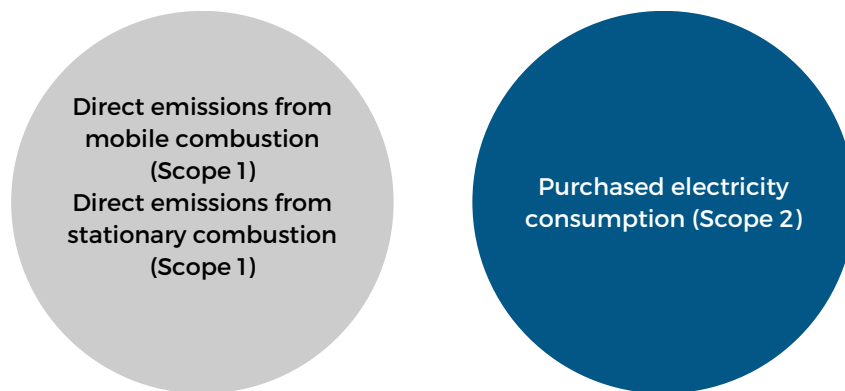
To ensure accurate data collection, numerous internal documents were reviewed, including **energy invoices** and operational records. This process enabled Luxor to calculate emissions using specific emission factors for each type of fuel, energy consumption, and activity, thereby creating a **robust foundation** for monitoring and reducing emissions over time.

In its first formal approach to greenhouse gas (GHG) emissions assessment, the company has chosen to initially focus on **Scope 1** and **Scope 2** emissions.

This phased approach allows Luxor S.p.A. to first address direct emissions and those related to energy consumption, which are comparatively easier to measure and manage.

In the future, Luxor S.p.A. plans to expand its analysis to include indirect Scope 3 emissions, fully aware of their greater complexity, yet determined to provide a comprehensive and accurate evaluation of its environmental responsibilities.

The GHG emission categories relevant to the company's activities have been identified in detail. These include:

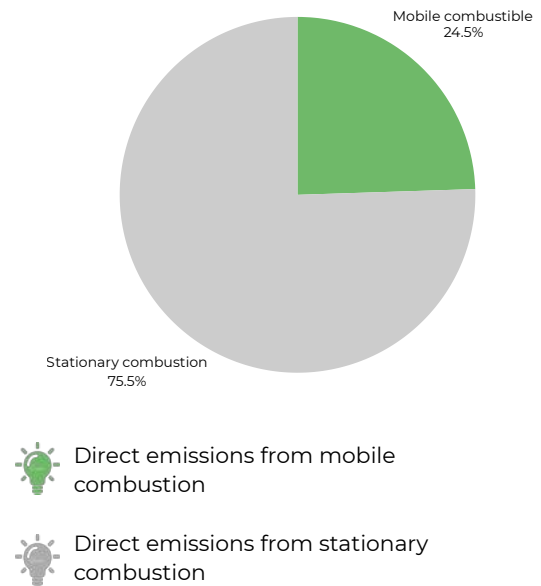


*Greenhouse gas (GHG) emissions were calculated by considering emissions related to specific categories. With regard to emissions from electricity consumption, both the location-based and market-based methods were applied.*

**Location Based:** This method is based on the use of average emission factors for the electricity produced and consumed within a specific geographic area. The emission factors, provided by national or regional authorities, reflect the composition of the region's energy mix, such as the percentage of coal, natural gas, nuclear, renewables, etc. The location-based calculation is particularly useful for assessing the overall environmental impact of energy generation in a given area and for enabling standardized comparisons of results across different locations.

**Market Based:** This approach focuses on the specific energy consumption choices made by the company, taking into account renewable energy purchase agreements or renewable energy certificates (e.g., Guarantees of Origin). The emission factors used in this method are based on the energy sources contractually procured by the company. The market-based calculation provides a more accurate measure of the impact of corporate energy choices on greenhouse gas emissions and allows companies to better assess the environmental effects associated with the selection of their energy suppliers. This combined strategy ensures compliance with international standards, enables comparability across companies, and offers a detailed evaluation of the effectiveness of internal environmental policies by allowing the comparison of supplier-specific emissions with national averages.

Direct GHG emission sources, reference year: 2024.	t CO <sub>2</sub> eq
Direct emissions from mobile combustion	41,65
Direct emissions from stationary combustion	128,46
Direct fugitive emissions from the release of GHGs in anthropogenic systems	0
<b>tot.</b>	<b>170,11</b>



The following tables present the gross results related to indirect greenhouse gas (GHG) emissions arising from the purchase of electricity, which therefore fall within Scope 2 of the GHG Protocol. Specifically, the tonnes of CO<sub>2</sub> equivalent (tCO<sub>2</sub>e) associated with electricity consumption for the reporting year 2024, calculated using the location-based method, are as follows:

reference year	calculation method	consumption [kWh]	Location-based F.E. [kg CO <sub>2</sub> eq/kWh] from EEA 2022	kg CO <sub>2</sub> eq	t CO <sub>2</sub> eq
2024	location based	1.236.582	0,297	367.264,854	<b>367,265</b>

The emission factor indicated in the table, derived from the EEA 2022 report, represents the carbon dioxide equivalent (CO<sub>2</sub>e) emitted by the average national electricity mix. For the market-based method, however, calculations are based on the specific energy mix of the company's electricity supplier. In this case, the tonnes of CO<sub>2</sub> equivalent (tCO<sub>2</sub>e) associated with electricity consumption for the reporting year 2024 are therefore as follows:

reference year	calculation method	consumption [kWh]	Location-based F.E. [kg CO <sub>2</sub> eq/kWh] from EEA 2022	kg CO <sub>2</sub> eq	t CO <sub>2</sub> eq
2024	market based	1.236.582	0,500	321.511,320	<b>321,511</b>

The tables and graphs below summarise the company's total greenhouse gas (GHG) emissions for the reference year 2024.

