

Sustainability Report 2021

On the Road to the Future





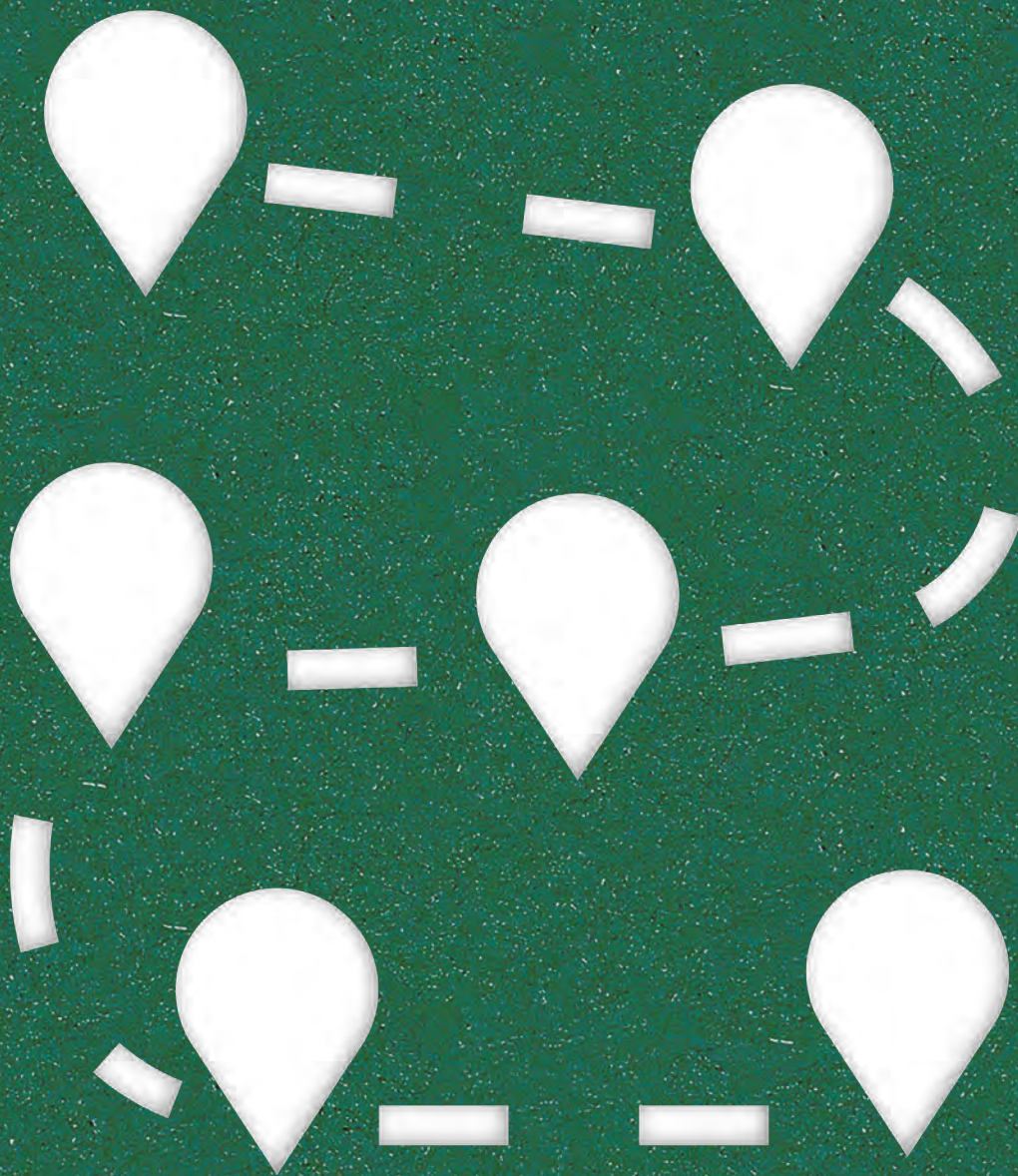
On the Road to the Future

We have been on the road to sustainability for many years.

We know that this journey, although long and challenging, is full of opportunities.

We have learned that the best way to walk this path is to do it together, with a shared set of values, skills, and a vision that points us in the right direction.

‘On the Road to the Future’ is the title of this year’s Sustainability Report.



It's a journey through RDM Group to explore the strategies and actions we have put in place and the steps we have taken to get closer to our goals.

Index



Overview

- Message from the CEO
- Manifesto
- RDM Group at a Glance
- Vision and Values
- Global Presence
- Business Model:
Our Virtuous Circle
- Management Systems
- Our Sustainability Plan
2020 – 2030

p. 6

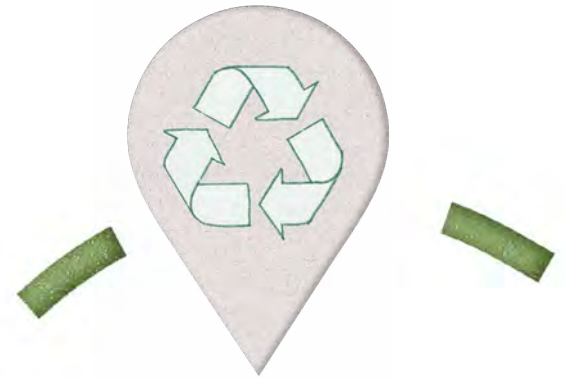


01.

Destination: Sustainability

- A New Beginning
- New Corporate Governance
- Business Integrity
- Our Stakeholders
- Our Memberships
- Materiality Matrix
- Risks and Opportunities

p. 18



02.

Our Circular Approach to Business

- Our Fibers are Made from
Sustainability
- Our Raw Materials
- Selection, Qualification and
Management of Suppliers
- Product Development
and Innovation
- Product Quality
- Our Customers' Satisfaction

p. 34



03.

Our Attention to the Environment

- Energy: Efficiency and Consumption
- Air: Emissions and Monitoring
- Water: Reuse and Responsibility
- Waste: Reduction and Recovery

p. 48



04.

People at the Center

- Our People
- Safety First!
- Covid-19 Crisis Management
- We Value Our Talents and Skills
- Diversity and Equal Opportunities

p. 62



Appendix

- Material Topics and Impact Boundaries
- About This Report
- Sustainability Performance
- GRI Content Index
- Independent Auditor's Report

p. 74

Message from the CEO

Dear All,

The acquisition of RDM Group by the affiliates of funds managed by Apollo Global Management is yet another confirmation for us that sustainability is not only a means, but the key to RDM Group's success. Underlying this is the belief that sustainability is essential to the success of any business.

In 2021, RDM Group issued a "Sustainability-Linked Bond", the terms of which provide for a correlation between the interest rate that the Company will pay to its lenders and the achievement of three specific sustainability targets by 2025. Namely: a 15% reduction in specific CO₂ emissions, an increase in the proportion of waste sent for recovery to 81.5%, and a 10% reduction of specific wastewater discharges.



These are clearly ambitious targets that the Group intends to achieve as milestones toward the Long-Term 2030 Sustainability Goals. The latter were set in 2021 based on the Materiality Matrix and thus reflect our strategic priorities and those of our main Stakeholders.

Let me also highlight the importance of safety, which for RDM Group represents a concrete objective that translates into a "Zero Accidents" goal and into the Behavior-Based Safety (BBS) program, built to promote safe behaviors in all workers. In this regard, I am pleased to point out that not only has RDM Group achieved its best safety performance ever in 2021, but also that the Group won the PPI Award 2022 in the "Risk & Safety" category.

We have chosen to divide this Report into four chapters. The first is dedicated to our identity and how sustainability shapes our organization — from governance to strategy to operations. The second chapter focuses on the circular economy, which includes our business model, the production process at our plants and the important contribution of all players within the supply chain.

The third chapter concerns the environment and how we act to prevent, reduce and mitigate our impacts on it. Finally, we must not forget to highlight the value of our people, who every day allow us to transform our objectives into numbers and hard facts.

Are we being ambitious? Yes, very I would say. But we are convinced that, for our people, and for our planet, we cannot be any less.

RDM Group CEO
Michele Bianchi

A handwritten signature in black ink, which appears to read "Michele Bianchi". The signature is fluid and stylized, written over a light gray background.

Manifesto

Together We Shape the Future

"Together We Shape the Future" is the motto that we, RDM Group, have adopted to represent what we do and how we do it.

"Together" is RDM Group's starting point — we operate according to a "One Company" culture. This means that all of the Group's entities share one vision and one strategy. The word "together" also refers to the important relationships we share with our Stakeholders. This is why "Togetherness" was chosen as one of the four Group Values.

"We" reinforces the concept of an overall vision that is clearly represented by the other three values as well: "Empathy," "Group-Wide Vision" and "Responsible Decision-Making," acknowledging that the decisions we make also affect others.

"Shape" refers to what we make — cartonboard, a material that can be seen as "simple" in itself but which can take the most sophisticated forms and shapes.

"The Future" is the direction RDM Group looks toward, conscious of its role and responsibility to all Stakeholders.



RDM Group at a Glance

RDM Group is the leading producer in the recycled cartonboard business in Europe and the largest producer in Italy, France, the Netherlands and the Iberian Peninsula.

In 2021, following the disinvestment of RDM La Rochette – the only mill dedicated to virgin fiber products – the Group has further increased its focus on the production of recycled cartonboard with the acquisition of Eska and Paprinsa (Papelera del Principado), both leading producers of recycled cartonboard operating in different industry segments, respectively solid board and White Lined Chipboard (WLC).

Our coated cartonboard (WLC) is mainly supplied to the European market, while solid board represents a leading segment worldwide, including in the United States and Asia.

Our coated cartonboard can be used as both primary and secondary packaging. It can be made into packaging for foodstuffs and pharmaceuticals, but also for household appliances, cosmetics and personal care products. It can be used in the publishing sector or for the creation of commercial displays and toys. Our solid board primarily serves the luxury packaging market for the fashion industry, cosmetics, high-end beverages, books, notebooks and puzzles.

In 2021, funds managed by affiliates of Apollo Global Management, Inc. acquired RDM Group. Apollo is a high-growth, global alternative asset manager. RDM Group is now a private company under the Apollo Fund's ownership.



€ 803 mio

in revenue
as of 31.12.2021



1,281

kilotons of cartonboard
(net salable production)



2,246

employees and
collaborators at RDM Group

MARKET SEGMENTS



WHITE LINED CHIPBOARD (WLC)

coated cartonboard
for packaging made
from recycled fibers



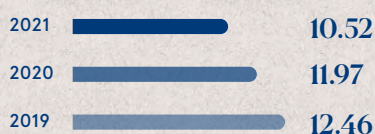
SOLID BOARD

high-grammage recycled
cartonboard that is well suited for
specialty products, luxury packaging
and the publishing market



SPECIFIC WASTEWATER DISCHARGES

(m³/t)



Cubic meters per metric ton
of net salable production



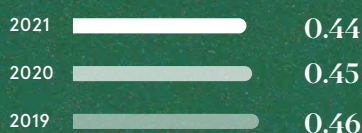
WASTE PER DESTINATION

	Recovery	Disposal
2021	69%	31%
2020	73%	27%
2019	75%	25%



CARBON INTENSITY

(tCO₂e/t)



Emissions in tons of CO₂
equivalent per metric ton of
net salable production

ECONOMIC VALUE GENERATED, DISTRIBUTED AND RETAINED (EURO)

828.9 mio

Economic value generated



822.4 mio

Economic value distributed



6.5 mio

Economic value retained



RAW MATERIALS

84%

Renewable
Materials
of the total
materials used

90%

Paper for
Recycling
of the total
fiber-based
materials used

WASTE BY TYPE



1%

Hazardous

99%

Non-Hazardous

SAFETY

2.0

Frequency
Rate (FR)

47.9

Severity
Rate (SR)

FR = number of injuries × 200,000 / hours worked
SR = lost days × 200,000 / hours worked

Vision and Values

Our identity is built on a clear Vision that guides all our activities, today and tomorrow, and aims for an optimal combination between our business offer and the expectations of our Stakeholders.

Our Vision is to be the **Partner of Choice** for all key Stakeholders with three strategic goals in mind: offering excellent products and services, optimizing costs and maximizing the satisfaction of our key Stakeholders in a sustainable way.



Offering excellent products and services



Optimizing costs



Maximizing our Stakeholders' satisfaction

The ability of the entire Group to pursue the Vision that we have adopted and thus achieve the goals that we have set for ourselves is the result of the deep-rooted values that guide the actions of all of us. We work together, sharing our best practices in order to achieve the Group's full potential.

We operate as a multinational and multicultural Group, focusing our activities on creating sustainable value for our Stakeholders and the communities in which we operate: we want to be the partner of choice in the development of sustainable products and services.

Our Values are:



Group-wide vision

The capacity to build a vision that leads to the success of the Group.



Empathy

The attitude of understanding others and being empathetic.



Responsible decision-making

The awareness that decisions also have effects on others.



Togetherness

The mix between a shared vision and a sense of belonging.

OUR GROUP CODE OF ETHICS IS AVAILABLE ONLINE AT
<https://rdmgroup.com/governance/code-of-ethics/>

Global presence

The acquisitions made in 2021 have allowed RDM Group to further expand its operations in Europe and beyond.

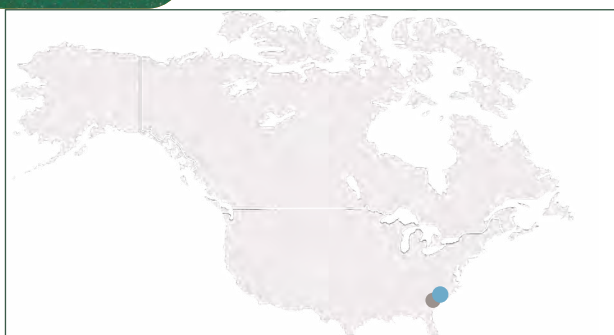
Our cartonboard travels around the world more than ever, with nine board mills, five sheeting centers, and sales and representative offices in Europe, North America and Asia. With its strong network and global presence, RDM Group serves clients all over the world.

EUROPE

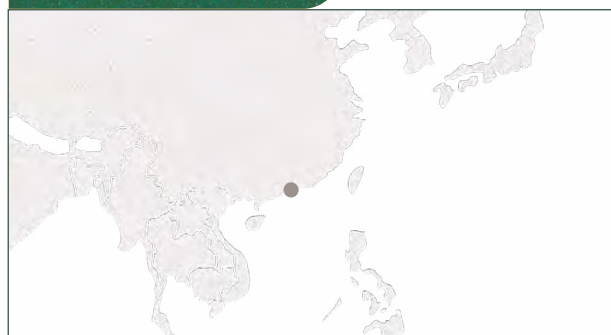
- HEADQUARTERS
- SALES OFFICES
- BOARD MILLS
- SHEETING CENTERS



NORTH AMERICA



ASIA



Business Model: Our Virtuous Circle

Our business model is based on a circular economy model that replaces the concept of waste with that of a resource, aiming to optimize the use of materials with increasing efficiency. RDM Group cartonboard is fully recyclable, and is designed to be returned to the virtuous circle of the circular economy through recovery and recycling after its intended use.

Everything starts with the sourcing of paper for recycling (PfR). Our technologies and production systems transform paper for recycling, giving the recycled fibers a new life, whether they come from urban recycling or from industrial and commercial sectors.

PRODUCTION PROCESS

Fiber-based raw materials are mixed with water to create a cellulose fiber suspension. Through a complex purification system, the impurities (e.g. sand, metals and plastics) present in the raw materials are sorted out. The board machine consists of a linear consecutive system of sheet forming, pressing and drying, intended to remove the water from the fiber suspension. Depending on the type of cartonboard, a coating layer is applied. Once produced, the cartonboard is rolled into special reels for direct dispatch, or cut into sheets and packaged onto pallets for delivery.

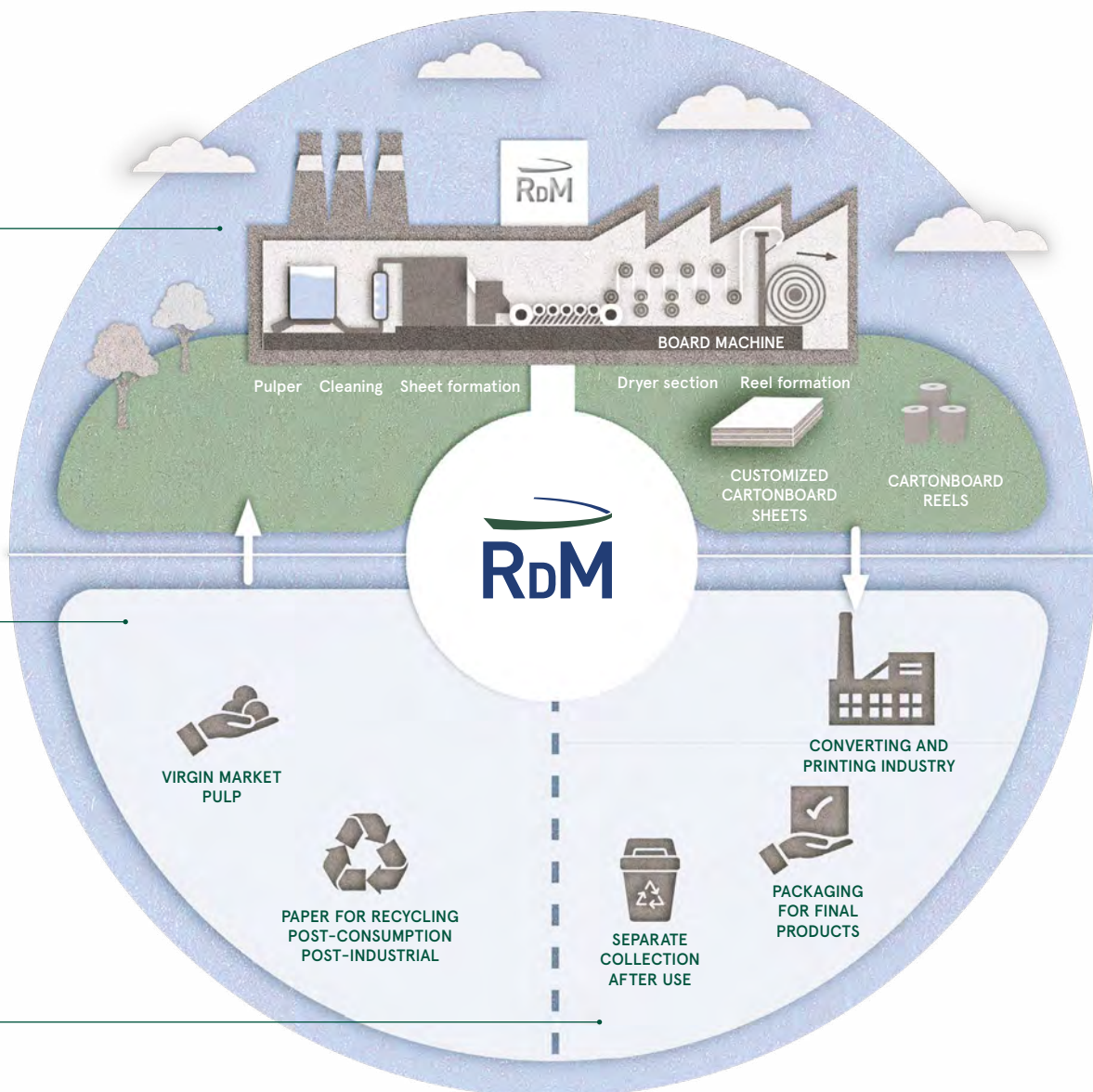
UPSTREAM

We purchase paper for recycling from the industrial and commercial sectors and from city collections, such as fiber-based packaging, newspapers and magazines. The Group uses a limited amount of virgin fiber pulp, which is purchased externally from third parties. Virgin pulp is used to supplement recycled fibers to give cartonboard specific physical and mechanical characteristics.

DOWNSTREAM

RDM Group products are mainly intended for the converting and printing industry, which uses cartonboard to make the packaging of products placed on the market. Clipping and scraps from the converting and printing processes are collected and delivered back to the mills, directly or through sorting facilities, as raw materials. For fiber-based packaging products put on the market, more than 82% (Eurostat 2019) of the packaging is reintroduced into the virtuous cycle of recycling by the end consumer after use, thus feeding the sustainable business model of recycled cartonboard.

Within RDM Group, 90% of the fiber-based raw materials used in our production comes from paper and cartonboard for recycling, and over 84% of all materials used is from renewable materials. Our products are designed to be renewable, recyclable and are in the end actually recycled!



Management Systems

Efficient management of business processes is a key element of long-term success. For this reason, we have implemented management systems certified according to ISO standards, which are internationally recognized.

Currently, management systems are in place for Quality, Safety, Environment and Energy standards. Moreover, other management systems are in place to satisfy specific market demands for product certification, such as FSC®/PEFC and packaging material for food contact.

In 2021, we extended our certifications thanks to the Barcelona mill, which successfully completed its transition to ISO 45001 standard, and the PAC Service sheeting center, which achieved its first safety certification.

In 2021, our headquarters in Milan (Italy) obtained its ISO 50001 and ISO 14001 certifications, for energy and environmental management respectively. This important accomplishment has been made in light of a future multi-site certification, where different mills will share the same certificate.

This achievement represents an important investment, not only from the perspective of our commitment toward the environment and sustainability, but also from the point of view of an increasingly simplified integration among mills. Our aim is to implement a homogeneous and rigorous management system across plants and countries that can have different legislations.

This process has started with the Italian operations and will continue with the other production sites. A dedicated work stream has been implemented for the two recent acquisitions to start their certification process, giving priority to safety and quality.

To support our plants in achieving the targeted certifications and increasing the level of integration across management systems and mills, in 2021 we also created a dedicated corporate function known as "Integrated Management Systems."

CERTIFICATIONS OF ACTIVE MANAGEMENT SYSTEMS WITH INDICATION OF THE YEAR OF FIRST ACHIEVEMENT

	ISO 45001	ISO 9001	ISO 14001	EMAS	BLAUER ENGEL	ISO 50001	FSC®	PEFC	BRC/EN15593/ ISO 22000
Arnsberg	–	1992	1997	1997			2010		
Barcelona	2021	1996	1998	2000		2020	2015		2010
Blendecques	–	1995	–			2014	2008		
Headquarters Milan	2019	1996	2021			2021			
Hoogezand	–	1997	2014			2020	2018	2017	
Magenta	–	1996	–				2010		
Ovaro	2020	1996	2004	2015		2015	2009	2017	
PAC Service	2021	1997	–				2010	2009	2018
Papriinsa	–	–	–				2012		
S. Giustina	2020	1996	2001			2015	2010	2016	2020
Sappemeer	–	1997	2014			2020	2018	2017	
Villa S. Lucia	2020	1996	2005			2015	2010		



Our Sustainability Plan 2020 – 2030

At RDM Group we are aware that the world is experiencing a massive change characterized by global megatrends, including sustainability, digitalization and automation. The ability of a company to respond to these trends is a sign of both resilience and vision.

With respect to sustainability, our approach is based on the circular economy model. Using this approach and the materiality analysis, in early 2021 RDM Group defined its ambitious, long-term sustainability strategy for 2030. We have decided to focus on precise objectives that are of great relevance to our business, the planet and society. We believe that their pursuit will also mean the achievement of other environmental and social benefits consistent with profitability and positive economic performance.









