

# SUSTAINABILITY REPORT 2023



Celebrating our people, working  
for sustainability every day

Finding a home  
for plastic waste

Driving innovation  
in cartonboard  
packaging

Creating resilience  
to climate shocks



# OUR SUSTAINABILITY HEROES

Sustainability is not a one-off measure but a way of thinking, working, and living. That's why we rely on our people to take us on our journey to greater sustainability. They are our sustainability heroes.



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**Michele Bianchi**  
RDM Group CEO

# CEO LETTER

**Dear all,**

In 2023, RDM Group deepened its commitment to sustainability, to circularity, to health and safety, and to the strategic direction we have set for ourselves, despite challenging economic and commercial conditions.

We grew as a Company, acquiring another mill – Fiskeby, a Swedish producer of high-quality recycled cartonboard. Fiskeby expands our commercial and operational perimeter to the Nordic countries; it consolidates our position as Europe's leading producer of 100% recycled and fully recyclable cartonboard; and it reinforces our multi-mill, multi-country strategy that allows us to be close to our local customers while having the visibility of a pan-European producer.

We remain committed to creating lasting value for our stakeholders and

communities, and are convinced that the best way to achieve this is through a circular-economy business model that invests in operational excellence and innovation to drive efficiencies and reduce our environmental impacts. We believe this is the best long-term strategy to strengthen our financial performance and simultaneously advance in our Environmental, Social and Governance (ESG) goals. Our efforts on both fronts position the Group to address the growing demand for sustainable packaging products.

We are proud to have been awarded in 2023 a Gold Sustainability Rating by Ecovadis – a tribute to all our employees and their efforts to live our ESG mission and values every working day. We are keenly aware that our people are our heroes in the drive for sustainability.

## MAJOR INVESTMENTS

In 2023, we made several significant investments to improve our operational excellence and efficiency, and to make our plants more sustainable.

The Operational Excellence Manufacturing Program now encompasses five mills and we plan to extend the lean manufacturing program throughout the Group. We also advanced in our digitalization program, which is now benefitting many business areas, including financial and sustainability reporting, human resources, sales, operations, and project management.

At the same time, transformational investments in our mills are expected to deliver significant operational efficiencies to reduce associated greenhouse gas emissions and increase

water recycling in our operations. In early 2023, the Group began replacing an existing cogeneration facility at our Barcelona plant. The new power plant, which is expected to be operational in April 2024, will be more tailored to the energy needs of the production process.

Furthermore, the Group now operates two waste-to-energy (WTE) plants that are key to our circular business model. The WTE plants at Hoogezand in the Netherlands and Fiskeby in Sweden use renewable biomass and waste – including our own pulper waste – as fuel. These plants reduce waste sent to landfills, and lower the carbon intensity of our processes by reducing our use of traditional fossil fuels, such as natural gas.

### STAYING ON TRACK

Thanks to our focus on operational excellence and efficiency, we remain on track to meet the targets in our 2030 Sustainability Plan despite temporary setbacks in 2023 arising from the partial standstill at some of our mills, which had an impact on our carbon intensity performance.

Worth noting is the 15% reduction in wastewater discharge intensity achieved since 2020 – an important contribution to responsible water management in an increasingly water-stressed world – and the increasing share of our solid waste sent for recovery, from 73% in 2020 to 83% last year.

I would particularly like to commend all our teams for putting people and safety first. 2023 was our best year ever in terms of health and safety. Last year, 77 RDM Group workers received awards for being injury-free for 10 years or more.

We completed our first inventory of Scope 3 (indirect) emissions in 2023, giving us full visibility over our carbon emissions for the entire life cycle of our products.

### DRIVING INNOVATION

We expect to deepen partnerships both within and outside our industry to drive innovation and strengthen our role in the circular economy. Our partnership

with a global leader in plastic sorting and recycling is aimed at finding new uses for our plastic waste, and we are in discussions with scientific institutes to help us innovate and extend the use of cartonboard to more applications.

Taken together, our efforts to advance sustainability, innovation, and operational excellence seek to place us ahead of commercial trends in our industry. The European Union is close to finalizing new regulations for paper and packaging waste, and we are confident our cartonboard can meet the new requirements as a fully biodegradable, recycled, and recyclable product. With consumers increasingly demanding more sustainable alternatives to plastic packaging, RDM Group is well-positioned to become the packaging product of choice.



**“We consolidated our position as Europe’s leading producer of 100% recycled and fully recyclable cartonboard; reinforcing our multi-mill, multi-country strategy that allows us to be close to our local customers while having the visibility of a pan-European producer.”**

# HIGHLIGHTS

**€798 million**

in revenue

**964 kilotons**

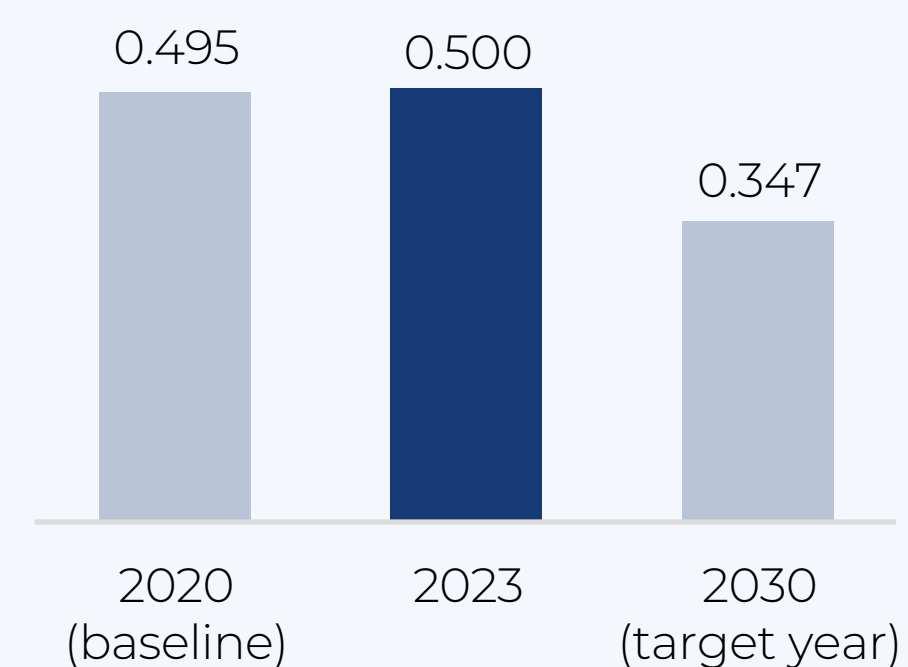
of cartonboard (net salable production)

**2,368 direct employees**

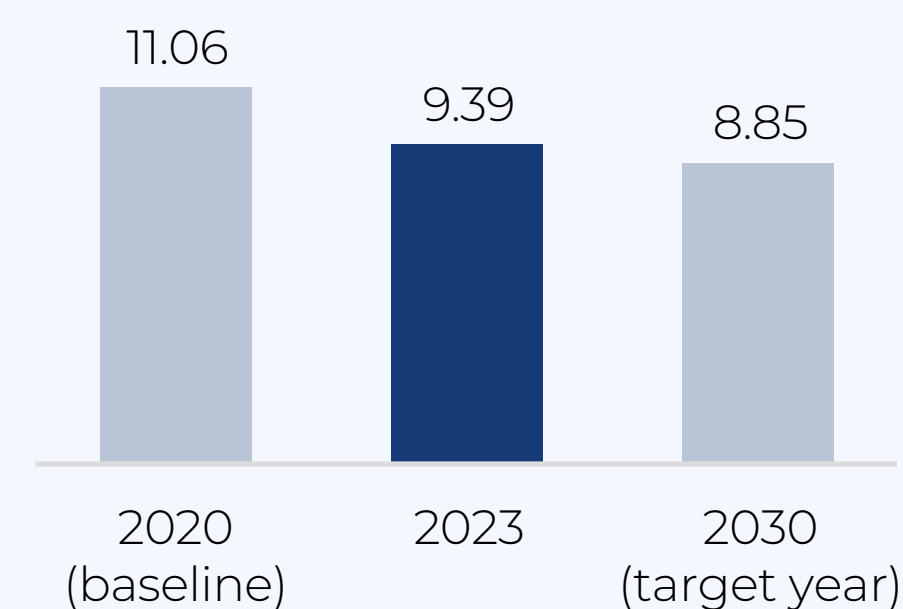
at RDM Group

## Sustainability plan KPIs

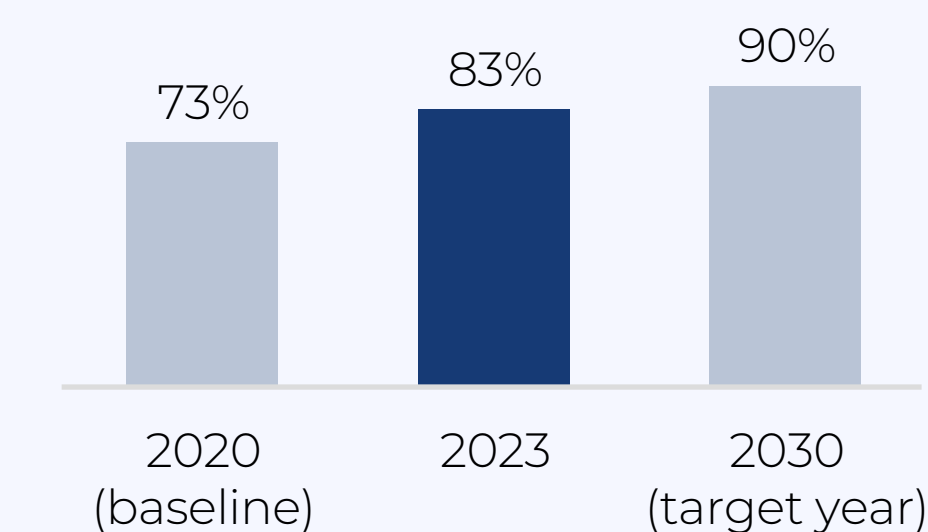
**Carbon intensity reduction (tCO<sub>2</sub>e/t)**



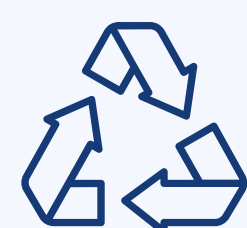
**Wastewater discharge intensity reduction (m<sup>3</sup>/ton)**



**Waste sent for recovery increase (%)**

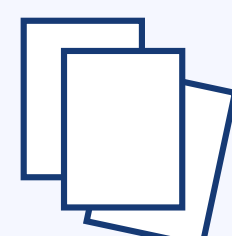


## Raw materials



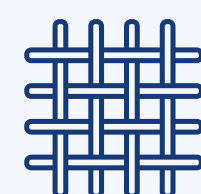
**85%**

renewable materials of total materials used



**95%**

Paper for recycling of the total fiber-based materials used

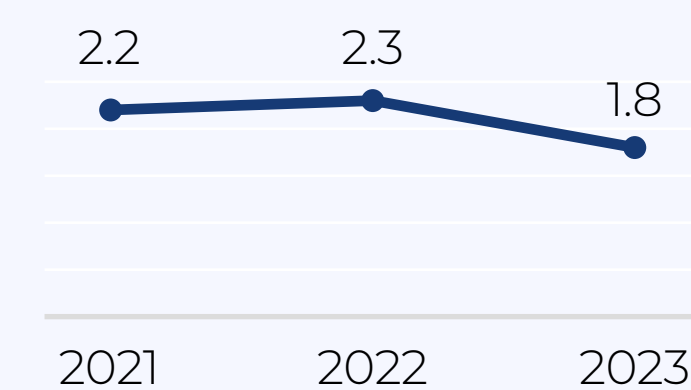


**100%**

virgin fibers used are FSC® / PEFC certified or FSC® controlled wood

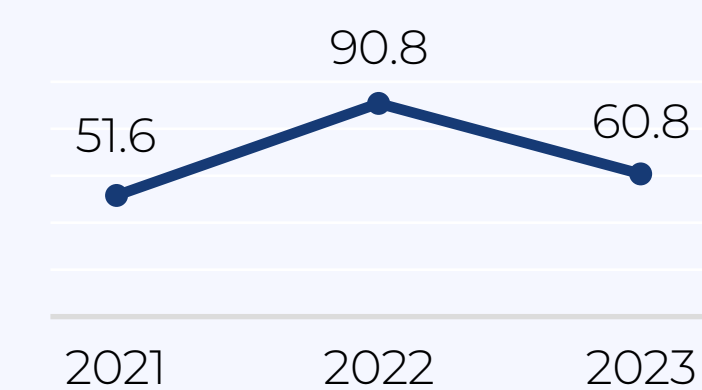
## Safety

**Frequency rate**



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

**Severity rate**



SR = lost days × 200,000 / hours worked



# ABOUT US

**RDM Group believes in creating sustainable value for its stakeholders and the communities in which it operates and conducts its business through the lens of the circular economy.**

We are the leading producer in the recycled cartonboard business and the largest manufacturer in Italy, France, the Netherlands, Scandinavia, and the Iberian Peninsula.

All our products are made from renewable materials and are designed to be fully

recyclable. RDM Group has been a private company under the Apollo Fund's ownership since 2021.

RDM Group offers two product types available in reels and/or customized sheet format.

## WHITE-LINED CHIPBOARD (WLC)

**Coated cartonboard for packaging, made from recycled fibers.**

WLC can be used as both primary and secondary packaging for foodstuffs, household appliances, cosmetics and personal care products, in publishing, or for the creation of displays and toy stands. It mainly serves the European market.

## SOLID BOARD

**High-grammage recycled cartonboard that is well suited for specialty products, luxury packaging, and publishing.**

The solid board finds extensive application in the luxury packaging market for the fashion industry, high-end beverages, books, notebooks, and puzzles. Our solid board is sold worldwide, with a leading position in the USA.

# VISION AND VALUES

RDM Group is a multinational and multicultural company with a strong emphasis on sustainability, committed to generating long-lasting value for its stakeholders and communities. The identity of RDM Group is built on a clear vision that seeks to strike a balance between its business offering and stakeholder expectations. RDM Group's vision is to be the partner of choice for all key stakeholders, with three strategic goals in mind:

- offering excellent products and services
- maximizing stakeholder satisfaction
- optimizing costs.

The achievement of this vision is dependent on the Group's deep-rooted values, which guide the actions of every person within the Company.

**Group-wide vision:** the capacity to build a vision that leads to the success of the Group.

**Responsible decision-making:** the awareness that decisions have an effect on others.

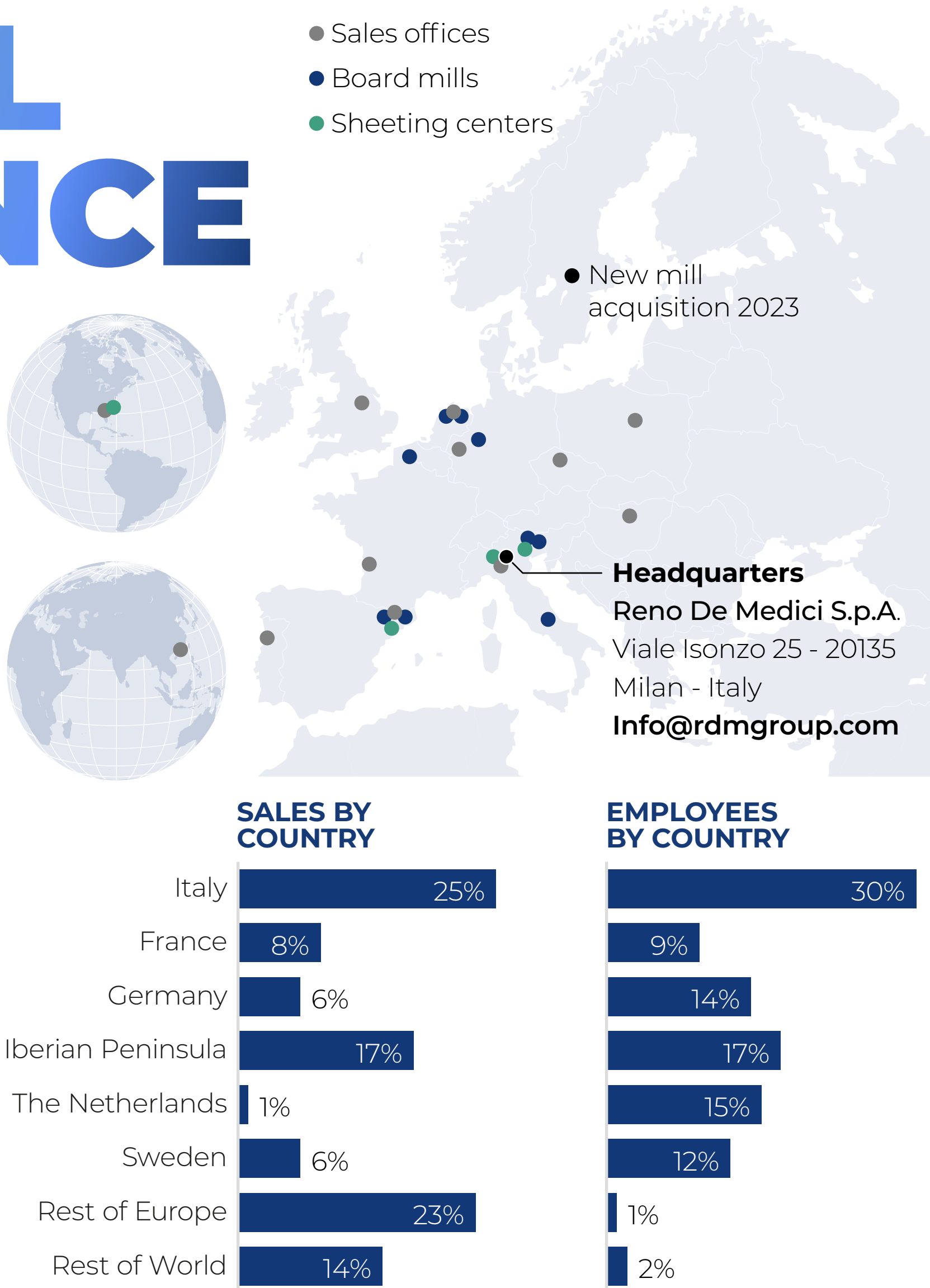
**Empathy:** the attitude of understanding others and being empathetic.

**Togetherness:** the combination of a shared vision and a sense of belonging.

# GLOBAL PRESENCE

Since its acquisition in 2021 by Apollo Global Management, the Group has expanded operations across Europe and beyond. The Group employs more than 2,360 people at 10 board mills, 4 sheeting centers, and various office locations in Europe, North America, and Asia.

RDM Group has cultivated a robust international network, expanding its reach, tapping into new markets and delivering enhanced services to its customers. This widespread geographical presence has allowed the Group to achieve sustained growth and will continue to contribute to its future development.



## FISKEBY ACQUISITION

The acquisition in 2023 of the Fiskeby Board AB mill in Sweden marked a pivotal moment in the Group's effort to grow its market share in the recycled board market. The acquisition has also reinforced the Group's geographical footprint and its ability to serve pan-European customers in a multi-mill approach.

Fiskeby is the only company in Scandinavia to manufacture packaging board made from recycled fibers. The mill's primary product is multiboard, an eco-friendly, value-for-money packaging board developed for the food and beverage markets, and for household products.

Fiskeby powers around 70% of its operations with an in-house waste-to-energy plant that uses biomass and waste as fuel. The inputs are sourced from local industries and the internal recycling process at the mill. The use of this alternative fuel allows the mill to reduce its CO<sub>2</sub> emissions and avoid the use of fossil fuels.

The waste-to-energy facility enhances the circularity of the mill's products, as waste from the mill is given a new use as fuel for steam and electricity generation, instead of being delivered to external waste management companies.

## FISKEBY HIGHLIGHTS

- Capacity of 170,000 tons of cartonboard per year.
- Ability to use packaging for liquids and other plasticized fibers as raw material.
- Extrusion and lamination lines for production of high-margin products.
- Waste-to-energy plant to generate in-house steam and electricity.

# BUSINESS STRATEGY

**RDM Group transforms and gives new life to materials through the production of recycled, fiber-based cartonboard. The Group has adopted a circular-economy business model that strives to create sustainable value in every step of the production process.**

**The Group's vision is to be the leading recycled cartonboard producer in Europe and the partner of choice for all stakeholders. Our products are designed to be reintroduced into the circular-economy cycle after use, replenishing the resources that feed our business.**

In 2023, we remained focused on strengthening our position across our key strategic pillars, including business integration, operational excellence, digitalization, product innovation and sustainability, even as we faced adverse market conditions leading to commercial and operational standstills.

## INTEGRATION

In July 2023, RDM Group acquired the Fiskeby mill in Sweden, bolstering its leadership in the production and distribution of recycled cartonboard for the European packaging industry. The acquisition strengthened the Group's geographical reach with Fiskeby's direct link to Nordic markets and enhanced the Group's product portfolio due to the prime quality of Fiskeby's cartonboard.

The mill is now part of the RDM Group multi-mill network, a strategic approach that seeks to use our multiple mills to better serve our clients. A multi-disciplinary team is overseeing Fiskeby's integration into the Group to ensure optimal outcomes from the acquisition, including for sustainability.

Paprinsa and Eska, acquired in mid-2021, have progressed with their respective integration processes as planned, yielding significant efficiencies. Paprinsa successfully generated operational and commercial synergies with our other Spanish mill, which is in Barcelona. Meanwhile, Eska continued its integration with the Ovaro solid board mill in Italy, resulting in streamlined product portfolios and aligned product technical specifications.

**"Our business approach seeks to align our financial and ESG objectives so they are in balance and reinforce each other. Integrating ESG factors into the management of the business is the surest way to achieve long-term success for the Company, and for the wider community and environment."**



**Andrea Bettinelli**  
Chief Strategy and  
M&A Officer

## OPERATIONAL EXCELLENCE

The Operational Excellence Manufacturing Program also moved forward in 2023 and now encompasses five mills. Its aims are to optimize production processes, obtain cost efficiencies, improve quality, and maximize production volumes. Substantial improvements have been achieved, particularly in minimizing maintenance costs through enhanced cleaning practices, internal resource training, and proactive maintenance measures. The plan is to extend the lean manufacturing program throughout the Group.

### OPERATIONAL EXCELLENCE

#### – 5 pillars



## DIGITALIZATION

The Group has a comprehensive digital transformation program and in 2023 this proceeded with several work streams being launched, in progress, or completed. So far, these digitalization work streams have benefitted a number of business areas, including financial and sustainability reporting, human resources, sales, operations, and project management. The Group also continued with its cybersecurity work plan for the Company's IT systems and data protection. We are developing simple and efficient IT systems which we believe are key to making our organization leaner.

## PRODUCT INNOVATION AND SUSTAINABILITY

Product innovation and sustainability are intertwined elements within RDM Group's product portfolio. As environmental awareness spreads among consumers, the demand for environmentally friendly and easily recyclable packaging is greater than ever. In response to evolving market

trends and increasing environmental regulation, RDM Group is committed to pioneering and advancing products that prioritize sustainability and circularity. Sustainability is embedded throughout, from design strategies that enhance product recyclability to research on innovative barrier solutions; and from sourcing raw materials responsibly to optimizing production efficiency during manufacturing. The latter includes minimizing energy consumption, waste generation, and water usage.

With the support of Apollo Funds, RDM Group can further expand its business boundaries by building on its strong foundations and key competencies. RDM Group and Apollo believe that financial and sustainability performance are linked and can be mutually beneficial. This has allowed the Group's sustainability agenda to gain momentum and increasingly support overall business development. One example is the Group's Sustainability-Linked Bond issued in 2021, which ties yield to the achievement of three sustainability targets by 2025.

## APOLLO GLOBAL MANAGEMENT

Since 2021, RDM Group has been part of the Apollo Impact Mission (AIM) Fund, which seeks to achieve meaningful impact at scale by pursuing private equity-like opportunities that generate positive, measurable social and/or environmental impact, and attractive risk-adjusted returns. RDM Group reflects Apollo's strategy to partner with businesses that pair financial performance with a positive effect on society and the planet.