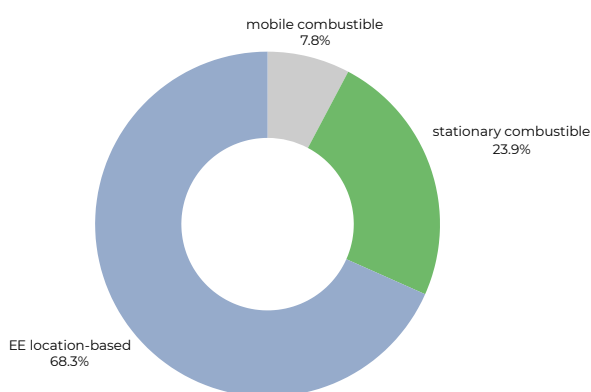
#### For the location-based method:




reference year	GHG Protocol category		calculation method	kg CO2 eq	t CO2eq
2024	Scope 1	Direct emissions from mobile combustion	EF DEFRA	41.650	41,65
2024	Scope 1	Direct emissions from stationary combustion	EF DEFRA	128.460	128,46
2024	Scope 1	Direct fugitive emissions from the release of GHGs in anthropogenic systems	EF DEFRA	0	0
2024	Scope 2	Indirect emissions from the purchase and consumption of electricity	location based (EEA 2022)	367.265	367,265
tot.				<b>537.375</b>	<b>537,37</b>

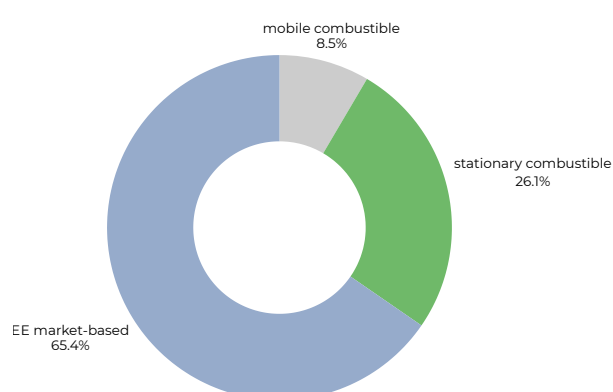
#### For the market-based method:




reference year	GHG Protocol category		calculation method	kg CO2 eq	t CO2eq
2024	Scope 1	Direct emissions from mobile combustion	EF DEFRA	41.650	41,65
2024	Scope 1	Direct emissions from stationary combustion	EF DEFRA	128.460	128,46
2024	Scope 1	Direct fugitive emissions from the release of GHGs in anthropogenic systems	EF DEFRA	0	0
2024	Scope 2	Indirect emissions from the purchase and consumption of electricity	market- based (A.I.B. 2023)	321.511	321,511
tot.				<b>491.620</b>	<b>491,62</b>

Similar to the previous graph, the one below shows the percentage breakdown of corporate GHG emissions. In this case, the market-based method was used to calculate Scope 2 emissions.



-  Scope 1 - Direct emissions from mobile combustion
-  Scope 1 - Direct emissions from stationary combustion
-  Scope 2 - Calculation method: market-based



-  Scope 1 - Direct emissions from mobile combustion
-  Scope 1 - Direct emissions from stationary combustion
-  Scope 2 - Calculation method: market-based



Furthermore, based on the available data on **electricity consumption** for 2023, we were able to compare the trend of our Scope 2 GHG emissions in 2024 with those of the previous year, as shown in the table and chart below:

GHG emissions	GHG 2023	GHG 2024	UM
Scope 2 location	<b>323,973</b>	<b>367,265</b>	tCO <sub>2</sub> eq
Scope 2 market	<b>283,613</b>	<b>321,511</b>	tCO <sub>2</sub> eq

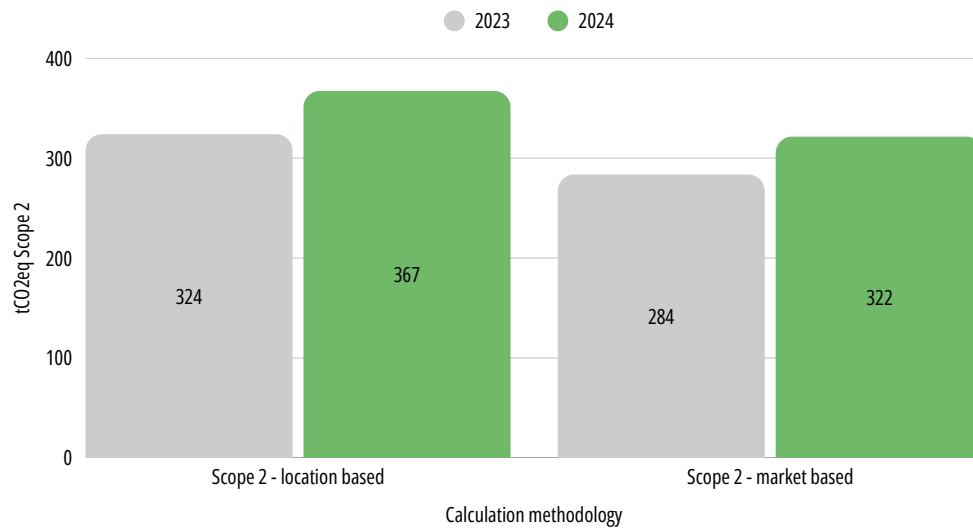
Overall, both calculation methods show a slight increase in emissions between 2023 and 2024, when considering the absolute measurement values.

To continue its path of improvement, Luxor S.p.A. aims in the coming years to adopt even more energy-efficient technologies, increase the use of **renewable energy**, and optimize production processes, in line with a forward-looking corporate sustainability strategy.

The table below presents the greenhouse gas emission intensity relative to turnover for the year 2024:

GHG Emission Intensity based on Turnover (%) – Year 2024	Value	Unit of measurement
Emissioni totali Location Based	<b>367,265</b>	tonnes CO <sub>2</sub> eq/year
Total Emissions – Market-Based	<b>321,511</b>	tonnes CO <sub>2</sub> eq/year
Turnover / Revenue	<b>43.323.071,00 €</b>	EUR
GHG Emission Intensity – Location-Based	<b>0,0085</b>	KgCO <sub>2</sub> eq/EUR turnover
GHG Emission Intensity – Market-Based	<b>0,0074</b>	KgCO <sub>2</sub> eq/EUR turnover

## GHG emissions [tCO<sub>2</sub>eq] Scope 2 2023 vs 2024



The analysis of greenhouse gas (GHG) emissions for Luxor S.p.A. over the two years considered, 2023 and 2024, reveals a slight increase in emissions, both when calculated using the location-based and market-based methods.