Sustainability has always been at the center of RDM Group's responsible decision-making. Following the acquisition of the Group by funds managed by affiliates of Apollo Global Management ("Apollo Funds," see also p. 22 for more information), RDM Group issued a Sustainability-Linked Bond. The interest rate of our Sustainability-Linked Bond is directly correlated with the achievement of three specific sustainability targets by 2025 – a 15% reduction in specific CO₂ emissions, an increase in the proportion of waste sent for recovery to 81.5%, and a 10% reduction in specific wastewater discharges compared to 2020 levels. This additional link between financials and our long-term sustainability goals demonstrates our commitment to driving positive outcomes for our Stakeholders and the environment.

We expect to achieve our goals and meet our targets through our tactical continuous improvement approach and the clear investment plan in place. The aim is to propose a long-term partnership to our Stakeholders, centered on respecting a sustainable development agenda.

SUSTAINABILITY GOAL-SETTING PROCESS

The process of defining our long-term Sustainability Goals began with developing RDM Group's Materiality Matrix, which was created through the engagement of our management team and key external Stakeholders, such as customers, suppliers and representatives of the financial markets. We then defined our Goals by involving our "Youth and Restyling Committee"—representing the next generation — alongside the Group's executive management team, which validated and approved the Goals.

Sustainability Goals for 2030 and Progress in 2021

	Goal	Baseline 2020	Progress 2021	Target
	Reduce Scope 1 and Scope 2 CO ₂ equivalent emissions per ton of net salable production	0.50 tCO ₂ e/t	0.46 tCO ₂ e/t (-8%)	-30% by 2030
	Increase the proportion of waste sent for recovery	73%	69% (-4%)	90% by 2030
	Reduce the total amount of waste generated per ton of net salable production	181 kg/t	163 kg/t (-10%)	-20% by 2030
	Reduce wastewater discharges per ton of net salable production	11.06 m ³ /t	10.19 m ³ /t (-8%)	-20% by 2030
	Key suppliers assessed and qualified according to ESG criteria for all relevant product categories	New assessment to be started	New assessment platform identified	100% by 2025
	Implement a Behavior-Based Safety program at all production sites	1 site	2 sites	All sites by 2023
	Increase the employee advocacy rate	3.98	People survey to be carried out in 2022	4.50 by 2030
	Increase the percentage of women employed by RDM Group	9.5%	10.4% (+9%)	+30% by 2030

The baselines of the goals on carbon intensity, wastewater and waste do not include the La Rochette mill, as it was part of a sales agreement in 2021. All other performance figures in the Sustainability Report include La Rochette until April 30, 2021, as well as Paprinsa and Eska from July 1, 2021 (for further information please refer to p. 76).

CHAPTER .01

Destination: Sustainability



The world is evolving, society is growing, technology is advancing, and as we move closer to a sustainable future our journey becomes more challenging every day.

That is the beauty of our path toward sustainable development and all of the challenges that are an integral part of it.

RDM Group has had an important head start – we were the first to embark on this challenge, as pioneers, when sustainability was not yet charted on the maps, while today it is the guiding star of all business decisions.



2

mills have successfully launched the Lean Manufacturing project to modernize industrial processes and make them more sustainable



30

plus associations joined locally and internationally to support innovation in our sector and strengthen partnerships for sustainable development

A New Beginning

We transform and give new life to materials by producing recycled fiber-based cartonboard. Our business model is based on the circular economy and our processes are continuously oriented toward the creation of sustainable value.

Our vision is to be the partner of choice for all of our Stakeholders and we have brought together a group of companies, skills and expertise to be one of the leading cartonboard producers in Europe, with a clear focus on recycled cartonboard. Our products are designed to be reintroduced into the circular economy cycle after use, replenishing the resources that feed our business model.

The acquisition in 2021 by the Apollo Funds clearly sets a new beginning for RDM Group. This new chapter with Apollo Funds will accelerate our sustainability strategic agenda, as Apollo shares our belief in the concept of “collinearity” where both financial and environmental sustainability performance are connected and have proven to be mutually reinforcing.

In addition to our focus on sustainability, we have pursued our vision for growth by strengthening our European asset base and the proximity to customers through the adoption of the “multi-mill concept.”

The “multi-mill concept” is focused on manufacturing most strategic products in multiple plants so that we can produce and deliver products to our customers in a flexible and timely manner, regardless of the production site. This allows RDM Group to strengthen its product portfolio and ensure the continuity of production despite changes in market demand and economic cycles in individual countries.

In 2021, we made several strategic acquisitions to reinforce our multi-mill approach. Through the Paprinsa and Eska acquisitions in July 2021, we acquired three additional production sites. In order to fully benefit from the growth opportunities and synergies provided by these acquisitions, we are focused on fully integrating these plants into our multi-mill plan.

More specifically, the Paprinsa acquisition allows us

to strengthen our leadership position in Spain as it creates a direct channel to serve the Iberian Peninsula as well as North Africa, given the strategic locations of the plants. It will also drive commercial and operational synergies between the Paprinsa and Barcelona cartonboard mills.

The Eska acquisition allows us to broadly expand our presence in the solid board market and—through the integration with the Ovaro mill—extend the multi-mill concept to the solid board segment in addition to WLC. This acquisition allows us to also broaden the geographic footprint of our network of mills into the Netherlands, and distribution centers into the United States and Asia.

We intend to leverage Eska’s attractive go-to-market and strong brand recognition to expand our product offerings. Eska is well positioned in the high-margin, high-growth luxury sector, which we already serve with the Ovaro mill, allowing us to further enhance our brand. With Eska, we serve many of the leading global brands in the luxury goods market that is particularly focused on sustainable packaging.

Through the integration of these recent acquisitions, we have been operating a culture of continuous improvement. We have been able to extract commercial and cost synergies that will ultimately strengthen our operating efficiencies and streamline our cost structure.

With the support of Apollo Funds, RDM Group can further expand its business boundaries, building on strong foundations and key competencies.

Looking ahead, we will also further invest in our ex-

isting production facilities, digitalization and operational excellence.

We have developed a comprehensive digital transformation program aimed at achieving efficiencies across all functions, including operations, logistics, procurement, human resources, sales, planning, sustainability, and health and safety. We view digital improvement as a key strategy to improve efficiency, innovation and coordination across our operations. Through sophisticated digital applications, we are focused on continuing to deliver high-quality and innovative products.

With regard to operational excellence, in 2021, we officially launched the Group's Lean Manufacturing project with first deployment at the Arnsberg mill (Germany): twenty-one improvement initiatives

have been identified, five employees have been "green belt"-certified according to the Six Sigma Protocol, and we have created the new role of Group Operational Excellence Manager. This strategic project is being implemented in the Barcelona mill as of the beginning of 2022, and will be brought to all of the Group's cartonboard mills in the coming months and years.

Other strategic projects specifically directed toward operational and energy efficiency are: installation of a brand-new, high-efficiency, gas-fired boiler at the Santa Giustina mill (Italy), completion of the Combined Heat and Power (CHP) plant revamping of the Villa Santa Lucia mill (Italy), installation of the new washing machine at the Barcelona mill (Spain) to optimize the use of raw materials, and construction of a brand new cogeneration power plant at the Ovaro mill (Italy).



"Sustainability is a key pillar of our strategic direction. Our approach is based on the concept of *collinearity*, where financial and ESG performance are interconnected and mutually reinforcing."

Andrea Bettinelli
Chief Strategy Officer

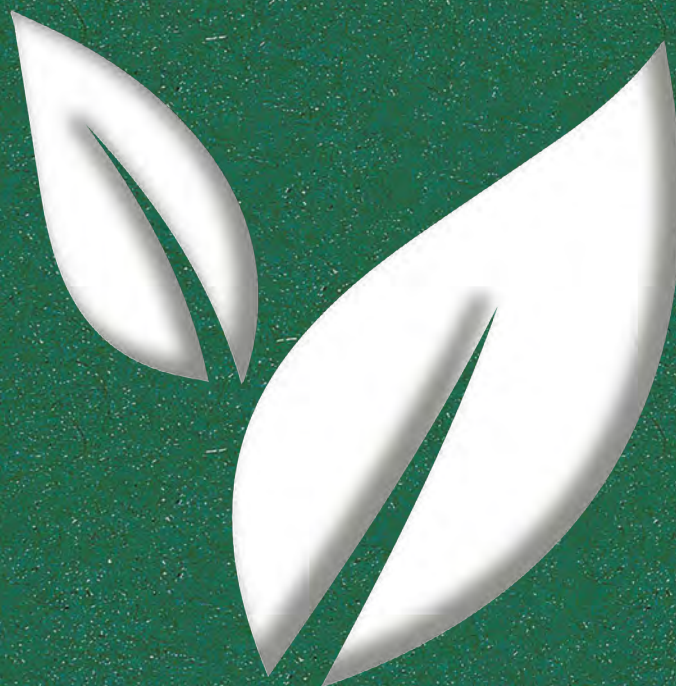
Apollo Global Management

The acquisition of RDM Group by the affiliates of funds managed by Apollo Global Management truly represents a milestone in the Group's growth path.

The journey that lies ahead sees a clear shift from being a publicly listed company to a privately owned organization backed by one of the largest alternative asset managers worldwide. Apollo is a high-growth, global alternative asset manager with approximately 498 billion USD of assets under management as of December 31, 2021.

In 2020, within private equity, Apollo launched the Apollo Impact platform to differentiate itself in the market by seeking impact at scale via opportunities in later-stage companies that align with specific UN Sustainable Development Goals (SDGs).

As the inaugural investment led by the Apollo Impact platform, RDM Group reflects Apollo's strategy to partner with good businesses where financial and impact performances can be driven together to increase their beneficial effects on society and the planet.



New Corporate Governance

Our Corporate Governance system is an essential means to ensure the effective and efficient management of all business activities carried out so as to create value for all of the Group's Stakeholders.

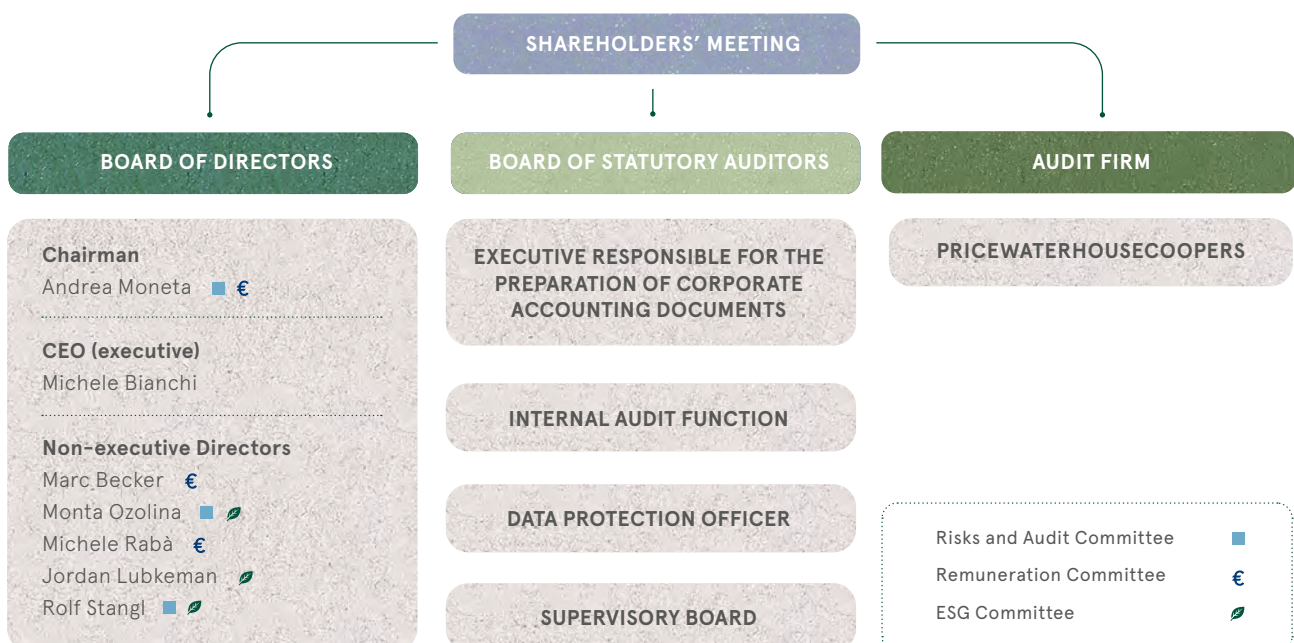
Our Governance system complies with the traditional administration and control model that requires the presence of a Board of Directors and a Board of Statutory Auditors, both appointed by the Shareholders' Meeting. Following the delisting of RDM Group from the Italian and Spanish stock exchange, effective as of December 29, 2021 a new Board of Directors and a new Board of Statutory Auditors were appointed.

Due to the delisting process, the Italian Stock Exchange Corporate Governance Code, to which RDM Group previously adhered, no longer applies. Nevertheless, we decided to continue following the best practices established therein, such as maintaining key Board Committees, keeping gender balance in the Board's composition and maintaining the Board's self-assessment on matters regarding its size, composition and functioning.

The new composition of the Board of Directors also reflects a balanced integration of managerial and professional profiles, as expressed by the new Shareholder who decided to provide particular emphasis on the principle of diversity, not just in terms of gender, but also in terms of age and geographical background.

While some Board Committees were reaffirmed to maintain the effectiveness of our governance system, a new committee was established to strengthen strategic focus and good governance. Specifically, it was decided to keep the Risk and Audit Committee (former Control and Risks Committee) and the Remuneration Committee, and to establish the new ESG (Environmental, Social and Governance) Committee. The Risk and Audit Committee and the Remuneration Committee will respectively incorporate the functions of the previous Related-Parties Committee and Nomination Committees. The newly established ESG Committee reflects the even further increased focus of the Group on sustainable development. Its advisory role to the Board of Directors mainly concerns the definition of the sustainability strategy, the identification of objectives and targets, the implementation of policies, the analysis of the potential impact of risks and, more generally, the integration of sustainability into management dynamics.

Regarding the Board's evaluation process, it will continue to be effective, but will be performed every three years in view of the re-establishment of the Board of Directors.



Business Integrity

One of the core principles that lies at the heart of all of our choices and actions is the awareness that our decisions affect others.

Our decision-making process is based on the concept of responsibility as a principle that guides the daily activities of all employees and requires all people to act within the framework of legality. We have adopted several tools designed to ensure the effective, efficient and transparent management of business integrity.

CODE OF ETHICS

Our Code of Ethics is addressed to all of the Group's Stakeholders and clarifies the set of shared values, principles and rules of conduct that the Group adopts and applies. Responsibility and compliance are considered essential elements for each person who represents RDM Group in various capacities, either working within it or carrying out activities in the interest and on behalf of the Group itself.

In 2021, the Group updated its Code of Ethics to emphasize and strengthen some of the key principles included. Among these, we would like to highlight the importance of equal opportunities and the non-discrimination of people (including within the selection and hiring process), the promotion of occupational health and safety with a commitment to Behavior-Based Safety (please refer to Chapter 4 for more information), and the transparency of tax management.

The new version of the Code of Ethics was approved by the Group's Board of Directors in April 2021. The newly acquired companies, Eska and Paprinsa, will adopt the Code of Ethics in 2022, following the approval of their respective Boards.

The Supervisory Board, with the support of the Group's Internal Audit function, is responsible for ensuring and verifying the actual application and implementation of the Code of Ethics, and informing the various management bodies of the companies of RDM Group.

The recipients, on the other hand, are required to comply with the principles of the Code and are obliged to report any violations, or suspected violations, to the Supervisory Board through the channels identified and in compliance with the provisions indicated in the whistleblowing procedure.

ANTI-CORRUPTION

RDM Group adopts the most suitable measures to ensure compliance with regulations, setting up a risk assessment process and developing suitable control tools. In order to prevent corrupt practices and to protect RDM Group's values and principles, as well as its reputation, we adopted a specific Code of Conduct to manage relations with the Public Administration and third parties, the so-called Anti-Corruption Code.

The purpose of the Code is to outline the general principles, rules of conduct, controls and prohibited actions with regards to carrying out the Group's activities, in order to prevent, repress and report any breaches of the rules governing corruption or any other type of fraud. The Anti-Corruption Code has been adopted by all of RDM Group's legal entities, with the sole exception of the newly acquired companies, Eska and Paprinsa, which will adopt it in 2022.

This Code is also part of the wider "Organization, Management and Control Model", pursuant to the Italian Legislative Decree No. 231/01, which is approved and adopted by each Italian entity of the Group. The model contains rules, principles of conduct and a system of sanctions aimed at preventing specific offenses, including environmental, occupational health and safety, and corruption offenses. The substantial application of the model is constantly monitored by the Supervisory Board.

The model is also periodically updated following changes in the corporate structure, and when new crimes are introduced within the Italian Legislative Decree No. 231/01. A new risk assessment was carried out in 2020 due to the introduction of specific tax-related offenses into Italian Legislative Decree No. 231/01. The model was subsequently updated and approved by the Board of Directors in March 2021.

The Group's parent company communicates the approval and adoption of the model to each company, and each subsequent edition thereof. Each single legal entity in the Group acknowledges and adopts the general principles of conduct and compliance defined by the parent company. In addition, each of the Group's

companies implements local programs to comply with national regulations regarding their responsibilities as legal entities.

A RESPONSIBLE TAXPAYER

In its approach to taxation, the Group pursues a number of fundamental principles to guide its overall tax management. These include compliance with national and international laws and regulations to fulfill all of the fiscal authorities' requirements, and the development of transparent relations with public administrations based on collaboration and mutual trust. The decision taken internally by RDM Group to operate in a particular country is not related to the tax regimes of that specific country, it depends exclusively on business dynamics.

Following the introduction of criminal liability for legal entities that take advantage of criminal conduct regarding tax matters, Reno De Medici S.p.A. prepared a new "Special Section" in its "Organizational, Management and Control Model." The purpose was also to define a tax strategy meant to determine a new internal control system for managing tax risks in accordance with the international standards endorsed by the OECD and the tax authorities in the countries in which the Group operates.

HUMAN RIGHTS

Ensuring and developing sound business practices is important to us. This importance is not limited to the scope of our activities, but extends to the entire supply chain. Almost all suppliers are in fact located in countries that, on the basis of both the annual "Freedom in the World 2021" report by Freedom House and "The State of the World's Human Rights Report 2020/21" by Amnesty International, are considered to be at low risk of human rights violations. With particular reference to the procurement of market pulp, the purchase of raw materials certified according to FSC® (Forest Stewardship Council®) standard is also a guarantee of respect for human rights and indigenous people's rights, as it is part of the requirements of the standard. Integrity in the conduct of business activities is an essential prerequisite in managing relations with suppliers who are required to comply with the principles contained in RDM Group's Code of Ethics, including respect for human rights. In addition, where applicable, we always secure national collective bargaining agreements to provide appropriate working standards and conditions. To date, the various measures have proven their effectiveness. The Group has not received any reports or been made aware of any violations of human or workers' rights by suppliers or collaborators working with the Group.

ANTITRUST PROGRAM

RDM Group adopted an Antitrust Compliance Program to prevent and reduce the potential risk of the violation of relevant regulations, and to ensure a prompt reaction in case of critical situations. To ensure the understanding and correct application of the Antitrust Program, specific training sessions are taking place, primarily aimed at the Group's salespeople who are most exposed to this matter. We ensure that all salespeople hired by RDM Group receive appropriate training on antitrust matters, as part of our approach to fair competition. To strengthen the culture of compliance within the Group, we also adopted in 2021 a specific protocol to manage possible dawn raids by the relevant authorities.

GRIEVANCE MECHANISMS

In order to guarantee the reporting of irregularities, or violations of the Group's Code of Ethics and the "Organization, Management and Control Model," as well as the occurrence of possible anomalies or weaknesses in the internal control system, we have adopted an appropriate "whistleblowing" system. This system, structured in such a way as to ensure the protection of the reporter and the confidentiality of the information reported, allows the timely reporting and analysis of all possible violations and irregularities that do not comply with the standards of conduct. During 2021, no reports were sent to the Supervisory Board via the channels provided by this system. There were no reported cases of non-compliance with laws, regulations or standards on business ethics, antitrust, cases of discrimination, violations of the Code of Ethics, legal actions for anti-competitive behavior or monopoly practices. However, one case of non-compliance with environmental laws was reported in 2021 at one of our premises (consult Chapter 3 for more information).

B-CORP CERTIFICATION FOR ESKA

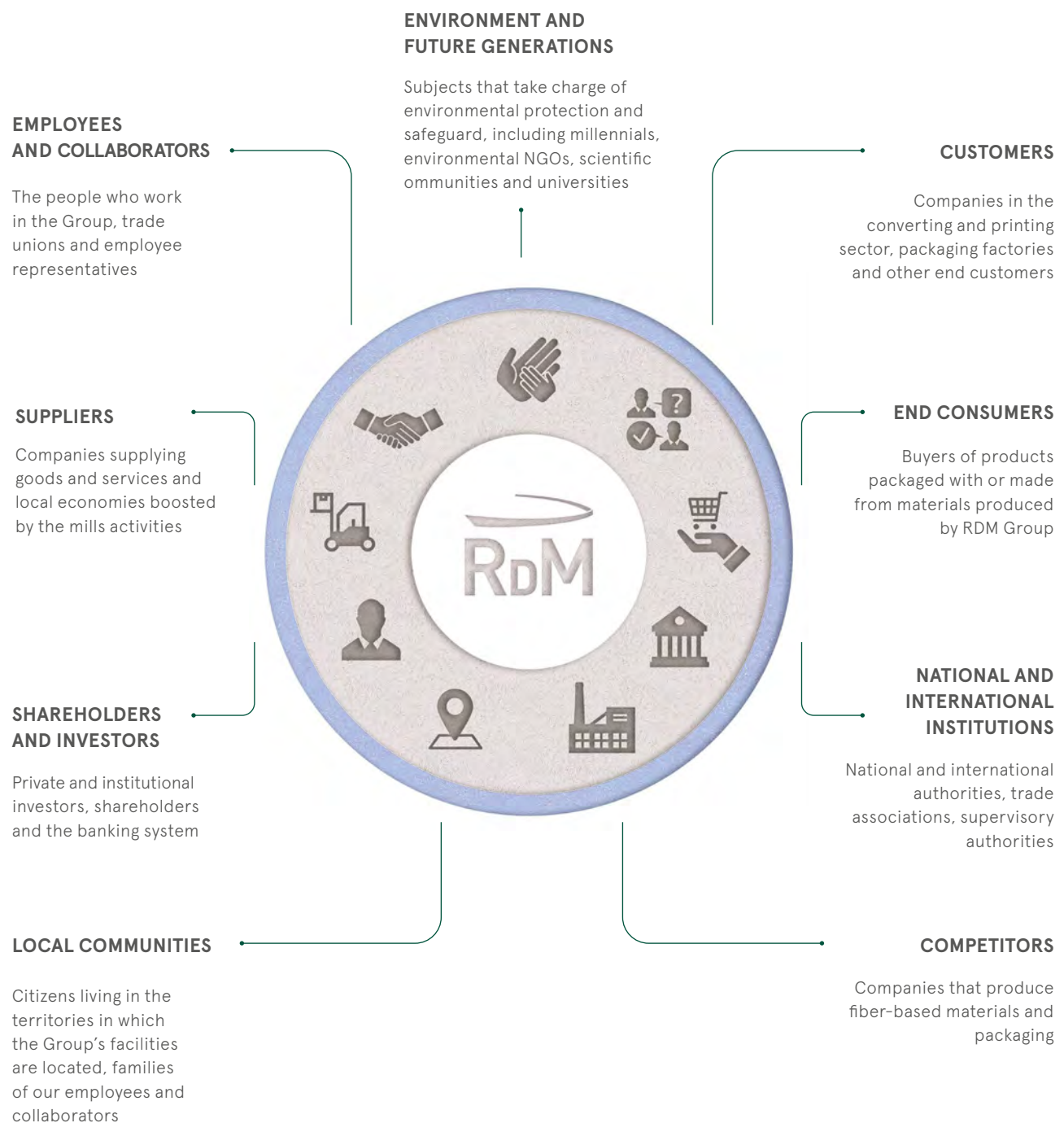
As of December 2021, Eska is officially the first solid board producer in the world to join the B-Corp community. This certification is awarded to companies that meet the highest social and environmental standards of transparency and accountability. These companies are a new kind of business competing not only to be the best in the world, but the best for the world.