# 2020-2030 SUSTAINABILITY PLAN

Sustainability has always been at the center of RDM Group's responsible decision-making. While European authorities continue to respond to the call for more sustainable action with the EU Green Deal and all related laws, RDM Group has taken proactive steps by formulating its own sustainability agenda aimed at generating value for the planet and society.

RDM Group's 2020-2030 Sustainability Plan predates its acquisition by Apollo Global Management's impact investing platform. It places sustainability as a genuine and intrinsic part of its way of doing business. In 2021, RDM Group issued a Sustainability-Linked Bond that ties yield to the achievement of

three sustainability targets by 2025: a 15% reduction in carbon intensity; an increase in the proportion of waste sent for recovery to 81.5%; and a 10% reduction in wastewater discharge intensity, compared to 2020 levels. By linking its financial and sustainability goals, RDM Group reinforces its commitment to driving positive outcomes for its stakeholders and the environment.

The Group strategy, management practices, and governance processes must integrate and give priority to the goals of the Sustainability Plan.

The Group works to deliver its sustainability goals and targets with

a continuous improvement approach and a clear investment plan. Important progress has been made on safety results, such as frequency and severity rates, although the target of implementing a Behavior-Based Safety (BBS) program to all mills by 2023 has had to be postponed to 2025.

Organizational challenges, new acquisitions and new projects in several countries have resulted in unexpected delays. Despite these obstacles, the Group remains committed to bringing BBS to all its mills, as it believes in the positive effects of a strong safety culture.



We made significant progress on most of our goals and remain on track to achieve them. The reduction of carbon emissions and waste generation per ton of net salable production is challenging, but despite the fact that current performance for these two KPIs is not in line with the expected improvement trajectory, RDM Group remains committed to delivering on them. Substantial advancements have occurred in enhancing waste recovery and decreasing wastewater discharge intensity ratio, attributed respectively to improvements in waste quality and enhanced collaboration with partners, adoption of new technologies, and process enhancements. In terms of social goals, there is a small decrease in employee engagement measured in terms of advocacy rate (4.16 in 2022), and a 20% increase in female employment. Moreover, as part of its dedication to responsible sourcing, the Company kicked off the working group that will be defining the new key suppliers screening protocol based on ESG criteria.

OUR LONG-TERM SUSTAINABILITY GOALS

Goal	Baseline 2020	Progress 2023		Target	Status
Reduce Scope 1 and Scope 2 CO <sub>2</sub> equivalent emissions per ton of net salable production*	0.495 tCO <sub>2</sub> e/t	0.500 tCO <sub>2</sub> e/t	+1%	-30% by 2030	<div></div>
Reduce wastewater discharge per ton of net salable production*	11.06 m <sup>3</sup> /t	9.39 m <sup>3</sup> /t	-15%	-20% by 2030	<div></div>
Increase the proportion of waste sent for recovery*	73%	83%	+14%	90% by 2030	<div></div>
Reduce the total amount of waste generated per ton of net salable production	181 kg/t	202 kg/t	+11%	-20% by 2030	<div></div>
Key suppliers assessed and qualified according to ESG criteria for all relevant product categories	New assessment to be started	Project set-up phase started	–	100% by 2025	<div></div>
Implement a behavior-based safety program at all mills	1 site	5 sites	50%	All mills by 2025	<div></div>
Increase the employee advocacy rate	3.98	4.03	10%	4.5 by 2030	<div></div>
Increase the percentage of women employed by RDM Group	9.5%	11.4%	+20%	+30% by 2030	<div></div>

Please note that the 2023 figures also include the Fiskeby Board AB mill acquired in July 2023

\*This KPI is part of the Sustainability-Linked Bond

# OUR CONTRIBUTION TO THE SDGs



## **SDG #3: PROMOTE OCCUPATIONAL HEALTH AND SAFETY**

**How we contribute:** five mills have implemented the Behavior-Based Safety Program as part of our long-term sustainability goals.



## **SDG #4: PROMOTE LEARNING AND SKILLS DEVELOPMENT**

**How we contribute:** more than €890,000 invested in 2023 in technical and vocational training and skills development to promote continuous learning and personal growth.



## **SDG #5: PROMOTE GENDER EQUALITY**

**How we contribute:** at 2023 year end the percentage of women in the Company was 11.4% compared to 9.5% in 2020, an increase of 20%. The Group is committed to increasing the percentage of women in the Company by 30% from the 2020 baseline by 2030, to reach 12.3%.



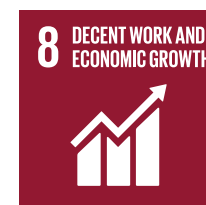
## **SDG #6: PROTECT WATER ECOSYSTEMS**

**How we contribute:** 22% reduction in wastewater discharge intensity since 2020. The Group has significantly lowered its water use as part of its long-term commitment to reduce wastewater discharges per unit of production.



## **SDG #7: INCREASE ENERGY EFFICIENCY OF OPERATIONS**

**How we contribute:** 7% reduction in energy intensity since 2020. The Group is committed to reducing emissions and mitigating environmental impacts through energy efficiency projects and use of cleaner energy.



## **SDG #8: PROMOTE FULL EMPLOYMENT AND DECENT WORK**

**How we contribute:** wherever possible, the Group adopts national collective bargaining agreements that guarantee good working conditions. Currently 93.6% of the Company's employees are covered by national collective bargaining agreements.



## **SDG #9: MODERNIZING INDUSTRIAL PROCESSES AND MAKING THEM MORE SUSTAINABLE**

**How we contribute:** five mills have successfully launched the Operational Excellence Manufacturing program to modernize industrial processes and make them more sustainable. Two mills will be starting this program in 2024.



## **SDG #12: ADOPT SUSTAINABLE PATTERNS OF PRODUCTION AND CONSUMPTION**

**How we contribute:** 95% of our fiber-based raw materials is made from paper for recycling. Our products are all mainly made of renewable materials. They come from recycled materials and can be recycled themselves.



## **SDG #13: TAKE ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS**

**How we contribute:** the Group is undertaking significant investments to increase the efficiency of its Combined Heat and Power (CHP) plants and cartonboard

production process. It completed a new CHP plant at Ovaro in 2022 and expects to finalize a CHP plant in Barcelona in 2024.



## **SDG #15: PROMOTE SUSTAINABLE MANAGEMENT OF FOREST-RELATED RESOURCES**

**How we contribute:** 100% of virgin market pulp used in our production is purchased from certified and/or controlled sources that ensure the sustainable management of forests.



## **SDG #17: STRENGTHEN PARTNERSHIPS FOR SUSTAINABLE DEVELOPMENT**

**How we contribute:** RDM is a member of more than 30 local and international associations that support innovation in our sector and strengthen partnerships for sustainable development.

# STAKEHOLDERS

**Engaging in open and ongoing dialogue with key stakeholders allows RDM Group to effectively identify concerns, potential and actual impacts, market trends, and expectations.**

The Group recognizes the importance of engaging with stakeholders in a variety of ways, including structured and informal interactions, regular surveys to measure customer and employee satisfaction, meetings and workshops with local communities and non-profit organizations, and formal

grievance channels.

We use our intranet page and newsletter for internal stakeholders, and the website and social media channels for external stakeholders. This approach ensures that all stakeholders have access to the most up-to-date information about the Company, its

operations, and its projects.

Depending on the kind of stakeholders, the Group uses specific engagement channels such as questionnaires, reports including annual reports, sponsorships events, surveys, conferences and meetings.

## RDM GROUP AT ECOMONDO

The Group was present at EcoMondo, an important exhibition for the green and circular economy held in Rimini, Italy, in November 2023. It is a forum for stakeholders such as policymakers, opinion leaders, packaging companies, and suppliers of raw materials and technologies. We organized a workshop on

the challenges and state-of-the-art solutions for the ecological transition for recycled cartonboard. The goal of the workshop was to showcase the good environmental practices applied by RDM Group and raise awareness on the importance of circularity.

### EMPLOYEES AND COLLABORATORS

People who work in the Group, unions, and employee representatives.

### COMPETITORS

Companies that produce fiber-based materials and packaging.

### NATIONAL AND INTERNATIONAL INSTITUTIONS

National and international authorities, trade associations, and supervisory authorities.

### SUPPLIERS

Companies supplying goods and services, as well as the local economies of the areas where the mills are located.

### END CONSUMERS

Buyers of products packaged with or made from materials produced by RDM Group.

### LOCAL COMMUNITIES

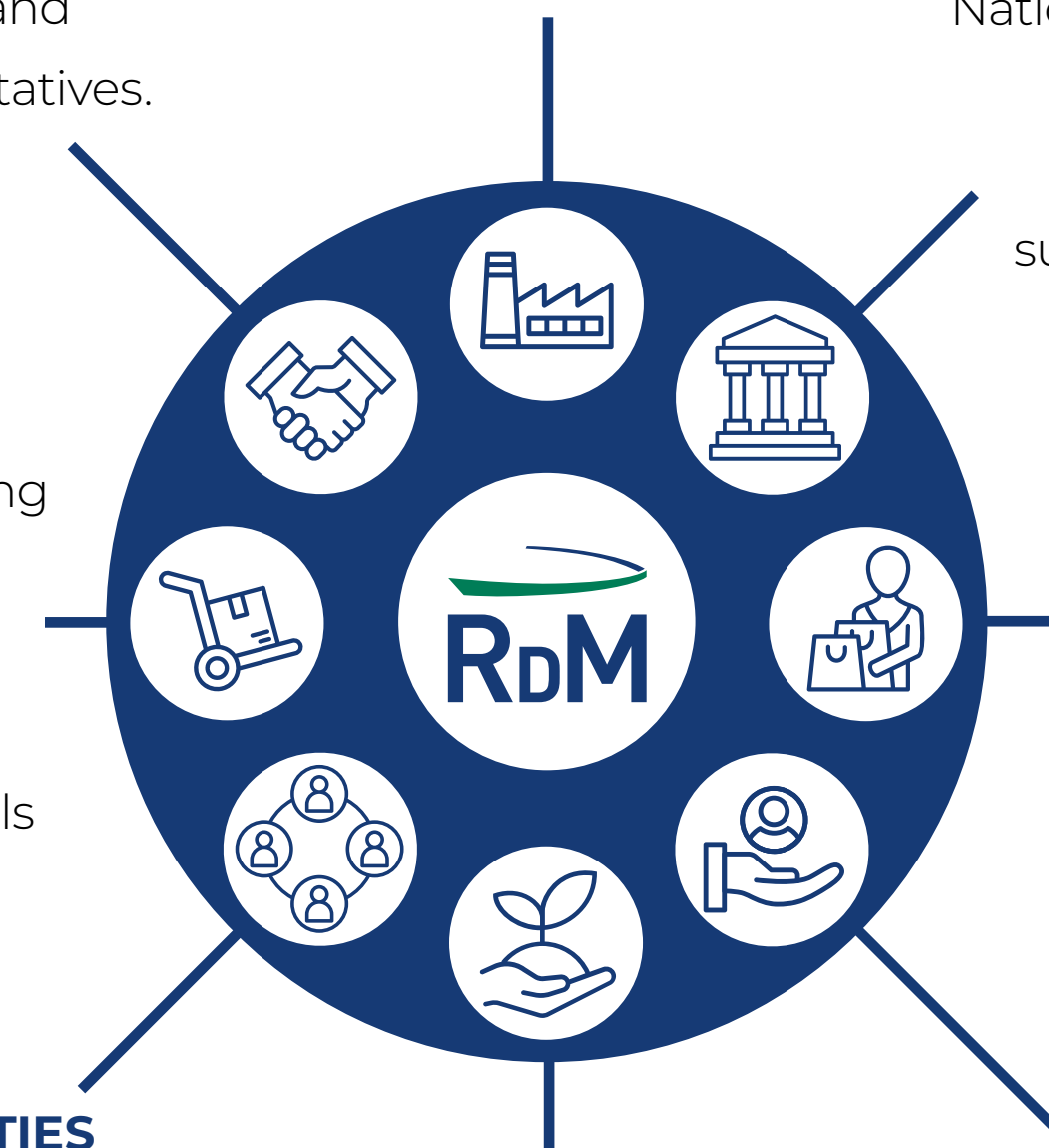
Citizens living in areas where the Group's facilities are located, families of employees, and collaborators.

### ENVIRONMENT AND FUTURE GENERATIONS

Entities focused on environmental protection and safeguarding the future, including environmental NGOs, scientific communities, universities, and youth groups.

### CUSTOMERS

Companies in the converting and printing sector, packaging factories, and other customers.





# MATERIALITY ANALYSIS

**At the heart of RDM Group's decision-making is the awareness that what we think and do affects others.**

The materiality analysis is an important tool for identifying and effectively managing actual and potential impacts of various material topics related to social, environmental, and governance aspects of the Company. In 2022, RDM Group undertook a reassessment of its materiality analysis. We identified 15 topics that inform the Company's broader strategic management and daily decision-making. These topics were identified using the process defined by the new GRI standards to adopt an inside-out perspective as the means to assess "impact materiality." By impact materiality we mean impacts from the inside-out perspective, considering significant current or potential impacts on the economy, environment and people related to an organization's activities, including upstream and downstream activities in its value chain.

MATERIAL TOPICS

Identification of each material topic required RDM Group to conduct a comprehensive analysis of actual and potential, positive and negative impacts of its activities. This analysis involved scrutinizing internal and external sources, leveraging inputs and insights from a spectrum of stakeholders, including experts, internal departments and functions, while also considering the broader context and industry landscape.

The assessment process was inclusive, featuring dedicated workshops and surveys with various stakeholders, such as key clients and suppliers, shareholders and RDM Group’s employees and top management. Participants evaluated the likely magnitude and probability of each topic, considering the current and potential impacts that RDM Group could have on the economy, environment and people, including impacts on human rights.

Topics were prioritized by combining the results of all stakeholders’ assessments. This resulted in the identification of 15 material topics, which were reviewed and validated by the Group’s CEO. The results of our

materiality assessment provide an important framework for the definition of the Company’s broader strategic management and daily decision-making.

The table on the right outlines the list of material topics emerging from the 2022 materiality assessment, organized into five relevant categories – people, governance, product, environment, and value chain. Position and trend indicators reflect adjustments made in 2023 compared to the previous reporting period. In 2023, the materiality assessment was revised with valuable insights from the CEO. More relevance has been given to the following material topics: digital transformation, product quality and innovation, and enterprise risk management. Conversely, the probability of impact on waste management was reduced, reflecting effective management at Group level. These shifts in the magnitude and probability for the aforementioned topics prompted changes in the ranking. The updated materiality assessment was submitted for preliminary review by the ESG Committee and subsequently approved by RDM Group’s Board of Directors on March 26, 2024.

Material topics emerging from the materiality assessment

Position	Category	Topic	Trend compared to 2022	Impact materiality		
1	Environment	Energy and climate change	—			
2	People	Employee health, safety and well-being	—			
3	Environment	Water withdrawal and discharge	—			
4	Value chain	Customer satisfaction	▲			
5	Product	Circular economy	▲			
6	Environment	Responsible waste management	▼			
7	Governance	Financial health	—			
8	Governance	Continuity of business operations	—			
9	People	Employee management and development	—			
10	Governance	Digital transformation	▲			
11	Product	Product quality and safety	▲			
12	People	Diversity, inclusion and equal opportunity	—			
13	Governance	Enterprise risk management	▲			
14	Governance	Compliance, ethics and business integrity	—			
15	Value chain	Responsible supply chain	—			

# CIRCULARITY

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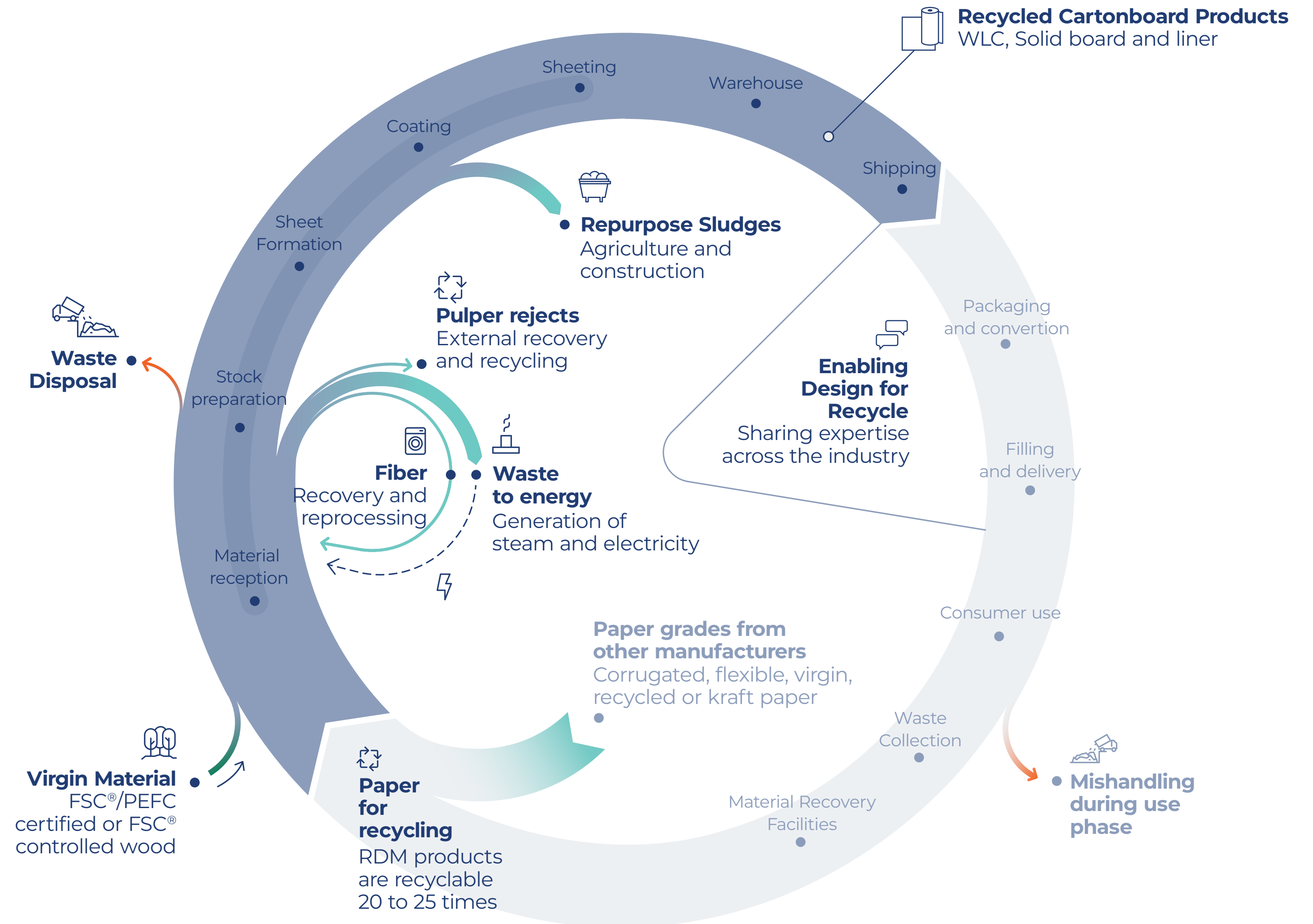
# BUSINESS MODEL

**RDM Group's business model is built on the principles of the circular economy, based on regenerative resources and circulating materials.**

At RDM Group we produce renewable, recyclable, and recycled cartonboard products. The production process starts by meticulously sourcing paper for recycling, blending it with a very small proportion of virgin pulp. Leveraging cutting-edge technologies, these raw materials are transformed into premium-quality recycled coated cartonboard. Whether rolled into reels for immediate dispatch or cut into sheets, our cartonboard serves predominantly the converting and printing sector, offering

eco-friendly packaging solutions. Once used, this fiber-based packaging can in turn be sent for recycling and find its way back to our mills as raw material.

Our commitment to circularity extends beyond product design, with stringent processes in place to cleanse and reincorporate fibers into the production cycle, ensuring optimal resource utilization throughout our operations. Of our remaining waste, 83% is sent for recovery.



# CIRCULAR ECONOMY

**RDM Group's commitment to the responsible management of resources extends to the entire value chain, both upstream and downstream.**

The circular economy model of production and consumption promotes responsible and efficient use of our planet's finite resources. As opposed to the linear "take-make-use-dispose" system, the circular model is a closed loop that minimizes the consumption of resources and eliminates waste by recycling spent materials. Promoting a culture of recycling and developing sustainable consumption patterns are vital for the success of the circular economy.

The circular economy's regenerative system can enhance and conserve material value, even when a product has served its purpose and come to the end of its useful life. In the fiber-based packaging industry, recycled products are leading the transition toward greater sustainability and circularity. In the European Union,

the fiber-based packaging sector has achieved a recycling rate of 82.5% (2021 Eurostat data). The goal is to reach 85% by 2030. But despite progress, challenges persist. High quality standards for waste separation during the collection phase are essential to meet the quality requirements of recycled materials. The business model RDM Group has adopted transforms paper for recycling into new cartonboard, giving fresh life to waste materials and creating a renewable product that can be easily recycled by consumers. This allows the cartonboard to be returned to the system to be made into new products over and over again.

Although it is best for cartonboard to be recycled after use, fiber-based board is biodegradable and has no detrimental impact if accidentally dispersed in the environment.

**According to a 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 properties. The researchers studied the strength, crush resistance and swelling capacity of recycled cartonboard.**

## 967,000 TONS OF PAPER RECYCLED IN 2023

Considering that the average European citizen produces about 76 kg of paper and cartonboard waste per year, and that the recycling rate of this material is 82.5% (2021 Eurostat data), RDM Group gave new life to paper for recycling generated by almost 16 million people in 2023.

This is more than the paper and cartonboard packaging waste generated by Sweden and Norway combined.



## THE CIRCULAR ECONOMY IN THE EU'S STRATEGY FOR SUSTAINABILITY

In March 2020, the European Commission approved the Circular Economy Action Plan as part of the European Green Deal, Europe's blueprint for the transition to a low-carbon economy. The new EU Packaging and Packaging Waste Regulation (PPWR) is set to standardize methods across the EU for managing and minimizing packaging waste. The aim is to increase the recycled content in packaging materials and improve designs to promote reusability and recycling. The PPWR presents both challenges and opportunities for the cartonboard industry. On the plus side, it will foster innovation and the adoption of circular-economy principles in product development. We believe packaging should be designed to be "fit for purpose," meaning it minimizes waste and promotes the recyclability of materials. Furthermore, the increasing focus on recyclability rates at scale is an advantage for fiber-based products like those in our portfolio.



In March 2023, the EU Commission put forward a proposal for a directive on green claims with the aim of protecting consumers from greenwashing and empowering them to make well-informed purchasing decisions. The directive seeks to make sure that such claims are reliable, comparable, and verifiable across the EU. We believe we have strong and substantiated evidence for green claims related to the recycled nature of our product, its recyclability, and the circularity of our process.



## RDM GROUP IS PART OF THE 4EVERGREEN ALLIANCE

4evergreen is a cross-industry alliance of over 100 members representing the entire life cycle of fiber-based packaging. It aims to support the development of new technological solutions through product innovation and design, as well as the development of adequate recycling infrastructure and collection systems. The alliance aims to increase awareness of the benefits of using fiber-based packaging and thus facilitate more environmentally friendly choices by consumers.

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

1. Recyclability evaluation protocol
2. "Circularity by design" guidelines
3. Guidelines for collection and sorting
4. Innovation

4evergreen's goal is to reach a 90% recycling rate for fiber-based packaging by 2030, higher than the official EU target of 85%.