In 2023, emissions calculated using the location-based method amounted to 324 tonnes of CO<sub>2</sub> equivalent (tCO<sub>2</sub>e).

However, in 2024, these emissions increased to 367 tCO<sub>2</sub>e, representing an approximate rise of 13%

in parallel, emissions calculated using the market-based method increased from 283.6 tCO<sub>2</sub>e in 2023 to 321.5 tCO<sub>2</sub>e in 2024, showing a similar upward trend.

This variation may indicate a change in the company's energy consumption, potentially reflecting an improvement in energy efficiency.

It is also worth noting that, within the Corporate Carbon Footprint (CCF) analysis, a total of 5.51 tCO<sub>2</sub>e was attributed to the use of chemical substances, such as industrial oils and solvents, amounting to 2,083 kg.

# ENERGY IMPACT



# ENERGY

**The energy used in company operations has a significant impact across several environmental areas.**

Energy consumption directly contributes to greenhouse gas (GHG) emissions, thereby influencing climate change; the use of non-renewable energy sources can lead to the depletion of natural resources; and a high energy demand may increase both air and water pollution due to the processes involved in energy production and transportation.

Energy mix 2023	percentage composition
Renewable sources	48%
Coal	10%
Petroleum products	1%
Natural gas	35%
Nuclear	2%
Other sources	4%
Totals	100%

In the previous chapter, it was illustrated how the conversion of electricity consumption into tonnes of CO<sub>2</sub> equivalent emitted into the atmosphere can be carried out using two approaches: the location-based and the market-based methods.

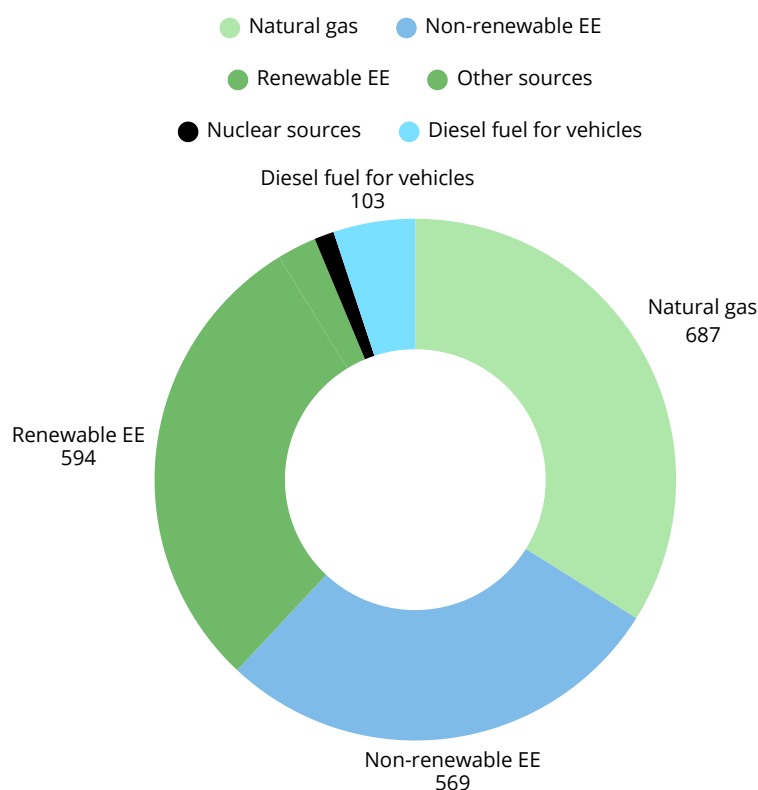
This section provides a more detailed examination of the market-based method, which is based on the energy mix supplied by the company's electricity provider.

The composition of the energy mix of the selected supplier for the main operational site is presented below, as it has a significant impact on the recorded energy consumption.

As discussed in the previous section, the greenhouse gas (GHG) emissions calculated using both the location-based and market-based methods were very similar, suggesting that the supplier's energy mix is largely consistent with the national average.

Energy consumption [MWh]	Year 2024
Consumption of coal and coal-derived fuels (MWh)	/
Diesel fuel consumption (MWh)	103,01
Natural gas consumption (MWh)	687,36
Consumption of other non-renewable fuel sources (MWh)	/
Purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)	568,82
<i>Total energy consumption from fossil sources (MWh)</i>	<b>1.359,19</b>
Share of fossil sources in total energy consumption (%)	46%
Energy consumption from nuclear sources (MWh)	24,73
Share of nuclear sources in total energy consumption (%)	2%
Purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)	593,55
<i>Total energy consumption from renewable sources (MWh)</i>	<b>593,55</b>
Share of renewable sources in total energy consumption (%)	48%
Energy consumption from other sources (MWh)	49,46
Share of "other sources" in total energy consumption (%)	4%
<b>Total energy consumption (MWh)</b>	<b>1.952,74</b>

## Total Energy Consumption (MWh) – Breakdown by Source of Consumption



The analysis of Luxor S.p.A.'s energy consumption data for 2024 provides significant insights into the types of energy sources used and their percentage contribution to total consumption.

In 2024, the company recorded a total energy consumption from fossil sources amounting to 1,359.19 MWh.

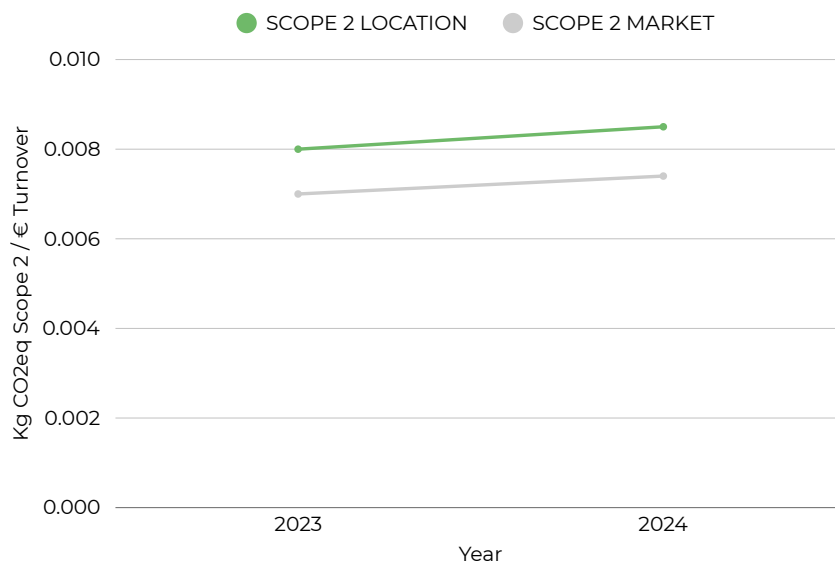
This figure includes several types of energy, such as natural gas (687.36 MWh), fuel used for company-owned vehicles and trucks (103.01 MWh), and purchased electricity, heat, steam, and cooling from fossil sources, which contributed 593.55 MWh.