To obtain the certification, Eska underwent a lengthy selection and analysis process on key topics: governance, workers, customers, communities, and environmental impact.

Becoming a B-Corp is a relevant achievement for the whole Group and for the benefit of all of its Stakeholders.

Our Stakeholders

The continuous and effective dialogue with our Stakeholders, both internal and external, is crucial for better addressing the challenges posed by external context.



Our Memberships

We are members of various associations, initiatives and working groups, at both local and international levels. We support the development of the fiber-based packaging and recycling industry via a system that promotes the progress of the sector and sustainable innovation. The most important associations are reported below:

At the international level

	• 4evergreen Alliance
	• CEPI – Confederation of European Paper Industries
	• CEPI CARTONBOARD / CEPI CONTAINERBOARD
	• ECMA – European Carton Makers Association
	• EPPA – European Paper Packaging Alliance
	• PRO CARTON
	• WCO – World Containerboard Organization

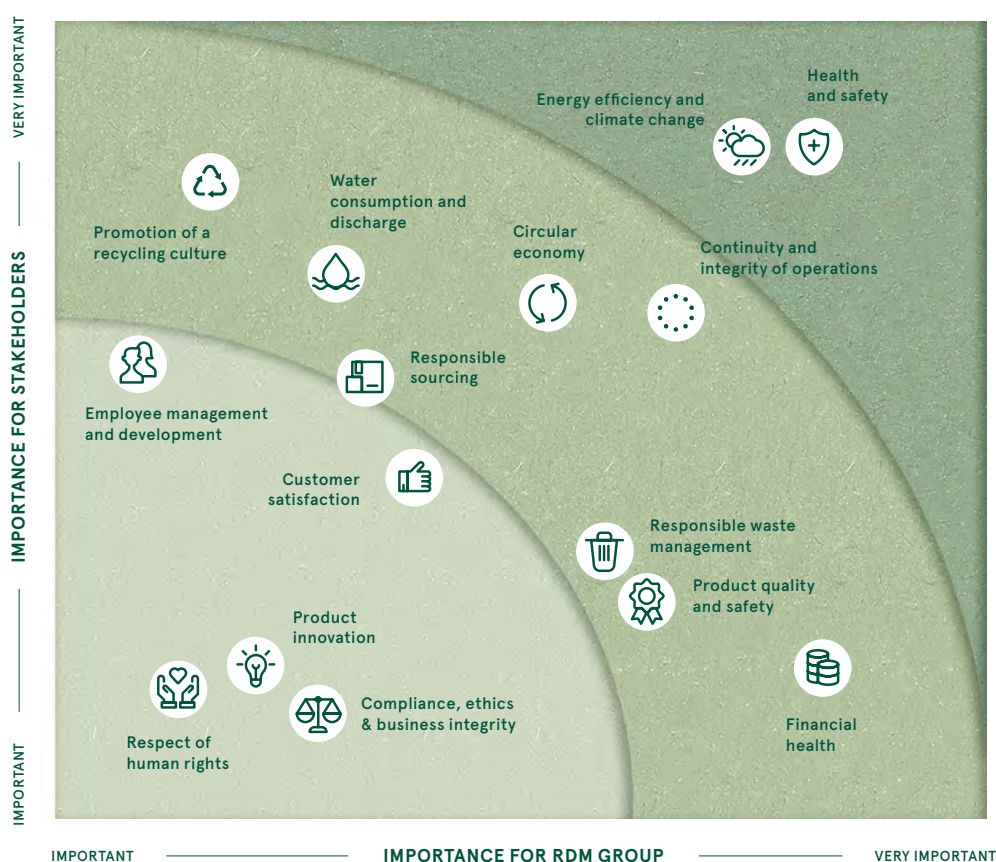
At the local level

	• ACOGEN – Asociación Española de Cogeneración
	• ASPAPEL – Asociación española de fabricantes de pasta, papel y cartón
	• ASSOCARTA
	• ASSOGRAFICI
	• Aspack – Asociación Española de Fabricantes de Envases, Embalajes y Transformados de Cartón
	• ATICELCA
	• CAP Fédération – Cartonnage et articles de papeterie
	• Comieco – Consorzio Nazionale Recupero e Riciclo degli Imballaggi a Base Cellulosica
	• COPACEL
	• Federazione Carta e Grafica
	• Foment Treball Nacional
	• Gas Intensive
	• GREMI – Gremi de la Indústria i Comunicació Gràfica de Catalunya
	• MEDEF
	• Royal VNP – Koninklijke Vereniging van Nederlandse Papier- en kartonfabrieken
	• Royal VEMW – Vereniging van Energie, Milieu en water
	• VDP – Verband Deutscher Papierfabriken

Materiality Matrix

The Materiality Matrix is the result of an engagement activity that analyzed the current and future expectations of our Stakeholders. The assessment process included the involvement of and interaction with some of our most important customers, suppliers and representatives of the financial markets, analyzing the importance of a range of topics concerning their relationship with RDM Group. In order to build a

balanced analysis capable of reflecting the topics of greatest relevance and priority, the matters were investigated through several dimensions, including risks, opportunities, strategy and market trends. The same methodology was applied internally when engaging with the company's top management. The combination of the internal and external perspectives resulted in the identification of fifteen material topics.



Considering the impacts of Covid-19, as well as the most recent market trends, our CEO confirmed the validity of the Matrix, pointing out that the most important topics are also those of greater centrality in the management of the pandemic and the efficiency of business operations.

Priorities emerged during the Stakeholder engagement process

BUILD ALLIANCES

to optimize the value chain

DEVELOP RELATIONSHIPS

oriented to the concept of "strategic sourcing"

PROMOTE KNOWLEDGE

and raise public awareness on paper and paperboard recycling

DEVELOP NEW SOLUTIONS

and applications for fiber-based packaging



Risks and Opportunities

At RDM Group we manage complex activities every day. The industry we operate in, the fiber-based packaging industry, is experiencing great changes that come with new risks and opportunities.

Within RDM Group, Risk Management is holistic across the whole organization. We have adopted tools for the identification, assessment and monitoring of a wide range of risks to support the Group in its strategic and operational decisions, as well as to prevent any non-compliance with laws and regulations. We engage internally with our people and externally with our Stakeholders to capture and respond to any potential new risks.

GLOBAL MARKETS

In a globalized world, every national economy is deeply linked to and interdependent on other countries' market conditions. On the one hand, this is a great opportunity for our business, as it opens up the possibility of operating in a global market. On the other hand, it exposes our business to risks linked to other countries' regulations and geopolitical situations. Our dependency on countries with high political instability or those engaged in conflicts represents a threat for us in terms of supplies, especially energy sources.

Another direct consequence of geopolitical instability is higher fuels prices and their repercussions on the logistics sector, primarily regarding road transport. The impact is twofold, higher prices and the reduced availability of operators. For RDM Group, it means increased costs for transportation, coupled with the uncertainty over the availability of vehicles and workers for deliveries.

SUPPLY CHAIN

As a leader in the recycled cartonboard sector, RDM Group relies on a Global Value Chain, both upstream and downstream. Access to a global market entails regulatory developments and geopolitical risks, but also offers the advantage of business diversification. In order to manage price volatility and ensure

the continuity of raw material purchases, we adhere indeed to the contractual and geographical diversification of supplies.

To mitigate contingencies related to the global transportation market, and to reduce environmental impacts, we source our raw materials according to the principle of proximity whenever possible. With regard to the downstream transportation and distribution of goods, the same principle translates into the RDM Group multi-mill strategy. It allows for flexibility on product manufacturing and logistics while ensuring that multiple mills are able to guarantee delivery in case of need.

The management of large quantities of incoming raw materials also exposes us to risks related to their quality. To manage the risk of sourcing virgin market pulp from potentially unsustainable sources, we rely on the internationally recognized chain-of-custody certification schemes FSC® (Forest Stewardship Council®) and PEFC (Program for the Endorsement of Forest Certification). Only certified suppliers who sustainably manage their operations and comply with our environmental and safety requirements are approved for supply.

Also, to manage the volatility of the wholesale energy market, especially natural gas, RDM Group adopts a hedging strategy to ensure more stable energy costs.

ENVIRONMENT

Paper and board production is known to be a significant user of water resources. We are engaged in dedicated programs to reduce water withdrawals through improved production processes, including increasingly closed water loops. This also allows us to be prepared for the potential introduction of stricter constraints on withdrawals, especially in water-stressed areas.

We run chemical, physical and biological water treatment plants to clean our effluents before returning them to the recipient water bodies or directing them to local external wastewater treatment facilities.

In particular, the Sappemeer mill (the Netherlands) runs an anaerobic wastewater treatment plant that allows for the recovery of biogas from sludge, which is then used to run the mill's production. Each mill also has systems for monitoring the quality of water discharges, including laboratories to run specific tests and make sure that we comply with all legal requirements and quality standards.

Moreover, our impact on the environment is reduced due to the use of technologies that significantly limit the volume of waste produced, and the possibility of reusing some of the waste generated as secondary raw materials in the production processes at other organizations. With the introduction of specific equipment, we are able to recover the fiber content of our pulper waste, thus maximizing the use of raw materials and minimizing waste.

99.4% of the waste produced onsite is non-hazardous and has a low level of environmental concern. We have adopted environmental management systems (ISO 14001) at several of the Group's companies, certified by accredited third-party bodies.

CLIMATE CHANGE

The paper manufacturing process is energy intensive and contributes to the emission of greenhouse gases, the main cause of climate change. We have adopted energy management systems (ISO 50001) at several of the Group's mills, certified by accredited third-party bodies. We are particularly sensitive to these issues and have therefore started a process of transition toward production processes and energy sources with a lower environmental impact, including electricity from renewable sources. The use of high-efficiency cogeneration plants and the investments in energy efficiency solutions allow us to be increasingly cost-effective and reduce our environmental impact at the same time. The switch to using cleaner fuels also allows us to contain the volatility risks in the purchase price of emission allowances under the Emission Trading System (EU-ETS).

The presence of mills in locations potentially subject to climate change events, such as rising river flows and the increased frequency and intensity of storms, exposes us to the potential risk of disruption to operations. To reduce the impacts associated with the occurrence of natural disasters, we run a specific prevention program that involves third-party audits to assess exposure to this type of risk and identify specific action plans for improving the resilience of each Group's board mills.

PRODUCT QUALITY AND SAFETY

Product safety and compliance with quality standards are major factors of the Group's reputation and a distinctive feature of our products.

We have adequate facilities to meet customer requirements and an effective product quality control system that, with the support of specific technical equipment, laboratory analysis and testing, ensures compliance with board specifications and significantly reduces the risk of defects. The Group has a Technical Customer Service (TCS) organization built at mill level, regional level and Group level to secure the quality and safety of the Group's products and direct customer support. Each of our mills has a dedicated Quality Manager who takes care of our quality control system.

Where necessary or requested, we apply appropriate barrier solutions that reduce the risk of the migration of unwanted components. All of RDM Group's board mills and sheeting centers have adopted ISO 9001 quality management systems, certified by independent third-party organizations. The only exception is the newly acquired mill in Paprinsa (Spain), which is already in the process of being certified by the beginning of 2023. Several of the Group's products are certified for contact with food.

OCCUPATIONAL HEALTH AND SAFETY

The board mills' production process is based on the use of automated technologies that also require manual intervention and constant supervision by operators.

We ensure that our workforce has the appropriate training and safety equipment by investing in machinery and providing appropriate Personal Protective Equipment.

We rely on the principle of empowering people to manage their own safety and that of their colleagues. RDM Group is strategically investing in a Behavior-Based Safety (BBS) program to enhance the safety culture of the organization and promote safe behaviors. We believe that taking care of our people's safety is a moral obligation and represents a top commitment for our management at all levels. Increasing the level of safety has demonstrated that it also increases worker engagement and their sense of belonging to the company.

We have adopted ISO 45001 management systems and rely on dedicated safety teams, both at Group and mill level. The dialogue on safety solutions and cross-auditing between H&S managers allows each

plant to benefit from important synergies for continuous improvement. In addition, through a system of regular meetings, audits and inspections in departments and between mills, the Group aims to strengthen the preventive approach to safety management. Centralized coordination of health and safety includes the adoption of improvement plans based on objective, measurable targets and the ongoing monitoring of each mill's performance.

EPIDEMICS AND PANDEMICS

In recent years, the world has had to deal with an increasing number of epidemics and infectious diseases. Given the absence of a true comprehensive emergency response plan, countries dealt with the Covid-19 crisis in a reactive manner. RDM Group responded promptly to governmental indications by assessing risks, preparing all of the necessary protocols to prevent contagion and setting up Vigilance Committees responsible for the correct application of internal procedures.

Thanks to this way of managing the Covid-19 pandemic, none of the Group's mills or sites have seen a major outbreak of the Coronavirus infection. The proper management of the crisis allowed the Group to define emergency rules and procedures for possible future epidemic or pandemic crises. This has allowed RDM Group to reliably perform the role of an "essential" provider, giving continuous support to the food and pharmaceutical supply chains, two key sectors in emergency management and the most served by RDM Group's board mills.

ETHICS AND HUMAN RIGHTS

Within RDM Group's Code of Ethics, we have defined and adopted prohibitions and rules of conduct for all business activities to prevent corrupt practices, illegitimate favors and collusive behavior. RDM Group's Code of Ethics has been distributed to all of the Group's companies and brought to the attention of all of RDM Group's employees. The same Code has been distributed to Stakeholders and, in particular, it must be accepted and signed by suppliers who intend to work with us – they are required to behave ethically and with integrity when working with the Group. All of the Italian companies have also adopted their own Organization, Management and Control Model (pursuant to Italian Legislative Decree No. 231/01) that, as part of the internal control system, defines roles, responsibilities and protocols for preventing possible offenses.

The presence of RDM Group in countries with a low risk of human rights violations, the adoption, where

possible, of national collective bargaining agreements and the fight against all forms of professional discrimination allow the Group to operate within the framework of the United Nations Universal Declaration of Human Rights and the fundamental International Labor Organization Conventions. With reference to the supply chain, the purchase of FSC® and PEFC-certified or -controlled fiber-based raw materials represents a safeguard to reduce the risks linked to illegal forest harvesting, exploitation of the workforce and violation of the rights of indigenous populations.

BREAKDOWNS AND PRODUCTION INTERRUPTIONS

The production process for making cartonboard, relying on board machines working 24/7, is potentially subject to failures related to perpetual stresses on the machinery.

We work with a key strategic external service provider to run a "loss-prevention program" with the aim of minimizing the risks of interruption and operational breakdown. Within this program, we run a prevention maintenance program based on third-party assessments of the condition of the machinery, buildings and Combined Heat and Power (CHP) plants to assess exposure to risks of disruption to operational continuity.

The implementation of action plans, together with investments in the modernization of facilities, the availability of essential spare parts in the event of breakdowns and preventive maintenance protocols allow us to keep our business fully operational. Moreover, the "multi-mill concept" sets RDM Group up as a network of board mills that, in case of need, is able to balance and supplement the needs of individual production sites.

DIGITALIZATION AND CYBERSECURITY

The introduction of new digital technologies has created great opportunities for growth in all businesses and industries, including pulp and paper. RDM Group has set up an ambitious digitalization program that involves both production sites and offices in order to grasp improvement and efficiency opportunities and strengthen the digital environment of the company.

Cybersecurity has been acknowledged as a global priority for several years. Cybersecurity risks have the potential to significantly affect any business and require being carefully and continuously monitored. To ensure business continuity and prevent the loss of relevant and personal data, as well as information across the Group, we have implemented specific IT security management and control systems, and adopted back-

up systems, cloud servers and advanced processes to prevent unauthorized access to corporate databases and operational control systems.

KNOW-HOW AND SKILLS

Our people represent the most important resource in the organization. Improving their motivation and enhancing their skills represent two of our key priorities.

Paper production requires highly qualified professionals with significant and specific technical knowledge and skills. We use coaching programs to pass on skills and know-how from senior to junior employees so that the company's skills and values can be handed down and remain within the Group.

Through dedicated training plans, the verification of their effectiveness and a process of competence assessment, we map the talents present in the company and convey training investments in a targeted manner.

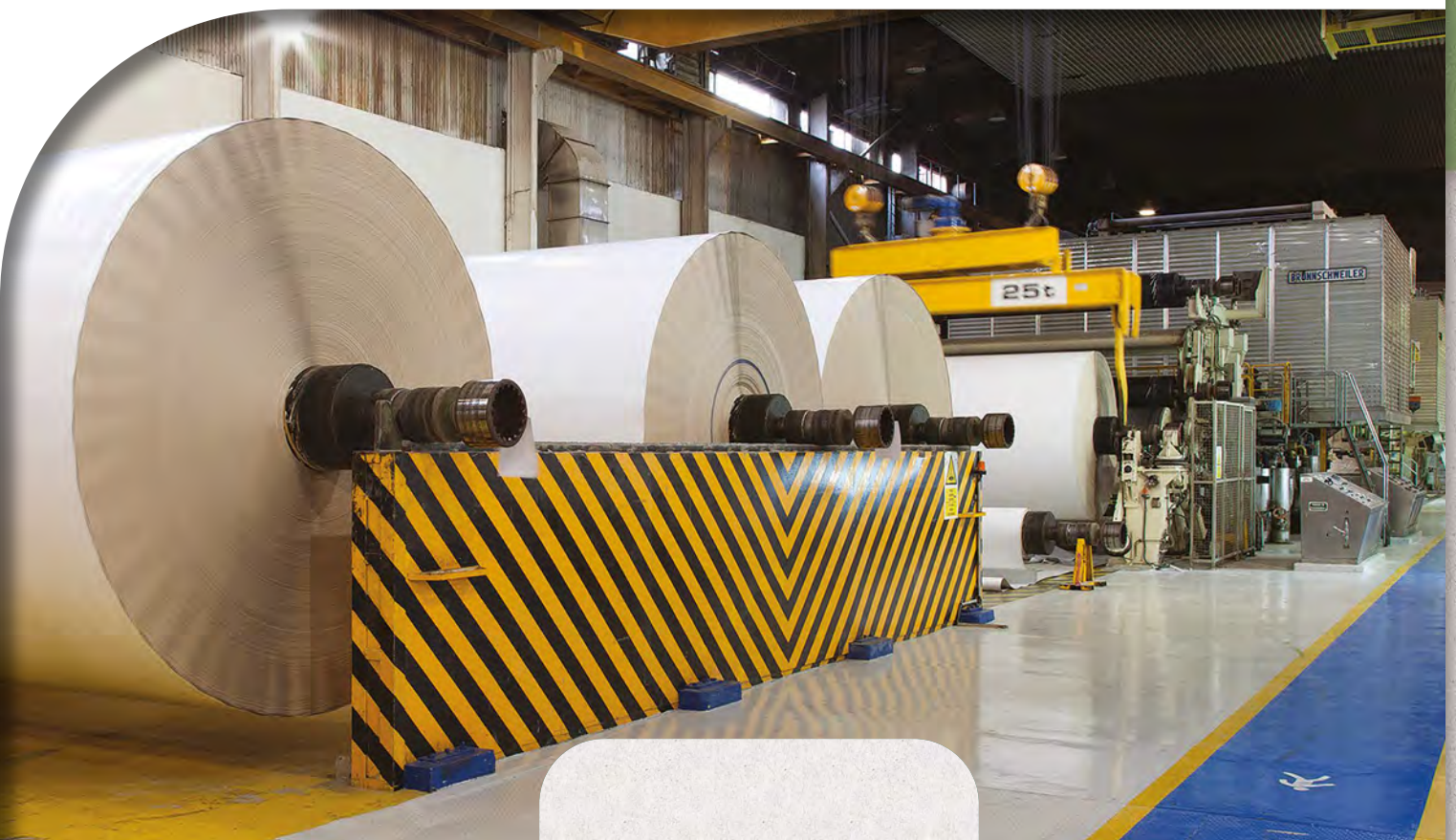
In addition, through talent attraction and retention strategies, we have competitive tools to attract young talent and retain the most strategic resources, including programs to facilitate work-life balance and working from home. Diversity is one of the key pillars of our selection process as we believe that our people can bring a great range of added values to the company, originating from their personal background.

CIRCULAR ECONOMY AND PLASTIC SUBSTITUTION

Circular economy is a fundamental theme in the European Union's strategic agenda, the Green Deal, for environmental protection and economic competitiveness. As a manufacturer of recyclable products, RDM Group plays a key role in the circular economy through its business model. In this context, we are protagonists of the transition toward a more sustainable society, and are contributing toward UN Sustainable Development Goal 12 pertaining to ensuring sustainable consumption and production patterns.

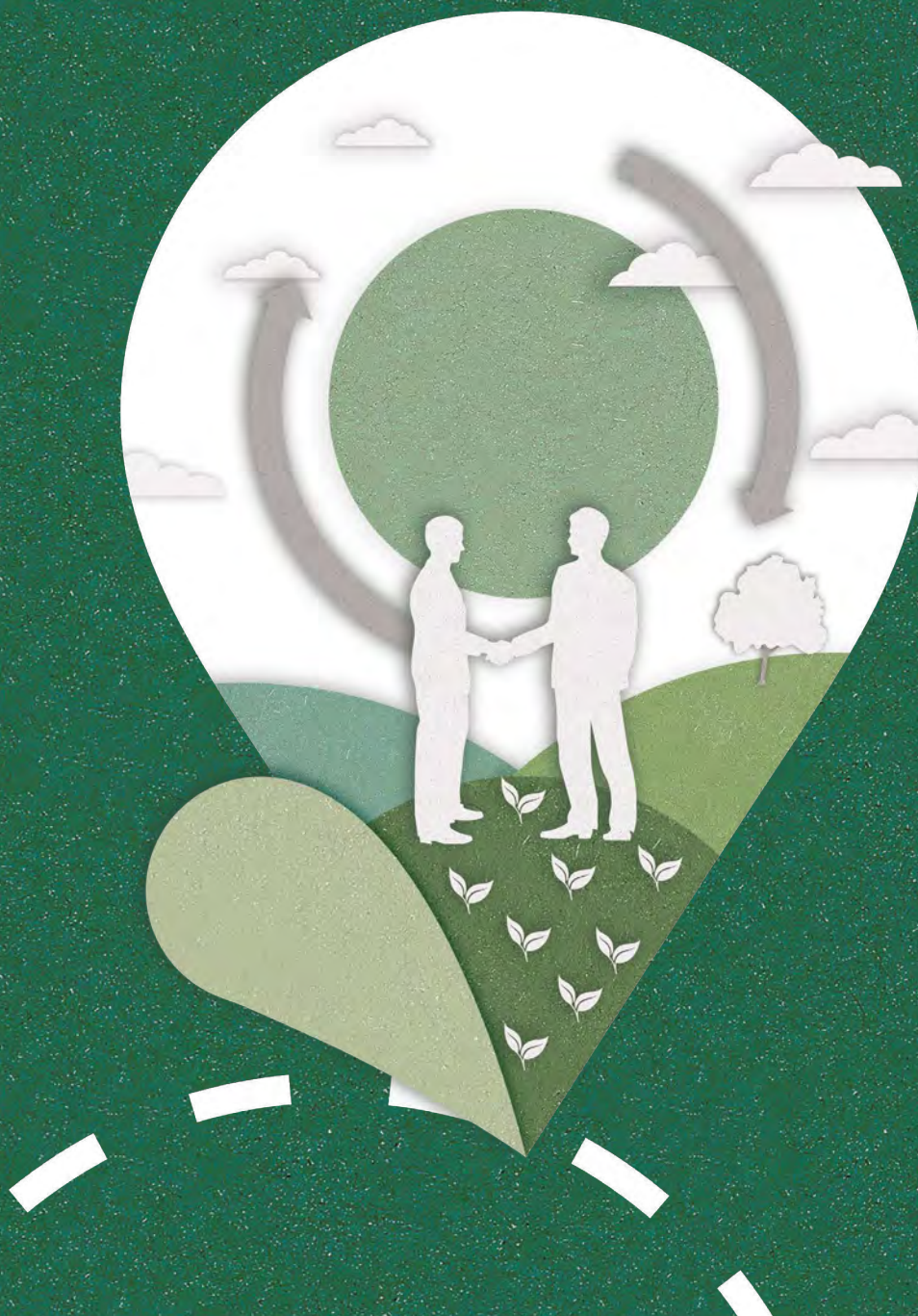
Environmental awareness is rising among consumers, together with the demand for environmentally friendly and easily recyclable packaging. The push for plastic substitution is gaining momentum and brings new opportunities for development and innovation within the whole fiber-based packaging industry. Our strength is that we deal with renewable raw materials and recyclable products, and we are well ahead in the journey toward sustainable development.