# RESPONSIBLE SOURCING

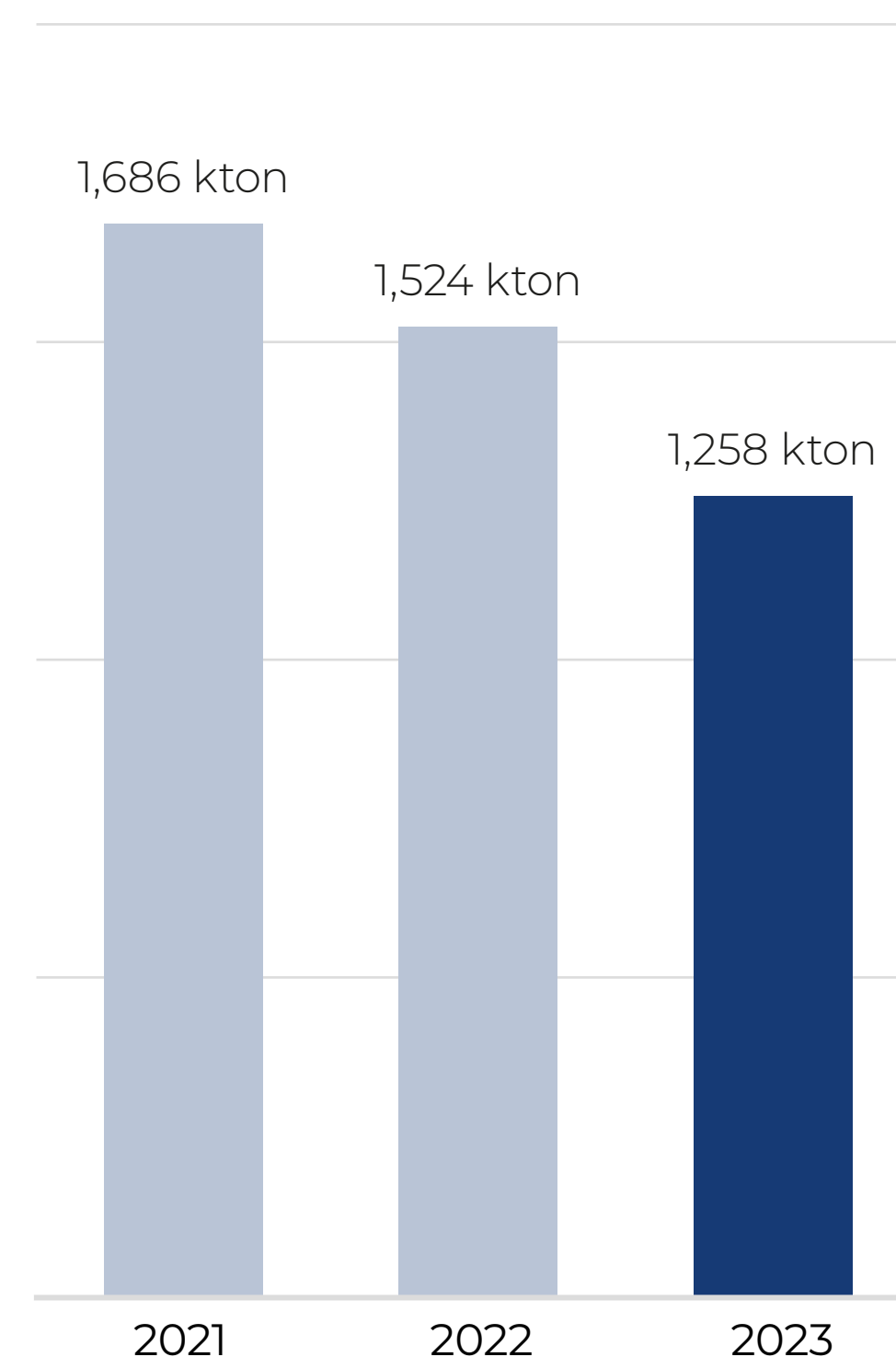
## RAW MATERIALS

Although recycled cartonboard may appear to be a simple product, its production involves intricate manufacturing processes, advanced production techniques, and the blending of fibers with other materials.

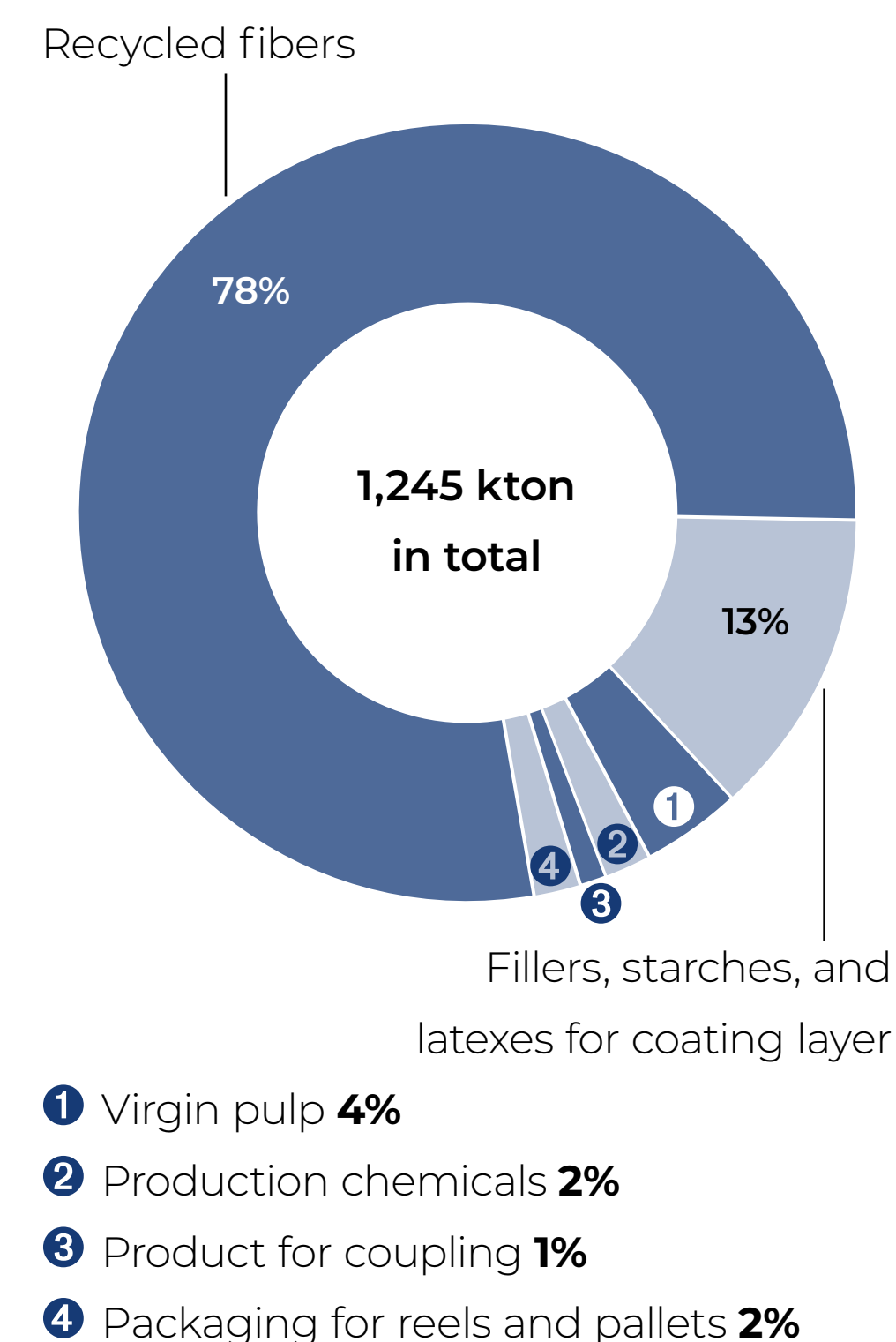
RDM Group is committed to sourcing the highest-quality recycled materials, which, combined with product quality procedures, ensures that all products meet technical and quality standards.

RDM Group mainly uses paper for recycling as its primary raw material, but the Company also purchases other materials such as chemicals and mineral fillers for the recipe and the coating. A small amount of virgin pulp is added to the mix as continuous recycling can cause cellulose fibers to lose some of their properties.

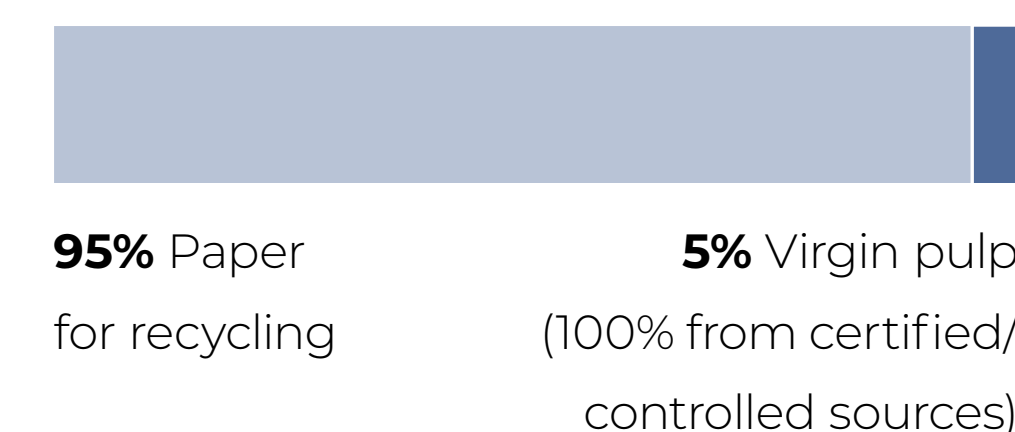
## TOTAL AMOUNT OF MATERIALS USED FOR PRODUCT AND PROCESS – All Group production units



## RAW MATERIALS USED PER TON OF CARTONBOARD SOLD IN 2023



## FIBERS USED FOR BOARD MANUFACTURING – ALL GROUP MILLS / 2023



Paper for recycling comes from:

- Post-consumer material: community and household recycling collection
- Post-industrial material: unprinted/printed production scrap collected from the converting and printing industry.

## RESPONSIBLE SOURCING

Our corporate purchasing function coordinates the work of category managers and buyers by setting purchasing standards for each product category.

This organizational approach aims to organize and optimize the purchasing of specific procurement categories, i.e., pigments, binders, starches, etc. Each category has its own sourcing strategy, which involves selecting and managing suppliers, negotiating contracts, and continuously improving processes to drive operational efficiency. This approach optimizes spending, mitigates the potential risk of shortages, better allocates volumes among mills, and builds stronger relationships with suppliers.

**RDM Group places great importance on responsible and transparent sourcing practices with reliable business partners who are aligned with our values.**

In supply contracts, the Group presents its expectations concerning integrity, which includes business activities that comply with the Code of Ethics, respect for human rights, and reduction of environmental impact. The Group reserves the right to terminate a business relationship

should it become aware of conduct that does not comply with the law or its Code of Ethics.

Depending on the product category, suppliers undergo a pre-qualification and qualification process that includes screening of specific social and environmental requirements. The Company also verifies that suppliers comply with the lawful hiring of workers and social-security obligations, and are not involved in any disputes regarding health and safety, the environment, or corruption. This screening includes service contractors.

All of the Group's virgin pulp suppliers must be FSC® or PEFC certified, or meet the FSC® controlled wood requirement. These standards are the most widely used in the industry. They ensure that the raw material comes from sustainable supply chains with a controlled chain of custody, with proper forest management and material traceability along the entire supply chain. Beyond guaranteeing environmental sustainability, the purchase of virgin pulp from FSC® or PEFC-certified sources also guarantees the respect of human and labor rights. The Group regularly undergoes external audits by independent certification bodies that verify that our management systems comply with the FSC® and PEFC chain of custody standards.

In addition to this screening, suppliers are subject to performance reviews. This is done through an internal survey that evaluates the level of satisfaction with the product or service, and the quality standards delivered.

The Group is currently enhancing its supplier qualification process as part of its sustainability plan. The objective is to assess 100% of key suppliers according to ESG criteria for all relevant product categories by 2025. To achieve this, a cross-functional team from the procurement, sustainability, and enterprise risk management departments is collaborating to establish essential selection criteria and screening protocols. The aim of this initiative is to improve supplier transparency and accountability, and to promote bolder sustainable business practices across the Company's supply chain.

Nearly all our suppliers are located in countries that are considered low risk for human rights violations, based on both the annual Freedom in the World 2023 report by Freedom House and The State of the World's Human Rights 2022/23 report by Amnesty International.

**“Responsible sourcing is an essential practice that generates value for our stakeholders. It protects the integrity of our supply chain, reduces risk, and ultimately strengthens our resilience.”**



**Guido Vigorelli**  
Chief Procurement  
Officer

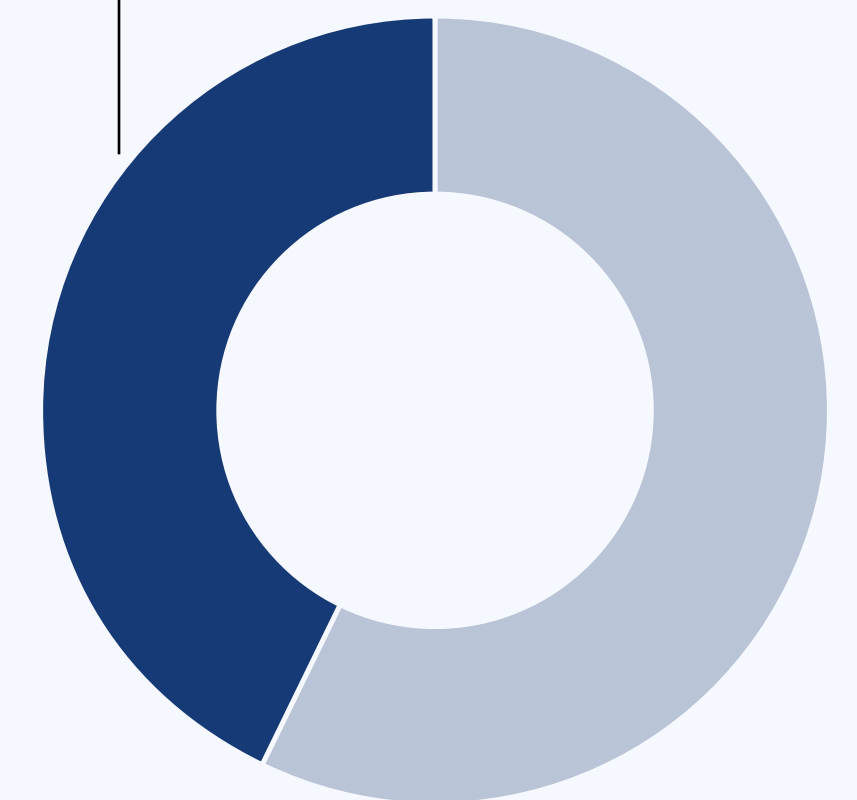
# RDM

## NEW RELEVANT SUPPLIERS UNDERGOING SOCIAL AND/OR ENVIRONMENTAL SCREENING

All Group companies/2023

### 190 new suppliers

**43%** of new suppliers are undergoing social and/or environmental screening (82 out of 190 new suppliers)



New suppliers are those entities the Group purchased from for the first time in 2023 in an amount equal to or greater than €5,000. Suppliers of non-strategic product categories are excluded.

# PRODUCTS AND INNOVATION

## BUSINESS AREAS

**WHITE-LINED CHIPBOARD (WLC):** recycled coated cartonboard for packaging made of recycled fibers. Finished products come in reels or sheets cut to customer size.

### THREE PRODUCT SEGMENTS

**1. LINER:** coated cartonboard with grey back and low grammage (140 to 250 grams per m<sup>3</sup>). It is converted in combination with other paper to manufacture packaging requiring high-quality printing.

**2. GD/GT:** multi-layer coated cartonboard with grey, white, manilla or kraft back (240 to 500 grams per m<sup>3</sup>) used as sole material for end-user packaging requiring excellent printability and strength.

**3. COATED CARTONBOARD:** cartonboard with extruded thin polyethylene layer for protection against moisture ingress and moist content protection within the cartonboard.

### MARKETS

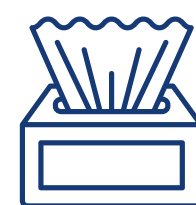
WLC serves a broad range of end-use segments such as:



Food packaging



Cleaning



Personal care

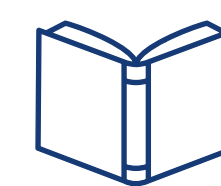


Home appliances

**SOLID BOARD:** recycled cartonboard in high grammages and thicknesses well-suited for specialty products, luxury packaging, and the publishing market. Finished products only come in sheets.

### MARKETS

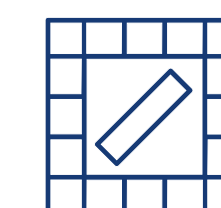
Solid board serves a broad range of end-use segments such as:



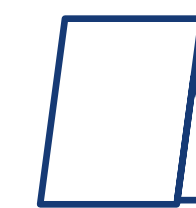
Bookbinding



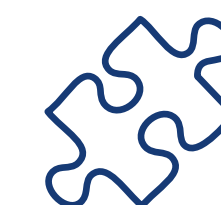
Luxury packaging



Games



Displays



Puzzles



Stationery



## PRODUCT DEVELOPMENT AND INNOVATION

The packaging industry is undergoing a substantial transformation, and RDM Group is at the forefront of this evolution. Through a commitment to innovation and product development, the Company is actively pursuing ways to strengthen its product portfolio, with a focus on renewable, recyclable, and recycled solutions that align with sustainability goals.

Recycled cartonboard was once viewed as a commodity material, but a notable shift is underway. The packaging industry is no longer just about protecting and presenting products, but also about renewable and recyclable solutions that can meet society's needs.

As environmental awareness spreads among consumers, the demand for environmentally friendly and easily recyclable packaging is greater than ever. Recycled cartonboard holds potential for enhancing customer experience and their needs for sustainable solutions. By extending its presence across the entire value chain, from packaging conversion technologies to brand owners and households, the Group aims to remain closely connected and ensure its products meet evolving market demands.



The recycled cartonboard industry faces challenges and opportunities, stemming from both consumers and regulators. This includes:

- plastic substitution and advancing new barrier technologies
- elevated safety standards for food contact materials
- cartonboard capable of withstanding various climate storing conditions, from high humidity to freezing
- e-commerce rise requiring low carbon footprint packaging
- excellent printability features

Cartonboard has emerged as a promising alternative to selected plastic packaging. RDM Group intends to meet the challenges of this demand by investing in the development of new barrier solutions that are fully integrated with the fiber-based material structure of cartonboard. These innovations will be designed to preserve the recyclability of the fiber-based product.

To achieve this, RDM Group engages with clients and works closely with suppliers to find new solutions to enhance barrier properties in ways that preserve the circularity of products. Currently, plastic-based solutions are the primary application used in introducing barrier properties in cartonboard packaging materials. However, research is underway to find innovative bio-based solutions. Overall, there are a range of options available to develop sustainable barrier coatings.

Another focal point of RDM Group's innovation efforts is the development of lightweight cartonboard, which would reduce the weight of the material while maintaining performance and

functionality. A lightweight product would also have a lower impact on the environment, using fewer resources and saving on transportation costs. To do this, RDM Group is improving its "board recipe" and structural design, and is strengthening relationships with universities and external research centers.

The Group has taken a proactive and transparent approach to innovation for many years. This has involved collaborating with trade associations, food safety authorities, and other stakeholders, including coating and ink manufacturers and entities in the printing and converting industry. Collaboration and transparency are essential elements for driving innovation in this evolving landscape.

## ESKA PURE

Eska Pure is a mass-dyed premium solid board made from 100% recycled fibers. It comes in five subtle colors: ivory, grey, black, green, and anthracite.

This collection is uniquely untainted, unspoiled, and largely unrivalled in the premium packaging sector. Soft to the touch, slightly textured and naturally beautiful, Eska Pure can be directly printed on and offers infinite creative possibilities.



## GOLD AWARD FOR INNOVATION IN SUSTAINABLE CARTONBOARD PACKAGING

RDM Group was the proud recipient of the prestigious Gold Award for innovation in sustainable cartonboard packaging at the Congress of the European Carton Makers Association in Seville in September 2023. The Valdo Ice Box, a collaboration between RDM Group, Artigrafiche Reggiane & Lai (AGR Group), and Stora Enso, was lauded for its inventive design.

The box securely holds four miniature Valdo prosecco bottles and transforms into an elegant ice bucket. Crafted from Vincicoat gsm 400, a water-resistant cartonboard, the packaging is recyclable and reusable, aligning with sustainability

principles. Additionally, it features 100% FSC®-certified cartonboard, which is plastic free.

Pre-assembled with a handle, it adds sophistication to special occasions or can serve as a focal point for celebratory gatherings.



# CARTONBOARD: THE SUSTAINABLE, FULLY RECYCLABLE PACKAGING OF CHOICE

**“CONSUMERS WANT MORE SUSTAINABLE CHOICES WHEN IT COMES TO PACKAGING”**



Every year, Europeans discard 16.1 million tonnes<sup>1</sup> of plastic packaging, from the clingfilm used to wrap fresh produce in supermarkets to the bubble wrap protecting electronic consumer goods. Only one-third<sup>2</sup> of this is recycled. The rest ends up in landfill, incinerators, or often in our rivers and seas, where it poses a growing threat to marine and terrestrial life and to human health.

The EU is determined to reduce plastic waste. Replacing plastics with sustainable alternatives represents a huge opportunity for the cartonboard industry, but one that requires innovation and collaboration.

Some of the challenge is technical. For cartonboard to replace plastic, it must match its strength, durability, and impermeability, and it will have to be engineered to withstand extremes of humidity and temperature. Innovations are also required to give cartonboard new barrier functionalities to prevent oil, grease, and liquids from seeping out –

or in. For the food industry, it will be vital to find a sustainable alternative to fossil fuel-based plastics that protect fresh or frozen produce from contamination, and which preserve the fragrance and volatile compounds that give fruit and vegetables their distinct aromas. Our prototype packaging for fresh tomatoes, for example, meets one further requirement: that the cartonboard packaging is attractive enough to appeal to the consumer.

All these solutions require new partnerships with researchers, designers, marketing experts, brand owners, and end users. Collaboration and transparency will provide the key to effective material innovation.

Consumers want more sustainable choices when it comes to packaging. At RDM, we are laying the groundwork to make cartonboard the sustainable, fully recyclable packaging of choice.

<sup>1</sup> [ec.europa.eu](https://ec.europa.eu) | <sup>2</sup> [impact.economist.com](https://impact.economist.com)

# PRODUCT QUALITY MANAGEMENT

## PRODUCT SAFETY AND QUALITY

Quality is of the utmost importance to RDM Group and the key to maintaining its reputation as a trusted provider of high-quality cartonboard products. Our quality-control and technical customer service teams are responsible for monitoring and refining quality-control processes to deliver an excellent customer service with products that are safe, reliable, and of the highest quality. All RDM Group production facilities meet ISO 9001 quality management system standards that certify a systematic approach to establishing and maintaining quality, customer focus, and continuous improvement.

Quality is crucial when it comes to food safety and the Group follows a rigorous quality-control process that

complies with safety regulations for food contact materials. This process is in place to protect the final product for the consumer. A monitoring system ensures the quality and food-safety requirements are met at all stages of the production cycle, from procurement and manufacturing to shipping. It also includes developing new methods for monitoring incoming raw materials and improving material sorting to better identify potential contaminants. In 2023, there were zero recalls or withdrawals from the market due to food safety risks.

RDM Group complies with legislation that protects the health of workers, customers, and the environment, including EU Regulation No. 1907/2006 REACH, which guarantees that

substances suspected as carcinogenic, mutagenic, toxic for reproduction, PBT (persistent, bioaccumulative and toxic), or vPvB (very persistent and very bioaccumulative) are well below the legally permitted concentrations.

RDM Group's quality-control teams conduct rigorous checks with advanced testing and inspection techniques to identify any defects, inconsistencies, or potential hazards that could compromise the quality of its products. In the event that a customer encounters an issue with a product, the Technical Customer Service team works closely with them to understand their needs and provide technical assistance.



## STEPS OF QUALITY-CONTROL PROCESS

### 01. ANALYSIS AND CONTROL OF RAW MATERIALS

Analyses are performed on raw materials, including specific control checks for pollutants or biological contaminants, and to detect and mitigate potential inorganic contaminants.

### 02. TREATMENT AND CLEANING OF RAW MATERIALS

This phase is designed to ensure that the cartonboard intended for food applications, under normal or foreseeable conditions of use, does not transfer elements in quantities that may constitute a danger to human health or deteriorate the organoleptic properties of the food.

### 03. 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.

### 04. VERIFICATION OF SUITABILITY FOR STORAGE AND TRANSPORT

Suitability checks are conducted on materials used for product packaging to ensure products maintain quality throughout distribution and up to delivery.