In total, energy from fossil sources accounts for 46% of total energy consumption, highlighting a continued dependence on traditional energy sources, primarily due to the use of natural gas in company operations.

Energy consumption from renewable sources amounts to 1,593.55 MWh, representing 48% of total energy consumption.

# AIR, WATER AND SOIL POLLUTION

The intensity of Scope 2 GHG emissions, calculated as the ratio between emissions in kgCO<sub>2</sub>eq and turnover, increased slightly in 2024 compared to 2023:





# WATER, AIR AND SOIL

**Luxor S.p.A. does not release any polluting substances into the soil during the course of its production activities.**

The company also does not discharge pollutants into water.

Recently, Luxor S.p.A. has undertaken a study and assessment of potential emissions of pollutants or hazardous substances into the air that may occur during its production processes.

Nevertheless, the company is fully aware of its greenhouse gas (GHG) emissions and has already addressed this topic in detail in the previous chapter of this Sustainability Report.

The GHG emissions have been analyzed and reported in the company's GHG Report, which provides further detailed information on this matter.

**Luxor S.p.A. remains committed to monitoring and reducing atmospheric emissions, thereby contributing to the global effort to combat climate change**

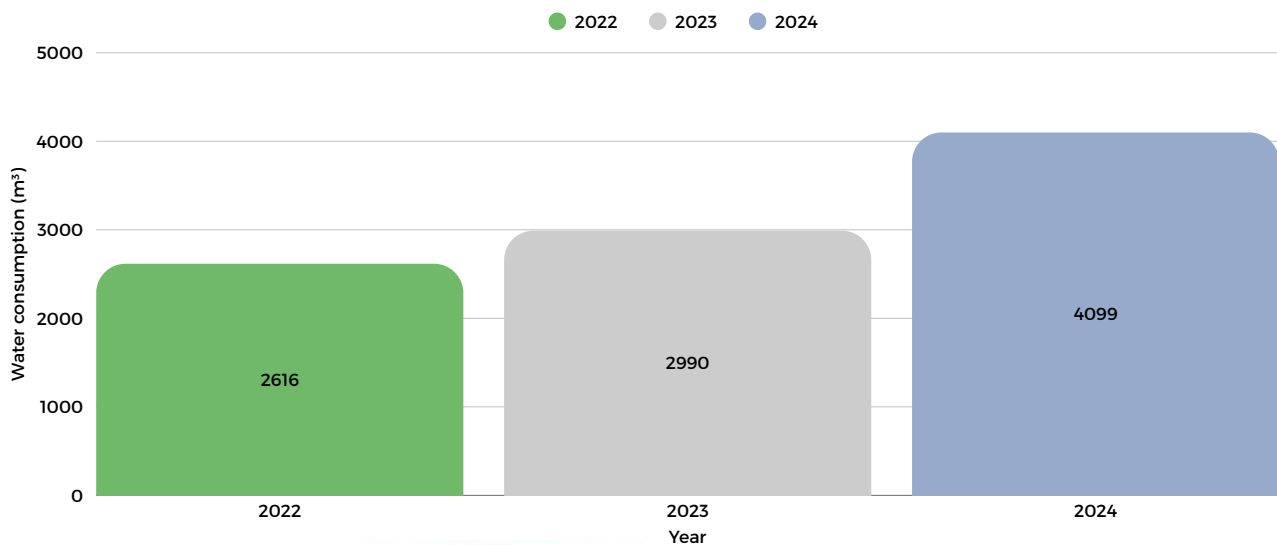
Water withdrawal by Luxor S.p.A. serves two main purposes within its operations: **sanitary services and the production process.**

The water used for sanitary purposes is intended for the operation of internal facilities, ensuring adequate hygienic conditions for employees and visitors. This includes water for restroom facilities, handwashing, and other daily hygiene needs.

**It is important to note that Luxor S.p.A. does not withdraw water from areas identified as being under high water stress.**