RDM Group is a key member of the 4evergreen Alliance that promotes synergies across different industries to optimize fiber-based packaging circularity and climate performance. The alliance is a timely response to sustaining the EU's Single Use Plastics Directive, introduced to promote alternative packaging and enable consumers to make more climate-friendly choices.



CHAPTER .02

Our Circular Approach to Business



We travel the road of circular economy, emphasizing the value of our raw materials and the importance of recycling. It's a journey that we share together with all our stakeholders.

RDM Group's commitment is fundamental to the entire value chain, both upstream and downstream. It's a virtuous path that starts with renewable materials and culminates with recycled and recyclable products.

**90%**

of fiber-based raw materials is made from paper for recycling. Our products are all renewable, recyclable and actually recycled

**100%**

of virgin market pulp is purchased from certified and/or controlled sources to maintain the sustainable management of forests

Our Fibers are Made from Sustainability

WHAT IS CIRCULAR ECONOMY?

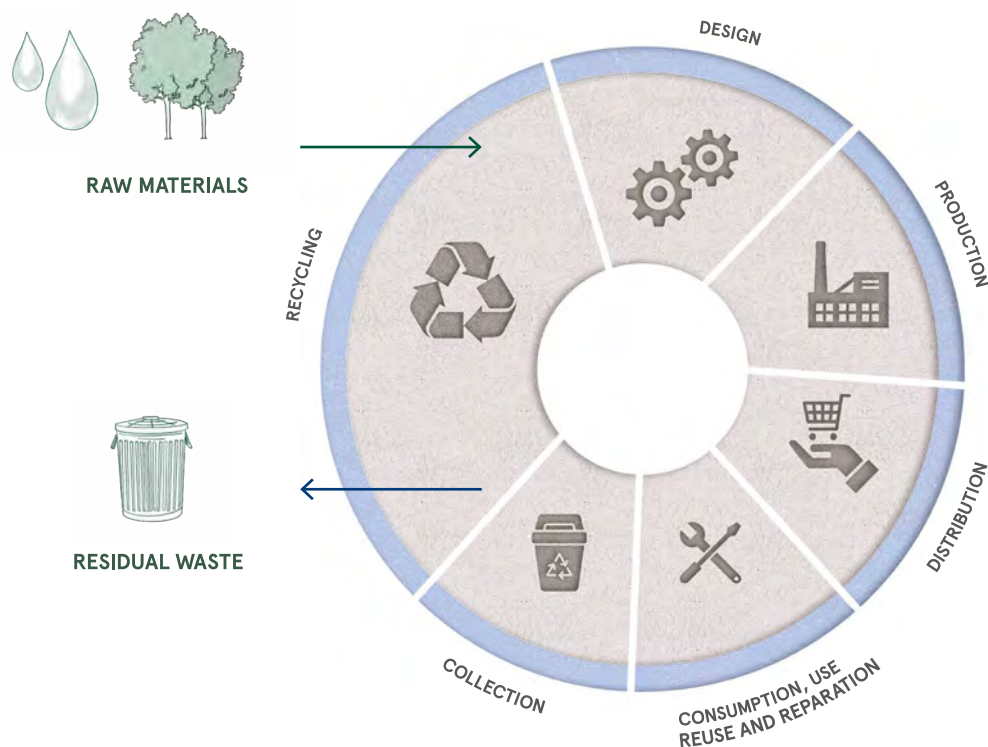
Circular economy defines a model of production and consumption that promotes a responsible and efficient use of our planet's finite resources. As opposed to the linear "take-make-use-dispose" system, it stimulates the creation of a closed loop system to minimize material consumption and waste production.

In this sense, the recyclability of the materials used plays a crucial role in developing sustainable consumption patterns. Thus, promoting a culture of recycling is a critical step to ensuring the success of the circular economy model.

In a context where raw materials are precious re-

sources, the circular economy's regenerative system is capable of enhancing and conserving material value, even when a product has served its purpose and has come to the end of its useful life. For the fiber-based packaging industry, renewable and recyclable materials that are actually recycled have a leading role in the transition of the whole sector toward increased sustainability and circularity.

For fiber-based packaging in the European Union (27 members), a recycling rate of 82.3% has already been reached (2019 Eurostat data) and the aim is to reach 90% by 2030, as outlined by the 4evergreen Alliance.



Circular economy is the central theme in the European Union's strategy for sustainability and competitiveness, as well as the primary trend in the packaging sector. In March 2020, the European Commission approved the Circular Economy Action Plan as part of the European "Green Deal." The requirements for

packaging are being reviewed within the framework of the revised packaging and packaging waste directive to be adopted in 2022. The aim is to tackle excessive packaging and to reduce packaging waste, both by increasing recycled content in packaging materials and by improving designs to promote reuse and recycling.

RDM GROUP IS PART OF THE 4EVERGREEN ALLIANCE

The **4evergreen Alliance** is a cross-industry initiative created for promoting positive synergies between companies within the fiber-based packaging manufacturing sector. It has the aim of supporting the development of new technological solutions through product innovation and design, as well as the development of adequate recycling infrastructure and collection systems.

Moreover, the alliance aims to increase awareness of the benefits of using fiber-based packaging and thus facilitate more environmentally friendly choices at the consumer level. As stated, the goal of the Alliance is to increase the overall recycling rate of fiber-based packaging to 90% by 2030.

RDM Group joined the initiative from the very beginning, recognizing the importance of connecting the entire value chain of fiber-based packaging, from paper and cartonboard producers to converters, major brands, retailers, technology and raw material suppliers, as well as collection operators.

The activities of the Alliance are organized within four work streams that focus on relevant aspects for fiber-based packaging:



The first outcome for the 4evergreen Alliance is going to be the new set of guidelines specifying circularity design for fiber-based packaging. The focus is going to be on the recyclability of all products throughout the value chain, in terms of ease of collection, sorting and recycling, as well as ensuring that materials are actually suitable for recycling.

RDM Group is an integral part of the circular economy through its business model. We transform paper for recycling into brand new board products, giving new life to valuable materials and creating renewable and recyclable cartonboard that is actually recycled. All of our products are fully recyclable, which is how we create the conditions

for our product to be in turn recycled and made into board products over and over again. This is why the preferred option for our cartonboard is recycling after use.

In any case, fiber-based board is biodegradable and would not have a harmful impact if accidentally dispersed into the environment.



>1,220,000 tons
of paper for recycling in 2021

If we consider that an average European citizen consumes about 71 kg of paper and cartonboard per year, in 2021 RDM Group's mills gave new life to the volume generated by more than 17 million inhabitants. This is equivalent, for example, to more than the paper and cartonboard packaging generated by the entire population of the Netherlands in 2021.

Our Raw Materials

Recycled cartonboard could be seen as a “simple” product, but its production requires the implementation of complex manufacturing processes, production skills and the combination of natural fibers with other types of raw materials.

The overall composition of RDM Group cartonboard and coating layers can be described as follows:



Although RDM Group primarily – and to the absolute majority – uses paper for recycling (PfR) as raw material, we purchase and use additional materials that include chemicals and mineral fillers, as well as a small share of virgin market pulp, particularly mechanical pulp (9% on average in 2021).

TOTAL AMOUNT OF RAW MATERIALS AND OTHER MATERIALS USED



RDM Group’s mills combine paper for recycling and virgin market pulp to produce recycled cartonboard according to the defined optimal recipe for each board product. Virgin market pulp is important for recycled board production: while cellulose fibers can be recycled several times

before becoming too short and/or damaged for use, the recycling process often requires the input of virgin fibers to deliver a finished product with the physical-mechanical properties and characteristics that are necessary for its use as packaging material.

Recyclability of fibers

According to a recent study conducted by the Graz University of Technology in Austria, fiber-based packaging material can be recycled at least 25 times without losing its mechanical or structural integrity.

The study researched some factors including the material’s innate strength, crush resistance and swelling capacity. The results show that paper and board folding boxes represent a **highly sustainable packaging** solution that can seemingly be recycled multiple times. The number of recycling cycles is limited mainly due to the paper for recycling collection rate and the losses that occur during the cleaning of the fiber materials.

COMPOSITION OF PAPER FOR RECYCLING, WOOD CHIPS AND VIRGIN MARKET PULP CONSUMPTION

All Group production units / 2021



*We have reported report a residual amount of wood chips corresponding to the consumption at the La Rochette mill until April 2021 when the mill left RDM Group.

A circular business model must be composed in such a way as to use raw materials that, once processed, can then be recycled in subsequent production cycles. For such a model to be fully sustainable, all stages of the process must be sustainable, starting with the raw material origin. All of our virgin market pulp is either certified according to FSC® and/or PEFC standards or fulfills the requirements for FSC® controlled wood. These standards and requirements are the most widely used and recognized globally, and ensure that the raw material comes from sustainable supply chains with a controlled chain of custody. They aim to ensure proper forest management and material traceability along the supply chain. We regularly undergo external audits by independent certification bodies that verify and certify our management systems’ compliance with the FSC® and PEFC standards.



“RDM Group plays a key role in the circular economy. We give new life to Paper for Recycling, manufacturing recyclable and actually recycled products.”

Guido Vigorelli
Chief Procurement Officer

Selection, Qualification and Management of Suppliers

Our Sourcing and Procurement function is managed from Headquarters and provides all manufacturing sites with a systematic approach to purchasing goods and services. Local purchasing functions work closely with the Group function, where the focus is on the work done by category managers and buyers in setting purchasing standards for the product categories under their responsibility.

Responsible and transparent sourcing from reliable business partners who share our values is necessary to ensure high-quality and safe products, and is a qualifying practice of our processes.

We only source materials and services from companies that share the Group's commitment to conducting business responsibly, as a way of ensuring that the development we generate is sustainable over time, supporting a healthy economy.

In its supply contracts, the Group sets out its expectations concerning integrity in the conduct of business activities, which requires compliance with the values and good practices detailed in our Code of Ethics, in terms of integrity, respect of human rights and environmental impact reduction. The Group reserves the right to terminate the business relationship should it become aware of conducts that do not comply with the law or its Code of Ethics.

Depending on the product category to which they belong, suppliers undergo a pre-qualification and qualification process that includes screenings of specific social and environmental requirements.

The lawful hiring of workers and the employer's compliance with social security obligations are also verified, along with the presence of any disputes regarding health and safety, the environment and corruption.

This screening focuses on all relevant product categories, including service contractors. Virgin market pulp suppliers are subject to a specific qualification process concerning the FSC® and PEFC certification schemes.

In addition to said screening, suppliers are subject to a "performance assessment." This is done through an internal survey aimed at evaluating the level of satisfaction for the service provided and the quality standards delivered.

In 2021, we also started the pilot implementation of a new digital platform for the qualification and evaluation of our suppliers. With its features and automations, this new tool will further strengthen our control over the supply chain and represents a step forward toward our Sustainability Goal, to assess and qualify all key suppliers according to ESG criteria for all relevant product categories by 2025.

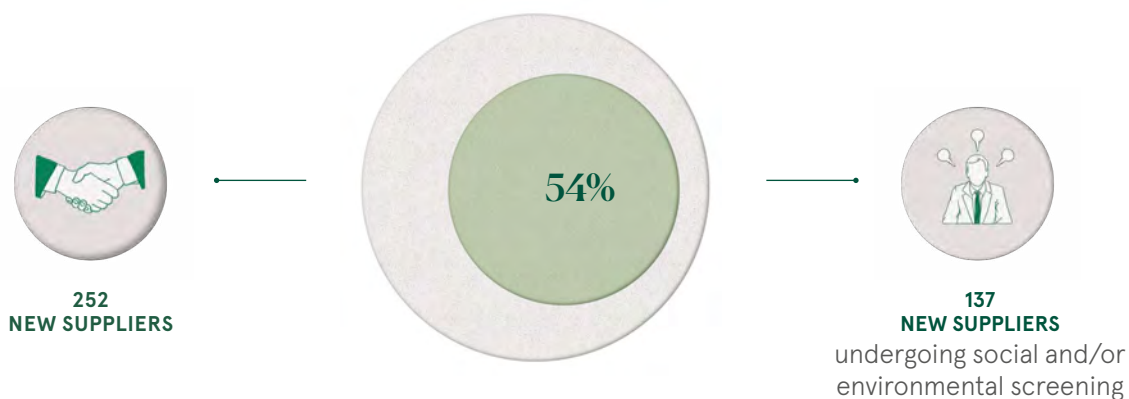
THE EVOLUTION OF EUROPEAN LEGISLATION

Globalization has long favored the development of sourcing systems on a global scale. In addition to the many benefits we are all familiar with, this process has also had many negative impacts on human rights violations, corruption and environmental disasters. For this reason, the traceability and transparency of supply chains are today, more than ever, a topic of high interest. Consumers are increasingly aware of their consumption choices and favor companies that can manage, produce and communicate their environmental and social impacts.

The European Union argues that the voluntary approach to responsible supply chain management has not delivered the expected results. Therefore, the European Commission is working on the "Sustainable Corporate Governance" directive, which will include mandatory due diligence on human rights and environmental matters, and introduce the principle of the directors' duty of care to balance the interests of all Stakeholders. The legislation will accelerate the process, already underway, toward a greater safeguard of the most at-risk subjects, increasing the accountability of companies and their transparency for the benefit of end consumers.

NEW RELEVANT SUPPLIERS UNDERGOING SOCIAL AND/OR ENVIRONMENTAL SCREENING

All Group companies / 2021



Entities from which the Group made purchases for the first time in 2021 in an amount equal to or greater than €5,000 are considered new suppliers. Suppliers of non-strategic product categories are excluded. Out of 252 new suppliers, 137 were screened according to socio-environmental criteria. La Rochette is not included in the reporting scope.

The location of nearly all suppliers is in countries that, based on both the annual "Freedom in the World 2021" report by Freedom House and "The State of the World's Human Rights 2020/21" report by Amnesty

International, are considered to be at low risk of human rights violations. The purchase of virgin market pulp from FSC® or PEFC-certified sources is an essential guarantee of these raw materials' sustainable origin.



Product Development and Innovation

The world of packaging is evolving within a context of true transformation. RDM Group is deeply involved in innovation and product development activities. Our Group's innovation processes aim to strengthen our product portfolio by focusing on renewable, recyclable and actually recycled solutions.

The packaging industry is going through a phase of strong innovation regarding both the design of materials and the identification of new applications for conventional products. Consumer awareness of limited natural resources and the environmental impacts of products, as well as the role of Corporate Social Responsibility, is growing.

This megatrend, together with new environmental policies, regulations and economic incentives, pushes the most important brands and large retailers to look for increasingly sustainable solutions that are able to reduce the environmental impacts of packaging. Great attention is paid to the supply chain. In fact, many companies are focusing more and more on renewable packaging solutions that are recyclable and made with recycled materials.

As environmental awareness spreads among consumers, the demand for environmentally friendly and easily recyclable packaging is higher than ever. The push for plastic substitution is gaining momentum and presents new opportunities for innovation within the fiber-based packaging industry. In line with these latest market trends, RDM Group is directing its development activities toward

replacing products made from plastic materials.

Also, we are focusing our efforts on the development of renewable and recyclable barrier solutions that are fully integrated with the fiber-based material structure of cartonboard. All this is with the aim of promoting and preserving the integrity of the packaged product, while maintaining the recyclability of the coated cartonboard after its use.

For recycled cartonboard, an important aspect is the guarantee of product quality, especially from a food safety perspective. Regarding this issue, we have been promoting a proactive and open approach to research and innovation for years, in collaboration with trade associations, food safety authorities and other Stakeholders, starting with coating and ink manufacturers and the printing and converting industry.

Another focal point of RDM Group's innovation efforts is the development of lightweight cartonboard for the manufacturing of packaging solutions that are able to reduce the environmental impact of production and logistics, while optimizing the overall performance of cartonboard. In the implementation of this strategy, we rely on collaborations with universities and external research centers. At the same time, we continue to develop new methods for controlling incoming raw materials and improving material sorting to better identify potential contaminants.



EUROPEAN CARTON EXCELLENCE AWARD 2021 – PLATINUM AWARD

The European Carton Excellence Award is Europe's most prestigious award for cartonboard packaging. In 2021, RDM Group won the "Platinum Award" with the "Bonduelle Bundle" entry, manufactured together with Van Genechten Packaging. This solution removes plastic overwrap from a three-can pack and replaces it with recycled and recyclable cartonboard material. The minimal pack design uses 30% less cartonboard than a classic wrap-around pack, 20% less ink and enables the consumer to see more of the product. The bundle pack can be adapted to different sizes and numbers of cans.



ESKA JEANS

ESKA Jeans is an innovative paperboard for packaging made from 50% FSC®-certified cellulose and 50% recycled jean fibers. Jeans are sourced from post-consumer clothing and from textile scraps collected directly from manufacturers.

ESKA Jeans is thus a great example of circular innovation that perfectly matches RDM Group's strategy.



Product Quality

The Group's utmost goal is to guarantee food safety and the traceability of the raw materials used.

RDM Group's cartonboard has a variety of end application possibilities. It can be used as primary packaging for non-fatty and dry foodstuffs, such as pasta, rice, salt and sugar, or as secondary packaging material for pharmaceuticals, food and beverages, luxury goods, home appliances, cosmetics, toys, and personal care and household cleaning products.

PRIORITY TO PRODUCT SAFETY

RDM Group manufactures its products in compliance with the safety requirements for products intended for food contact. The Group follows a strict quality control process to prevent possible direct impacts on product protection and preservation, as well as on the characteristics of the contents and their perception by end consumers. We have therefore developed a precise monitoring system for quality and food safety requirements throughout the production cycle. Our internal procedures cover all stages, from procurement to production, and the shipping of our cartonboard.



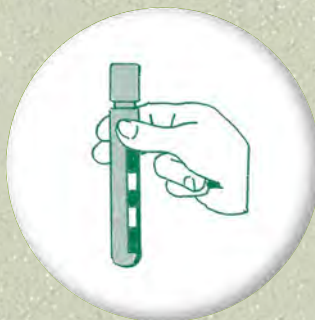
1. ANALYSIS AND CONTROL OF RAW MATERIALS

We perform analyses on the raw materials used and specific controls regarding various potential inorganic contaminants and the absence of pollutants or biological contaminants.



2. TREATMENT AND CLEANING OF RAW MATERIALS

The treatment and cleaning process of raw materials, and the subsequent production phase, are designed to ensure that the cartonboard intended for food applications, under normal or foreseeable conditions of use, does not transfer components in quantities that may constitute a danger to human health or deteriorate the organoleptic properties of the food.



3. VERIFICATION OF CHEMICAL-PHYSICAL CHARACTERISTICS

Through laboratory analysis, the chemical-physical characteristics of products intended for food contact, and other important properties such as odor, are verified downstream in the production process.

FOOD PRODUCT CERTIFICATION

At RDM Group, three sites possess certifications relating to hygiene management in the production of packaging for food products.

- Santa Giustina: UNI EN 15593
- Barcelona: ISO 22000
- Pac Service: BRC

ZERO RECALLS

OF RDM GROUP PRODUCTS
FOR FOOD SAFETY RISKS

RDM Group's Quality and Technical Customer Service teams constantly monitor the safety of our products and strive to guarantee the highest quality standards. We ensure our compliance with legislation that protects the health of our workers, our customers and the environment – all of our products are compliant with EU Regulation

No. 1907/2006 REACH, guaranteeing that substances suspected of being carcinogenic, mutagenic, toxic for reproduction, PBT (persistent, bioaccumulative and toxic) or vPvB (very persistent and very bio-accumulative) are well below the legal permitted concentration.

**4. VERIFICATION OF SUITABILITY FOR STORAGE AND TRANSPORT**

The materials used for our products' packaging, mainly polypropylene, are checked for their suitability for use. Lastly, specific procedures for storage in the warehouse and the control of means of transport ensure conditions that guarantee the quality of products even in the final stages of the distribution process, before delivery to customers.

**5. CERTIFICATION AND COMPLIANCE**

All of RDM Group's products intended to become food packaging are certified by the authoritative ISEGA laboratory, attesting to their food safety and compliance with EU Directive No. 1935/2004. In all mills, we have adopted the Good Manufacturing Practices (GMP) established by EC Regulation No. 2023/2006 for materials and articles intended for food contact.

**6. TRANSPARENCY WITH CUSTOMERS**

We verify the compliance of our products with customers before any purchase decision. We provide our customers with all necessary product safety information through declarations of conformity.

Our Customers' Satisfaction

Dialogue with Customers

The Group's ability to pursue economic growth objectives and strengthen its competitive position depends primarily on its ability to satisfy its customers.

Therefore, it is essential to understand how well our commercial products and services meet customer expectations in order to work continuously on enhancing our offerings. Within RDM Group, we systematically measure our customers' satisfaction through dedicated customer surveys twice a year.

Results of the Latest Survey

The latest survey results confirmed the "customer service" factor as the main positive element associated with RDM Group.



Quality Management System

RDM Group's quality management system is structured to address critical issues in an effective and timely manner, quickly activating diagnostic and corrective actions. The system of traceability for supplies is an essential element in this sense, as it allows the prompt identification and withdrawal of any defective lots. The Group's systems and procedures make it possible to identify the raw materials, substances and products that have been used for processing in each supply.