### 05. CERTIFICATION AND COMPLIANCE

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

### 06. TRANSPARENCY

Customers can verify the compliance of products before making purchasing decisions. The Company provides customers with all necessary product safety information through declarations of conformity.

## QUALITY MANAGEMENT SYSTEM

RDM Group’s quality management system is designed for swift and efficient resolution of critical issues, prompt diagnostics, and corrective actions. This is done through a set of processes and procedures designed to ensure that an organization’s products meet customer requirements and expectations.

RDM Group collects and manages feedback on quality and customer satisfaction. It also tracks, documents, and manages all reports of complaints. By analyzing feedback and conducting root cause analyses, the Technical Customer Service team identifies areas for improvement and implements corrective measures.

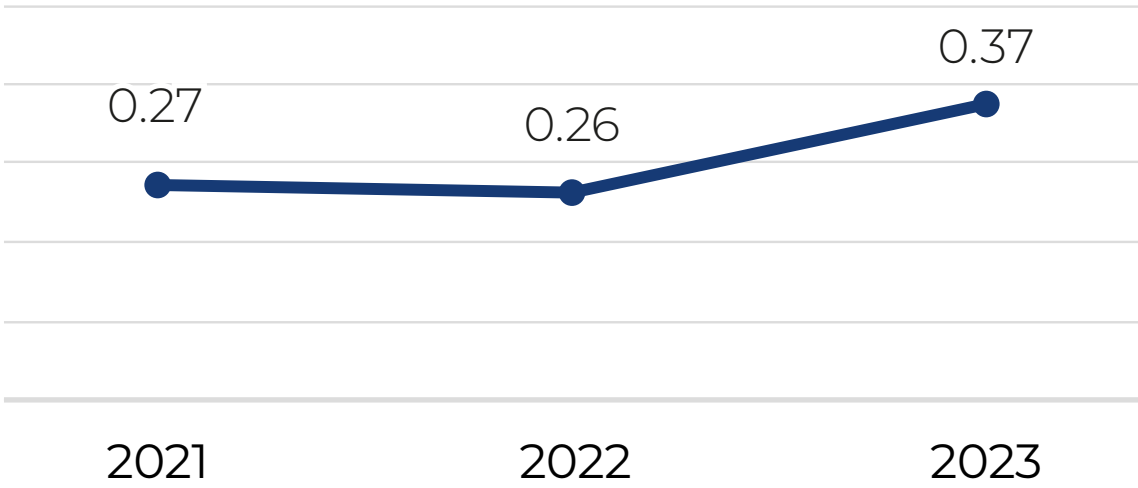
Maintaining open and transparent communication with clients, and keeping them informed of internal actions in response to their feedback, is a fundamental part of how the Company improves its products and services.

## COMPLAINTS

Saturated market conditions have led to customers having a wide range of sourcing possibilities for packaging materials resulting in higher product quality expectations.

Disappointingly, RDM Group’s complaints intensity ratio (total number of complaints on net salable production) saw an increase in 2023, compared to 2022. Production standstills were contributing to the quality performance, affecting both product characteristics and service delivery. The Group is committed to reversing this trend by bolstering quality management efforts. To this end, the digital transformation of our Technical Customer Service (TCS) department is expected to yield significant improvements in our claim management process, enhancing the efficiency and uniformity of claim handling. In the second half of 2023 we established a new governance of product quality network to focus on consistent multi-mill specifications across the group.

## NUMBER OF COMPLAINTS PER 100 TONS OF NET SALABLE PRODUCTION





# CUSTOMER SATISFACTION

**RDM Group believes that building strong relationships with its customers is key to business growth.**

Fostering and maintaining a dialogue with customers is an ongoing process that requires active listening and continuous engagement. The Group’s sales team is always available and responsive to customer needs and looks for ways to improve the products and services provided based on feedback.

Alongside direct communication with the sales representatives, RDM Group conducts biannual surveys aimed at understanding customer needs and expectations through a mix of quantitative and qualitative inquiries. These surveys seek to capture both transactional and relational feedback, assess operational performance and customer experience, and delve into sustainability and

innovation sentiments. The results of the surveys help to leverage strategic conversations with customers and drive initiatives in product development and the sustainability agenda.

The latest survey revealed positive and improved feedback regarding advocacy and overall service levels. The results indicated an increase in overall customer rating, showcasing improvements in various aspects of customer service and relationship.

Customers contacted	856
Response rate	55%
Overall positive customer rating	7.61/10*

\*7.45 in 2022 survey



**“At RDM Group, we believe in the pivotal role of sustainability in driving customer satisfaction. By investing in sustainable practices, we not only fulfill our ethical obligations, but also lay the foundation for lasting relationships with our clients.”**



**Pierre-Yves Corbière**  
Chief Commercial Officer

# ENVIRONMENT

**31 ENERGY AND EMISSIONS**

**36 WASTE MANAGEMENT**

**41 WATER STEWARDSHIP**



Fiskeby AB, newly acquired  
mill in July 2023

# ENERGY AND EMISSIONS

## ENERGY

The paper industry is an energy-intensive sector that requires large amounts of both electric and thermal energy. The manufacturing process uses this energy to dry the cartonboard sheets quickly, reducing the water content from 99% to about 7% in less than two minutes.

While efficient resource management is crucial from both an economic and environmental standpoint, RDM Group acknowledges the impacts of its operations, including those that arise from using fossil fuels. Thus, it pays careful attention to mitigating its environmental impact.

The Group's energy policy seeks to optimize efficiency by using state-of-the-art steam equipment. Most of our mills

have energy cogeneration plants that use the most advanced energy-conversion technologies to produce heat and power. Thanks to the effective recovery of heat, the yields of both electricity and steam obtained in the power plants are far higher than those required by European Directive No. 2004/8/CE on the promotion of cogeneration.

The cogeneration plants undergo regular performance checks by government agencies, according to procedures established by European institutions. The Group's power plants use natural gas, with a few exceptions. At the Arnsberg mill in Germany, a fuel switch project is in the works that will replace coal with natural gas and install a new high-efficiency cogeneration plant.



In Hoogezand, Netherlands, and the newly-acquired Fiskeby mill in Sweden, waste-to-energy (WTE) plants produce thermal energy from “refuse derived fuel” (RDF). This RDF is derived from the in-house pulping of paper for recycling. Part of the pulper waste generated onsite – which has a biomass component of nearly 50% – is burned to generate the steam needed in production. This process enables the saving of approximately 27,000 tons of CO<sub>2</sub>, representing emissions from biogenic sources.

Furthermore, some of the residue from the WTE plants, which is composed of different types of ash, is reused in concrete flooring and the rest is properly disposed of in accordance with national environmental laws. WTE plants are an effective solution for RDM Group and the entire recycled fiber sector, addressing two important environmental issues: energy production and waste management.

The installation of two new gas-fired boilers and an electric boiler (e-boiler) at Hoogezand mill in the Netherlands, which became fully operational in 2023,

resulted in notable improvements to energy efficiency. The e-boiler is considered a strategic asset as it runs on surplus green electricity from the grid and acts as a “buffer” for the national grid. Electrification using renewable energy sources can significantly reduce the carbon footprint of manufacturing processes.

A new gas-fired cogeneration plant at the Ovaro mill, completed in October 2022, began operating at expected efficiency levels in 2023. It represents a major investment by the Group to modernize the mill, increase efficiency, and reduce emissions and water withdrawals.

In early 2023, the Group began replacing an existing cogeneration facility at its Barcelona plant. The Company is building a new plant that is better tailored to the energy needs of the production process, which will reduce the amount of excess electricity currently supplied to the national grid. The plant is expected to be finalized in April 2024.

In some of our mills, internally generated electricity is supplemented, where necessary, with power purchased from the national grid. In 2023, the Group purchased 292,000 MWh of electricity from the grid, of which 16% was purchased by Fiskeby, Sweden, and is certified from renewable sources, corresponding to 3,058 tons of avoided CO<sub>2</sub> emissions.

Facing adverse market conditions in 2023, the Group opted not to purchase additional certified green electricity at its other mills. Despite a steadfast commitment to environmental responsibility, this decision highlights the Group’s need to strike a balance between sustainability objectives and financial prudence. Looking ahead, the Group is working on medium- to long-term Power Purchase Agreements (PPA) to source certified green electricity. In 2024, the Group is planning to purchase certified renewable electricity for its Spanish, Dutch, and Swedish operations.

The refurbishment of the hydroelectric station in Arnsberg was completed in 2023 and its zero-emissions energy is fed to the grid.



Liquefied petroleum gas (LPG), propane, and diesel are also used for internal material transport and handling. In 2023, consumption of these fuels remained unchanged compared with previous years.

Energy intensity increased by 4% compared with 2022. This was mainly due to commercial standstills and the interruption of business at the Blendecques and Villa Santa Lucia mills, which caused undesirable inefficiencies from an energy standpoint.

ENERGY MANAGEMENT

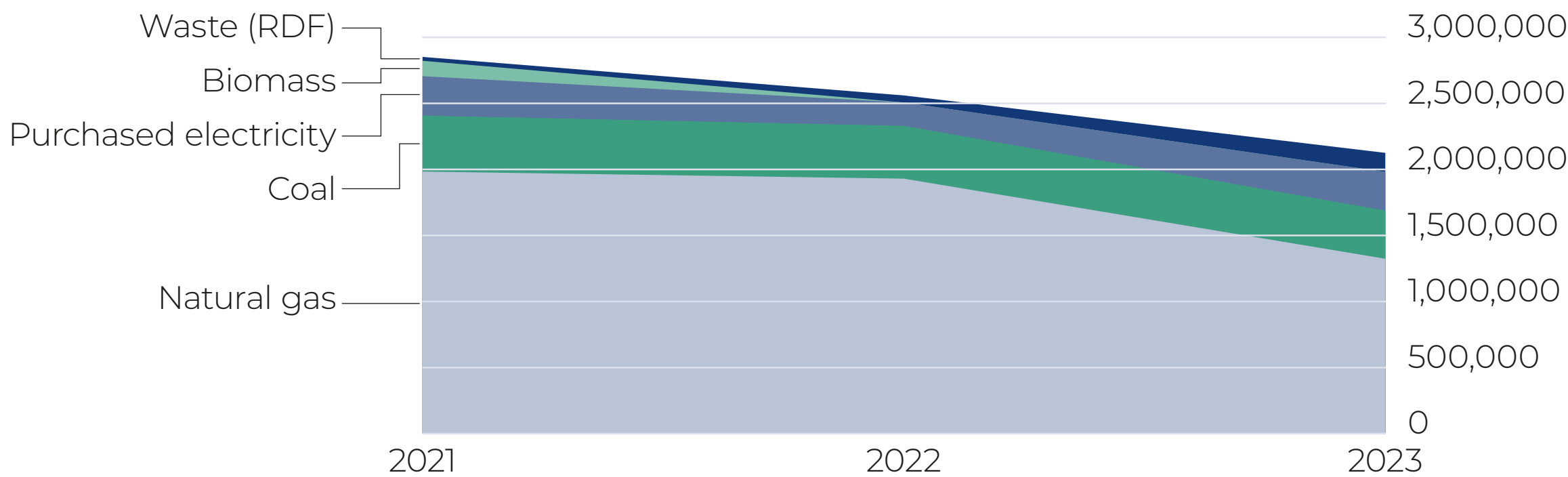
RDM Group is constantly working to improve the energy performance of its mills.

Certified management systems are an essential tool for managing energy resources and optimizing costs, and eight of the Group’s board mills hold ISO 50001 certifications. The headquarters in Milan also has a certification. The Group aims to extend this standard to all of its mills.

RDM Group cooperates with national-grid balancing systems to ensure the uninterrupted national supply of electricity and natural gas. The mills comply with regulations that contemplate the possibility of reducing power consumption in the event of an imbalance in the system, such as during periods of spikes in demand. By participating in these efforts, the Group helps to maintain a stable and resilient national supply of electricity and natural gas, benefitting both the business and the wider community.

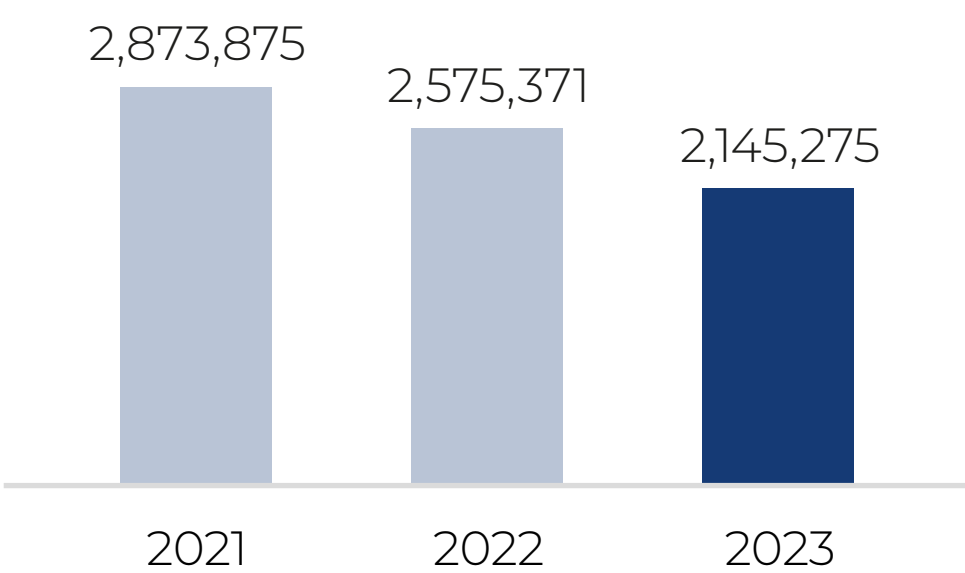
Between 2021 and 2023, RDM Group supplied about 620 MWh of electricity to national grids, with the majority (92%) being supplied to the Spanish national grid. Influenced by government incentive programs, local power plants were intentionally designed to generate excess electricity beyond the mills’ requirements. However, with the reversal of this governmental strategy, we expect to reduce the amount of electricity supplied to the grid.

MAIN ENERGY SOURCES BY TYPE (MWh) – all Group production units

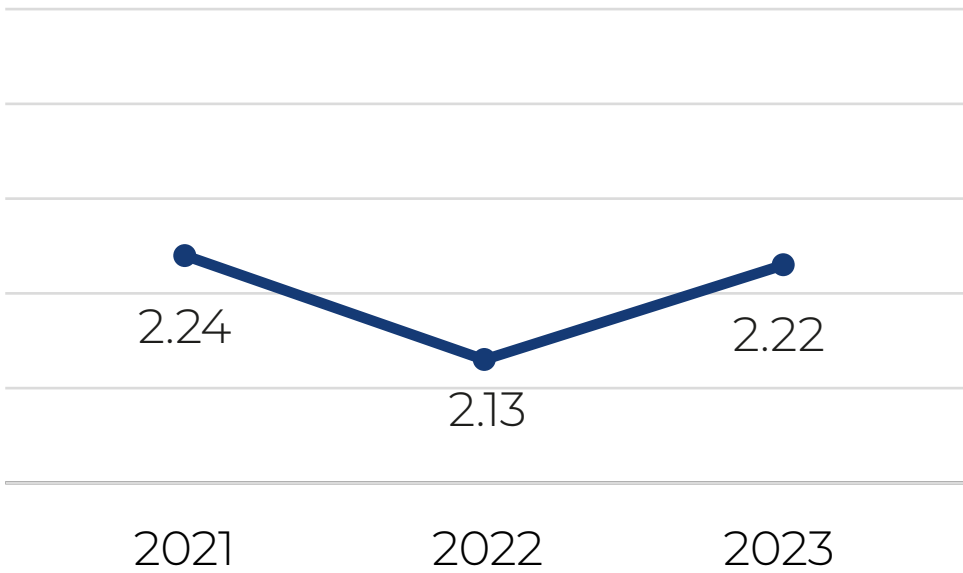


ENERGY PERFORMANCE – all Group production units

Total energy consumption (MWh)



Energy intensity (MWh/tons)



ELECTRICITY SUPPLIED TO NATIONAL GRIDS (MWh)



**As part of the 2020-2030 Sustainability Plan, RDM Group's goal is to reduce its Scope 1 and Scope 2 CO<sub>2</sub> equivalent emissions per ton of net salable production by 30% by 2030.**



## EMISSIONS

The paper industry's energy consumption generates emissions and pollutants. At the beginning of 2021, RDM Group committed to a long-term goal of reducing the greenhouse gas (GHG) emissions of its operations.

To achieve this aim, RDM Group has invested in high-efficiency technologies to improve the performance of existing plants and in energy sources that have a lower environmental impact.

All mills are part of the EU Emissions Trading System (EU ETS), which allows manufacturers to purchase carbon credits for their greenhouse gas emissions. The EU uses the income from carbon credits to fund initiatives that reduce emissions.

Although the Group's overall Scope 1 and Scope 2 emissions decreased by 11% in 2023, compared to 2022, its carbon intensity increased by 11%. Production standstills and business interruptions significantly affected

energy and carbon intensity KPIs.

During production halts, machinery and equipment are left idle, yet they still consume energy in standby mode and for maintenance or periodic testing. Restarting production after a standstill requires a higher energy input to reestablish operating temperatures and conditions, leading to inefficiencies as systems do not immediately operate at peak efficiency.

The use of renewable materials in the manufacturing process allows RDM Group to make a significant contribution to the green economy. Fiber-based products are able to store CO<sub>2</sub> (carbon storage) thanks to the natural growth process of forests and plants. Carbon dioxide is therefore incorporated into recycled products, which contributes to the circular process of fiber recovery and recycling. With cellulose-based products, the Company offers customers and end consumers sustainable alternatives with an enhanced environmental performance, compared to products made with fossil fuels or non-renewable materials.

**“In recognition of the urgent environmental challenges confronting our world, we pledge to conscientiously manage crucial resources, including energy, with a keen focus on responsibility. We are committed to implementing efficiency and sustainable management practices to further contribute to the well-being of our planet.”**



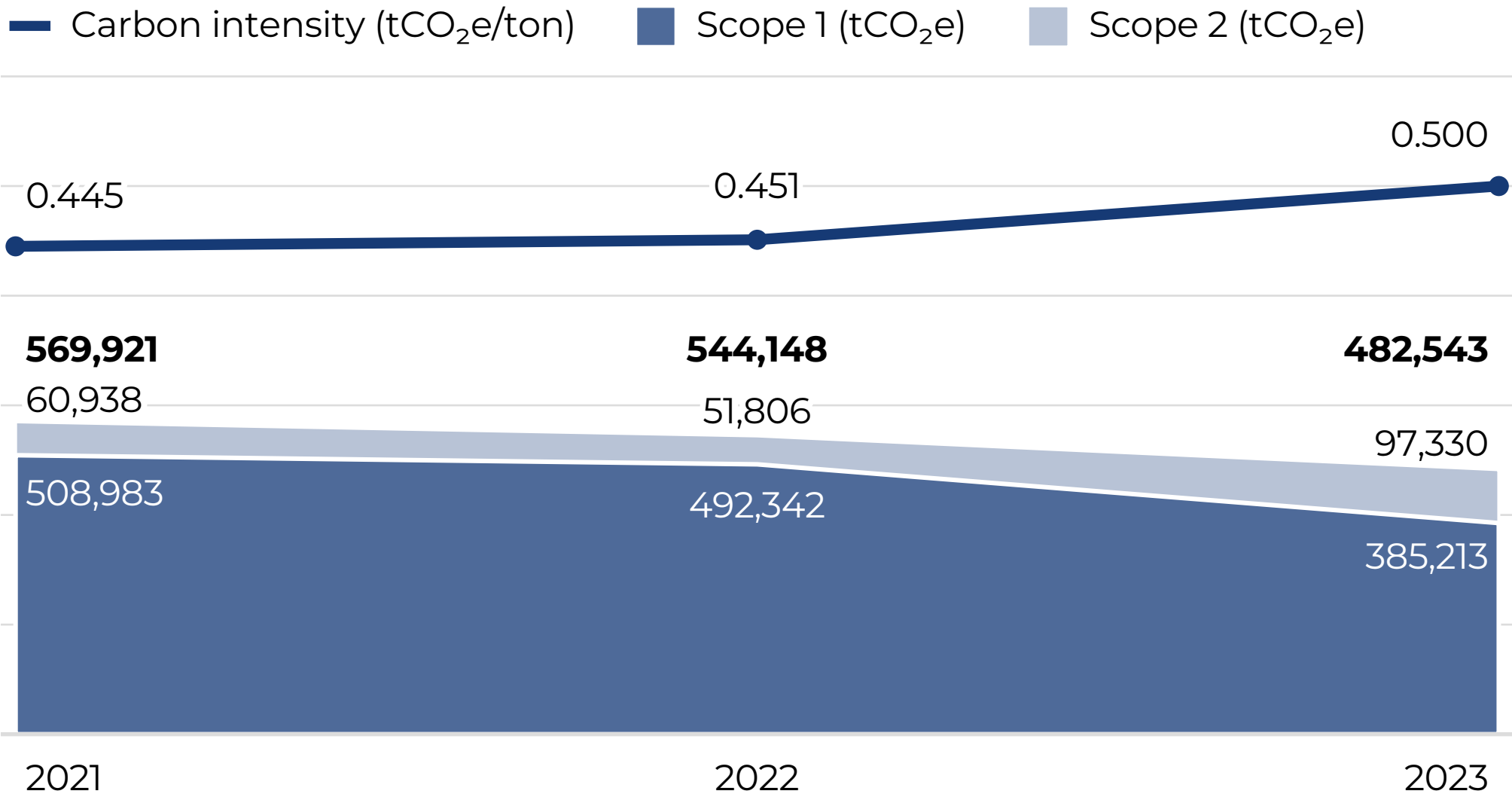
**Gianluca Scaglioni**  
Chief Operating  
Officer

Some of the emissions generated by the Company's processes, such as sulfur oxides (SO<sub>x</sub>), nitrogen oxides (NO<sub>x</sub>), and particles, can directly affect air quality and are therefore subject to strict limits by environmental protection authorities. In 2023, SO<sub>x</sub> emissions increased as a result of the Group having to source a different quality of coal for our mill at Arnsberg, once imports from Russia were banned.

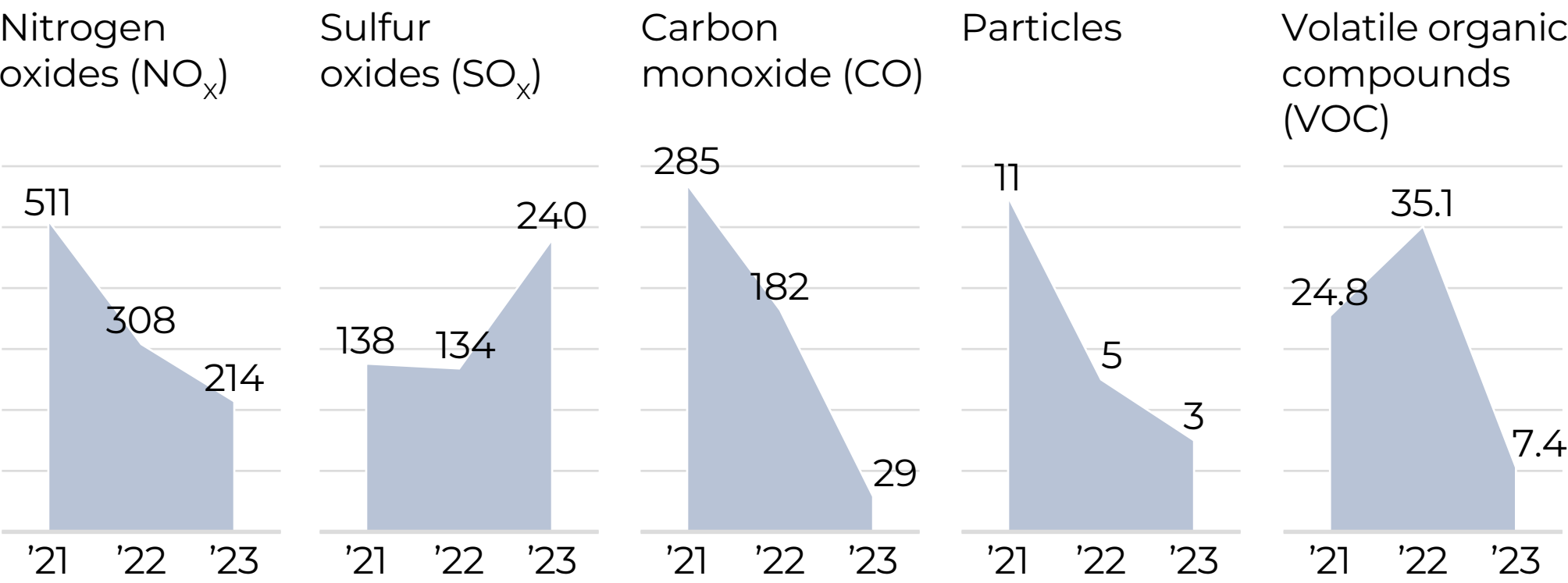
RDM Group monitors all atmospheric emissions and ensures they are legally compliant in the countries where it operates.