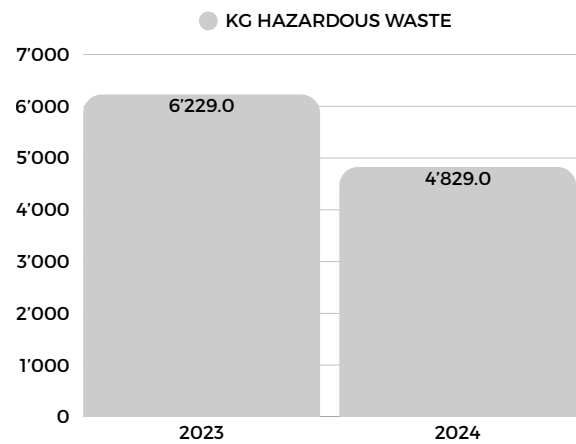
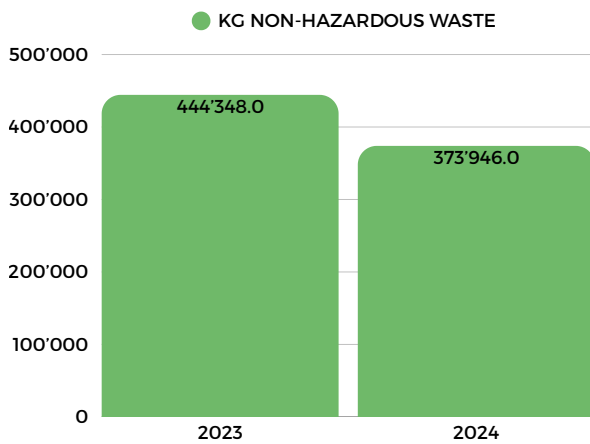
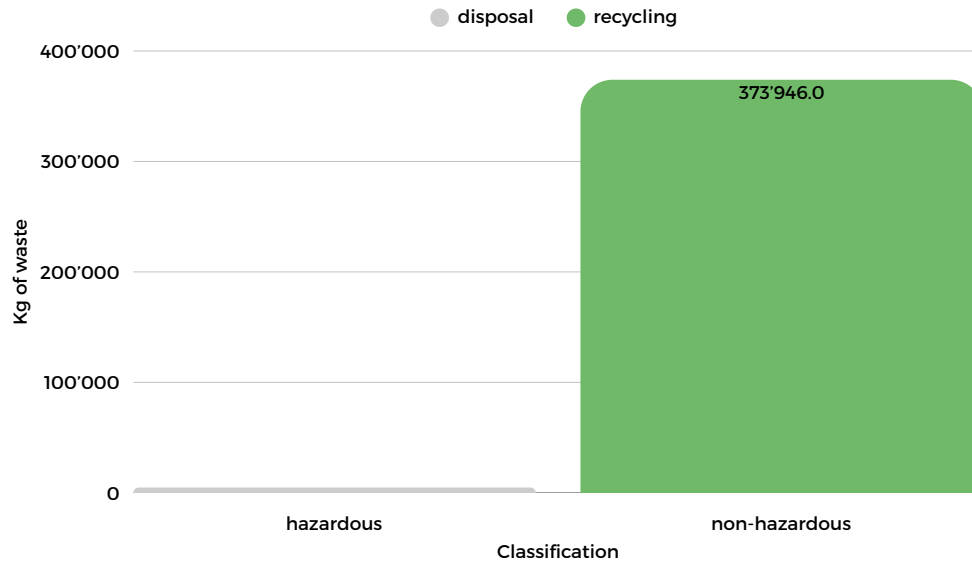
The topic of biodiversity has been excluded from the scope of analysis, as it is deemed non-material in the context in which the company operates. No impact or damage has been caused to the local fauna or flora.

Water consumption for the period 2022-2024, as reported on bills, is as follows:



# CIRCULARITY

The waste generated (kg) for the year 2024 is as follows:



# ENVIRONMENTAL OBJECTIVES AND ACTION PLAN

Material topics	Description	Short-term objective (1 year)	Medium-term objective (2-5 years)	Long-term objective (5+ years)
<b>Energy efficiency improvement</b>	Monitoring the percentage of renewable electricity within the energy supply contract.	Training of an internal resource dedicated to consolidating and reporting GHG-related data.	Assessment of alternative supply contracts offering higher sustainability guarantees.	Signing of a 100% green energy supply contract with a Guarantee of Origin (GO).
	Improving the energy efficiency of buildings and business processes to reduce overall energy consumption.	Replacement of traditional lighting with LED lamps and similar small-scale upgrades.	Assessment initiatives aimed at optimizing energy use within production processes.	Energy performance evaluations across all company sites and branches.
<b>GHG Emissions</b>	Monitoring and reduction of Scope 1 and Scope 2 GHG emissions.	Completion of ESG questionnaires requested by clients and financial institutions, providing evidence of emission analyses in line with the GHG Protocol.	Improvement of the EcoVadis rating and maintenance of the ISO 14001 certification.	Evaluation of the purchase of Carbon Compensation Credits (CCCs).
	Monitoring of Scope 3 GHG emissions.	Implementation of a new vendor rating system to strengthen Value Chain (VC) oversight.	60% of suppliers evaluated (upstream).	100% of suppliers evaluated and completion of Value Chain emissions monitoring.
<b>Water and Waste Management</b>	Improving waste management through reduction, reuse, and recycling practices.	Monitoring the percentage of recyclable materials in packaging.	Conducting training activities to increase internal awareness of waste reduction, reuse, and recycling, promoting everyday sustainable practices.	Reviewing and enhancing internal waste management systems to enable more effective material segregation and recycling, with a focus on efficiency and process simplification.

# THE SOCIAL SIDE OF LUXOR



# THE SOCIAL SIDE OF LUXOR

## Material Topics

- **Occupational health and safety**
- **Diversity and social inclusion**
- **Working conditions and employee well-being**



### Luxor S.p.A.'s workforce composition

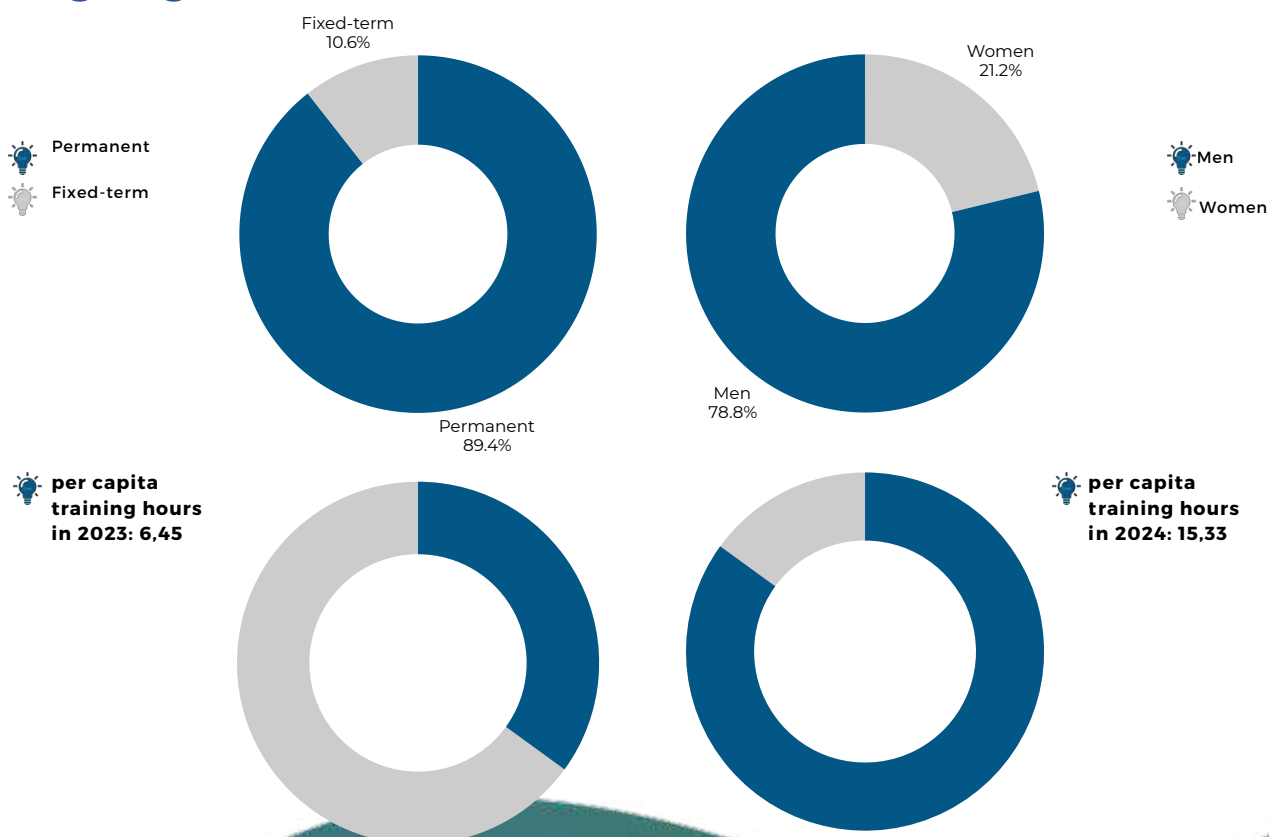
At the time of preparing this Sustainability Report, and based on the headcount recorded as of 31 December 2024, the company employs a total of 83 workers, all contracted in Italy in accordance with current labour legislation and in full compliance with applicable legal requirements.