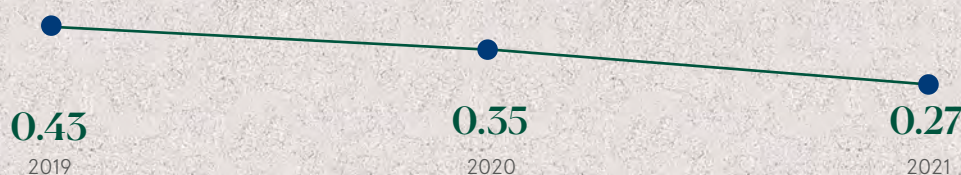
We pay meticulous attention to the systematic collection and management of all reports and complaints from our customers. Any feedback gathered on quality and customer satisfaction is tracked, documented and managed according to detailed and specific procedures. The analysis of the information, combined with an examination of the main reasons for complaints, aims to identify improvement actions. These are shared with clients to account for internal actions taken.

The large majority of the production facilities have a quality management system certified in accordance with the ISO 9001 standard. RDM Paprinsa, one of the newly acquired companies, will complete this certification process by 2023.

Through this certification, RDM Group takes a systematic approach to ensuring continuous quality improvement for customers.

COMPLAINTS

In 2021, the Group worked on further improving its products and services by strengthening quality management. Compared to 2020, we have reduced the number of complaints by 22%. This was also made possible thanks to the enhancement of the Technical Customer Service function, whose primary objective is to guarantee ever greater clarity in the assessment, completeness and timeliness of responses.



Rate of complaints: number of complaints per 100 tons of net salable production. All Group companies



CHAPTER .03

Our Attention to the Environment



The responsible use of resources such as water and energy, the reduction of CO₂ emissions into the atmosphere, a strong commitment to responsible waste management – this is all part of our journey toward a more sustainable world.

Aware that we are pursuing ambitious goals, RDM Group's commitment to the environment calls for a long-term vision, where only bold choices can propel us into the future.



14.1%

reduction of specific water withdrawals since 2020 to reduce the impact on water sources, and the continuous monitoring of discharges to protect aquatic ecosystems



6.1%

reduction of specific energy consumption since 2020 thanks to efficiency improvements in operations



1.1%

reduction of specific CO₂ emissions since 2020 thanks to energy efficiency programs, energy mix revisions and emission mitigation efforts

Energy: Efficiency and Consumption

EUROPE IS MOVING TOWARD CARBON NEUTRALITY

According to the World Economic Forum Global Risks Perception Survey 2021–2022, five of the top 10 most severe long-term risks on a global scale are related to climate change – the top three being “climate action failure,” “extreme weather events” and “biodiversity loss.”

In December 2019, the European Commission presented the so-called “Green Deal,” a new growth strategy that aims to transform the EU into a society with zero net greenhouse gas emissions by 2050. In July 2021, the “European Climate Law” entered into force (Regulation EU 2021/1119) to transform this political commitment into a legal obligation. Through this regulation, the European Commission is establishing the legal framework to achieve climate neutrality by 2050 – it also sets the intermediate target of reducing net greenhouse gas emissions by at least 55% by 2030, compared to 1990 levels. The law aims to ensure that all EU policies contribute to this goal and that all sectors of the economy and society play their part.

The cartonboard manufacturing process requires the rapid dewatering and drying of the formed cartonboard sheet – in less than two minutes, the water content goes from 99% to about 7% in the finished product.

This is a process that requires significant energy input. We know that efficient resource management is not only necessary from an economic point of view, but it is also critical in environmental terms – we pay great attention to the externalities of our activities, including those arising from the use of fossil fuels.

Our energy policy aims to maximize the efficiency of our mills through the use of high-efficiency cogeneration plants. There is an energy cogeneration plant at each of our mills where we use the best energy conversion technologies in order to simultaneously produce electrical and thermal energy, while at the same time minimizing inefficiencies. Thanks to the effective recovery of heat, the yields obtained are

far higher than those required by European Directive No. 2004/8/CE on the promotion of cogeneration. The operational results of cogeneration plants are subject to periodic performance certification by government agencies, according to procedures established by the European institutions.

In Hoogezand (the Netherlands) we run a Waste-to-Energy (WTE) plant that is part of our solid board mill operations. The plant uses the waste generated by our two Dutch mills, particularly our “pulper waste,” and processes it into a “Refuse-Derived Fuel” (RDF). The pulper waste, before being used as fuel, is shredded and sorted to recover metals that can be further recycled by other companies in their own production processes. The treated waste is sent to the WTE plant that uses it as fuel to generate the steam needed in the mill’s production operations.

The residues from the WTE plant, composed of different types of ashes, are then partly used as material for concrete flooring, while the rest is properly disposed of.

The WTE plant represents an effective solution for tackling two important environmental issues, one being related to energy and one being related to waste. It represents a good practice not only for RDM Group, but also for the entire recycled fiber sector.

In order to meet the mills’ total energy needs, internally produced electricity is supplemented with purchased electricity from the national grids, if necessary. In one of our mills, the source of fuel is coal in addition to natural gas. In this case, at the Arnsberg mill, a fuel switch project is planned that will lead to the installation of a new high-efficiency cogeneration plant using only natural gas instead of coal. We expect to complete this important project by 2024, relying on the upgrading of the local natural gas distribution network.

With regard to other fuels for internal material transport and handling, Liquefied Petroleum Gas (LPG), fuel oil and diesel are used. In 2021, the specific consumption of the fuels used did not have significant variations compared to the previous year. In general, the overall use and impact are very low.

In 2021, we completed an important project at the Villa Santa Lucia mill – the revamping of the cogeneration

plant. The first phase, completed in 2020, included the installation of a new gas turbine with greater efficiency and reduced NO_x emissions. The second step, completed in November 2021, provided the revamping of the heat recovery boiler, which allows the use of exhaust fumes from the gas turbine to preheat the water of our boiler, thus reducing natural gas consumption. This investment aims to increase the mill's energy efficiency, meeting almost all of its electrical and thermal energy requirements.

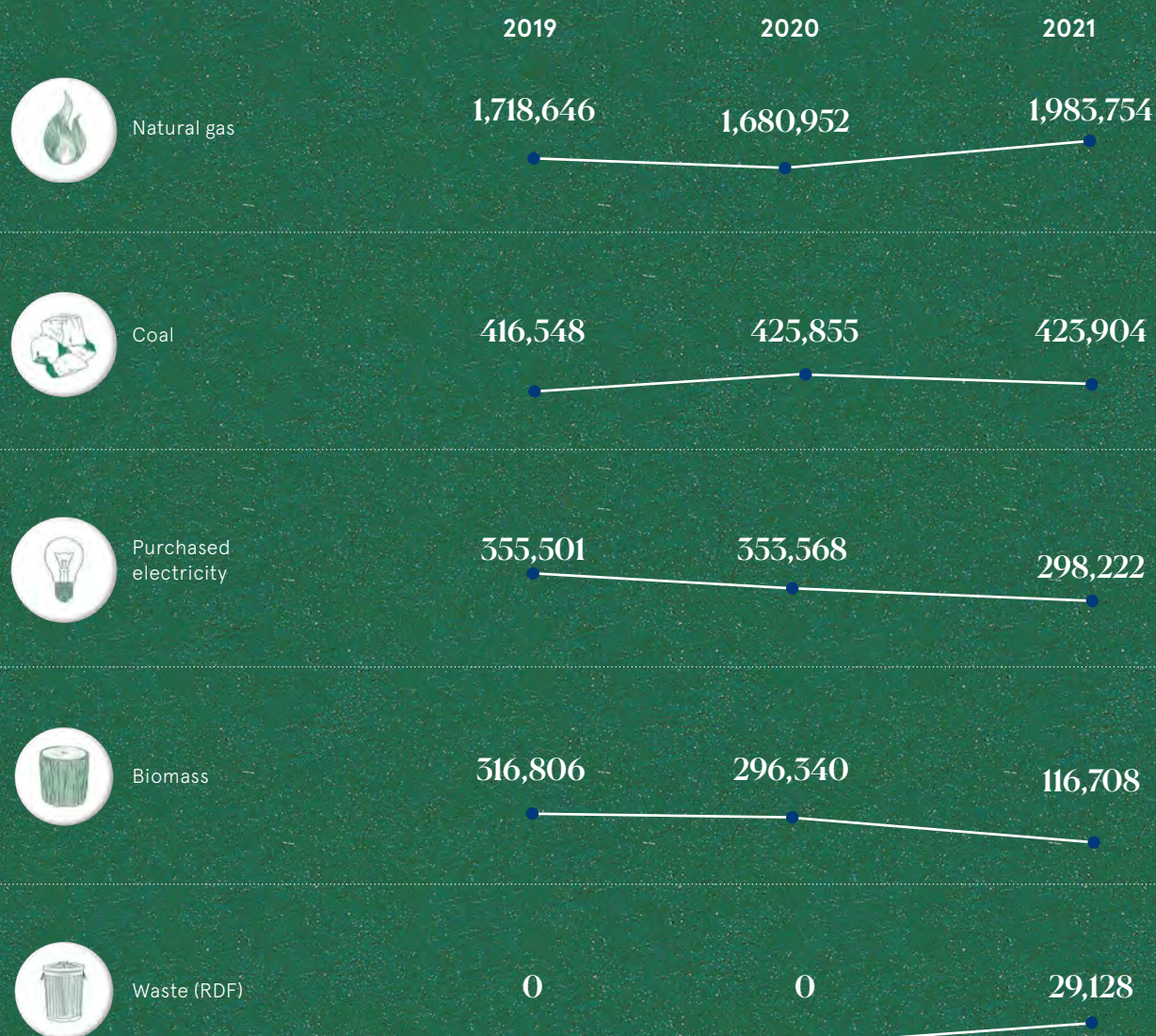
In 2021, we also completed the installation of a new boiler at the Santa Giustina mill (Italy) that allows for

more efficient production of the steam necessary for the manufacturing process, while at the same time lowering the environmental impact.

An important decision has been made to improve the Group's energy performance with the installation of a new high-efficiency, gas-fired CHP plant in Ovaro in 2022. With this new installation, the mill will be able to internally generate all of the electricity necessary for its own production process, as well as the needed steam.

MAIN ENERGY SOURCES BY TYPE (MWh)

All the Group's production units / 2019, 2020, 2021

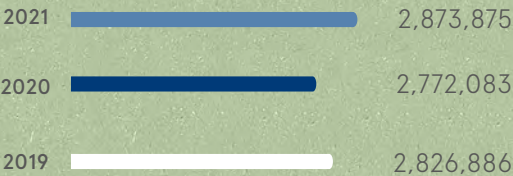


At the Group level, over 2.5 million MWh of thermal energy and over 290 thousand MWh of electricity from the grid were consumed in 2021. Although our total energy consumption increased over the last year due to the acquisition of the three cartonboard mills, the specific consumption per ton of net salable production was reduced by 6%.

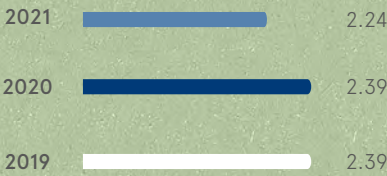
ENERGY PERFORMANCE

All Group production units, 2019, 2020, 2021.

TOTAL ENERGY CONSUMPTION (MWh)



SPECIFIC ENERGY CONSUMPTION (MWh/t)*



* Specific consumption is calculated with tons of net salable production.



ENERGY MANAGEMENT

To guarantee an efficient management of energy and to ensure the reinforcement of the continuous improvement process, RDM Group's Energy Management works constantly to improve the energy performance of the mills.

This goal is pursued by focusing on process optimization, upgrading existing plants and the application of the best available technologies on the market.

Our company policy stipulates that, in case of the purchase or design of new technologies or processes for the revamping of existing plants, we must always take into account the expected consumption. In doing so, we give priority to equipment with the best energy performance.

We believe that certified management systems are a very important tool to efficiently manage energy resources and optimize costs. Five of the Group's board mills already hold the ISO 50001 certification. Since 2021, we have two more mills certified according to the same standard in Hoogezand and Sappemeer (the Netherlands). In 2021, RDM Group's Headquarters in Milan (Italy) also received its ISO 50001 certification. This represents an important step forward in the good management of our offices, and is an accomplishment considering the Headquarters' role and responsibility regarding the Group's production plants. We have the clear ambition to extend this standard to all of the Group's

mills. RDM Group's energy policy formalizes the commitment to energy consumption reduction and resource conservation, as well as the recovery of secondary thermal energy.

We actively cooperate with national grid security systems. The Group's mills adhere to the electrical load regulation and interruptibility services on a national basis, providing their availability to disconnect in case of imbalances between the demand and supply of electricity in the grid.

In the three-year period from 2019 to 2021, RDM Group supplied more than 1 GWh of electricity to the national grids. The electricity that RDM Group supplied to the Spanish national grid represented 98% of the total amount supplied overall. The local power plants are purposely sized to generate electricity in excess of the mills' needs. The decision regarding the size of our CHP plants is connected to the incentive plans by the Spanish government to favor gas-fired CHP plants. Depending on the future decision made by the local government on this matter, RDM Group might adapt the installed capacity of its current Spanish power plant operations.

ELECTRICITY SUPPLIED TO THE NATIONAL GRIDS (MWh)



Air: Emissions and Monitoring

The paper industry is an energy-intensive sector that needs significant amounts of energy, both electrical and thermal. At the beginning of 2021, RDM Group committed to a long-term goal of reducing the greenhouse gas emissions of its operations.

-30%

Scope 1 and Scope 2 CO₂ equivalent emissions per ton of net salable production by 2030

In 2021, we reduced our carbon intensity by 1%, which is slightly less than we predicted due to some delays in the implementation of some energy-related projects. Their contribution will start from 2022.

We continue to pursue our goal with dedicated investments in high-efficiency technologies, improving the performance of existing plants and the use of energy sources with a lower environmental impact.

Based on our decision in 2020 to purchase green electricity, we followed up in 2021 and purchased only 100% green electricity for the Italian board mills, as well as for the Magenta sheeting center and the Headquarters in Milan. Thanks to the purchasing of specific “guarantees of origin” that certify the renewable source (solar, wind and hydroelectric power) of electricity, these indirect GHG emissions have been fully compensated. It is part of our long-term Sustainability Plan to purchase so-called “green”-certified electricity for all sites.

The accurate monitoring of GHG emissions, the development of a system for the continuous improvement of energy efficiency, and regular emission mitigation have enabled the Group to reduce CO₂ emissions and atmospheric pollutants per ton of production over time. Being a part of the EU ETS (Emission Trading System), we purchase carbon credits for our greenhouse gas emissions. The EU uses these financial resources to fund interventions to reduce or contain emissions.

20%

of the electricity purchased in 2021 by RDM Group is certified from renewable sources, corresponding to 27,827 tCO₂e



“As the world faces its most urgent challenges, it is our responsibility to take decisive action to manage our impacts. This is why we outlined the Group Sustainability Strategy and set the Long-Term Goals for 2030.”

Ulf Tillman
Chief Innovation &
Sustainability Officer

THE GREENHOUSE GAS EMISSIONS WE REPORT ARE:



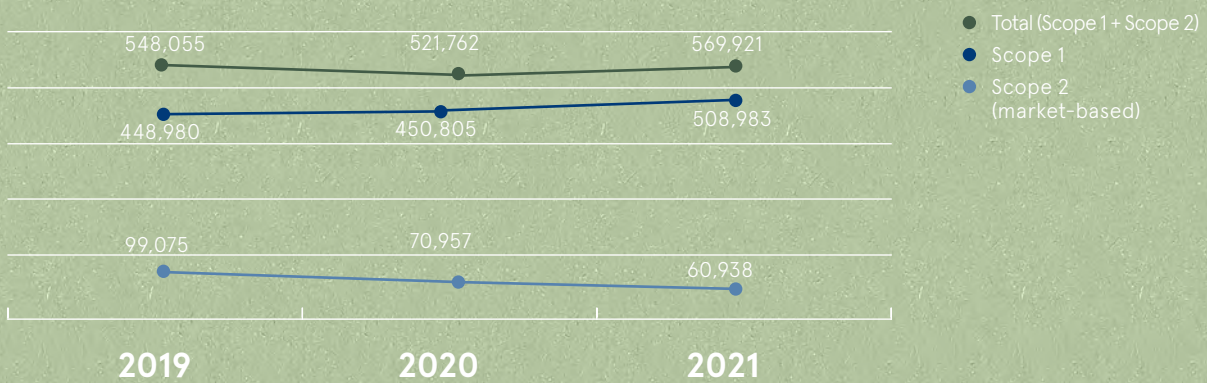
Direct emissions of CO₂ equivalent deriving from operations that we directly own or control (**Scope 1**).



Indirect emissions of CO₂ equivalent related to the electricity we purchase externally (**Scope 2**).

TOTAL DIRECT AND INDIRECT GREENHOUSE GAS EMISSIONS (tCO₂e)

All Group production units / 2019, 2020, 2021.



Indirect scope 2 market-based emissions are net of the emissions neutralized through green electricity, amounting to 27,827 tCO₂e. For more information about direct and indirect emissions, please refer to the appendix.

SPECIFIC GREENHOUSE GAS EMISSIONS (tCO₂e/t)

tCO₂e per ton of net salable production



Greenhouse gas emissions include Scope 1 and Scope 2 emissions (market-based). Specific emissions are calculated per ton of net salable production.

The use of renewable materials in our manufacturing process allows us to make a significant contribution to the green economy. Fiber-based products are able to store CO₂ (carbon storage) thanks to the natural growth process of forests and plants. Carbon dioxide is therefore incorporated into recycled products, which reiterates the circular process of

fiber recovery and recycling. With our cellulose-based products, we offer our customers and end consumers sustainable alternatives, with enhanced environmental performance, when compared to products made with fossil or non-renewable materials.

OTHER EMISSIONS TO THE ATMOSPHERE (t)

All Group production units / 2019, 2020, 2021



The figures are derived from continuous measurement systems, but also from single periodic measurements that might determine fluctuations from one year to another.

Some of the emissions generated by our processes, such as sulfur oxides (SO_x), nitrogen oxides (NO_x) and particles, directly affect air quality and are therefore subject to precise limitations by environmental protection authorities. As a Group, we monitor all atmospheric emissions on a continuous basis, ensuring that they are in compliance with all of the legal provisions in the countries in which we operate.

The total amount of NO_x and carbon monoxide emissions have increased compared to 2020, mostly due to the acquisition of three new board mills since July 2021, whose effect overpowered the disinvestment of the La Rochette mill in April 2021. Despite this fact, SO_x emissions have been slightly reduced, while particle emissions have been significantly reduced in 2021.

SDG CHALLENGE – ESKA

The newly acquired Eska took part in the Dutch “SDG-Challenge University” initiative that brings together companies and students to work on Sustainable Development Goals addressing climate change and inequalities. Eska, with a group of students from Groningen University, won the challenge by building a differentiation strategy and presenting a roadmap to cut Eska’s indirect emissions along the downstream value chain. The action plan consisted of several stages, including the monitoring of relevant KPIs and the involvement of a variety of Stakeholders.

Water: Reuse and Responsibility

WATER WITHDRAWALS AND DISCHARGES

The production processes of pulp, paper or cartonboard require the use of large amounts of water. Water is the transport means for the suspended fiber, it supports the fiber cleaning process and is essential in the formation of the cartonboard sheet.

Water is also used to produce steam, and as cooling means for the equipment. About 90% of the water withdrawn by our mills is returned to the environment, either into surface water bodies after appropriate treatment or directly as non-contact cooling water. The remaining part evaporates during the production's drying process.

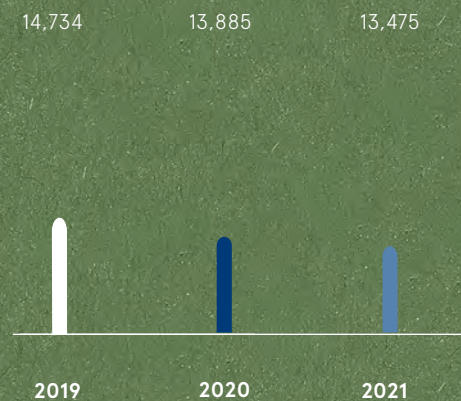
WATER WITHDRAWALS AND DISCHARGES (megaliters)

All Group production units / 2019, 2020, 2021

Water withdrawals



Wastewater discharges



Water withdrawals include cooling water. Wastewater discharges exclude cooling water only when kept physically separated from process water (non-contact cooling water). Please refer to the appendix for more information.

Aware of its impacts on water availability, RDM Group is committed to continuing to manage this resource, with a view toward future efficiency and environmental safeguarding.

To achieve our ambitious goal, we are investing in technical solutions aimed at further closing the process water loops through reuse.

We consider these challenges as an opportunity for the entire Group to increase water-use efficiency, and also as a way to reduce costs, both for the business and for the environment. Thus, optimizing water use is a critical factor by which we measure our footprint, as well as our efficiency.

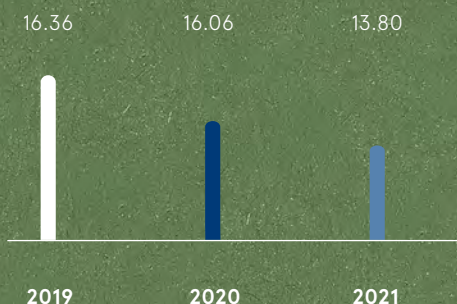
-20%

of wastewater discharges per ton of net salable production by 20% by 2030

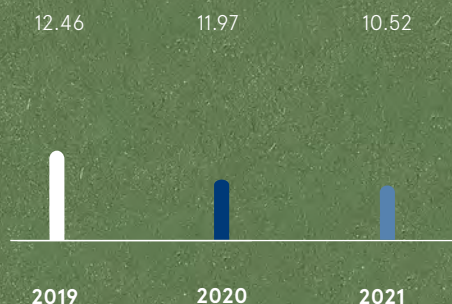
SPECIFIC WATER WITHDRAWALS AND DISCHARGES (m³/t)

All Group production units / 2019, 2020, 2021

Specific water withdrawals



Specific wastewater discharges



Water withdrawals include cooling water. Wastewater discharges exclude cooling water only when kept physically separated from process water (non-contact cooling water). The specific figures are calculated with tons of net salable production.

Due to the need for a continuous water supply for the production process, our board mills are located near surface and groundwater bodies from which water is taken either through direct withdrawal or access to aquifers.

50% of our total withdrawals come from rivers, 49% from groundwater, and only the remaining 1% comes from the municipal water supply.

While our mills have not experienced restrictions due to water shortage, we recognize that a decrease in ground water levels is a major risk to our operations – even more so in the global context of climate change and increasing uncertainties about water resource quality and availability.

RDM Group is investing in preventing risks associated with water scarcity, while also trying to be proactive and acting on the foreseeable increasingly stringent regulations on water withdrawals and discharges.

According to WWF's Water Risk Filter, our mills are located in geographical areas with varying levels of water stress. Our water withdrawals come from:

13%

Low to very low
water stress areas

60%

Moderate
water stress areas

27%

High to very high
water stress areas

The WWF Water Risk Filter is a leading online tool aimed at helping companies assess, evaluate and respond to water risks in their operational supply chain and investments.

RECYCLING AND REUSE

In pursuit of our goal to reduce water use, we have adopted technological and engineering solutions that allow the recycling of process water, as well as its reuse in several production cycles.

An important investment in this respect was made in the Barcelona mill in 2021, with the introduction of a washing machine for pulper waste. Its main function is the recovery of valuable fibers from the residues that would otherwise

be lost through the cleaning process. In addition, the washing machine allows for a large decrease in the water content (moisture) of our waste through a pressing mechanism. All of that water is then reintroduced into the production cycle.

Moreover, one of Eska's mills has already proudly managed to close its water loop and reuse all process water, with minimal discharge to an external treatment plant. This example has inspired all of the other mills within RDM Group to follow the same path.