In 2023, NO<sub>x</sub> and carbon monoxide emissions significantly decreased compared with 2022, due to the use of more efficient energy equipment (for example, the new cogeneration plant in Ovaro), but also because of the halt in operations in Villa Santa Lucia. With new investments, such as the new power plant in Barcelona, we expect a further reduction in emissions over the years.

DIRECT AND INDIRECT GREENHOUSE GAS EMISSIONS



OTHER ATMOSPHERIC EMISSIONS (t)



The figures are derived from both continuous measurement systems and occasional measurements. They refer to emissions from paper production and exclude those related to the electricity supplied to the grid.



As part of the 2020-2030 Sustainability Plan, RDM Group aims to increase the amount of waste sent for recovery from 73% (2020 baseline) to 90%. In 2023, 83% of waste was sent to recovery, thanks to the higher quality of waste generated by the mills, the stronger collaboration with waste-management partners, and the exploration of alternative uses for waste other than disposal. The acquisition of the Swedish mill contributed to this progress, as nearly all the waste it generates is directed towards recovery. Finally, a significant reduction of waste related to the post-fire reconstruction in Blendecques compared to 2022 also contributed to the improvement of this KPI.

Another goal for RDM Group is to reduce its waste intensity of production by 20% by 2030, compared to a 2020 baseline, measured as the total amount of waste generated per ton of net salable production. In 2023, the Company's waste intensity increased by 12%, from 181 kg/t (baseline 2020) to 202 kg/t. This was due to the reconstruction of a sheeting department and warehouse that were damaged by a fire at Blendecques in

March 2022. In addition, the Fiskeby mill uses raw materials that generate more waste than other mills within the Group, which has further contributed to this increase. The Group is actively working to reverse this trend and achieve a steady decrease in waste generation.



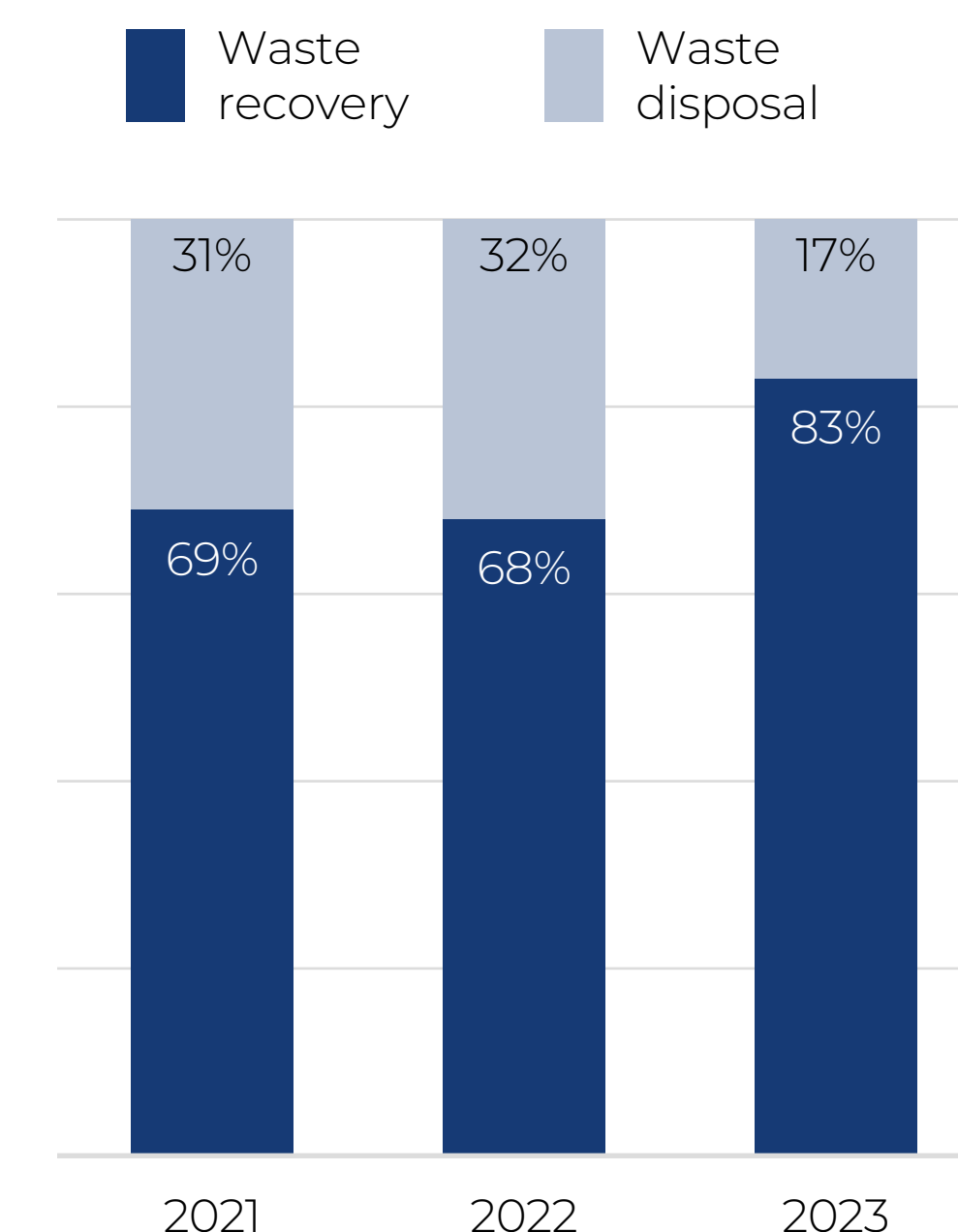
# WASTE MANAGEMENT

**RDM Group's vision of a circular economy places great importance on responsible waste management, which involves minimizing waste generation, maximizing waste recovery, and ensuring the efficient use of all materials.**

Nearly all the waste generated by RDM Group – 99% – is non-hazardous. It consists of fibers that can no longer be recycled, as well as plastic, glass, sand, and metals that are separated from paper for recycling before the latter is converted into cartonboard. RDM Group uses cutting-edge technologies to eliminate all these non-fibrous impurities from the raw material mix.

Moreover, by optimizing the cleaning process through industrial washing machines, the Group is able to recover more usable fiber from its rejects. This process has reduced the fiber in pulper

## WASTE PER DESTINATION



waste from approximately 20% to 5% of the total volume. Along with fiber recovery, this process optimization brings additional benefits such as raw material optimization and waste reduction. The Group is committed to extending the use of this technology to all its mills to achieve its 2030 target of 90% of waste sent for recovery.

In Paprinsa, Spain, we are planning to install a bale press that will reduce the water content in pulper waste. A higher dry content will decrease the volume of pulper waste by an estimated 10% to 15%. This reduction is expected to lead to decreased waste management and logistics costs. The equipment is expected to be installed in the third quarter of 2024.

In addition, the waste-to-energy plants in Eska Hoogezand, Netherlands, and Fiskeby, Sweden, have enabled the diversion of about 22,000 tons of waste from landfills and other types of disposal destinations. This waste stream becomes refuse-derived fuel that is used in in-house waste-to-energy plants to generate steam and electricity. This solution represents a best practice in

waste management for the pulp and paper industry.

Being part of a sustainable and circular system means establishing relationships with other actors able to make use of our waste as raw material in their own production processes. This approach holds potential benefits for both the environment and the economy by reducing waste otherwise destined for landfill.

We have established successful instances of industrial symbiosis with the construction industry, by sending fly ash, a by-product of combustion in waste-to-energy plants, for road building. Fly ash, as well as sludges, can also be used in agriculture as fertilizer or for soil improvement. The Company is engaged in efforts to establish new partnerships focused on promoting recycling as the preferred method of waste management.

WASTE MANAGEMENT PRACTICES

The Group carefully selects raw materials from the outset to limit the amount of undesirable waste in the production process.

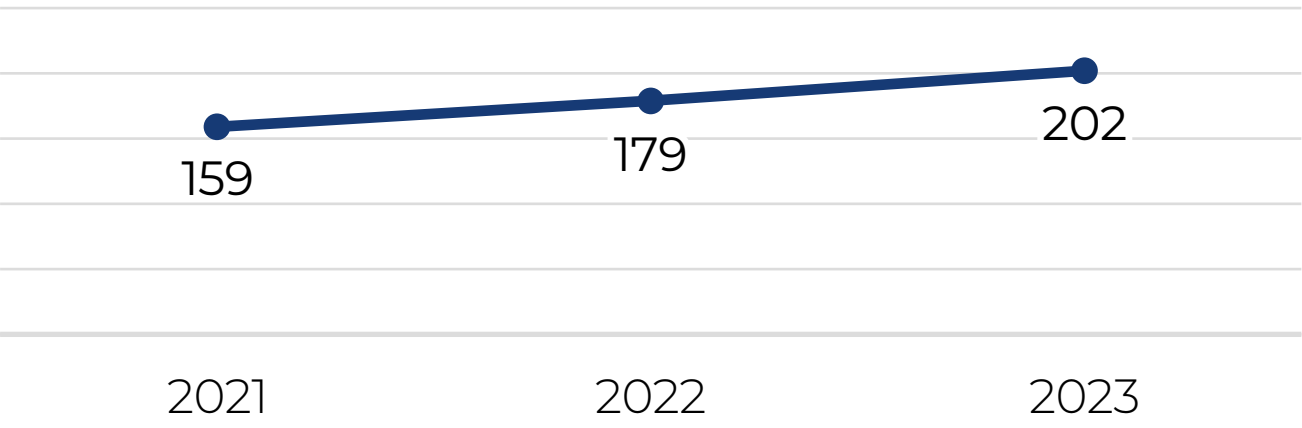
The amount of waste generated by board mills depends largely on the quality of the incoming raw materials, which in turn is the result of an efficient paper and paperboard collection system. Therefore RDM Group, alongside national consortia for the recovery and recycling of fiber-based packaging, promotes waste sorting to ensure the availability of good-quality paper for recycling.

RDM Group makes sure that all of the waste generated within its facilities is safely handled and processed in accordance with applicable regulations and best practices. This includes appropriate labeling, storage, and transport to prevent potential harm to human health or the environment. The Group works with licensed operators who are equipped to handle and dispose of waste responsibly.

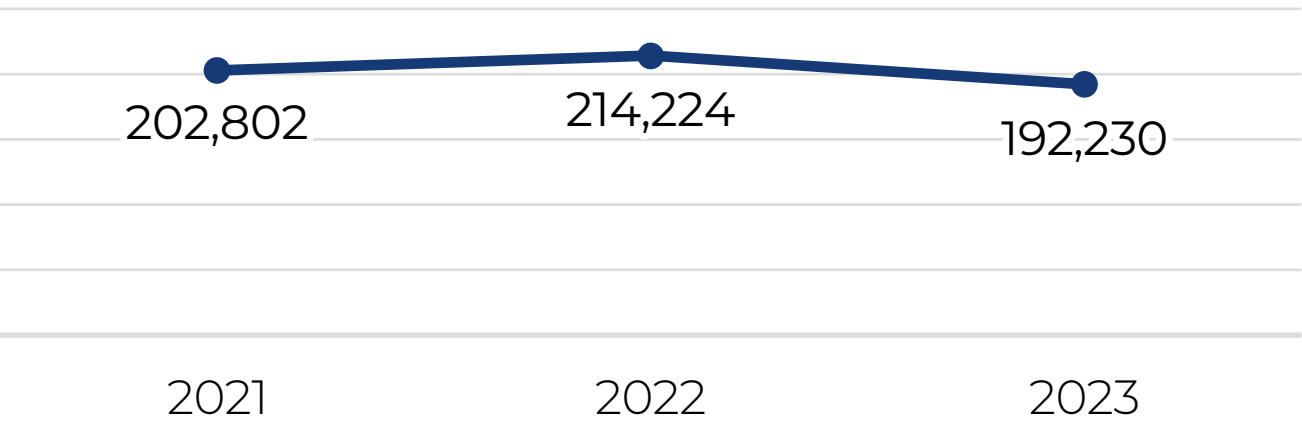
Good waste-management practices help to preserve air, water, and soil, and defend natural habitats and ecosystems. By aiding the recovery and reuse of waste, RDM Group promotes the protection of natural resources and prevents the release of potentially harmful substances into the environment.

WASTE – all Group production units

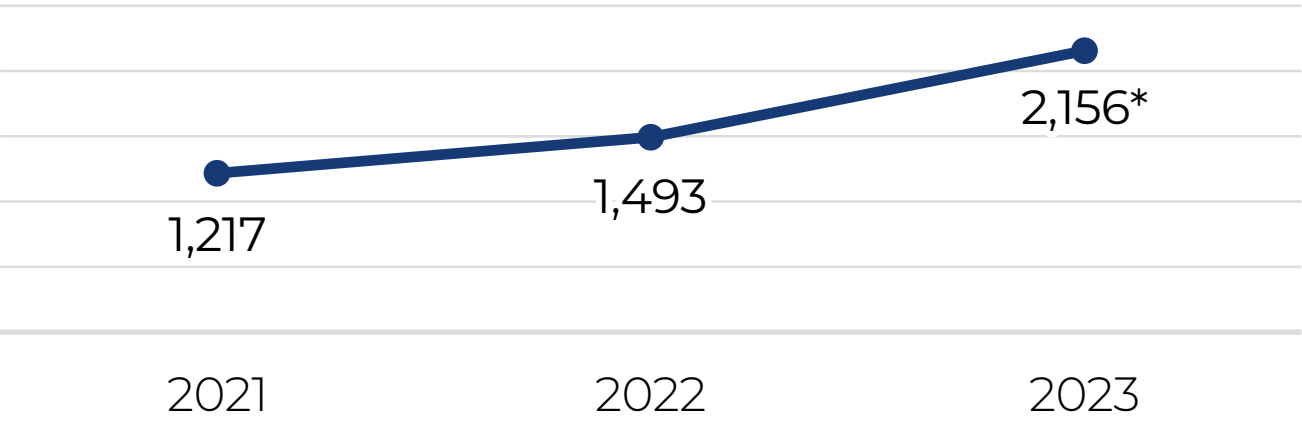
Waste intensity (kg/t)



Non-hazardous waste (t)



Hazardous waste (t)



\* About 80% of hazardous waste relates to fly ash, a byproduct of the combustion process from the internal waste-to-energy plants in Fiskeby, Sweden, and Hoogezand, Netherlands.



## ISO 14001 ENVIRONMENTAL CERTIFICATION

RDM Group's mills implement environmental management systems that include rigorous waste-management procedures which comply with applicable regulations. Currently, eight mills and the headquarters have been certified to ISO 14001 standards.

Additionally, two mills have voluntarily adopted Eco-Management and Audit Scheme (EMAS), a program developed by the European Commission that enables companies to evaluate and enhance their environmental performance.

These standards establish a structured approach to address environmental concerns associated with waste generation and disposal. They include targets for waste reduction, waste avoidance, and regulatory compliance. Moreover, they foster a culture of waste minimization, innovation, and continuous improvement, driving efficiency and resilience in waste-management processes. These aims extend beyond the workplace. For example, Swedish mill employees bring their own paper for recycling to the mill, fostering this culture beyond Company premises.

# FINDING A HOME FOR PLASTIC WASTE

**We are looking to play our part in addressing the plastic waste crisis by sending plastic from our own waste streams for recycling**

As a leader in the production of recycled cartonboard, you might not expect RDM Group to have any plastic waste. Yet our primary raw material – paper for recycling – contains impurities when it arrives at our mills, including a certain amount of plastic. This plastic comes from the plastic films, labels, laminated paper, and other items that are thrown into recycling bins with the paper – and it's something we are addressing.

At the moment a significant amount of this plastic goes to landfill, and currently our best alternative is to send this waste to recover the energy through combustion, says Krzysztof Krajewski, RDM Group's Chief Sustainability and Innovation Officer.

"My background is in the plastics industry, so when I saw this, I thought: 'I know people who should be able to recycle this'. Too often, industry works in bubbles – the paper industry is in one bubble and plastic is in another, and they're not connected. But we are looking to create those connections today," he adds.

## EVALUATING THE PLASTIC WASTE

RDM Group has joined forces with TOMRA, one of the global leaders in plastic sorting and recycling, to see if the plastic in our pulper waste can be sorted out and prepared for recycling. If the plastic waste is recycled, it will help us to reduce our Scope 3 emissions, keep plastic waste out of landfill, and reduce the use of virgin plastic.

We are currently carrying out trials with TOMRA and have sent material from two of our mills to their technical center to evaluate the plastic composition and define sorting strategies.

TOMRA has demonstrated that their solutions can effectively remove plastics from mixed waste streams (including pulper rejects) and transform this material into high-quality plastic feedstock for mechanical or chemical recycling, where mechanical recycling is the preferred option.

“We appreciate the opportunity to collaborate with RDM Group and work together to find an effective solution for enabling the plastic found in its pulper waste to be recycled instead of incinerated or sent to landfill,” says Oliver Lambertz, Head of Operations and Feedstock Sourcing, TOMRA Sorting GmbH.

## THINKING AHEAD

Most of RDM's plastic waste is made up of polyolefins such as polyethylene, which is used in plastic bags and food and drink containers, and polypropylene, which is used to make products such as coated board, adhesive tape, and packaging for cleaning products. And it's a growing issue.

“We expect to see more plastic in our waste streams in the coming years because many of the cartonboard products that are designed to replace plastic will have a plastic coating,” Krajewski says. “That's why this pilot project is so important: we need to be future-prepared for this.”

“Not many people in the paper industry realize that we can recycle our plastic waste. By doing this – and diverting plastics from less preferred end-of-life scenarios – we further valorize our waste.”



**Krzysztof Krajewski**

Chief Sustainability and Innovation Officer

As part of the 2020-2030 Sustainability Plan, RDM Group's goal is to reduce wastewater discharges per ton of net salable production by 20% by 2030. By 2023, wastewater discharges had been reduced by 15% compared to the 2020 baseline, decreasing from 11.06 m<sup>3</sup>/ton to 9.39 m<sup>3</sup>/ton. The Group is proud of this achievement, which puts it ahead of schedule in meeting its 2030 target. A combination of factors has contributed to this result, including the adoption of new technologies for treating wastewater and process improvements that allow for more water to be reused. The Group aims to consolidate these results while continuing to implement improvements.

# WATER STEWARDSHIP

Water is an indispensable resource in the cartonboard industry, influencing every aspect of the manufacturing process. RDM Group is committed to managing this valuable resource effectively by reducing its impact on water sources and implementing measures to continuously monitor effluents to safeguard aquatic ecosystems.

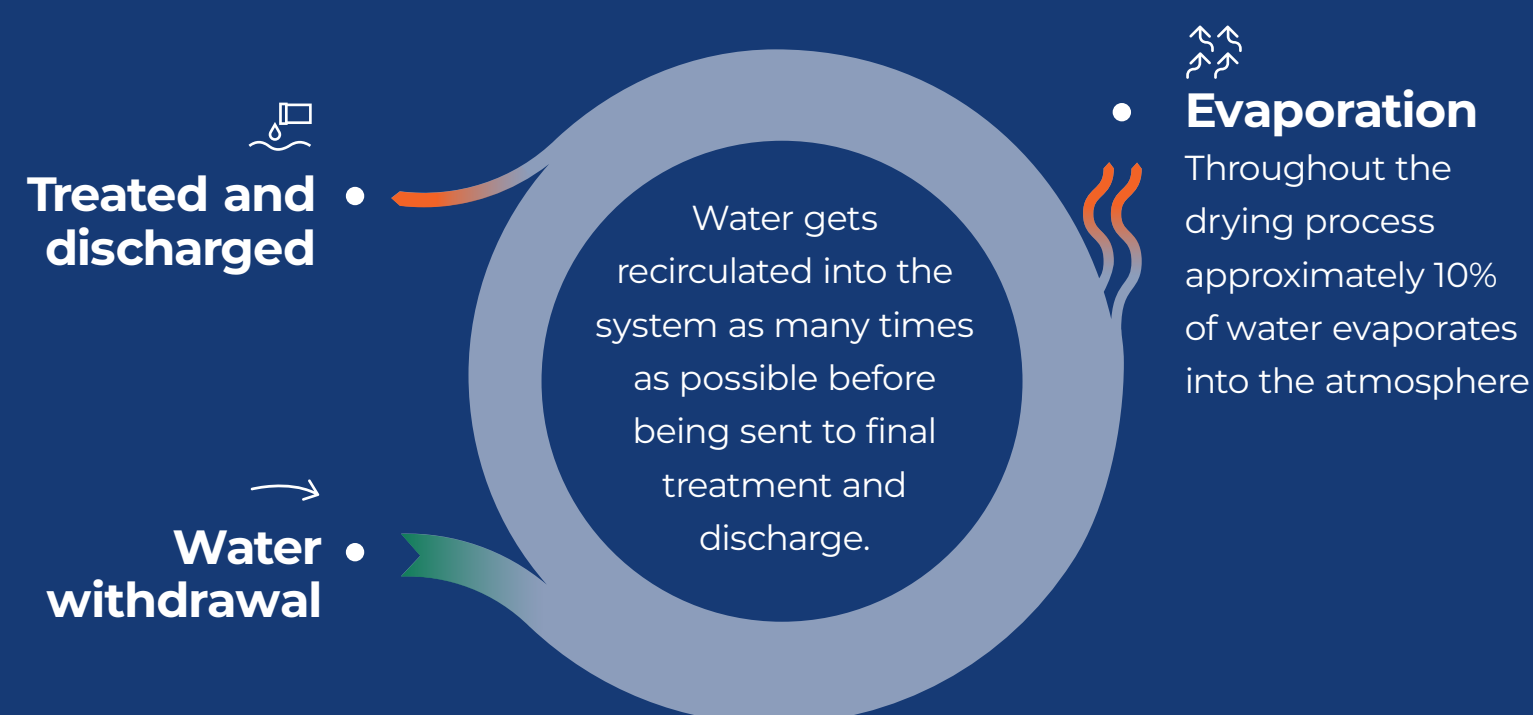
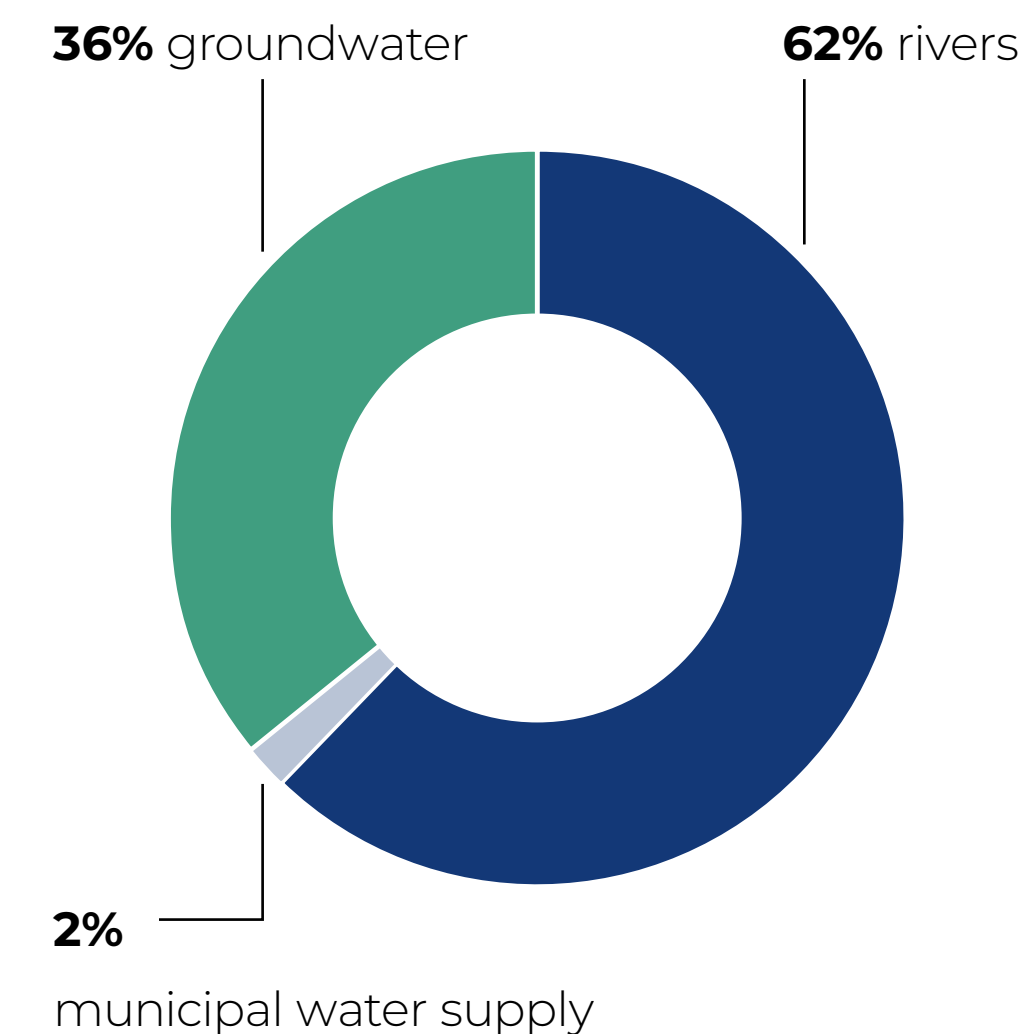
The cartonboard industry requires substantial amounts of water throughout different phases of its production process. Primary water usage is found in the pulping and cleaning process, as well as in the sheet formation process. Water is also needed to produce steam and to cool equipment.