The following tables provide a comprehensive overview of the company's workforce, presenting information as required by the selected reporting framework.

It should be noted that the analysis of pay gap and gender pay gap percentages is not required (for companies with fewer than 150 employees at the reporting date), in accordance with paragraph 44(b) of the document "Revised VSME" – EFRAC SRB Meeting, 30 October 2024.

Type of employment contract		
Total	Permanent	Fixed-term
85	76	9

## Highlights



# HEALTH AND SAFETY

Occupational health and safety represent an absolute priority for Luxor S.p.A. and are a crucial aspect of the company's management approach.

The company is firmly committed to this area through a range of **preventive and training initiatives**, aimed at ensuring a safe and hazard-free working environment for all employees.

In 2024, Luxor S.p.A. achieved a notable milestone: no workplace accidents were recorded. This highlights the company's ongoing commitment to the well-being and safety of its employees.

Furthermore, no cases of occupational diseases were reported, demonstrating the effectiveness of the preventive measures implemented and the company's ongoing attention to the protection of employee health, both in the short and long term.

**In summary, no work-related injuries or occupational illnesses that could be attributed to Luxor's activities were recorded in 2024.**

The health and safety management system adopted by Luxor S.p.A. is based on a **proactive approach**, which includes a program of continuous and targeted training for all employees, with particular attention given to those holding strategic roles in the field of safety

**Training programs** are regularly updated in accordance with current regulations and industry best practices, ensuring that personnel are always adequately prepared to prevent hazardous situations and to respond appropriately in case of emergencies.

The absence of serious accidents and the limited number of hours lost due to illness are the result of a **shared commitment** between management and all employees, who work together to ensure a safe and healthy work environment.

This commitment reflects the importance Luxor S.p.A. places on the health and safety of its workforce, considered a fundamental resource for the company's success.

**Luxor S.p.A. considers workplace safety to be an intrinsic value of its corporate culture, as well as a regulatory obligation.**

# COLLECTIVE BARGAINING AND COMPENSATION

The National Collective Labour Agreement applied by Luxor S.p.A. to all its employees is the CCNL Metalworking Sector (CCNL Metalmeccanici).

National collective labour agreement applied:	
% of employees covered by national collective labour agreement	% of employees not covered by national collective labour agreement
100%	0%

Within the framework of the National Collective Labour Agreement (CCNL) applied by Luxor S.p.A., the minimum wage thresholds are defined according to professional levels, serving as a reference to ensure adequate and fair remuneration for all employees, based on their qualifications and professional categories.

The salary tables included in the agreement are centrally developed to take into account factors such as experience, skills and the responsibilities associated with each professional level. They ensure the protection of workers' economic rights while promoting fair and dignified working conditions, which are a key priority for the company.

In addition to applying the relevant National Collective Labour Agreement (CCNL), the company has also introduced a **Second-Level Company Agreement**, which supplements national provisions with additional measures in favour of employees. These instruments allow Luxor S.p.A. to enhance its organizational specificities, strengthen dialogue with employee representatives, and offer improved conditions in terms of welfare, performance-based incentives, and organizational flexibility.

Through this approach, the company not only ensures compliance with the established minimum standards, but also promotes an industrial relations model focused on participation, skill development, and employee well-being.



# SOCIAL OBJECTIVES AND ACTION PLAN

Area	Material Topics	Short-Term Objective (1 year)	Medium-Term Objective (2-5 years)	Long-Term Objective (5+ years)
Occupational Health and Safety	Monitoring of employee training on workplace health and safety	Where necessary, implement mandatory training programs for all employees on applicable legal and regulatory requirements	Maintain compliance status and ensure continuous employee training updates	Improve ICS rating
	Management of PPE and equipment	Update and maintain all safety equipment, including personal protective equipment (PPE) and fire prevention tools	Keep monitoring schedules up to date and revise as required	Maintain updated monitoring schedules and perform timely revisions as required

# SOCIAL OBJECTIVES AND ACTION PLAN

Area	Material Topics	Short-Term Objective (1 year)	Medium-Term Objective (2-5 years)	Long-Term Objective (5+ years)
<b>Diversity and Social Inclusion</b>	Conduct an internal assessment to analyse the current working conditions (organizational climate analysis) and identify areas for improvement	Administration of questionnaires and dedicated training	Evaluate improvement actions based on assessment outcomes	Manage results and implement lessons learned
<b>Working Conditions and Employee Well-being</b>	Improve employees' physical and psychological well-being	Organize team-building activities	Draft and implement smart-working policies	Maintain and monitor implemented measures
	Monitoring and increasing training hours	Identify public funding and grants to expand training programs	Manage and evaluate KPIs using dedicated reporting tools	Standardize the Human Resources management process within the organization