In our processes, cooling water is frequently used as process water after the cooling process. Over the years, the existing systems have been improved by using heat exchangers for the recovery of condensed steam heat. RDM Group has thereby been able to reduce the specific freshwater withdrawals and increase the energy efficiency of production over time.

Recycling and reuse remain the two key criteria that RDM Group intends to pursue to achieve its goal of reducing specific wastewater discharges.

PROCESS WASTEWATER TREATMENT

RDM Group is responsible for guaranteeing the quality of water discharges from all of its mills.

Production generates process water discharges containing suspended solids, organic residues — including dissolved fibers — and starches, but also inorganic material. This is

why the management of process water discharges is a key process for the paper industry.

All of the mills are equipped with wastewater treatment plants, using different technologies. Through chemical, physical and biological treatment processes, they reduce the content of organic and inorganic substances in the water. These processes make them suitable for being returned to the environment, or being conveyed to additional external treatment plants for subsequent and further purification, depending on respective local situations.

The water monitoring and treatment systems adopted by the Group go hand in hand with the implementation of our water reuse strategy. Proper treatment is essential for allowing the recycling of water. In 2021, the Barcelona mill upgraded its wastewater treatment plant to increasingly remove suspended solids from process waters. The resulting water from this purification process is clean enough to be reused in the production process.

WATER DISCHARGE QUALITY

COD

Chemical Oxygen Demand
710.1 t – 1.29 kg/t

TSS

Total Suspended Solids
97.7 t – 0.18 kg/t

N

Nitrogen
19.5 t – 35.4 g/t

P

Phosphorus
2.36 t – 4.3 g/t

The figures include all Group production units with an internal water treatment plant that discharges directly toward water bodies. Therefore, plants that discharge their process water, in whole or in part, to external treatment plants are excluded. The data refer to 2021. Specific values are determined based on tons of net salable production.

The Group always reuses the cooling water from its plants. However, when this water exceeds production requirements, it is returned directly to the environment provided that it has not come into contact with process water.

Although we do our best to prevent them, accidents happen. At the beginning of 2021, a 20 m³ fuel oil spill

occurred at the La Rochette mill (plant sold in April 2021). Our team responded promptly, managing to contain 99% of the leakage and thus limit the impact on the local water stream. Upon enlisting the regional environmental authority DREAL, an environmental impact assessment was conducted, followed by restoration actions in the confined areas.

Waste: Reduction and Recovery

Effective waste management is a key element of our vision of circular economy, with a strong focus on the minimization of waste generation, the maximization of waste recovery, and the overall efficient use of all materials.

Nearly all the waste generated by RDM Group, 99.4% of the total, is non-hazardous and is the reject of the cleaning process that the paper for recycling goes through before becoming our cartonboard. It consists primarily of plastics, glass, sand and metals.

As part of our 2020 – 2030 Sustainability Plan, we set the goal of increasing the share of waste sent for recycling from the total waste generated from **73% to 90%**. In 2021, the proportion of waste decreased to **69%**. RDM Group is working to revert this performance and steadily increase the proportion of waste sent to recovery in the next years.

By 2030, we have also set the goal to reduce the total amount of waste generated per ton of net salable production by **20%** compared to 2020. This is an important and ambitious goal, which shows the Group's commitment to environmental protection.

In 2021, we reduced the waste generated per ton of net salable production by **9.9%**, from 181 kg to 163 kg*.

* Does not include the mill of La Rochette which was excluded from the sustainability plan. By including the mill of La Rochette, the reduction is 4.8%.

For eliminating all non-fibrous impurities like plastics, metals and sand from the raw material mix, RDM Group uses state-of-the-art technologies. By optimizing this cleaning process, we are able to reduce the share of fibers included in the pulper waste from approximately 20% to 5% of the total volume. We are committed to extending the use of this technology to all of the Group's mills as one of the levers for achieving our 2030 targets.

As we are part of a sustainable and circular system, we constantly strive to establish virtuous relationships with other actors within the communities in which we operate who can make use of our waste as raw material in their production processes. Positive examples of industrial symbioses have been established with the construction and agricultural sectors.

WASTE MANAGEMENT

We have an integrated quality, environment and safety policy that, in addition to underlining management's commitment to continuous improvement on environmental matters, constitutes the master framework from which all of the Group's procedures, guidelines and operating instructions on these topics are derived.

Our procedures and quality standards require numerous controls on incoming raw materials, thus preventing eventual unwanted materials from entering the production cycle. By carefully selecting raw materials during the acceptance phase, we are able to limit the amount of waste in the production process from the outset.

ISO 14001 ENVIRONMENTAL CERTIFICATION

Our mills implement environmental management systems that include rigorous waste management procedures to ensure compliance with applicable regulations. Seven of our mills have already adopted a certified management system in accordance with the ISO 14001 standard.

Two of our board mills are also certified according to EMAS (the Eco-Management and Audit Scheme), a voluntary instrument created by the European Commission to which companies can voluntarily adhere in order to assess and improve their environmental performance.

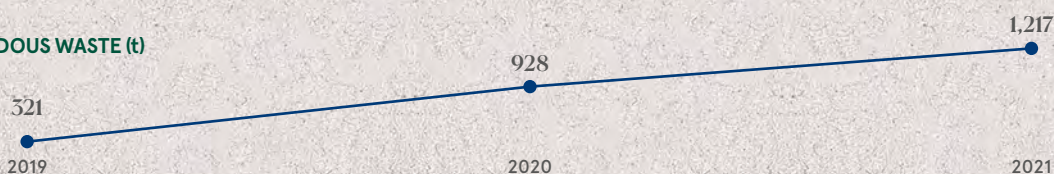
We make sure that all of our waste is handled safely within our facilities before being handed over to specialized and authorized operators for subsequent treatment and/or safe disposal. The total amount of waste produced by the board mills is obviously also dependent on the quality of the incoming raw

materials which, in turn, is the result of the paper and paperboard collection system's efficiency. For this very reason, RDM Group, together with national consortia for the recovery and recycling of fiber-based packaging, promotes the development and improvement of separate collection.

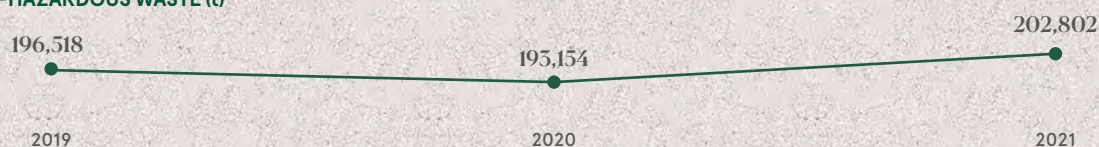
WASTE

All Group production units / 2019, 2020, 2021

HAZARDOUS WASTE (t)



NON-HAZARDOUS WASTE (t)



The general increase in volume of waste, both hazardous and non-hazardous, is due to the full integration of the Paprinsa and Eska mills during the second half of 2021.

TOTAL SPECIFIC WASTE (kg/t)



CHAPTER .04

People at the Center



Our sustainability journey is supported by our ability to value our people. A key step is to ensure the personal growth of all employees and to safeguard their health, safety and well-being.

Our commitment is to let each person feel free to express their full potential every day throughout their journey with RDM Group.



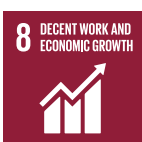
-66%

severity rate and -43% frequency rate in 2021 compared to 2020, paired with the adoption of a "Zero Accident" policy



€700k

invested in technical and vocational training and skill development to promote continuous learning and personal growth



2,246

people have found employment opportunity with us. We adopt whenever possible national collective bargaining agreements that guarantee good working conditions

Our People

We believe that the skills and diversity of our people are a key asset for the growth of the Group.

RDM Group employs more than 2,200 employees and collaborators in twelve countries in Europe, North America and Asia. We are committed to engaging people and maximizing their potential. We ensure that the work is handled ethically, in full compliance with legal and safety requirements.

PEOPLE OF THE GROUP

2,246 people
working at RDM Group



44 executives
of which **13** women



561 white-collar employees
of which **164** women

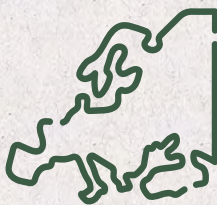


1,401 blue-collar employees
of which **32** women



240 collaborators
of which **13** women

EMPLOYEES BY COUNTRY



ITALY
34%

GERMANY
16%

IBERIAN PENINSULA
20%

REST
OF EUROPE
1%

FRANCE
10%

THE NETHERLANDS
17%

REST
OF THE WORLD
2%



TOTAL
RECRUITMENT
RATE
9%

TOTAL
TERMINATION
RATE
6%

Safety First!

RDM Group operates with a clear strategic focus on Safety. Our most important asset is the people who work for us. Ensuring the well-being and safety of those who are part of the Group is a basic ethical principle that we firmly pursue.

We want all workers to be satisfied and work safely, as that leads to taking better care of the workplace through a healthy and positive sense of belonging to the company. This is why we pursue a policy based on a **"Zero Accident" Vision**.

To achieve this ambitious objective **the Group has set the goal of implementing a Behavior-Based Safety system at all of its production sites by 2023.**

We believe that the commitment of our people is a key factor in achieving our ambitious goal of zero injuries. Our safety governance is based on a network that embraces corporate management, as well as the operational functions of the mills. The Group-level safety team (that includes the CEO, all mill managers, the Group H&S Manager and mill safety managers) meets regularly to push the safety agenda forward. The local safety teams rely on the work and operational responsibility of supervisors who work in close contact with the blue-collar employees. The safety managers constantly engage with the workers' representatives to ensure that they are regularly involved in the mill safety decision-making process.

This governance structure is designed to facilitate coordination and exchange between mills, while accelerating the growth of safety culture through a vertical "top-down" process, but most importantly through a horizontal exchange between mills. The close exchange allows all plants to benefit from constructive peer analysis, thus facilitating the identification of improvement actions to be implemented for risk reduction.

In 2021, we introduced a new H&S inspection program that directly involves mill managers, safety managers and supervisors. Our aim is to reinforce our "Safety First" principle through those who guide and coordinate the work on the shop floor.

To keep our learning curve steep, we decided to restart our cross-mill audit program, after its interruption due to the Covid-19 crisis. These inspections are conducted with the objective of deepening the operational and organizational best practices, and sharing safety solutions. The first audit cycle, completed in 2020, was greatly appreciated not only among the safety team members, but also by the workers, who welcomed this additional safety program promoted by the Group.

SAFETY MANAGEMENT SYSTEM

RDM Group has an "Integrated Quality, Environment and Safety Policy," which reaffirms management's commitment to continuous improvement.

All of the Group's mills rigorously manage the organizational and operational aspects related to safety, not only for the benefit of their own workers, but also for the benefit of all collaborators and other individuals who work in our mills.

The safety management systems adopted are organized according to the principles outlined by the ISO 45001 standard. In 2021, in addition to the four certified mills, Pac Service sheeting center successfully passed its certification audit for the ISO 45001 management system. It is our aim to have all of the plants certified to this standard by independent third-party bodies, as we believe coordinated management systems will effectively enhance our safety culture. This also includes Paprinsa and Eska, which have already started their journey toward ISO 45001 certification.

In 2021, we also appointed a new "Integrated Management System Manager," with the clear goal of improving our current setup through multi-site certifications. Our decision to move in this direction comes with significant challenges, considering different local regulations and specific safety practices. This plan will benefit from the safety

team network that is already syncing the mills' safety practices and will support our "Zero Accident" Vision.

SAFETY CULTURE

Our system of risk analysis and accident prevention is based both on the adoption of tools for continuous comparison and benchmarking between mills. Each mill identifies the specific hazards to which workers are exposed and provides them with adequate

information. Through "pre-job assessments," workers assess the risks associated with performing various activities and identify the necessary preventive measures.

The collection of suggestions and proposals for improvement from the workers represents an essential aspect of our H&S system, which enables it to be up to date and dynamic.

MORE THAN 2,200

safety suggestions were collected from workers in 2021

MORE THAN 800

internal and third-party audits were conducted in 2021

We know how important a strong safety culture is in promoting safe behaviors. We support and promote widespread accountability and the embedding of an accident prevention culture at all levels. It is a culture that encourages collaboration between workers and management to safeguard the safety and well-being of all.

In this regard, we have decided to include the implementation of a Behavior-Based Safety (BBS) program in all of the plants within our long-term sustainability goals. It represents a milestone in our safety journey where greater attention is given to safe behaviors and positive, reinforcing feedback. The BBS protocol requires the creation of safety checklists, specific training, engagement of the local safety team and, most importantly, peer-to-peer safety observations that are the core of this methodology.

We intend to make the most of this protocol by extending it to all of the Group's mills and plants by 2023. Following the successful implementation of the pilot project at the Santa Giustina mill (Italy), the program is also being implemented at the Villa Santa Lucia mill (Italy). In 2022, other plants will start their BBS implementation to meet our publicly declared goal.

EDUCATION AND TRAINING

The pillars of our H&S system obviously include education and training. Prior to any work activity, each employee must undergo appropriate safety training, both general and job-specific, which is periodically updated as required by law.

All contractors providing services at the mill are only admitted after demonstrating that they have completed the safety training. These are requirements that RDM Group does not compromise on.

Junior employee on-the-job training and coaching by senior employees is another part of our safety system, as well as a means by which safety practices become the common asset of all workers.

SAFETY RESULTS

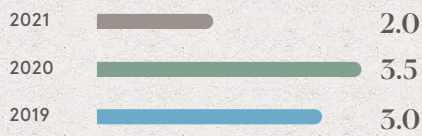
In 2021, the improvement pattern that was interrupted last year continued again. We achieved the Group's best-ever safety performance, due to the great efforts and dedication of all of our people.

From 2020 to 2021, the injury frequency rate decreased from 3.5 to 2.0 and the severity rate from 140.6 to 47.9. This is a remarkable result that gives continuity to the improvements made in recent years (in 2015, the frequency rate was 6.8 and the severity rate was 225.)

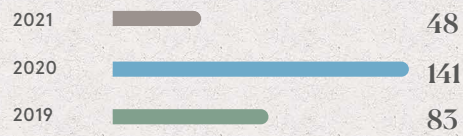
To take another step forward, we have decided to review the internal rule for safety target goals at our plants: for 2022, we officially decided that "zero" is the target for all of the mills and sheeting centers. It represents a new paradigm that delivers the clear message that no compromise is made with regards to safety, and that at RDM Group we truly mean "safety first."

Frequency and severity of injuries

FREQUENCY RATE (FR)



SEVERITY RATE (SR)



FR = number of injuries × 200,000 / hours worked
 SR = days lost × 200,000 / hours worked
 OSHA methodology applied to employees and collaborators.

According to an analysis of the injuries in 2021, 66% were related to human and behavioral factors, 18% to technical factors and 16% to organizational factors – thus the decision to focus on enhancing the behavioral safety program.

We also monitor the injury rates of our key external contractors, who are primarily engaged in internal logistics activities. If this additional category of workers is included, the frequency rate is 1.9, while the severity rate further decreases to 45.4.

SAFETY AWARD

Each year, all individuals who have been injury-free for the past 10, 20, 30 and 40 years on the job receive a special award as recognition for their commitment to their own and their coworkers' safety.



"Providing a safe and healthy working environment is a commitment that we strongly pursue. As a company, it is our duty to ensure our workers safety, health and well-being."

Marita Lovera
 Chief Human
 Resources Officer

Covid-19 Crisis Management

As a company, our duty is to ensure the health and safety of our colleagues, something that has always been a priority for the Group. Even more so today.

In 2020, we responded rigorously and promptly to the Coronavirus crisis, meticulously implementing all of the measures recommended by the health and government authorities, both globally and locally. During 2021, we continued to do so, monitoring all scientific, medical and governmental sources to ensure that all of our measures complied with current legislation and were up to date with the latest international practices.

We have updated existing protocols to include additional and more specific hygiene provisions, reminding both employees and external personnel of the importance of compliance with the health and safety measures.

The application of procedures and controls — such as measuring temperatures and checking digital Covid certificates at the entrance to the premises, the daily sanitization of workspaces, the prompt notification of possible contacts at risk, free testing in case of suspected infection, and the establishment of vigilance committees — have ensured that **there have been no major outbreaks at any of the Group's facilities.**

Thanks to an uninterrupted and extensive internal communication campaign, the new rules and provisions have been widely distributed throughout all of our production sites. As a preventive measure, business travel has been reduced, in part thanks to the enhancement of digital means of communication. This has had interesting effects on the overall business organization and our way of working, favoring a more goal-oriented culture. Indeed, where

possible, working from home has been promoted for all employees who can perform their work remotely. All of this has allowed our people to work safely and productively, and at the same time allowed our mills to continuously serve the Group's customers, including those in the food and pharmaceutical industries who are on the front line of the Covid-19 emergency response.

Also this year, the flu vaccination campaign was renewed, promoted through a major communication campaign throughout the Group. The goal was to prevent any symptoms of seasonal flu from being confused with those of the more serious Coronavirus infection, thus avoiding the inconvenience associated with voluntary isolation. At RDM Group, we have also adopted a well-established system of surveillance that protects our workers' health through preventive medical examinations and assessments of suitability for the job.

COVID-19 SAFETY AT PAPRINSA MILL

During the maintenance shutdown, all employees and external contractors were tested for Covid-19 every day prior to entering the workplace. This additional safety measure adopted by the Paprinsa mill helped to reinforce the existing preventive measures and to improve the work environment, especially to the benefit of the workers performing activities in close contact to each other.

We Value Our Talents and Skills

TRAINING AND DEVELOPMENT

We believe that human resources are a crucial element for our business – we could not create lasting value without the qualified work of the personnel in our plants and offices.

It is in the interest and commitment of the entire Group to create and maintain the necessary conditions to further enhance the skills and knowledge of each employee.

To this end, we use forms of mentoring to transfer skills and know-how from senior to junior employees, so that the company's skills and values are passed on and remain within the Group. At the same time, we provide specific programs aimed at the acquisition of new skills to ensure the strategic development of the Group, as well as enhance the potential of individuals. Through training plans, the verification of their effectiveness and a skill assessment process, we map the talents present in the company and devise targeted training investments. In turn, the training plans benefit from the input of our performance appraisal system, which allows our employees to point out any training needs and desired areas of professional development.

Despite the difficulties associated with Covid-19, in 2021 we continued to invest in technical training, wherever possible, using digital platforms to deliver online courses. Compared to 2020, the average hours of training per capita increased from 7.3 to 9.4.

Priority was given to safety training and to other training required to meet compliance with local regulations.

Also in 2021, we continued to invest in developing our leaders with the leadership training program, particularly focused on second-level management. This year's topics were "leadership" and "communication" to enhance teamwork management.

The Group has also continued its soft skills improvement programs and language training, which include one-to-one sessions within personalized programs. In 2021, an important digital skills assessment was carried out as part of our digital agenda. All employees went through a comprehensive test to determine the maturity of their digital skills and knowledge. Each employee received a customized training program based on the results of each individual assessment. This training is meant to improve their skills and develop their digital mindset to support the process of digital transformation and the technological evolution of the Group.

FOR SUCCESSFUL LEADERSHIP

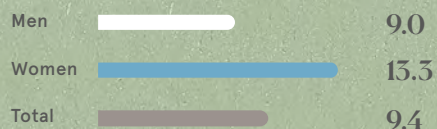
At RDM Group, we have introduced a communication campaign dedicated to leadership, with the aim of providing employees with useful tips and suggestions for managing working relationships and their own career path. Monthly, articles and scientific publications on topics such as productivity, creativity, motivation and time management are collected, synthesized and shared.



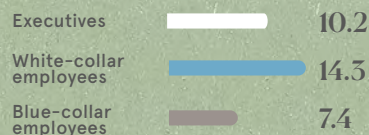
OVER THE LAST THREE YEARS **MORE THAN 2 MILLION** EUROS HAVE BEEN INVESTED IN TRAINING ACTIVITIES, INCLUDING **MORE THAN 700,000** EUROS IN 2021

AVERAGE HOURS OF TRAINING

BY GENDER



BY EMPLOYEE CATEGORY



PERFORMANCE MANAGEMENT

In order to promote a dynamic and meritocratic work environment, we have adopted a performance incentive system based on the recognition of monetary rewards linked to the achievement of personal goals and measurable company objectives.

Our performance appraisal system is based on formal appraisal mechanisms that extend to second-level management. The effective implementation of the sustainability strategy is also taken into account in performance evaluation and in the related systems for recognizing remuneration bonuses, including for our CEO and other top managers.

In particular, our remuneration schemes are consistent with our long-term sustainability goals. Starting from 2022, three of these goals (i.e. those that are the binding KPIs of the "Sustainability-Linked Bond" issued to finance the company) are connected to the variable remuneration of RDM Group's management.

The connection between the financial bonus schemes and sustainability performance has thus been significantly tightened and aligned with the long-term improvement of the environmental performance of the entire Group.

EMPLOYEE ENGAGEMENT

We believe that involving people and sharing what happens within the Group is essential for increasing the sense of belonging to the Company.

In addition to the Intranet portal, which has been strengthened in the last years, we use the periodic "MeetUp" newsletter to reach all of the Group's employees. The newsletter is written in six languages and distributed to employees via email and in printed format. We want all of the workers at our mills to be

informed in their own language about the activities and initiatives promoted within the Group. Employees are also constantly updated through company information monitors and bulletin boards. This type of communication was intensified in 2021 to ensure a more frequent circulation of news across the entire Group.

We promote teamwork, dialogue between different generations and cultures, and the sharing of experiences. We listen to our employees with periodic "people surveys" in order to define our management initiatives and improve our people's well-being.

Following the 2020 "people survey," the HR team updated the ambitious work plan defined back in 2018. In 2021, we particularly promoted initiatives on preventive health across all of our mills, including open-air refreshment areas for lunch, attention to nutrition, maintaining a work-life balance (working from home for HQ and the sales offices) and initiatives to spend time together outside of the workplace. In addition, we continued working on initiatives launched in previous years for professional growth (e.g. training development plans and specific leadership coaching) and recognition and rewards (e.g. seniority awards and safety champion awards).

We are committed to promoting organizational well-being for the benefit of all of RDM Group's people.

We have set ourselves the goal of **achieving an advocacy rate of 4.5 by 2030** compared to a rate of 3.98 in 2020. The advocacy rate measures the willingness of employees to recommend RDM Group as a good employer to family and friends.

CHANGE MANAGEMENT

The ongoing process of the integration of the Group's various entities is characterized by an increasingly strong impulse to exchange, compare and share experiences and best practices with colleagues from other mills and offices.

We are "One Company" and that is why we encourage teamwork, comparison between different generations and cultures, and the sharing of experiences, vision and strategies.

We have formed two internal committees to drive change. The "Change Management Steering Committee" aims to facilitate positive change at all organizational

levels by identifying factors that are resistant to change and the necessary corrective actions.

The "Youth & Restyling Committee" aims to put forward proposals on how to integrate the vision of millennials into the Group's management style, representing the younger generation. The members of both committees were appointed to represent the geographical and cultural presence of RDM Group in order to share experiences and points of view that we believe are a valued asset.

In addition to these two committees, we have launched two specific working groups for change management, to help with the integration of the newly acquired companies in 2021, Paprinsa and Eska.



Diversity and Equal Opportunities

RDM Group's international vocation means that we are present in ten countries in Europe, as well as overseas in the United States and Hong Kong, with production units and sales offices operating in territories and contexts comprising very different languages, traditions and socio-cultural habits.