The Company's board mills are located near bodies of surface water and groundwater to ensure the supplies they need. Water is mostly withdrawn directly from rivers or

aquifers; a small volume is taken from the municipal water supply.

Approximately 86% of the water withdrawn by the mills is returned to the environment, either after appropriate treatment or, in the case of non-contact cooling water, directly into surface water as it does not require any treatment. The remainder includes a small amount embedded in the product with the majority evaporating during the production's drying process.

## WATER WITHDRAWALS COME FROM:



WATER STRESS

RDM Group recognizes that droughts and a decrease in groundwater levels are major risks to operations and to the environment – even more so in the global context of climate change and increasing uncertainty about water resource quality and availability. In response to these challenges, the Group places a strong emphasis on responsible water management. It actively works to reduce water withdrawals and to ensure the responsible return of water to the environment.

RDM Group utilizes the WWF’s Water Risk Filter to assess the level of water stress in areas where production units are located. The analysis has found that the Group’s mills are located in geographical areas with varying levels of water stress.

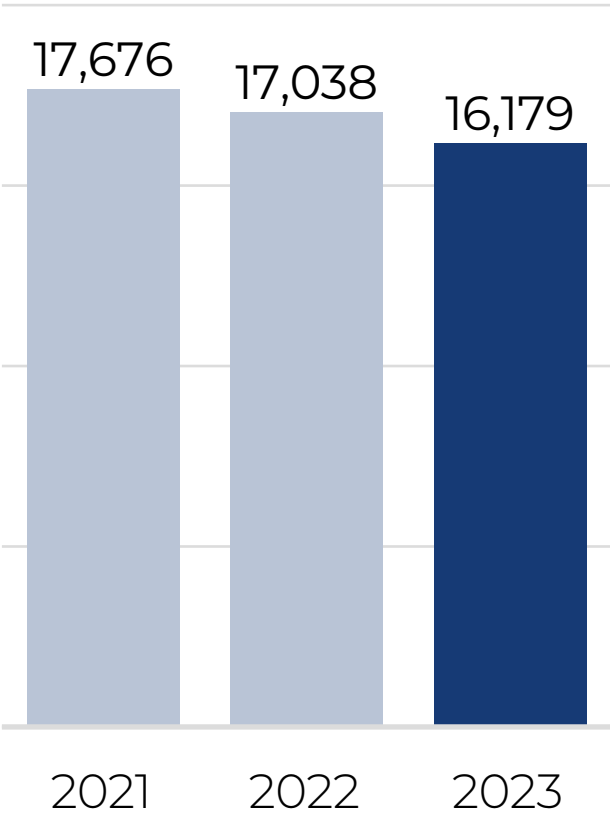
Special consideration is required in the Barcelona area of Spain where the local authorities have declared a drought emergency, imposed limits on water withdrawals, and required companies

to submit monthly declarations of water consumption. In 2023, the Group’s mill located in Barcelona met all the imposed limits.

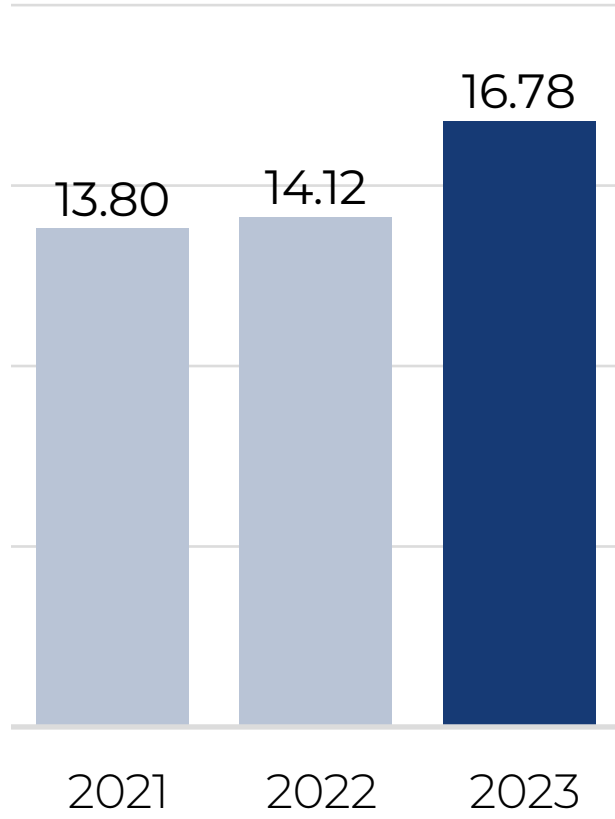
RDM Group is aware of the risks associated with water scarcity and is adopting a proactive approach toward water regulations that are expected to become increasingly stringent in the future.

WATER WITHDRAWALS AND DISCHARGES

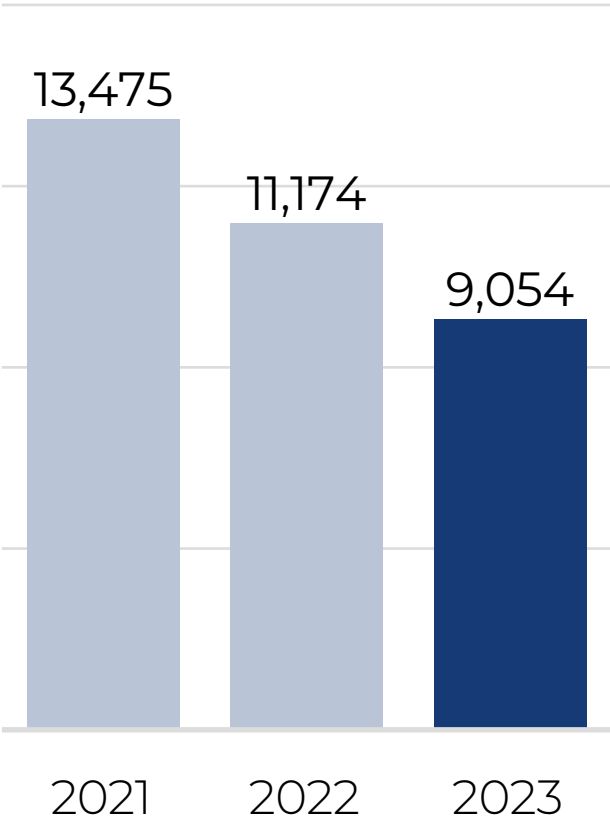
Total water withdrawal (megaliters)



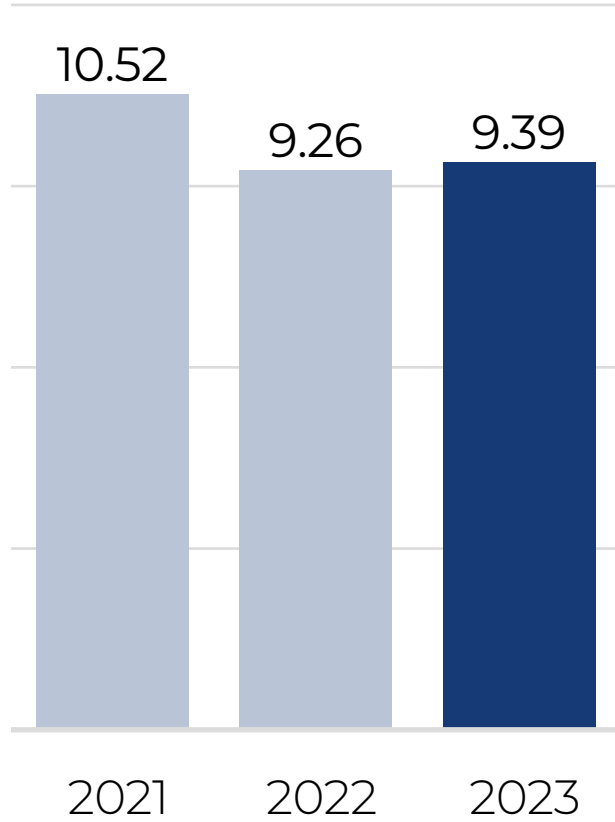
Water withdrawal intensity (m³/ton)



Total wastewater discharge (megaliters)

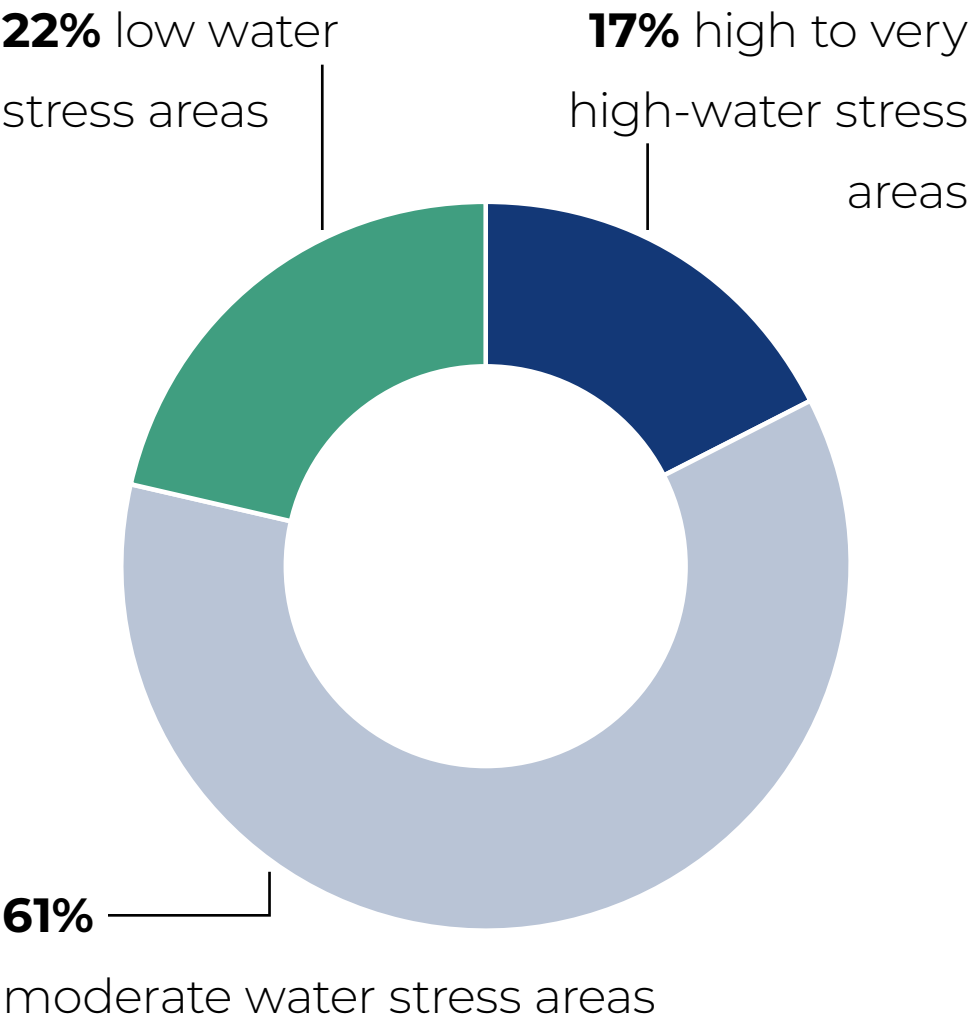


Wastewater discharge intensity (m³/ton)



In 2023, RDM Group reduced its total water withdrawal and discharge, largely because of lower production volumes. However, water consumption per ton of salable product increased, largely due to the integration of the Fiskeby mill. The Group takes ownership of these results and will be working to align Fiskeby’s performance with the rest of the Group.

WATER WITHDRAWALS COME FROM:



Water stress assessed with WWF Water Risk Filter which 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

It is a priority for the Group to reduce our impact on water resources and to proactively contribute to the protection and sustainable management of water resources.

To achieve this goal, the Group is focusing on the implementation of responsible water management practices, the recycling and reuse of water, investments in technological solutions aimed at further closing the process water loop, and the improvement of water discharge quality.

For example, the solid board mill of Hoogezand, the Netherlands, has proudly managed to close its water loop and reuses all process water, with minimal discharge to an external treatment plant. The new filtration system installed in February 2023 in the mill of Santa Giustina, Italy, improved the recovery of water which is being further reused in production before being discharged.

Improvements to the tertiary treatment of wastewater based on a Dissolved Air Flotation (DAF) system has improved the

water quality at our Barcelona mill. The process, initiated in 2022, has reduced suspended solids in wastewater and allowed up to 70% of water to be reused in production.

Cooling water is frequently used as process water in production. However, when the former exceeds production needs, it is returned directly to the environment provided it has not come into contact with process water. Over the years, existing systems have been improved by using heat exchangers for the recovery of condensed steam heat. RDM Group has thus managed to reduce freshwater withdrawals per unit of production and increase the energy efficiency of production over time.

In Ovaro, Italy, the new cogeneration plant switched its steam turbine-based technology to a gas turbine-based setting, which has laid the groundwork for a significant reduction in water withdrawals and discharges from 2023 onward.

Water recycling and reuse are two key management criteria. RDM Group intends

to increase the reuse of water in several production cycles while keeping water and product quality unchanged. This will in turn support our long-term goal of reducing wastewater discharge intensity.

**PROCESS WASTEWATER TREATMENT**

RDM Group is responsible for ensuring that the quality of water discharges from all its mills meets the required quality standards. This prevents potential negative impacts on the environment, public health, and biodiversity. Wastewater from cartonboard production contains suspended solids, organic residues – including dissolved fibers – starches, and also inorganic material. All the Group’s mills are equipped with wastewater treatment plants that use a variety of technologies, given that managing wastewater discharges is a critical aspect of the cartonboard industry.

The treatment processes that are in use can involve chemical, physical, biological, and anaerobic methods to reduce the levels of organic and inorganic substances in the water. Depending on

the type of treatment plant available, the water is either discharged back into the environment directly or sent for further treatment and purification at external plants. Each site is responsible for carrying out regular laboratory tests and reporting to the environmental authorities, in compliance with legislation and the requirements of its environmental permit.

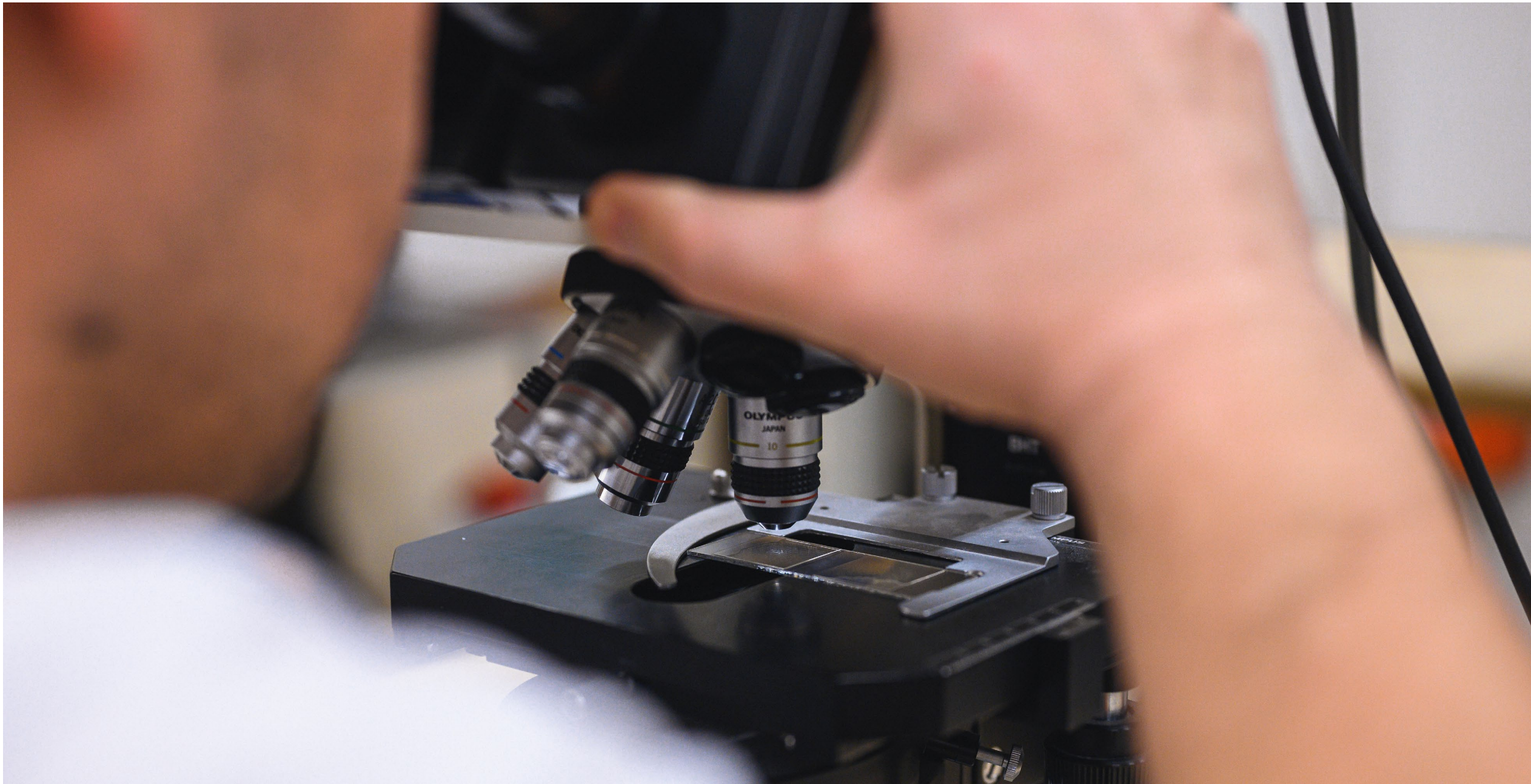
The Group is conducting trials at its Dutch mills using wastewater as an alternative raw material and biomass source for the production of biodegradable polymer. If this ongoing project is successful, it will enable the transformation of waste into a valuable material and mark a significant milestone for the Group.

In 2023, RDM Group installed a complementary anaerobic reactor, in addition to the existing one, to enhance the current treatment capacity of the Sappemeer mill, the Netherlands, when producing high volumes of cartonboard.

The Fiskeby mill in Sweden is equipped with both aerobic and anaerobic wastewater treatment plants that generate biogas. Since 1991, the mill's in-house laboratory has been accredited according to ISO 17025 for water analysis. This accreditation significantly enhances the reliability of the precision and accuracy of the lab's test results. Furthermore, the mill is an active member of the local river Coalition of Water Conservation, which monitors the health of the river and supports programs to protect water quality. The association runs a control program developed in consultation with the County Administrative Board and publishes an annual report detailing the river's status. Given its geographical location in Sweden, the Fiskeby mill operates in a context of water abundance. Nevertheless, it will be actively included in the Group's water reduction program.

The mill in Villa Santa Lucia was obliged to halt operations between August and December 2022 following the introduction of more stringent limits

on pollutants contained in the water discharge from the external wastewater treatment plant that takes the mill's own pre-treated process water. The mill carried out maintenance activities and invested in specific improvements to enhance the efficiency of its biological treatment processes. In 2023, despite the improvements undertaken in 2022, a new operational stop was imposed on the mill in connection with the reprocessing of fiber-rich primary sludge from treated wastewater in the cartonboard production process. During this stop the mill completed a range of improvements to its treatment capacity with the installation of new aerators and other technical solutions to further enhance its water treatment performance. On March 4, 2024, the mill at Villa Santa Lucia was authorized to resume operations following reviews and extensive dialogue with numerous national and regional institutions.



WATER DISCHARGE QUALITY

<div>COD</div> <div>Chemical oxygen demand</div> <div>456.1 t – 1.18 kg/t</div>	<div>TSS</div> <div>Total suspended solids</div> <div>79.9 t – 0.21 kg/t</div>	<div>N</div> <div>Nitrogen</div> <div>14.5 t – 37.47 g/t</div>	<div>P</div> <div>Phosphorus</div> <div>1.57 t – 4.06 g/t</div>
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The figures include all Group mills with an internal water treatment plant that discharges directly to bodies of water. Plants that discharge their process water, in whole or in part, to external treatment plants are therefore excluded. The data refers to 2023. Values are measured in tons of net salable production. RDM Group ensures that its wastewater discharges meet the requirements of the mills' environmental permits.



# SUSTAINABILITY MEASURES AT OUR SPANISH MILLS ARE CREATING RESILIENCE TO CLIMATE SHOCKS

**Investments in water conservation and energy efficiency embedded climate resilience into our mills in Catalonia, a region prone to drought. This has allowed us to continue operating even in times of acute water stress.**

When Catalonia declared a drought emergency in early 2024, RDM Group's two mills in the north-eastern Spanish region were well prepared. Their investments in water conservation, wastewater recovery, and energy efficiency allowed them to continue operating as normal, despite the imposition of water rationing on industry and households.

Climate change and environmental stresses are growing business risks. RDM Group's 2030 Sustainability Plan is addressing these with targeted investments in climate preparedness that deliver clear commercial benefits, as the Spanish mills can attest.

The sustainability initiatives at RDM Barcelona, which became part of

RDM Group in 2018, and Paprinsa, a smaller mill near the city of Lleida and acquired in 2021, include a laser focus on minimizing waste and a deep commitment to the circular economy.

"Thanks to a number of improvements in stock preparation and wastewater treatment, we have been able to reduce our freshwater intake by more than 30% in the past three to four years," says Jordi Serra, RDM Group's General Manager for Spain. "We can reuse up to 70% of the water we withdraw." These improvements in water conservation have helped protect RDM Barcelona and Paprinsa from the swingeing water restrictions that have affected other industry in the region, Serra explains, allowing the Group's Spanish mills to continue operating even in conditions of acute water stress.

There has also been a focus on pulper waste – the residue from the original processing of raw materials, which is a mix of hard-to-catch fibers and impurities. A new industrial washing machine at RDM Barcelona has reduced the amount of fiber

in the pulper waste from approximately 20% to 5% of the total volume and that final waste is then pressed to squeeze out water. Serra says a new bale press is being installed at Paprinsa to recover the maximum amount of water and leave a mostly dry residue. The wastewater is sent for treatment and recovery, while the solid waste, comprising mainly plastics, is sent to third parties for recovery.