# CORPORATE GOVERNANCE



# CORPORATE GOVERNANCE

## Material Topics

- **Regulatory and Legal Compliance**
- **Corporate Transparency and Reporting**
- **Business Ethics and Integrity**



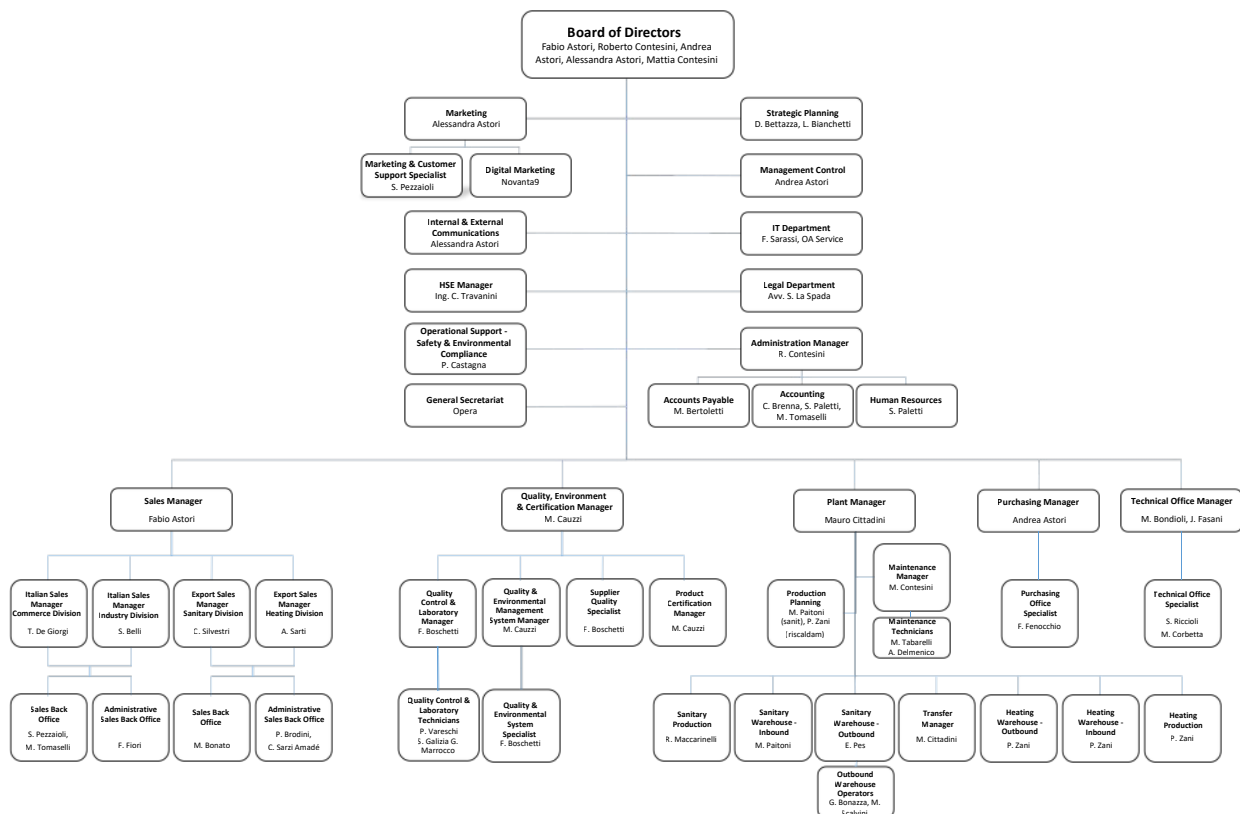
## Corporate Values and Founding Principles

- **Integrity and Transparency**
- **Inclusion**

- **Organizational Responsibility**

- **Sustainable Future**
- **Development and Innovation**

The organisational chart of Luxor S.p.A. is shown below:



The company remains consistently focused on implementing the best governance practices, which are essential for ensuring transparency, ethical behaviour and integrity, both internally and in its external interactions.

This ongoing commitment enables Luxor S.p.A. to build strong, trust-based relationships with its suppliers and customers, while fostering the highest level of satisfaction among its employees. There are no recorded cases of active or passive corruption involving company personnel.

Luxor S.p.A. has built its ESG governance framework on clearly defined core values and well-structured policies designed to ensure integrity and accountability.

A Whistleblowing mechanism has been established and made publicly accessible, supported by a recently adopted Code of Ethics and a validated Corporate Regulation. In addition, the company has implemented an Anti-Corruption Policy and a Privacy Policy, both of which are publicly available on the Luxor S.p.A. official website.

# CORPORATE GOVERNANCE

The principles underlying our commitment to corporate sustainability are:

## Passion

Luxor S.p.A. is deeply committed to cultivating its business relationships with **passion and determination**, guided by values of fairness and accountability. Every product and service offered reflects the company's dedication to delivering the highest quality standards, with meticulous attention to detail and **customer satisfaction**. Beyond fulfilling contractual obligations, Luxor S.p.A. conducts every transaction with openness and authenticity, ensuring that each interaction builds **trust and long-term reliability**.

**The company views its suppliers not merely as commercial partners, but as true allies who share the same values of equity, responsibility, and ethical business conduct.**

Luxor S.p.A. continuously invests in the **development of new products** and in the ongoing improvement of existing solutions. Product design is carried out internally through close collaboration between the technical and commercial departments, ensuring **functionality, ease of installation, and long-term quality**. A pragmatic, efficiency-driven approach underpins every stage of the process, from concept to finished product. This approach combines **technical expertise**, continuous skill development and a **deep understanding of customer needs**. Through this methodology, Luxor S.p.A. delivers high-performance technical solutions that align with the highest standards of the HVAC and sanitary industry.

## Innovation

## Solutions

Luxor S.p.A. is committed to responding attentively and promptly to the needs of its stakeholders, recognizing the importance of **open and transparent communication**. The company views every piece of feedback as an **opportunity for growth** and improvement, working diligently to meet the expectations of its clients, suppliers, and partners. The quality of Luxor's response is of fundamental importance: the company goes beyond simply replying, striving instead to offer **concrete and innovative solutions**. This proactive approach demonstrates its ongoing commitment to building lasting and trust-based relationships.