Our Group has 2,006 direct employees, 10.4% of which are women and 89.6% men. Since 2020, the number of women in the Group has increased by 9%, starting from 9.5%, significantly contributing to our long-term goal of +30% by 2030.

Fairness and respect are two indispensable principles that are deeply embedded in our DNA. We take care of our people and protect their rights, ensuring stable employment and fair working conditions.

Our hiring, development and employee management policies are designed to promote equal opportunity and non-discrimination on the basis of personal considerations, including nationality, gender, age or religion. We promote these principles by drawing our resources from an international talent pool and putting expertise first.

WOMEN IN THE PULP & PAPER INDUSTRY

On International Women's Day, the Blendecques mill hosted a reportage entitled "Talents de Femmes," which questioned the main misconceptions regarding women's access to jobs traditionally associated with men, and honored women working in the industry. Similarly, in November 2021, the same mill met students from the college in Arques to promote the paper industry and industrial professions to women by sharing the experience of one of our female workers in Blendecques.

We apply a process of candidate evaluation and selection based on the principles of fairness and transparency that aims to provide a gender-balanced candidate selection list compatible with the type of activities performed at the mills. We also look for young talents by supporting them through their studies with scholarships for a specific paper industry-based education.

RDM GROUP AMONG THE BEST EMPLOYERS FOR WOMEN IN 2021

According to a survey entitled "Italy's best employers for women 2021," there are 200 companies for which women are most happy to work in Italy. RDM Group ranks fourth among the companies in the "Packaging Industry."

RDM Group strives for a transparent dialogue with the trade union representatives and adopts, where applicable, national collective bargaining agreements. We are present in countries known to be at low risk of human rights violations, which allows us to operate within the framework of the United Nations Universal Declaration of Human Rights and the fundamental International Labor Organization Conventions.

In 2021, no cases of discrimination or harm to personal dignity and rights involving RDM Group's employees or collaborators were brought to our attention.



2,246

EMPLOYEES AND COLLABORATORS
OF WHICH **10% WOMEN**
AND **90% MEN**



12

COUNTRIES
WITH OPERATIONAL SITES
AND SALES OFFICE PRESENCE

ESKA FOR THE LOCAL COMMUNITY

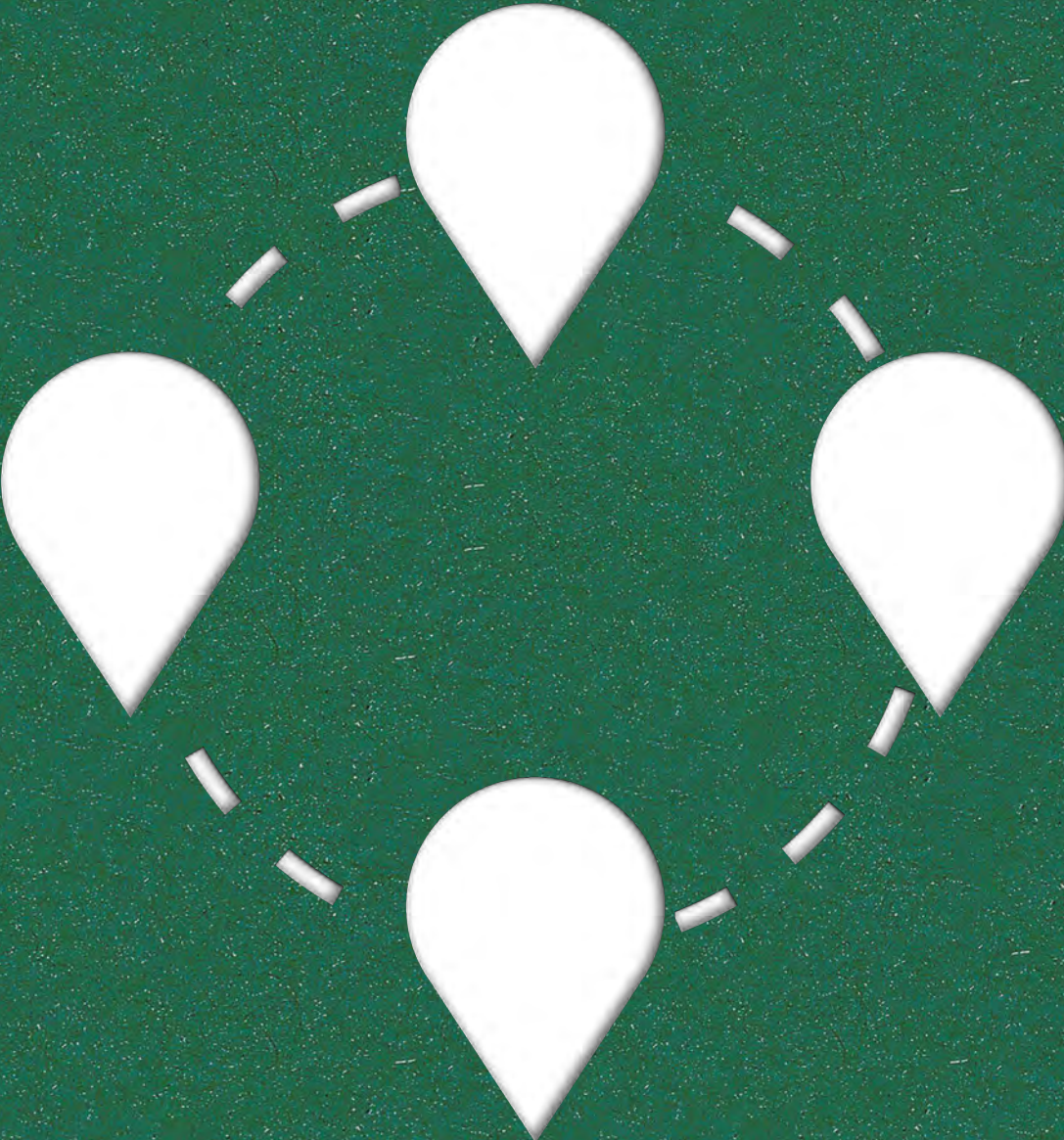
Eska has a well-established and fruitful relationship with local communities in the Netherlands. Eska sponsors the IMC Foundation, which is dedicated to giving underserved children and young people the opportunity to develop their talents. The program is dedicated to one elementary school in the town of Hoogezand for children aged ten.

The journey of discovery started at the mill, as we opened our doors to the students. This initiative gives us the possibility to appeal to a young target group and gives them an impression of our company that may even lead to them envisioning an interesting future career. Further specific lessons have already been arranged for logistics, warehousing and sustainability, all linked to board production.

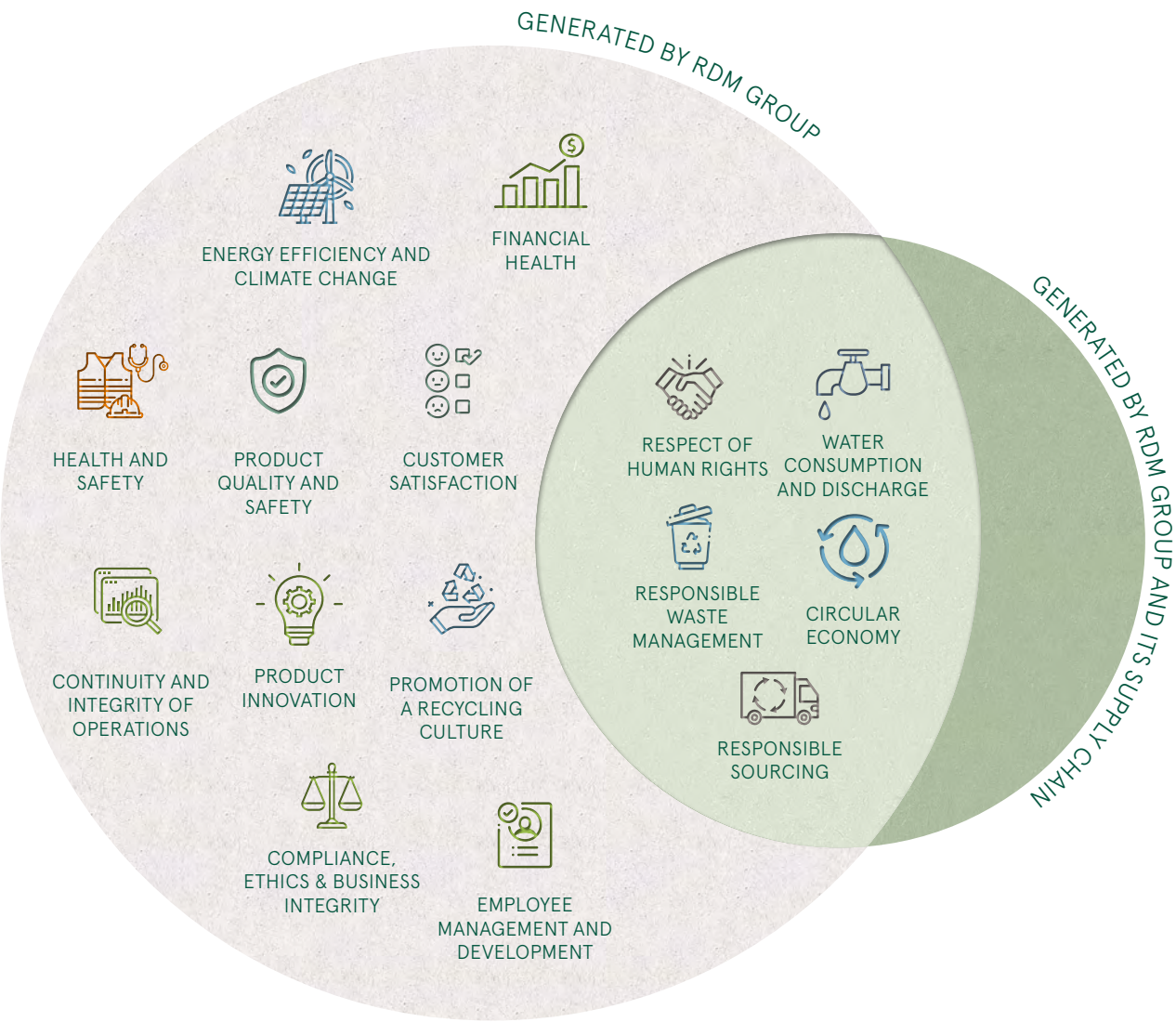
For the next two years, we will work together with schools and this foundation within this program. It is a big opportunity to increase local involvement among young people.



APPENDIX



Material Topics and Impact Boundaries



WHERE IMPACTS OCCUR IN THE VALUE CHAIN:

- RDM Group
- RDM Group and external environment
- RDM Group and external contractors
- RDM Group and its supply chain
- RDM Group, clients and end consumers

About This Report

COMPLIANCE AND METHODOLOGY

RDM Group's Sustainability Report 2021 is a document designed to inform the Group's main Stakeholders about the most important aspects related to sustainability. It is a document capable of representing current performance, as well as future perspectives.

The content of this document was identified based on the results of the materiality analysis, aimed at identifying the areas of greatest importance in a perspective of long-term growth and value creation for all Stakeholders.

The Sustainability Report covers the period from January 1 to December 31, 2021 and has been prepared in accordance with the GRI Standards "Core" option, published by the GRI - Global Reporting Initiative. Consistently with the principles set out by the reporting standard, this Sustainability Report has been prepared to offer a balanced, accurate, exhaustive and transparent representation of the results achieved, considering the expectations of the Stakeholders involved and the impacts generated by the Group's activities.

The "GRI Content Index" section has been included in the Appendix to highlight the GRI disclosures and the corresponding pages of reference for each material topic for the Group. The Appendix also contains the "Sustainability Performances" section, which includes all data in table format to facilitate the reader's search and analysis of key figures.

Wherever possible, the information contained in the Sustainability Report has been provided with a comparison to previous years, to allow the reader to have a better understanding of the progress.

In order to ensure the reliability of data and a correct representation of performance, the use of estimates has been limited as much as possible and, where present, these are based on the best available methodologies.

With regard to comparative data, environmental performance reflects the integration of Paprinsa and Eska within the reporting boundary for six months since their acquisition in July 2021, and the inclusion

of La Rochette for four months, from January 2021 until its disinvestment in April 2021. Moreover, the units of measure used for weights are metric tons and, for the purposes of this report, the category of people identified as "collaborators" corresponds to interim workers.

Where reported, the reference to FSC® is made in accordance with license code n. FSC-C081817.

REPORTING BOUNDARY

The scope of the economic data is the same as in the Group's 2021 Consolidated Financial Statements; the scope of economic, social and environmental data and information includes the Parent Company and the companies consolidated on a line-by-line basis in the Consolidated Financial Statements.

Environmental data do not include information relating to offices, as they are considered to be non-material.

The reporting boundary of the "Sustainability Long-Term Goals" reported on page 17 does not include the mill of La Rochette, which was already part of a sales agreement when the goals were launched. Therefore, the 2020 baseline and 2021 progress differ from all other data reported in this Report.

Any further exceptions to the scope of consolidation are clearly explained throughout the Sustainability Report. The restatements of comparative data published in previous Reports are clearly indicated as such, if any.

REPORTING APPROVAL AND ASSURANCE

The Sustainability Report was approved by the Board of Directors of Reno De Medici S.p.A. on March 14, 2022.

The entity appointed to perform the third-party independent audit of this Sustainability Report is PricewaterhouseCoopers Business Services S.r.l. which provides, in a separate report, an attestation regarding the compliance of the information provided to the GRI Standards.

For information or comments on this Report please contact the Group at: sustainability@rdmgroupp.com



FOTO

Sustainability Performance

PRODUCTION	U.o.M.	2021	2020	2019
Gross production	ton	1,470,794	1,348,311	1,383,213
Net salable production	ton	1,281,125	1,159,913	1,182,120

RAW MATERIALS AND OTHER MATERIALS	U.o.M.	2021	2020	2019
Total raw materials and other materials used	kton	1,686	1,508	1,541
of which renewable	kton	1,421	1,265	1,290
of which non-renewable	kton	264	243	251
Total fiber-based raw materials	kton	1,367	1,223	1,246
Paper for recycling	kton	1,229	951	980
Virgin market pulp	kton	74	101	95
of which certified FSC®/PEFC or FSC®-controlled wood	%	100	100	100
Wood chips	kton	64	171	171
of which certified FSC®/PEFC or FSC®-controlled wood	%	55	58	59

ENERGY	U.o.M.	2021	2020	2019
Total energy consumption	MWh	2,873,875	2,772,083	2,826,886
Energy consumption from fossil fuels	MWh	2,441,542	2,133,084	2,157,062
of which natural gas	MWh	1,983,754	1,680,952	1,718,646
of which diesel	MWh	11,410	8,285	8,841
of which LPG/propane	MWh	721	642	556
of which Waste-to-Energy (fossil)	MWh	14,575	0	0
of which coal	MWh	423,904	425,855	416,548
of which fuel oil	MWh	7,177	17,350	12,471
Consumption of energy from renewable sources	MWh	194,737	320,345	320,386
of which biomass	MWh	116,708	296,340	316,806
of which biogas	MWh	2,850	0	0
of which Waste-to-Energy (biogenic)	MWh	14,553	0	0
of which hydroelectric	MWh	0	0	3,580
of which electricity from certified renewable sources	MWh	60,626	24,005	0
Electricity purchased (incl. from renewable sources)	MWh	298,222	353,568	355,501
Electricity sold	MWh	367,232	356,667	353,254
Energy intensity⁽¹⁾	MWh/t	2.24	2.39	2.39

⁽¹⁾ Energy intensity is calculated with net salable production.

GHG EMISSIONS	U.o.M.	2021	2020	2019
Direct emissions (Scope 1) ⁽¹⁾	tCO ₂ e	508,983	450,805	448,980
Indirect emissions (Scope 2) (location-based)	tCO ₂ e	65,611	64,757	73,433
Indirect emissions (Scope 2) (market-based) ⁽²⁾	tCO ₂ e	60,938	70,957	99,075
Emissions neutralized with green certificates (market-based)	tCO ₂ e	27,827	11,186	0
Emissions from biogenic sources	tCO ₂ e	52,824	119,425	127,673
Emission intensity (location-based)	tCO ₂ e/t	0.449	0.444	0.442
Emission intensity (market-based)	tCO ₂ e/t	0.445	0.450	0.464

⁽¹⁾ Gases included in the calculation: CO₂, CH₄, N₂O, HFC. 2020 emission factor sources: EU Guidance Document Biomass issues in the EU-ETS; UK 2021 Government GHG conversion factors for company reporting; AIB 2020 Residual mix results v 1.2; Terna - confronti internazionali 2019. Indirect emissions are expressed in metric tons of CO₂; the percentage of methane and nitrous oxide has a negligible effect on total greenhouse gas emissions (CO₂e) as per technical literature. Emissions from corporate fleets are excluded as they are not material.

⁽²⁾ Indirect scope 2 market-based emissions are net of the emissions neutralized through green electricity, amounting to 27,827 tCO₂e.

OTHER EMISSIONS	U.o.M.	2021	2020	2019
NO _x	ton	511	439	477
SO _x	ton	138	140	125
Particles	ton	11	23	20
Carbon monoxide	ton	285	211	224
Volatile Organic Compounds (VOC)	ton	24.8	3.4	7.4

WATER	U.o.M.	2021	2020	2019
Water withdrawals⁽¹⁾	megaliters	17,676	18,628	19,341
of which from surface waters	megaliters	8,817	10,137	9,958
of which from groundwater	megaliters	8,605	8,271	9,175
of which from municipal water supply	megaliters	254	220	208
Wastewater discharges	megaliters	13,475	13,885	14,734
of which to external treatment plants	megaliters	4,978	4,483	4,436
of which toward surface waters	megaliters	8,497	9,402	10,298
Non-contact cooling water discharges⁽²⁾	megaliters	2,577	3,135	2,870
Water withdrawal intensity⁽³⁾	m³/t	13.80	16.06	16.36
Wastewater discharge intensity⁽³⁾	m³/t	10.52	11.97	12.46

⁽¹⁾ Water withdrawals include cooling water.

⁽²⁾ Non-contact cooling water discharges consist of cooling water that is kept physically separated from process water before final discharge.

⁽³⁾ Water withdrawal intensity and wastewater discharge intensity are calculated per ton of net salable production.

WATER STRESS	U.o.M.	2021	2020	2019
Withdrawals from low water stress areas	megaliters	2,326	4,275	4,146
of which from surface waters	megaliters	0	3,678	3,319
of which from groundwater	megaliters	2,186	579	813
of which from municipal water supply	megaliters	140	18	15
Withdrawals from moderate water stress areas	megaliters	10,659	12,226	13,030
of which from surface waters	megaliters	6,566	4,351	4,493
of which from groundwater	megaliters	4,014	7,691	8,362
of which from municipal water supply	megaliters	79	183	174
Withdrawals from high water stress areas	megaliters	4,690	2,126	2,165
of which from surface waters	megaliters	2,250	2,107	2,146
of which from groundwater	megaliters	2,405	0	0
of which from municipal water supply	megaliters	35	19	19
Water discharges to low water stress areas	megaliters	2,204	976	978
Water discharges to moderate water stress areas	megaliters	7,240	10,859	11,703
Water discharges to high water stress areas	megaliters	4,031	2,049	2,053

EMISSIONS TO WATER	U.o.M.	2021	2020	2019
Chemical Oxygen Demand (COD)	ton	710	1,263	n/a
Total Suspended Solids (TSS)	ton	98	191	n/a
Nitrogen	ton	20	22	n/a
Phosphorus	ton	2	4	n/a

The figures include all the Group's production units with an internal water treatment plant that discharges directly toward water bodies. Therefore, mills that discharge wastewater, totally or partially, to external treatment plants are excluded.

WASTE	U.o.M.	2021	2020	2019
Total waste generated	ton	204,019	194,082	196,839
Total non-hazardous waste	ton	202,802	193,154	196,518
Total hazardous waste	ton	1,217	928	321
Total waste sent for disposal	ton	62,404	52,154	49,230
Total waste sent for recovery	ton	141,615	141,927	147,609
Total specific waste ⁽¹⁾	kg/t	159	167	166

⁽¹⁾ Total specific waste calculated with net salable production.

SAFETY (EMPLOYEES)	U.o.M.	2021	2020	2019
Fatalities	no.	0	0	0
Total injuries	no.	29	47	36
Total high-consequence injuries	no.	0	3	2
Total lost days	no.	742	1,990	1,151
Total worked hours	no.	2,880,421	2,725,008	2,762,428
Frequency rate	Ratio	2.0	3.4	2.6
Severity rate	Ratio	51.5	146.1	83.3
Fatality rate	Ratio	0.0	0.0	0.0
Rate of high-consequence injuries	Ratio	0.0	0.2	0.1

SAFETY (COLLABORATORS)	U.o.M.	2021	2020	2019
Fatalities	no.	0	0	0
Total injuries	no.	3	4	8
Total high-consequence injuries	no.	0	0	0
Total lost days	no.	21	53	75
Total hours worked	no.	308,580	180,812	205,167
Frequency rate	ratio	1.9	4.4	7.8
Severity rate	ratio	13.6	58.6	73.1
Fatality rate	ratio	0.0	0.0	0.0
Rate of high-consequence injuries	ratio	0.0	0.0	0.0

SAFETY (MAIN EXTERNAL CONTRACTORS)	U.o.M.	2021	2020	2019
Fatalities	no.	0	0	0
Total injuries	no.	0	0	3
Total high-consequence injuries	no.	0	0	1
Total lost days	no.	0	0	327
Total hours worked	no.	169,877	162,845	200,073
Frequency rate	ratio	0.0	0.0	3.0
Severity rate	ratio	0.0	0.0	326.9
Fatality rate	ratio	0.0	0.0	0.0
Rate of high-consequence injuries	ratio	0.0	0.0	1.0

SAFETY (EMPLOYEES AND COLLABORATORS)	U.o.M.	2021	2020	2019
Frequency rate	ratio	2.0	3.5	3.0
Severity rate	ratio	47.9	140.6	82.6
Fatality rate	ratio	0.0	0.0	0.0
Rate of high-consequence injuries	ratio	0.0	0.2	0.1

PEOPLE	U.o.M.	2021	2020	2019
Number of employees	no.	2,006	1,729	1,766
of which men	no.	1,797	1,565	1,603
of which women	no.	209	164	163
of which executives	no.	44	40	41
of which white-collar employees	no.	561	443	452
of which blue-collar employees	no.	1,401	1,246	1,273
of which permanent employees	no.	1,910	1,673	1,712
of which temporary employees	no.	96	56	54
of which full-time employees	no.	1,945	1,699	1,739
of which part-time employees	no.	61	30	27
of which in Italy	no.	678	652	671
of which in France	no.	207	499	497
of which in the Iberian Peninsula	no.	404	239	253
of which in Germany	no.	318	320	327
of which in the Netherlands	no.	332	0	0
of which in the rest of Europe	no.	26	19	18
of which in the rest of the world	no.	41	0	0
of which covered by a national collective bargaining agreement	%	91.7	97.3	97.1
Number of collaborators	no.	240	102	73

2021 employees: full-time men 90% and women 10%; part-time men 67% and women 33%; permanent men 90% and women 10%; temporary men 84% and women 16%; permanent employees Italy 35%, Iberian Peninsula 20%, the Netherlands 17%, Germany 15%, France 10%, Rest of the World 2%, Rest of Europe 1%; temporary employees, Germany 38%, Iberian Peninsula 20%, Italy 17%, France 10%, the Netherlands 6%, rest of Europe 6%, Rest of the world 3%. For details about 2020 and 2019 please refer to Sustainability Report 2020. The figures does not include the La Rochette mill as it was disinvested in April 2021.