### REDUCING ENERGY USE AND EMISSIONS

In addition to water and waste, RDM Barcelona and Paprinsa are focused on reducing the energy needed to produce steam for the production and drying of cartonboard. Heat exchangers have been installed to recover heat, which reduces the amount of natural gas (and associated carbon emissions) required to produce the steam.

Serra says the Group has also worked to optimize the efficiency of the cartonboard machines, which has resulted in better temperature control,

and improved systems to detect issues and quickly solve them. Taken together, these energy efficiency improvements at RDM Barcelona have the potential to save up to 6,000 tons in CO<sub>2</sub> equivalent (CO<sub>2</sub>e) emissions per year, according to the Group's calculations.

At RDM Barcelona, the Group is also replacing a 48 MW cogeneration plant with a smaller one of 14.6 MW that is more tailored to the needs of the mill. The larger one had been installed at a time when Spain was short of power capacity and needed independent power producers to feed their surplus to the grid. Now that the national capacity shortage has been resolved, it made sense for RDM Barcelona to install a smaller power plant for self-consumption. The new €12.8 million cogeneration plant, which is expected to come on stream in 2024, will reduce the cost of the mill's energy. Solely in terms of the energy connected with board production, it will save an estimated 5,000 tons of associated CO<sub>2</sub>e emissions per year.

The water crisis in Catalonia is starkly symbolized by the image of the church of Sant Romà de Sau, a village that was flooded to build a reservoir in the 1950s but has now re-emerged as the reservoir's levels retreat.

**“CLIMATE CHANGE AND ENVIRONMENTAL STRESSES ARE GROWING BUSINESS RISKS”**

# PEOPLE

48 WORKFORCE

50 PEOPLE DEVELOPMENT AND DIVERSITY

54 SAFETY



# WORKFORCE

At RDM Group we value the diverse skills and qualities of our employees. We are dedicated to cultivating an inclusive and supportive workplace in which every individual can thrive and contribute to the collective success of our organization.

We rely on the strengths and capabilities of our employees to enhance the Group’s ability to innovate, adapt, and compete in a rapidly changing business environment.

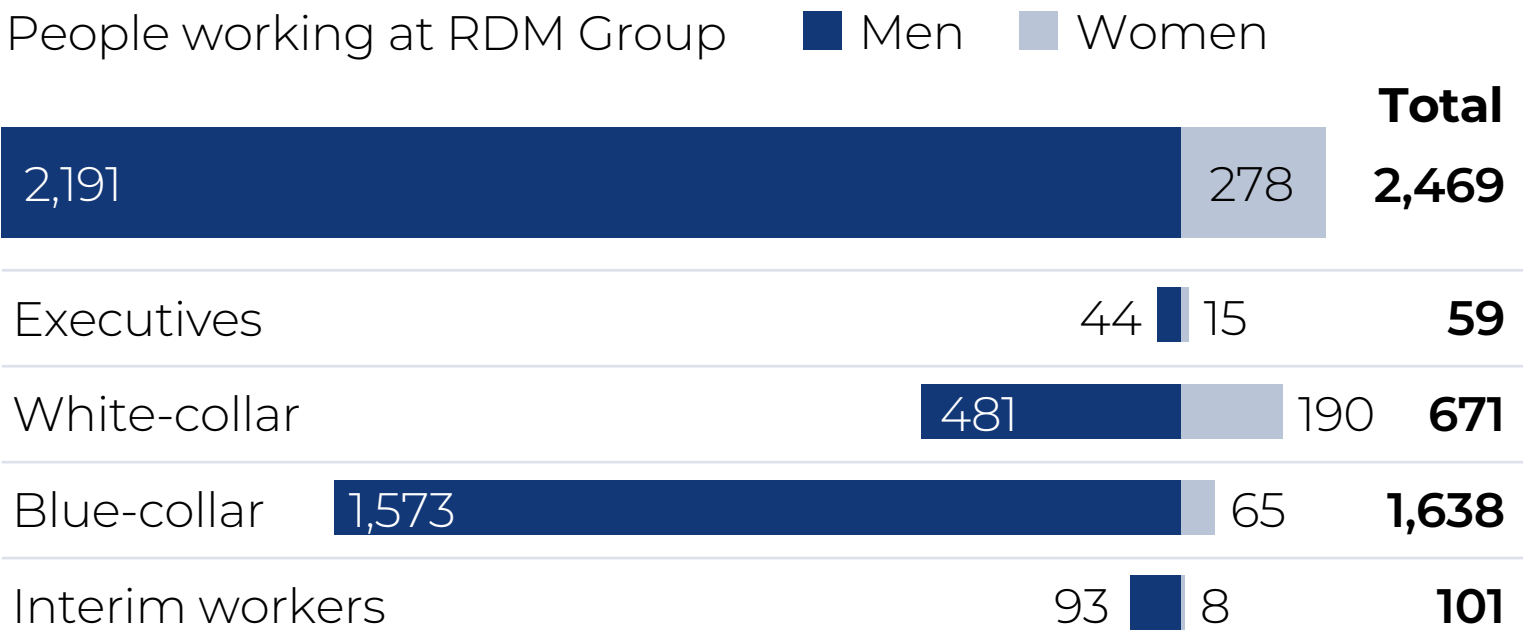
RDM Group employs over 2,300 direct employees and 100 additional interim workers in Europe, North America, and Asia. The Company engages and empowers employees to ensure that business operations are conducted ethically, legally, and in line with safety guidelines. The Company has measures in place that ensure the organization operates lawfully and ethically, and it is determined to promote a positive work environment in which employees feel safe and valued.

### HEALTH AND WELL-BEING

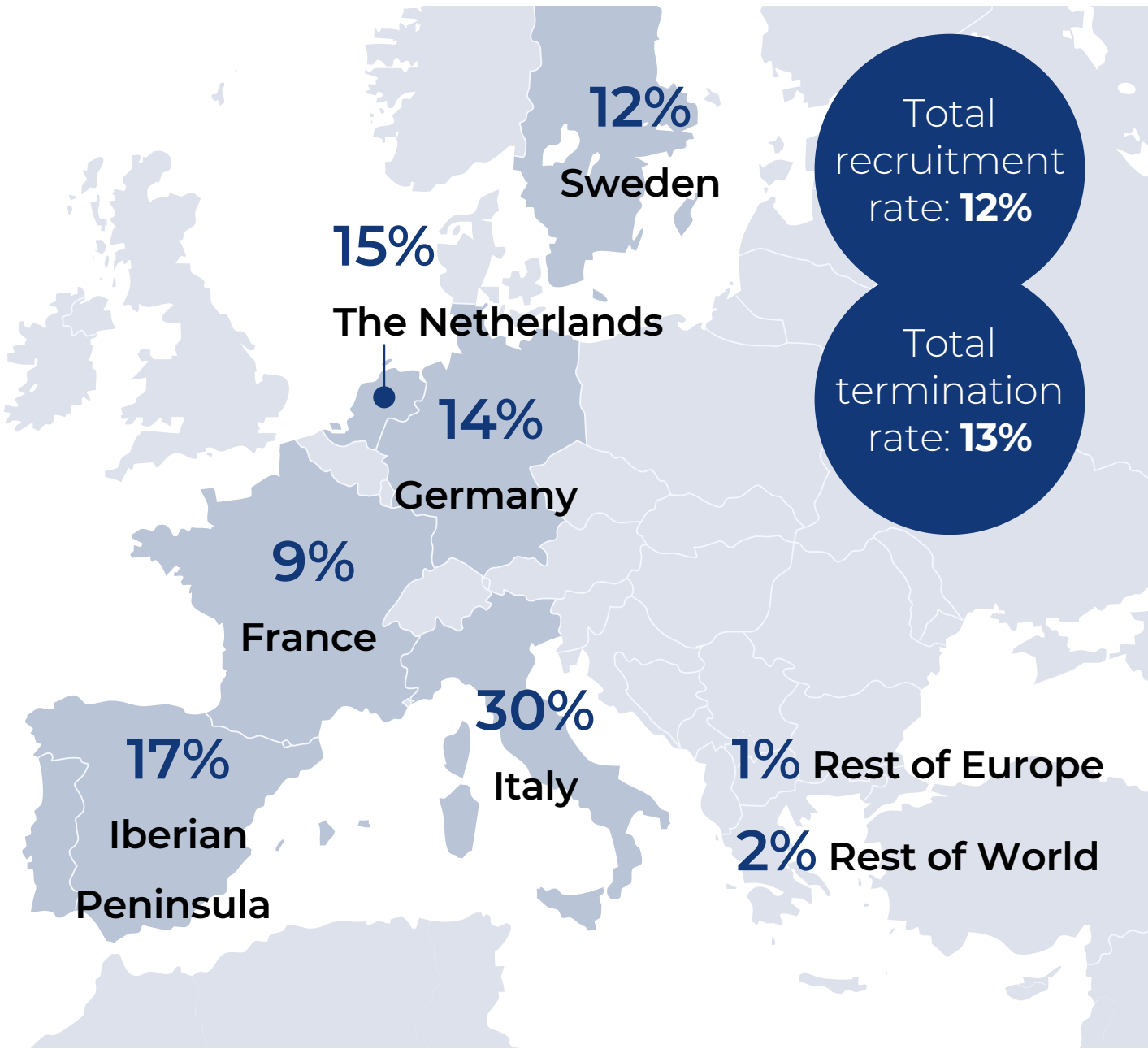
RDM Group promotes the health and well-being of its employees by providing healthcare monitoring and insurance, flu vaccinations, and a remote working policy for those employees who can work off site. Where possible, the Company allows flexible working hours to accommodate personal schedules and support work-life balance for its employees. In 2023, it launched a Group-wide campaign to promote healthy nutrition and lifestyles and has made fresh fruit available in most of its locations.

The Group seeks to ensure that the workforce is fit to perform its tasks by improving safety conditions and promoting healthcare services. It will continue to strengthen its organizational well-being program for the benefit of all RDM Group employees.

### Workforce in numbers



### Employees by country



### EMPLOYEE ENGAGEMENT

RDM Group believes in keeping employees informed of its long and short-term activities and goals to foster a strong sense of belonging.

The Group has a bi-monthly “MeetUp” newsletter, which is published in six languages and distributed either digitally or in printed format to all employees. The newsletter keeps everyone informed about the activities and initiatives of the Group in their own language. Employees are also kept up-to-date through the intranet portal, displays and bulletin boards.

Top management also organizes annual meetings that we call "MeetUp Live," where the Group CEO and other managers discuss results, trends, and initiatives, and take questions from employees. Leadership events are also organized to cultivate a shared vision for the Company. These occasions provide valuable opportunities for networking, knowledge exchange, and fostering a collaborative atmosphere that drives the success of both individuals and the organization as a whole.

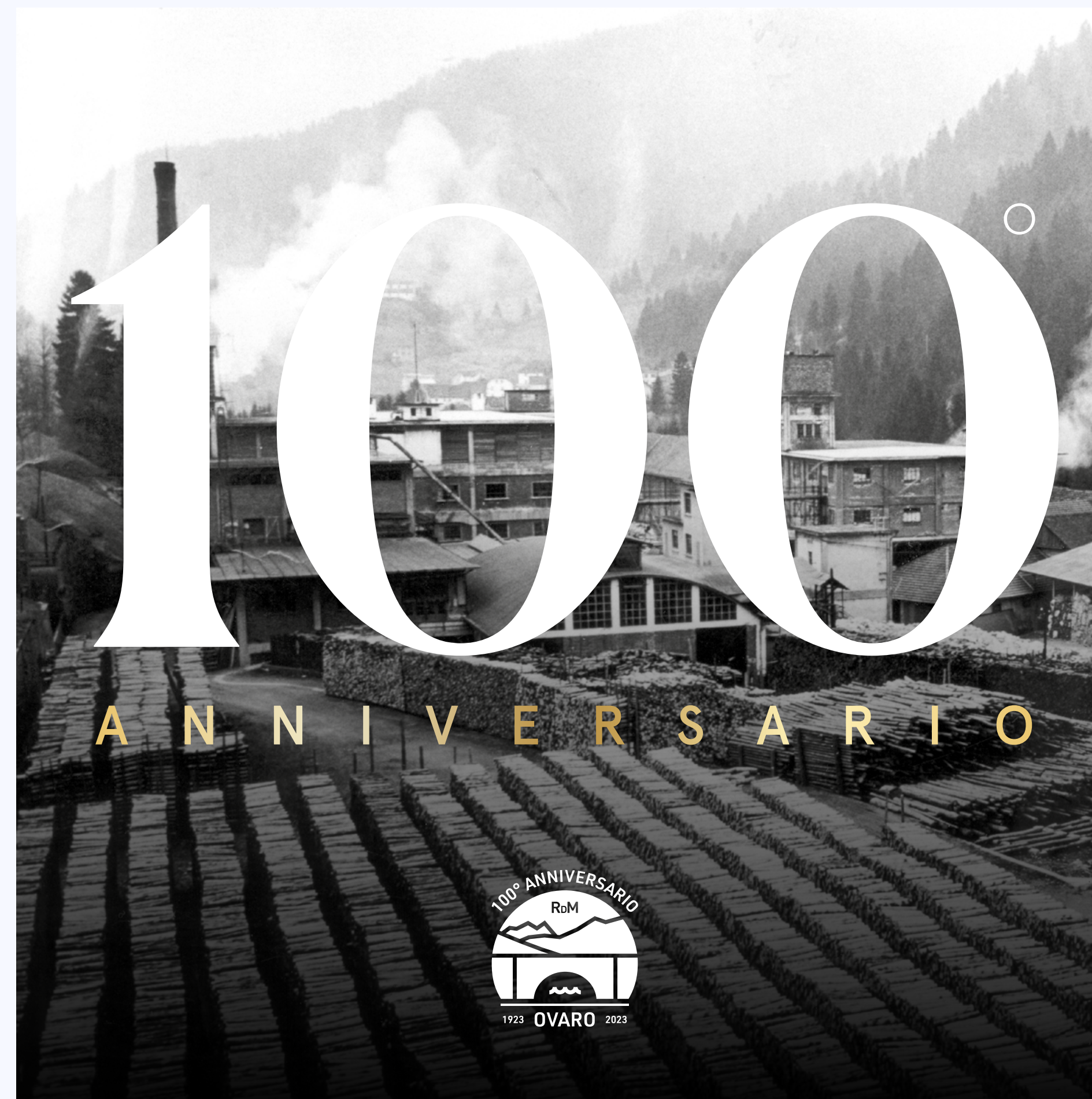
RDM Group conducts an extended employee survey every two years. In 2023, the Group decided to carry out an abridged survey in each gap year. This latter survey asks only eight questions related to four “dimensions of engagement” and four “enablers”. The abridged survey allows the Group to monitor the impact of our HR policies and initiatives more frequently.

Overall, the 2023 survey results show a slight deterioration of employee satisfaction, although the scores demonstrate greater uniformity, with no outstanding peaks capable of altering the average.

One of the key elements that defines the level of engagement is the advocacy rate, which measures an

employee’s willingness to recommend working at RDM Group to a friend or acquaintance. Increasing the employee advocacy rate is one of RDM Group’s eight long-term sustainability goals. This indicator suffered a slight decrease from 4.16 in 2022 to 4.03 in 2023. We believe that the crisis affecting our industry and the consequent commercial standstills played a crucial role. The Group is still committed to achieve an advocacy rate of 4.5 by 2030.

Based on the overall results of the people survey, our HR team has prepared an action plan to address the issues that have emerged. This action plan is embedded into the broader change management plan that includes a wide range of initiatives.



## CELEBRATING 100 YEARS OF THE OVARO MILL IN ITALY

To mark its 100th anniversary, the Ovaro mill in Italy opened its doors to the public. Throughout the celebration day, visitors were invited to experience the long history of local cartonboard making. A ceremony was held to honor this important milestone, which was also a celebration of the commitment of RDM Group to continue enhancing the facility for the benefit of employees and the local community.

Since its inauguration in 1923, the Ovaro mill has continuously innovated to ensure customer satisfaction and community well-being. This commitment to progress and innovation is also seen in the emphasis it places on care for the environment, which is aligned with the Group’s sustainability objectives.

# PEOPLE DEVELOPMENT AND DIVERSITY

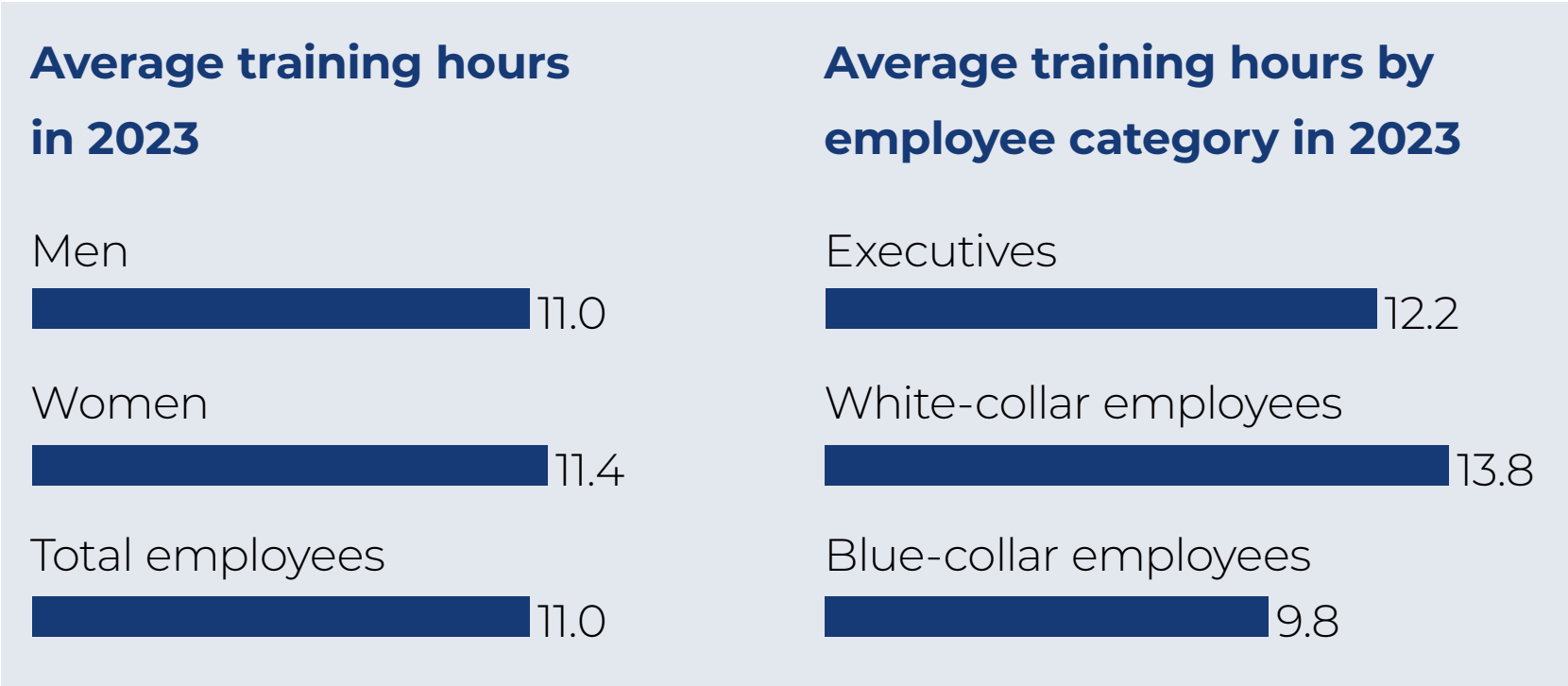


## TRAINING

Human resources are a crucial part of RDM Group. It is not possible to create lasting value without the hard work of our personnel in mills, sheeting centers, and offices.

The Company uses mentoring and development plans to transfer skills and know-how from senior to junior employees, so the Company’s skills and values are passed on and remain within the Group. RDM Group also provides specific programs for the acquisition of new skills to ensure the strategic development of the Group, as well as enhance the potential of individuals. We are working to digitally enhance our development and succession plan, which will benefit the Group in terms of talent management. Key aspects include streamlined processes and a comprehensive approach to identifying, nurturing, and retaining top-tier talent.

Our high-performing employees are also involved in job rotation programs to allow them to gain business insights and experience in different mill and grow as fully rounded managers.



Through training plans and the verification of their effectiveness, the Group maps employee skills and invests in targeted training. In turn, training plans benefit from the input of the performance appraisal system, which allows employees to highlight any training needs and desired areas of professional development.

In 2023, the Company continued to invest in training using both digital platforms and in-person sessions. Compared to 2022, the average number of training hours per person decreased from 14.6 to 11.0. This result was certainly influenced by lower production hours spent onsite due to the commercial shutdowns.

RDM Group is also engaged with local elementary schools. Every year during “Paper Week,” our mills open their doors to students and teachers, allowing them to explore the fascinating world of paper production first-hand. Through tours and engaging activities, we aim to showcase the paper manufacturing process and raise awareness about sustainable practices and the importance of responsible resource management.

LEADERSHIP

The Group continued to invest in the Leadership Training program. The program includes individual coaching for people assuming new positions, as well as existing managers. It addresses specific leadership challenges and provides personalized guidance and feedback to help improve performance. Leadership training was also organized for larger groups of middle managers to enhance communication, collaboration, decision-making, and organizational performance, alongside specific strategic training.

DIGITAL MINDSET

RDM Group is embracing a digital future. We know that even a traditional industry like pulp and paper needs to go through a digital transformation to meet the challenges of the modern economy. In RDM Group we are open to Artificial Intelligence (AI) and embrace relevant tools into our processes. In 2024, we’ll be organizing dedicated training sessions on AI for some of our managers to understand its potential and implications.

One of the most important training programs of 2023 regarded cybersecurity. The Group’s goal was to educate all employees with an RDM Group account on best practices and techniques to prevent cyber-threats such as viruses, cyber-attacks, data theft, phishing, and more. This initiative is part of a wider digitalization program that will provide all users with more effective and sophisticated tools and applications, as well as improving the digital skills of our people.

ETHICS

In 2023, the Group released a new edition of its Code of Ethics as part of regular updates. The new edition reinforces the commitment of RDM Group to fight any form of clientelism, harassment, or abuse. We work every day to prevent any form of discrimination and to create a cohesive work environment where diversity represents an added value to the Company.

Training sessions on the new Code of Ethics were held for all employees across

the Group’s locations to ensure everyone understands and is familiar with the principles outlined in the code, including any recent additions to its content.

CULTURAL FACILITATION

The Group offers language training programs, including one-on-one classes within personalized programs to facilitate communication among colleagues of different nationalities.

PERFORMANCE MANAGEMENT

To promote a dynamic and meritocratic work environment, RDM Group has adopted a performance management system in which remuneration (fixed and variable) is also based on a shared and formal process of personal performance assessments. This process is applicable to all executives and white-collar employees.

The incentive system includes schemes for RDM Group’s top management, covering multiple years, to support the long-term development of the Group.

In 2023, the Group introduced a new digital platform for top-middle management and white-collar employee performance appraisal. The platform was introduced in multiple locations to improve performance feedback mechanisms and manage professional development. RDM Group's evaluation system includes the assessment of individual goals, competencies, and behaviors consistent with Group values, seniority, and level of responsibility of the individual.

Our ambition is to gradually extend this platform to all employees of the Group, including blue-collar workers. This important digital milestone is part of the Company's wider digitalization journey to enhance and simplify complex management processes, including HR.

At RDM Group, remuneration schemes are aligned with long-term sustainability goals. Since 2022, three of these goals (i.e., those that are binding KPIs of the Sustainability-Linked Bond issued to finance the Company) have been linked to the variable remuneration of RDM Group's management.

Effectively implementing the sustainability strategy is considered in performance evaluation and bonus schemes, including for the CEO and other top managers.

This connection between bonus schemes and sustainability performance aligns with long-term improvement of the environmental performance of the entire Group.

### DIVERSITY AND EQUAL OPPORTUNITIES

At RDM Group, fairness and respect are not just buzzwords, but fundamental values that are deeply rooted in the Company. The Group prioritizes the dignity and rights of employees, providing stable employment opportunities and fair working conditions. RDM Group is committed to promoting equal opportunities and non-discrimination in all aspects of its operations, including hiring, development, and employee management.