Luxor S.p.A. is committed to **continuous improvement**, integrating governance principles within the broader ESG (Environmental, Social and Governance) framework. The company is constantly committed to refining its business practices to ensure that every decision and process aligns with the **highest ethical and sustainability standards**. At Luxor, governance is not merely a management system; it represents a commitment to **transparency, accountability, and integrity** in all actions. Within this framework, continuous improvement is regarded as a fundamental pillar to effectively address global **challenges** and to create long-term value for all stakeholders, while strengthening the company's **commitment to both the environment and society**.

## Continuous improvement

# ETHICAL AND SUSTAINABILITY VALUES

The company is committed to the following areas, for which formal policies have been established and implemented:

## Waste Reduction

- **We actively promote** waste minimization at source through responsible production and consumption practices.
- **We implement** continuous improvement projects aimed at reducing the use of non-recyclable materials and adopting eco-friendly packaging solutions.
- **We use** the most sustainable packaging possible for each product category, while still ensuring it is fit for purpose.

## Recycling and Reuse of Company Materials

- **We encourage** the recycling and reuse of company materials through waste management programs that promote proper segregation and disposal of recyclable materials.
- **We provide** post-sales assistance and dedicated repair services to facilitate product reintegration into the market.
- **We explore** opportunities to reuse products or materials internally or through partnerships with other organizations.

## Employee Training

- **We ensure** continuous training for all employees on the importance of sustainable waste management and proper disposal practices
- **We actively engage** employees in educational initiatives aimed at raising awareness about waste reduction and the adoption of sustainable behaviours.
- **We provide** targeted training programs not only to meet regulatory requirements but also to enhance corporate know-how and strengthen environmental competence across the organization.

# ETHICAL AND SUSTAINABILITY VALUES

## Monitoring and Evaluation of Consumption:

- We **implement** monitoring systems to measure consumption levels and assess the effectiveness of our initiatives to manage related atmospheric emissions.
- We **conduct** regular reviews to identify opportunities for improvement and adjust our policies based on the results obtained.

## Collaboration with Suppliers and Partners:

- We actively **collaborate** with suppliers and business partners to promote sustainable practices throughout the entire supply chain.
- We **prioritise** the selection of suppliers who share our sustainability values and adopt effective waste management and environmental responsibility measures.

## Environmental Responsibility:

- We **recognise** our responsibility toward the environment and are fully committed to complying with all applicable environmental laws and regulations related to waste management.
- We **promote** a corporate culture that encourages individual responsibility for waste reduction and improved resource management.
- We are promoting a sustainability programme aimed at producing, by May 2025, a sustainability report in accordance with the official standards issued by EFRAG (ESRS) using a VSME (Basic Module) form, incorporating a double materiality study and related stakeholder engagement activities.

## Technological Innovation:

- We continuously **explore** new technologies and methodologies to enhance waste management efficiency and to reduce the overall environmental impact of our operations.

## Transparent Communication:

- We **communicate** openly and transparently about our waste management initiatives with employees, clients, suppliers, and local communities.

## Continuous Improvement:

- We are **committed** to an ongoing process of improving our waste management practices, consistently seeking new opportunities to further reduce our environmental impact and to generate positive outcomes for the planet.






# GOVERNANCE GOALS AND ACTION PLAN

Scope	Material topics	Short-term objective (1 year)	Medium-term objective (2-5 years)	Long-term objective (5+ years)
<b>Regulatory and Legal Compliance</b>	Drafting and preparing system and product documentation in compliance with current regulations	Maintain UNI EN ISO 9001 and ISO 14001 certifications	Update product declarations: REACH, RoHS, and Conflict Minerals Declaration	Ongoing management and updating of developed documentation
<b>Corporate Transparency and Reporting</b>	Drafting and updating organizational system policies to ensure shared corporate governance	Maintain the Quality and Environmental Policy	Maintain and update corporate policies	Maintain and update corporate policies
	Preparation of non-financial documentation to update stakeholders on ESG KPI performance	Preparation of the ESG Report (VSME - Basic Module)	Update report with 2025 KPIs	Update report with KPIs from the previous fiscal year
<b>Etica e integrità aziendale</b>	Drafting governance-related policies to strengthen corporate oversight	Implementation of a Whistleblowing mechanism and adoption of the Code of Ethics	Evaluation of the integration of Organizational Model D.Lgs. 231/2001	Maintenance and updating of governance documentation

# EFRAG INDEX

**STATEMENT OF USE:** Luxor S.p.A. has reported the information in accordance with the voluntary ESRS (European Sustainability Reporting Standards) framework (BASIC MODULE) for small and medium-sized unlisted companies (EFRAG - Revised VSME AFTER PUBLIC CONSULTATION AFTER SR TEG APPROVAL - 30 October 2024).

Standard EFRAG VSME ESRS	Disclosure Requirement	Position	Page reference	Notes
 <b>Basic metrics Environment</b>	B 3 - Energy and greenhouse gas emissions	<b>Ch 3.1</b> "Greenhouse gas emissions"; <b>Ch 4.1</b> "Energy"	p. 36 p. 43	
	B 4 - Air, water and soil pollution	<b>Ch. 4.2</b> "Air, water and soil pollution"	p. 46	
	B 5 - Biodiversity			<i>This section does not apply as the company is located near areas that are sensitive in terms of biodiversity.</i>
	B 6 - Water	<b>Ch. 4.3</b> "Water"	p. 47	
	B 7 - Resource use, circular economy and waste management	<b>Ch. 4.4</b> "Circularity"	p. 48	
 <b>Basic metrics Social</b>	B 8 - Workforce: General Characteristics	<b>Ch. 5.1</b> "Workforce - general characteristics"	p. 51	
	B 9 - Workforce: Health and Safety	<b>Ch. 5.2</b> "Health and safety"	p. 52	
	B 10 - Workforce - Remuneration, collective bargaining and training	<b>Ch 5.3</b> "Collective bargaining and remuneration"	p. 53	
 <b>Basic metrics Governance</b>	B 12 - Convictions and penalties for active and passive corruption	<b>Ch. 6.1</b> "Governance Structure"; <b>Ch. 6.2</b> "Organizational Governance"	p. 57 p. 58	



**THANK YOU  
FOR YOUR ATTENTION**





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