EMPLOYEES HIRED AND DISMISSED	U.o.M.	2021	2020	2019
Total employees hired	no.	175	87	164
of which men	no.	137	71	128
of which women	no.	38	16	36
of which <30 years old	no.	67	45	50
of which 30–50 years old	no.	99	32	88
of which >50 years old	no.	9	10	26
of which in Italy	no.	66	27	70
of which in France	no.	24	36	38
of which in the Iberian Peninsula	no.	36	5	32
of which in Germany	no.	19	14	12
of which in the Netherlands	no.	10	0	0
of which in the rest of Europe	no.	15	5	12
of which in the rest of the world	no.	5	0	0
Total employees dismissed	no.	126	124	142
of which men	no.	99	109	113
of which women	no.	27	15	29
of which <30 years old	no.	18	7	25
of which 30–50 years old	no.	49	42	40
of which >50 years old	no.	59	75	77
of which in Italy	no.	45	46	52
of which in France	no.	14	34	46
of which in the Iberian Peninsula	no.	15	19	15
of which in Germany	no.	21	21	19
of which in the Netherlands	no.	20	0	0
of which in the rest of Europe	no.	8	4	10
of which in the rest of the world	no.	3	0	0

The figures does not include the La Rochette mill as it was disinvested in April 2021.

EMPLOYEE RECRUITMENT RATE	U.o.M.	2021	2020	2019
Total recruitment rate	%	9	5	9
Recruitment rate of men	%	8	5	8
Recruitment rate of women	%	18	10	22
Recruitment rate of <30 years old	%	33	29	35
Recruitment rate of 30–50 years old	%	11	4	10
Recruitment rate of >50 years old	%	1	1	4
Recruitment rate in Italy	%	10	4	10
Recruitment rate in France	%	12	7	8
Recruitment rate in the Iberian Peninsula	%	9	2	13
Recruitment rate in Germany	%	6	4	4
Recruitment rate in the Netherlands	%	3	0	0
Recruitment rate in the rest of Europe	%	58	26	67
Recruitment rate in the rest of the world	%	12	0	0

Rate calculated as the number of recruitments within each age group, geographical area or gender. The figures does not include the La Rochette mill as it was disinvested in April 2021.

EMPLOYEE TERMINATION RATE	U.o.M.	2021	2020	2019
Total termination rate	%	6	7	8
Termination rate of men	%	6	7	7
Termination rate of women	%	13	9	18
Termination rate of <30 years old	%	9	4	18
Termination rate of 30–50 years old	%	6	5	4
Termination rate of >50 years old	%	6	11	11
Termination rate in Italy	%	7	7	8
Termination rate in France	%	7	7	9
Termination rate in the Iberian Peninsula	%	4	8	6
Termination rate in Germany	%	7	7	6
Termination rate in the Netherlands	%	6	0	0
Termination rate in the rest of Europe	%	31	21	56
Termination rate in the rest of the world	%	7	0	0

Rate calculated as the number of terminations and resignations within each age group, geographical area or gender. The figures does not include the La Rochette mill as it was disinvested in April 2021.

DIVERSITY	U.o.M.	2021	2020	2019
Total number of executives	no.	44	40	41
of which men	%	70	78	76
of which women	%	30	22	24
of which <30 years old	%	0	0	0
of which 30–50 years old	%	34	40	37
of which >50 years old	%	66	60	63
Total number of white-collar employees	no.	561	443	452
of which men	%	71	72	73
of which women	%	29	28	27
of which <30 years old	%	9	7	7
of which 30–50 years old	%	46	47	45
of which >50 years old	%	45	46	48
Total number of blue-collar employees	no.	1,401	1,246	1,273
of which men	%	98	98	98
of which women	%	2	2	2
of which <30 years old	%	11	10	9
of which 30–50 years old	%	43	52	53
of which >50 years old	%	46	38	38
Total number of Board members	no.	7	7	7
of which men	no.	5	4	4
of which women	no.	2	3	3
of which <30 years old	no.	1	0	0
of which 30–50 years old	no.	5	2	2
of which >50 years old	no.	1	5	5

TRAINING	U.o.M.	2021	2020	2019
Average hours of training for employees	no.	9.4	7.3	14.8
Average training hours for men	no.	9.0	6.8	13.0
Average training hours for women	no.	13.3	11.8	32.2
Average training hours for executives	no.	10.2	12.1	13.4
Average training hours for white-collar employees	no.	14.3	8.2	27.5
Average training hours for blue-collar employees	no.	7.4	6.8	10.3
Employees trained	no.	1,093	888	1,183
of which executives	no.	36	32	33
of which white-collar employees	no.	361	290	387
of which blue-collar employees	no.	696	566	763

The figures does not include the La Rochette mill as it was disinvested in April 2021.

COMPLAINTS	U.o.M.	2021	2020	2019
Withdrawal from the market for food safety	no.	0	0	0
Recall from the market for food safety	no.	0	0	0
Rate of complaints ⁽¹⁾	ratio	0.27	0.35	0.43

⁽¹⁾ Number of complaints per 100 tons of net salable production.



GRI Content Index

The following GRI Content Index is prepared in accordance with GRI Standards: Core option. Omissions are reported as notes to the individual indicators, where applicable.

GRI Standard	Disclosure	References and notes
GRI 102: GENERAL DISCLOSURES (2016)		
ORGANIZATION PROFILE		
102-1	Name of the organization	Back cover
102-2	Activities, brands, products, and services	p. 8
102-3	Location of headquarters	Back cover; p. 11
102-4	Location of operations	p. 11
102-5	Ownership and legal form	p. 8
102-6	Markets served	pp. 8-11
102-7	Scale of the organization	pp. 8-11. Consolidated Financial Statements
102-8	Information on employees and other workers	p. 64; pp. 81-84
102-9	Supply chain	pp. 40-41
102-10	Significant changes in the organization and its supply chain	pp. 20-23
102-11	Precautionary Principle or approach	pp. 30-33
102-12	External initiatives	pp. 72-73
102-13	Membership of associations	p. 27
STRATEGY		
102-14	Statement from senior decision-maker	p. 6
102-15	Key impacts, risks, and opportunities	pp. 30-33
ETHICS AND INTEGRITY		
102-16	Values, principles, standards, and norms of behavior	p. 10; pp. 24-25
102-17	Mechanisms for advice and concerns about ethics	pp. 24-25
GOVERNANCE		
102-18	Governance Structure	p. 23
102-22	Composition of the highest governance body and its committees	p. 23
102-23	Chair of the highest governance body	p. 23
102-24	Nominating and selecting the highest governance body	p. 23
102-28	Evaluating the highest governance body's performance	p. 23
102-32	Highest governance body's role in sustainability reporting	p. 76
102-33	Communicating critical concerns	p. 25
102-34	Nature and total number of critical concerns	p. 25
102-35	Remuneration policies	p. 70

STAKEHOLDER ENGAGEMENT		
102-40	List of stakeholder groups	p. 26
102-41	Collective bargaining agreements	p. 81
102-42	Identifying and selecting stakeholders	p. 26
102-43	Approach to stakeholder engagement	pp. 32, 46
102-44	Key topics and concerns raised	p. 28
REPORTING PRACTICES		
102-45	Companies included in the Consolidated Financial Statements	Consolidated Financial Statements
102-46	Definition of the contents and topic Boundaries	pp. 28, 75
102-47	List of material topics	p. 28
102-48	Restatements of information	No restatement of information
102-49	Changes in reporting	No significant changes in the list of material topics and topic boundaries
102-50	Reporting period	p. 76
102-51	Date of most recent report	The previous Sustainability Report was published in April 2021
102-52	Reporting cycle	Sustainability Reports are published annually
102-53	Contact point for questions regarding the report	sustainability@rdmgroup.com
102-54	Claims of reporting in accordance with the GRI Standards	p. 76
102-55	GRI content index	p. 86
102-56	External assurance	p. 94

Topic-specific standards

MATERIAL TOPIC: FINANCIAL HEALTH GRI-TOPIC: ECONOMIC PERFORMANCE

GRI-201: Economic Performance (2016)

201-1	Direct economic value generated and distributed	p. 8
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GRI-103: Management Approach (2016)

103-1	Explanation of the material topic and its Boundary	Consolidated Financial Statements 2021
103-2	The management approach and its components	Consolidated Financial Statements 2021
103-3	Evaluation of the management approach	Consolidated Financial Statements 2021

MATERIAL TOPIC: COMPLIANCE, ETHICS AND BUSINESS INTEGRITY GRI-TOPIC: ANTI-CORRUPTION

GRI-205: Anti-corruption (2016)

205-3	Confirmed incidents of corruption and actions taken	No charges of unlawful conduct for active or passive corruption in the three-year period
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GRI-103: Management Approach (2016)

103-1	Explanation of the material topic and its Boundary	pp. 28, 75
103-2	The management approach and its components	pp. 24-25, 31-32
103-3	Evaluation of the management approach	pp. 24-25, 31-33

MATERIAL TOPIC: COMPLIANCE, ETHICS AND BUSINESS INTEGRITY GRI-TOPIC: ANTI-COMPETITIVE BEHAVIOR

GRI-206: Anti-Competitive Behavior

206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	p. 25
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GRI-103: Management Approach (2016)

103-1	Explanation of the material topic and its Boundary	pp. 28, 75
103-2	The management approach and its components	pp. 24-25, 31-32
103-3	Evaluation of the management approach	pp. 24-25, 31-33

MATERIAL TOPIC: COMPLIANCE, ETHICS AND BUSINESS INTEGRITY GRI-TOPIC: ENVIRONMENTAL COMPLIANCE

GRI-307: Environmental Compliance (2016)

307-1	Non-compliance with environmental laws and regulations	p. 59
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GRI-103: Management Approach (2016)

103-1	Explanation of the material topic and its Boundary	pp. 28, 75
103-2	The management approach and its components	pp. 24-25, 31-32
103-3	Evaluation of the management approach	pp. 24-25, 31-33

MATERIAL TOPIC: COMPLIANCE, ETHICS AND BUSINESS INTEGRITY**GRI-TOPIC: SOCIOECONOMIC COMPLIANCE****GRI-307: Socioeconomic Compliance (2016)**

419-1	Non-compliance with laws and regulations in the social and economic area	No significant fines or non-monetary sanctions for violation of social and economic laws and regulations were reported in the three-year period
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GRI-103: Management Approach (2016)

103-1	Explanation of the material topic and its Boundary	pp. 28, 75
103-2	The management approach and its components	pp. 30-33, 39, 24-25
103-3	Evaluation of the management approach	pp. 30-33, 39, 24-25

MATERIAL TOPIC: RESPECT OF HUMAN RIGHTS**GRI-TOPIC: NON-DISCRIMINATION****GRI-406: Non-Discrimination (2016)**

406-1	Incidents of discrimination and corrective actions taken	pp. 24-25, 72-73
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GRI-103: Management Approach (2016)

103-1	Explanation of the material topic and its Boundary	pp. 28, 75
103-2	The management approach and its components	pp. 31-33, 41, 25
103-3	Evaluation of the management approach	pp. 31-33, 41, 25

MATERIAL TOPIC: CIRCULAR ECONOMY**GRI-TOPIC: MATERIALS****GRI-301: Materials (2016)**

301-1	Materials used by weight or volume	pp. 38, 78
301-2	Recycled input of materials used	pp. 38-39, 78

GRI-103: Management Approach (2016)

103-1	Explanation of the material topic and its Boundary	pp. 28, 75
103-2	The management approach and its components	pp. 30, 39-41
103-3	Evaluation of the management approach	pp. 30, 39-41

MATERIAL TOPIC: ENERGY EFFICIENCY AND CLIMATE CHANGE**GRI-TOPIC: ENERGY****GRI-302: Energy (2016)**

302-1	Energy consumption within the organization	pp. 51-52, 78
302-3	Energy intensity	pp. 52, 78

GRI-103: Management Approach (2016)

103-1	Explanation of the material topic and its Boundary	pp. 28, 75
103-2	The management approach and its components	pp. 30-31, 50-56
103-3	Evaluation of the management approach	pp. 30-31, 50-56

MATERIAL TOPIC: ENERGY EFFICIENCY AND CLIMATE CHANGE**GRI-TOPIC: EMISSIONS****GRI-305: Emissions (2016)**

305-1	Direct (Scope 1) GHG emissions	pp. 55, 78-79
305-2	Indirect (Scope 2) GHG emissions	pp. 55, 78-79
305-4	GHG emissions intensity	pp. 55, 78-79
305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	pp. 56, 78-79

GRI-103: Management Approach (2016)

103-1	Explanation of the material topic and its Boundary	pp. 28, 75
103-2	The management approach and its components	pp. 30-31, 54-56
103-3	Evaluation of the management approach	pp. 30-31, 54-56

MATERIAL TOPIC: WATER CONSUMPTION AND DISCHARGE**GRI-TOPIC: WATER AND EFFLUENTS****GRI-303: Management Approach Disclosures (2018)**

303-1	Interactions with water as a shared resource	pp. 57-58
303-2	Management of water discharge-related impacts	p. 59

GRI-303: Water and Effluents (2018)

303-3	Water withdrawal	pp. 57, 79-80
303-4	Water discharge	pp. 57, 79-80

GRI-103: Management Approach (2016)

103-1	Explanation of the material topic and its Boundary	pp. 28, 75
103-2	The management approach and its components	pp. 30-31, 57-59
103-3	Evaluation of the management approach	pp. 30-31, 57-59

MATERIAL TOPIC: RESPONSIBLE WASTE MANAGEMENT**GRI-TOPIC: WASTE****GRI-306: Management Approach Disclosures (2020)**

306-1	Waste generation and significant waste-related impacts	pp. 59-60
306-2	Management of significant waste-related impacts	pp. 59-60

GRI-306: Waste (2020)

306-3	Waste generated	pp. 60, 80
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GRI-103: Management Approach (2016)

103-1	Explanation of the material topic and its Boundary	pp. 28, 75
103-2	The management approach and its components	pp. 30-31, 33, 59-60
103-3	Evaluation of the management approach	pp. 30-31, 33, 59-60

MATERIAL TOPIC: RESPONSIBLE SOURCING**GRI-TOPIC: SUPPLIER ENVIRONMENTAL ASSESSMENT****GRI-308: Supplier Environmental Assessment (2016)**

308-1	New suppliers that were screened using environmental criteria	p. 41
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GRI-103: Management Approach (2016)

103-1	Explanation of the material topic and its Boundary	pp. 28, 75
103-2	The management approach and its components	pp. 30, 40-41
103-3	Evaluation of the management approach	pp. 30, 40-41

MATERIAL TOPIC: RESPONSIBLE SOURCING**GRI-TOPIC: SUPPLIER SOCIAL ASSESSMENT****GRI-414: Supplier Social Assessment (2016)**

414-1	New suppliers that were screened using social criteria	p. 41
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GRI-103: Management Approach (2016)

103-1	Explanation of the material topic and its Boundary	pp. 28, 75
103-2	The management approach and its components	pp. 30, 40-41
103-3	Evaluation of the management approach	pp. 30, 40-41

MATERIAL TOPIC: HEALTH AND SAFETY**GRI-TOPIC: OCCUPATIONAL HEALTH AND SAFETY****GRI-403: Management Approach Disclosures (2018)**

403-1	Occupational health and safety management system	pp. 14, 65-66
403-2	Hazard identification, risk assessment and incident investigation	pp. 65-66
403-3	Occupational health services	p. 68
403-4	Worker participation, consultation and communication on occupational health and safety	pp. 65-66
403-5	Worker training on occupational health and safety	p. 66
403-6	Promotion of worker health	pp. 65-70
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	pp. 31-32, 65-66

GRI-403: Occupational Health and Safety (2018)

403-9	Work-related injuries	pp. 67, 80-81
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GRI-103: Management Approach (2016)

103-1	Explanation of the material topic and its Boundary	pp. 28, 75
103-2	The management approach and its components	pp. 31-32, 65-66
103-3	Evaluation of the management approach	pp. 31-32, 65-66

MATERIAL TOPIC: EMPLOYEE MANAGEMENT AND DEVELOPMENT**GRI-TOPIC: EMPLOYMENT****GRI-401: Employment (2016)**

401-1	New employee hires and employee turnover	pp. 82-83
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GRI-103: Management Approach (2016)

103-1	Explanation of the material topic and its Boundary	pp. 28, 75
103-2	The management approach and its components	pp. 33, 72-73
103-3	Evaluation of the management approach	pp. 33, 72-73

MATERIAL TOPIC: EMPLOYEE MANAGEMENT AND DEVELOPMENT**GRI-TOPIC: TRAINING AND EDUCATION****GRI-404: Training and Education (2016)**

404-1	Average hours of training per year per employee	pp. 33, 84
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GRI-103: Management Approach (2016)

103-1	Explanation of the material topic and its Boundary	pp. 28, 75
103-2	The management approach and its components	pp. 33, 69
103-3	Evaluation of the management approach	pp. 33, 69

MATERIAL TOPIC: EMPLOYEE MANAGEMENT AND DEVELOPMENT**GRI-TOPIC: DIVERSITY AND EQUAL OPPORTUNITIES****GRI-405: Diversity and Equal Opportunities (2016)**

405-1	Diversity of governance bodies and employees	pp. 23, 72-73, 83
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GRI-103: Management Approach (2016)

103-1	Explanation of the material topic and its Boundary	pp. 28, 75
103-2	The management approach and its components	pp. 23, 33
103-3	Evaluation of the management approach	pp. 23, 33

MATERIAL TOPIC: PRODUCT QUALITY AND SAFETY**GRI-TOPIC: CUSTOMER HEALTH AND SAFETY****GRI-416: Customer Health and Safety (2016)**

416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	pp. 46, 84
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GRI-103: Management Approach (2016)

103-1	Explanation of the material topic and its Boundary	pp. 28, 75
103-2	The management approach and its components	pp. 31, 44-45
103-3	Evaluation of the management approach	pp. 31, 44-45

MATERIAL TOPIC: CUSTOMER SATISFACTION**GRI-TOPIC: N/A****GRI-103: Management Approach (2016)**

103-1	Explanation of the material topic and its Boundary	pp. 28, 75
103-2	The management approach and its components	pp. 45-46
103-3	Evaluation of the management approach	pp. 45-46

MATERIAL TOPIC: CONTINUITY AND INTEGRITY OF OPERATIONS**GRI-TOPIC: N/A****GRI-103: Management Approach (2016)**

103-1	Explanation of the material topic and its Boundary	pp. 28, 75
103-2	The management approach and its components	pp. 24-25, 31-33, 39, 40
103-3	Evaluation of the management approach	pp. 24-25, 31-33, 39, 40

MATERIAL TOPIC: PRODUCT INNOVATION**GRI-TOPIC: N/A****GRI-103: Management Approach (2016)**

103-1	Explanation of the material topic and its Boundary	pp. 28, 75
103-2	The management approach and its components	pp. 42-43
103-3	Evaluation of the management approach	pp. 42-43

MATERIAL TOPIC: PROMOTION OF A RECYCLING CULTURE**GRI-TOPIC: N/A****GRI-103: Management Approach (2016)**

103-1	Explanation of the material topic and its Boundary	pp. 28, 75
103-2	The management approach and its components	pp. 36-39
103-3	Evaluation of the management approach	pp. 36-39



GRUPPO RENO DE MEDICI

**INDEPENDENT AUDITOR'S REPORT ON THE
LIMITED ASSURANCE OF THE GROUP
SUSTAINABILITY REPORT 2021**

FISCAL YEAR ENDED 31 DECEMBER 2021



Independent auditor's report on the limited assurance of the Group Sustainability Report 2021

To the Board of Directors of Reno De Medici SpA

We have undertaken a limited assurance engagement on the Sustainability Report of Reno De Medici SpA (hereinafter the "Company") and its subsidiaries (hereinafter the "Group" or "Reno De Medici Group") for the year ended 31 December 2021.

Responsibilities of the Directors for the Sustainability Report

The Directors of Reno De Medici SpA are responsible for the preparation of the Sustainability Report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" issued in 2016 and updated to 2020 by GRI - Global Reporting Initiative (the "GRI Standards"), as illustrated in the "Methodological note" section of the Sustainability Report.

The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of a sustainability report that is free from material misstatement, whether due to fraud or error.

The Directors are also responsible for defining the sustainability performance targets of the Reno De Medici Group, as well as for identifying its stakeholders and material topics to be reported on.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 (ISQC Italia 1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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Responsibility of the audit company

Our responsibility is to express a conclusion, based on the procedures performed, on whether the Sustainability Report complies with the requirements of the GRI Standards. We conducted our work in accordance with “International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements other than Audits or Reviews of Historical Information” (hereinafter also “ISAE 3000 *Revised*”) issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. That standard requires that we plan and perform procedures to obtain limited assurance about whether the Sustainability Report is free from material misstatement.

The work performed was less in scope than in a reasonable assurance engagement conducted in accordance with ISAE 3000 *Revised* and, consequently, we did not obtain assurance that we became aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

The procedures performed on the Sustainability Report were based on our professional judgement and included inquiries, primarily of personnel of the Company responsible for the preparation of the information presented in the Sustainability Report, inspection of documents, recalculations and other procedures designed to obtain evidence considered useful.

In detail, we performed the following procedures:

- 1) We analysed the process of definition of the material topics reported on in the Sustainability Report, with reference to the method of their identification in terms of priority for the various categories of stakeholders and to the internal validation of the results of the process;
- 2) We obtained an understanding of the processes underlying the generation, collection and management of significant qualitative and quantitative information included in the Sustainability Report.

In detail, we inquired of and discussed with management personnel of Reno De Medici SpA and we carried out limited analyses of documentary evidence, in order to obtain information about the processes and procedures supporting the collection, aggregation, processing and submission of non-financial information to the corporate function in charge of the preparation of the Sustainability Report.

Furthermore, for significant information, taking into account the activities and characteristics of the *Group*:

- at the level of the Group,
 - a) with reference to the qualitative information presented in the Sustainability Report, we carried out interviews and obtained supporting documents to verify its consistency with available evidence;
 - b) with reference to quantitative information, we performed both analytical procedures and limited tests to verify, on a sample basis, the accuracy of data aggregation.
- for the Italian sites of Santa Giustina and Ovaro, which we selected based on their activities, contribution to performance indicators at a consolidated level and location, we carried out onsite visits during which we met the persons responsible and obtained documentary evidence, on a sample basis, about the correct application of the procedures and calculation methods applied for the indicators.



Conclusion

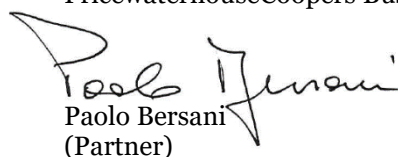
Based on the work performed, nothing has come to our attention that causes us to believe that the Sustainability Report of the Reno De Medici Group for the year ended 31 December 2021 is not prepared, in all material respects, in accordance with the requirements of the GRI Standards as illustrated in the “Methodological note” section of the Sustainability Report.

Other Matters

The Sustainability Report for the year ended 31 December 2020, whose data are included for comparative purposes, was the subject to a limited assurance engagement by another auditor, who expressed an unqualified conclusion on 7 April 2021.

Milan, 22 April 2022

PricewaterhouseCoopers Business Services Srl


Paolo Bersani
(Partner)

Reno De Medici S.p.A.

Milan, Viale Isonzo, 25

Share Capital: Euro 140,000,000

Tax code and VAT number: 00883670150

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