The Group recognizes that personal characteristics such as nationality,



gender, age, religion, and other factors should never be used as a basis for discrimination. In 2023, the Group issued a new Human Rights policy that highlights our commitment to improve processes to identify, assess, prevent, and mitigate potential risks of violation in the Company and throughout our value chain, and promptly implement corrective actions if such events occur. To introduce this new policy, we organized an e-learning session on human rights and cultural diversity. Cultural differences – especially for a company operating in multiple countries with different languages, traditions, and socio-cultural norms – might cause involuntary misunderstandings. We want our people to understand these differences in order to create a positive work environment of cooperation, where differences represent an added value.

With regard to gender balance, the cartonboard industry is generally characterized by a workforce that is predominantly male, considering the physical demands of the job. The Company has 2,368 direct employees,

88.6% of whom are men. Nevertheless, RDM Group's HR team is working toward a more inclusive workforce, and as part of the 2020-2030 Sustainability Plan, the Group has a long-term goal to increase the percentage of women in the workforce. Starting from a 9.5% baseline in 2020, the number of women in the Group has increased by 20% to reach 11.4% today. We are on track to achieve our 2030 target of +30% which corresponds to 12.3% of total employees.

To support the achievement of this ambitious goal, the Group has appointed a diversity, equality and inclusion manager to oversee initiatives to instill a workplace culture that values diversity, ensures equal opportunities, and promotes inclusivity. Her first action was to issue a new Diversity, Equality and Inclusion Policy stating the Group's position and principles on this important matter.

The Group is committed to promoting fairness, transparency, and expertise in the recruitment and selection of personnel. The Group recognizes the

value of drawing on an international talent pool to bring diverse perspectives and ideas to the organization. To ensure objectivity and impartiality in the selection process, the Company assesses candidates based on their skills, experience, and potential.

RDM Group strives for a transparent dialogue with trade union representatives and adopts, where applicable, national collective bargaining agreements. For employees who are not covered by collective bargaining agreements, individual agreements or local bargaining agreements are applied.

RDM Group is 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 conventions of the International Labor Organization. In 2023, no cases of discrimination or harm to personal dignity and rights involving RDM Group's employees or interim workers were brought to the Company's attention.





# SAFETY

**Health, safety and well-being are of the highest priority at RDM Group. Valuing people and promoting their personal growth are key to creating a sustainable organization. By setting a zero accident target, the Group pursues a safer and therefore happier workplace.**

Prioritizing safety in the workplace helps to prevent accidents and injuries and fosters a positive sense of belonging and commitment to the organization. This, in turn, enhances employee satisfaction, reduces absenteeism and turnover rates, and increases overall productivity.

## SAFETY GOVERNANCE

We believe that preventing accidents is key to the integrity of the Company.

In 2023, RDM Group introduced an important organizational improvement. We decided to exploit the synergies of two key areas, namely health and safety and loss prevention. These two departments now share a common managerial structure and benefit from sharing best practices, from preventing accidents to protecting the physical integrity of our people and assets.

The new organizational structure promotes the exchange of information and experience between mills to encourage constructive peer analysis. In this way, our mills can learn from each other's successes and challenges, and identify areas for improvement. The aim is to reduce risks and strengthen safety and prevention measures at all sites. At the same time, vertical oversight aims to guarantee that all levels of the organization uphold a strong culture of prevention and safety.

The ambition of this governance structure is to improve integration across all sites, strengthen the Group's standards and ensure all employees and interim workers are fully committed to maintaining safe working conditions. This is an important step toward further enhancing the organization's governance structure for safety and loss prevention.

**“Creating a secure and health-conscious workplace is not just a legal mandate; it reflects our firm commitment to the welfare of our staff. We recognize this as a pivotal responsibility, and our company is resolute in ensuring the safety and well-being of all employees, ultimately contributing to the sustainability of our business.”**

**Marita Lovera**  
Chief Human  
Resources  
Officer



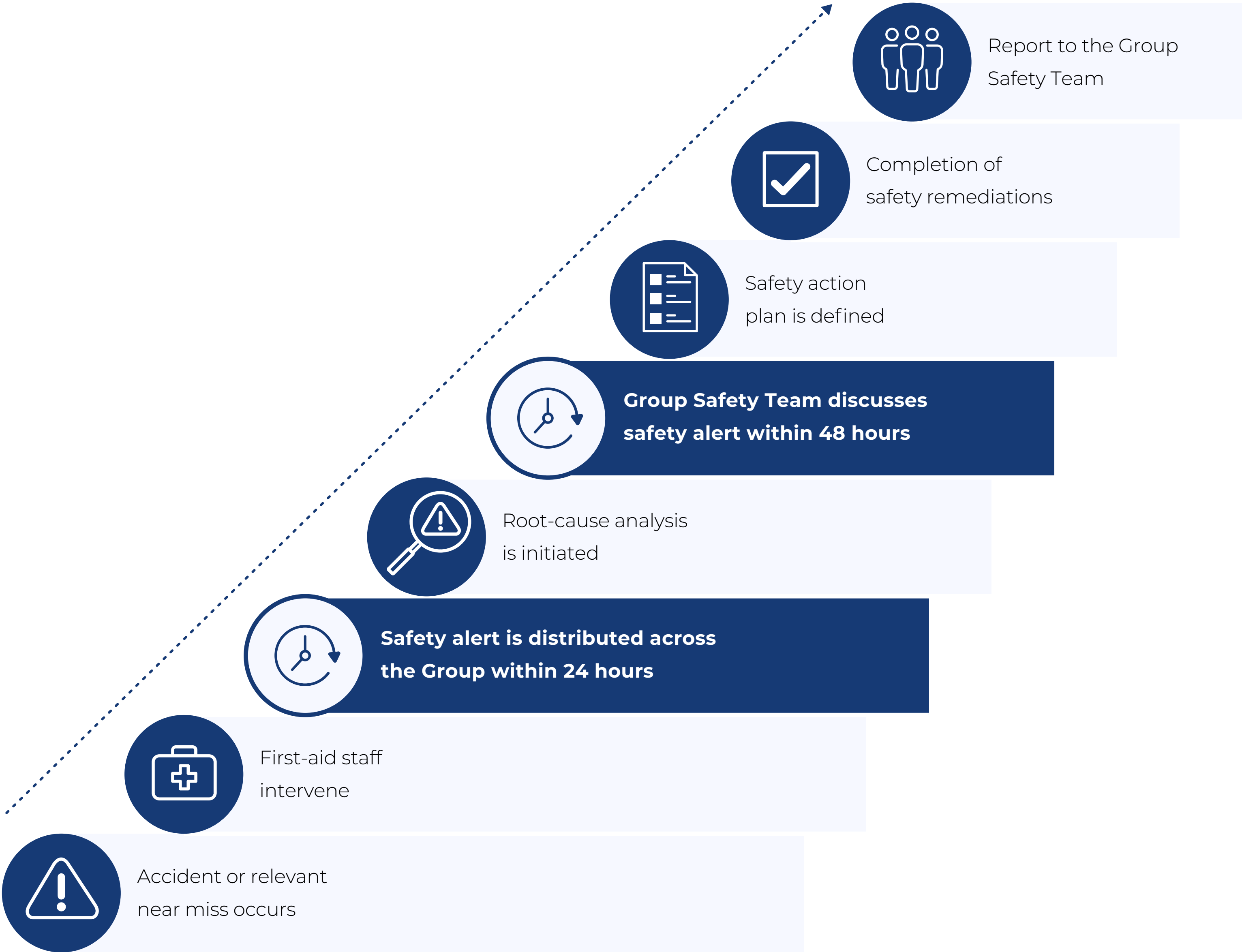
SAFETY MANAGEMENT SYSTEM

RDM Group has an Integrated Quality, Environment, Energy, and Safety Policy, that reaffirms management’s commitment to continuous improvement.

The safety management systems adopted by RDM Group are organized according to the principles outlined by the ISO 45001 standard. This standard provides a framework for managing occupational health and safety. It helps organizations identify and control risks, and improve overall safety performance.

RDM Group’s goal is to have all mills certified to the ISO 45001 standard by the end of 2025, including the newly acquired Fiskeby mill. We believe standardized management systems across all sites will enhance the Company’s safety culture and effectiveness . The certification of RDM Paprinsa mill in Spain in 2023, as well as the start of the certification process for Arnsberg, are important steps toward achieving this goal.

At RDM Group every accident goes through a complete root-cause analysis to prevent similar accidents from happening at any other location. In addition to being investigated internally, details of accidents are shared with all mills within 24 hours and investigated further in the following 24 hours. A cross-site Group Safety Team meeting held within 48 hours of the incident allows all mills to learn from the event and contribute to the identification of corrective actions.



## SAFETY PROGRAMS

In 2023, RDM Group managed three safety programs focused on the governance and culture of safety across all sites.

### 5S PROGRAM

The 5S Program is connected to the Group's Operational Excellence Manufacturing Program which is being gradually implemented across the whole organization. The ambition is to reduce hazards, standardize processes, strengthen preventive maintenance and improve the efficiency and organization of our mills with clear benefits for overall safety.

### CROSS-MILL AUDIT PROGRAM

All safety managers belong to the Cross-mill Audit Program, in which they regularly visit each other's sites to identify potential hazards and areas of improvements to enhance safety. This program promotes constructive peer analysis, and helps safety managers identify operational and organizational best practices for

their own mills. By reviewing safety protocols and procedures, RDM Group is continuously improving safety practices and reducing risks across all sites.

### H&S INSPECTION PROGRAM

The H&S Inspection Program directly involves mill managers, safety managers, and supervisors in safety inspections on the shop floor, in a clear and pre-defined schedule. By involving all levels of the organization in safety inspections, RDM Group aims to strengthen "visible leadership," and "safety ownership" – essential components of a successful health and safety culture.



## SAFETY CULTURE

RDM Group knows how important a strong safety culture is in promoting safe behavior. The Group promotes widespread accountability and the embedding of an accident prevention culture at all levels. This encourages collaboration between workers and management to safeguard the safety and well-being of all.

The acquisition of Fiskeby enriches the Group diversity and culture, also in terms of safety. By incorporating the safety practices and perspectives from the acquired site, we are creating a more robust occupational health and safety environment, one that values a variety of experiences and insights. We have adopted a "Health, Safety and Well-being Roadmap" to foster common safety standards and a robust health and safety culture across all RDM Group sites. The ultimate goal is to prevent all types of work-related injury or illness.

Each mill identifies the specific hazards workers are exposed to and provides them with adequate health and safety information. This is strengthened by "pre-job assessments" in which workers assess the risks associated with performing various non-standard activities and identify the necessary preventive measures.

All employees are encouraged to provide suggestions for improving health and safety practices.

The Group has included a Behavior-Based Safety (BBS) program at all mills within its long-term sustainability goals. This is a milestone in the organization's safety journey, placing greater attention on safe behaviors and positive, constructive 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, which are core to this methodology. We aim to reach the highest level of safety maturity, where people are fully empowered to take care of their own safety and that of their colleagues.

### SAFETY EDUCATION AND TRAINING

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

Regular and up-to-date training ensures employees are aware of the potential hazards associated with their work and have the knowledge and skills necessary to identify and mitigate those hazards. In 2023, our employees attended some 9,700 hours of safety training, equaling 4.1 hours/employee.

External contractors must demonstrate that they have completed relevant safety training before working with RDM Group. The company takes the safety of external contractors seriously and all those involved must comply with the rules and procedures laid out by RDM Group.

## BEHAVIOR-BASED SAFETY (BBS) PROTOCOL IN SAPPEMEER AND HOOGEZAND

Following the successful implementation of the BBS protocol at the Santa Giustina (Italy), Villa Santa Lucia (Italy) and Barcelona (Spain) mills, the program was introduced at Hoogezand and Sappemeer in the Netherlands. At the end of 2023, five of the Group's 10 mills had a BBS system in place. Due to the acquisition of four new mills, and some unpredictable factors, RDM Group did not manage to implement the BBS system in all of its mills in 2023, as intended. The Group's ambition is to implement the BBS program in all mills, including the newly-acquired Fiskeby mill, and has set a new 2025 deadline to do so.



SAFETY RESULTS

All workplace safety trends were positive in 2023. Four sites out of 14 had zero accidents last year, proving it is possible to maintain a high level of safety performance even in challenging working environments.

The Group reduced the injury frequency rate by more than 20%, and the severity rate by 33%, compared to the previous year.

The ultimate goal is to see a permanent reduction of accidents over the long term. Our goal is to be a zero-accident company.

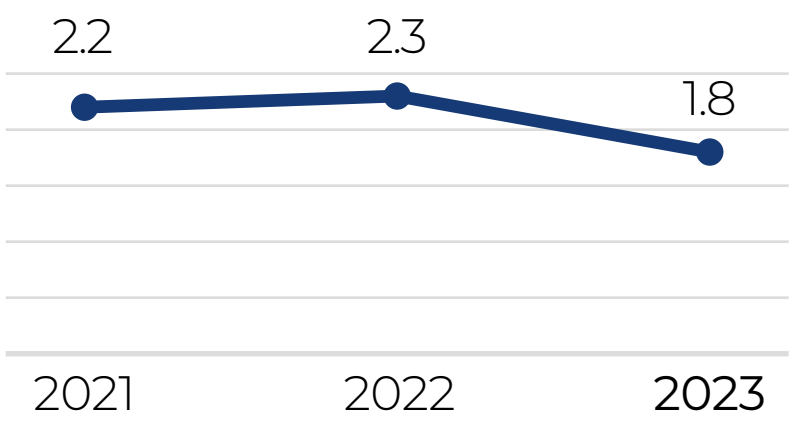
RDM Group also monitors the injury rates of key external contractors who are involved in internal logistics activities. No recordable accidents were reported for this category of workers in 2023, but first-aid cases and near misses were also analyzed. RDM Group regards all incidents, however minor, as an occasion to learn from and enhance the prevention of injuries.

An analysis of injuries in 2023 shows that 79% were related to human and behavioral factors, 14% to technical factors and 7% to organizational factors. The analysis suggests that addressing these factors can have a significant impact on reducing the incidence of injuries in the workplace. This was the impetus for the Group to introduce the Behavior-Based Safety protocol at all mills.

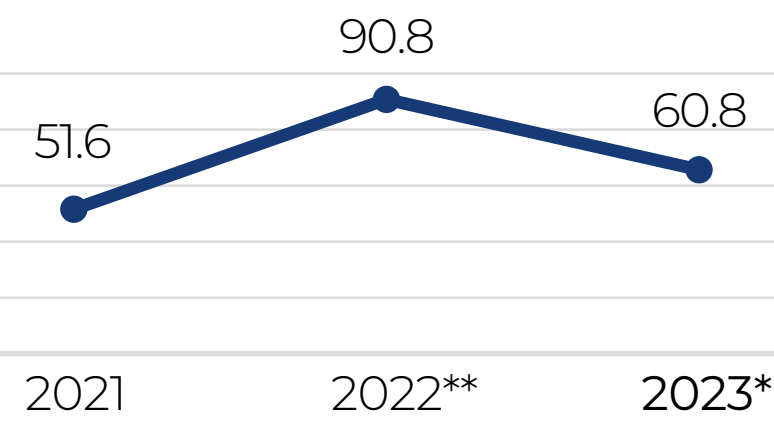


FREQUENCY AND SEVERITY OF INJURIES

Frequency rate



Severity rate



FR = number total OSHA recordable cases × 200,000 / hours worked  
SR = total days lost × 200,000 / hours worked  
OSHA methodology applied to employees and interim workers.  
\* of which 0.6 related to restricted activities \*\* of which 14.0 related to restricted activities

SAFETY AWARDS

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. In 2023, 77 people received the award, a significant milestone for each individual.

# GOVERNANCE

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# CORPORATE GOVERNANCE

Our Corporate Governance system ensures the effective management of all business activities to create value for all of the Group’s stakeholders.

RDM Group’s governance structure adheres to the traditional administration and control model, with a Board of Directors and a Board of Statutory Auditors appointed by the Shareholders’ Meeting.

The Board of Directors, comprising members from diverse and robust managerial and professional backgrounds, reflects the demand of shareholders for diversity in terms of gender, age, and geographical background. The Board includes the president, one executive director (CEO), and five non-executive directors. As RDM Group is privately owned, none of the Board members is independent. In 2023, Steve Martinez was appointed to replace Board member Marc Becker, who sadly passed away.

RDM Group adheres to the Corporate Governance Code of the Italian Stock Exchange, a best practice that imposes gender equality on the Board and a self-assessment of Board members on matters regarding its size, composition, functioning, and overview of the company’s management and impacts.

Three committees, the ESG Committee, the Risk and Audit Committee, and the Remuneration Committee, have been established to assist the Board of Directors in fulfilling its responsibilities and to ensure effective governance and oversight. Each committee meets quarterly with the company’s management. In addition, communication channels have been established between management and

the committees to keep the Board of Directors informed of all relevant matters. The Board of Directors discusses reports submitted by the three committees, summarizing their work and achievements, at its meetings twice a year. The Board of Directors and its committees can convene an extraordinary meeting when necessary.

Following the introduction of the updated Code of Ethics in 2023 (please refer to the relevant section for more details), a training session was held for the Board of Directors to familiarize members with the additions to the code, deepen their understanding of the practical implications, and encourage them to integrate the principles into their decision-making.



## ESG COMMITTEE

This committee advises the Board of Directors on all aspects of the Company's sustainability strategy. It proposes objectives, targets, and policies, and analyses ESG risks and their potential impact on the Group. More generally, it oversees the integration of sustainability into management dynamics. The ESG Committee also reviews the Sustainability Report prior to its submission to the Board of Directors for final approval.

## RISK AND AUDIT COMMITTEE

This committee is responsible for ensuring sound and efficient management across the Group and, where possible, the identification and prevention of financial and operational risks and fraud against the Company.

It consults the Board on the organization and operations of the Company's internal control system, which has the purpose of verifying the effectiveness and compliance with both existing and planned internal procedures.

## REMUNERATION COMMITTEE

The committee advises the Board on the remuneration of directors, including those holding special offices and top management

positions within the company. It also prepares, updates and implements the succession plan for the Chief Executive Officer, top management, and other executive directors.

## LEADERSHIP

In addition to the Board committees, RDM Group has established a strong internal

governance structure to review business operations and address strategic matters. The Leadership Management Team (LMT) meets monthly to review the implementation of strategy, examine operational plans, discuss the development of new projects, and monitor ESG results. It is composed of key corporate heads of functions. Should it be necessary, the LMT meets on a more frequent basis to address specific matters.

In addition, the Group has different networks to manage operational effectiveness and Group-wide functions (for example, Safety, Energy, and Customer Technical Service) that have a coordinating role across different plants and countries. These networks help the flow of information and best practices between locations, and also help to identify challenges.

In 2023, three new internal committees – the Internal Control Committee, Privacy Committee, and Energy Network Committee – were created to enhance the governance and supervision of important processes. In 2024, two existing network committees will be strengthened through a new upgraded governance structure, namely the Quality Network Committee and the Environmental Network Committee.

The ambition of the new governance structure is to empower network committees with enhanced strategic decision-making authority, streamlined communication channels, and collaborative initiatives that will ultimately bring about a more robust and agile way of addressing quality and environmental considerations.



# BUSINESS INTEGRITY

**The guiding force behind all of RDM Group's actions is an unwavering commitment to business integrity. The Company's decision-making process is rooted in a deep sense of responsibility – a principle that guides daily activities and requires all employees to act within legal bounds. The Company has implemented various tools to ensure the effective and transparent management of business integrity.**

## CODE OF ETHICS

The Code of Ethics establishes the values, principles, and rules of conduct for the Group. Responsibility and compliance are paramount for anyone representing RDM Group in any capacity.

The Supervisory Board, with the support of the Group's Internal Audit function, is responsible for verifying compliance with the Code of Ethics throughout the Company. Employees and interim workers must adhere to the Code and report any violations, or suspected violations, using the channels established by the Supervisory Board's whistleblowing procedure.

RDM Group periodically reviews and updates its Code of Ethics. A comprehensive review in 2023 reinforced its guidance on diversity and inclusion. The revised Code, approved by the Board of Directors on May 30, 2023, emphasizes the Group's zero tolerance of any form of harassment by prioritizing respectful working conditions for all employees. Training sessions on the revised Code of Ethics were conducted for employees and the Board of Directors. In 2024, the Group plans to apply the Code of Ethics at the recently acquired mill in Sweden to ensure alignment with the Company's corporate values.



## CONFLICTS OF INTEREST

Managing conflicts of interest effectively is central to maintaining ethical conduct and transparency, and for safeguarding the Company's integrity. Employees and Board members must avoid any activity that might create a potential conflict between personal and corporate interests, or hinder a person's ability to make impartial and objective decisions on behalf of RDM Group.

Furthermore, employees and Board members must promptly inform their immediate superior and/or the Supervisory Body of any possible, actual, or potential conflicts of interest, including any that are economic, personal, and/or family related. This obligation is explicitly stated in the Company's Code of Ethics and applies to all employees and members of the Board. To this end, an assessment of related-party transactions is carried out every year. In 2023, no related-party transactions qualified as highly significant, according to the provisions laid out by the Group.

## ANTI-CORRUPTION

RDM Group has an Anti-Corruption Code to manage relations with public administrations and third parties. The Code outlines the general principles, rules of conduct, controls, and prohibited actions for all employees. Its purpose is to prevent corruption or any other type of fraud. The Anti-Corruption Code was updated last year and approved by the Board of Directors on April 12, 2023, and has been adopted by all of RDM Group's legal entities, excluding Fiskeby, due to its recent acquisition. In 2024, training on anti-corruption is planned for the whole Group.

The Anti-Corruption Code is also part of a wider Organization, Management and Control Model, pursuant to the Italian Legislative Decree No. 231/01, which has been adopted by every Italian unit of the Group. The model stipulates rules, principles of conduct, and a system of sanctions for environmental, occupational health and safety, and corruption offenses. The Group's Supervisory Board is responsible for and continuously

monitors strict adherence to the model, which is updated when new crimes are introduced into the Italian Legislative Decree No. 231/01 or when there are changes to the corporate structure. The Group's parent company communicates the approval and adoption of the model to each subsidiary, as well as any updates. Each legal entity in the Group must comply with the general principles of conduct and compliance defined by the parent company. In addition, every company in the Group must implement local programs to comply with national regulations regarding their responsibilities as legal entities. A new edition of the Organization, Management and Control Model is expected to be approved by March 2024 to take into account changes to Legislative Decree No. 231/01 in 2023, including the penalization of new criminal offenses.

## A RESPONSIBLE TAXPAYER

RDM Group complies with national and international laws and regulations regarding tax. It fulfills all of the requirements of fiscal authorities and establishes transparent relations with public administrations based on collaboration and mutual trust. The locations of RDM Group operations are chosen based on business strategy and needs, and are not influenced by local tax regimes.

The Group has an internal control system for managing tax risks in accordance with the international standards endorsed by the OECD and the tax authorities of the countries in which the Group operates. By upholding responsible tax practices, RDM Group actively contributes to the economic stability and growth of the regions in which it operates, nurturing a trustworthy relationship with both tax authorities and stakeholders.

HUMAN RIGHTS

Developing and ensuring sound business practices across the Group supply chain is of utmost importance. The majority of our suppliers are located in countries that are considered at low risk of human-rights violations, according to the annual Freedom in the World 2023 report by Freedom House, and the State of the World’s Human Rights Report 2022/23 by Amnesty International. When it comes to the purchase of virgin market pulp, the FSC® standard provides an additional guarantee that human rights and indigenous peoples’ rights are respected.

Integrity in business conduct is a prerequisite for managing relations with suppliers, which are required to comply with RDM Group’s Code of Ethics, including the respect of human rights.

Where applicable, the Company always secures national collective bargaining agreements to provide appropriate working standards and conditions.

The Group has never received any reports or been made aware of any violations of

human or workers’ rights by suppliers or collaborators working with the Group, indicating that the safeguards contained in RDM Group’s Code of Ethics appear to be effective.

Between the end of 2023 and beginning of 2024, the Group trained its first- and second-line managers on human rights and cultural diversity. For more details, see the People Development and Diversity section of this report.

ANTITRUST PROGRAM

RDM Group has adopted an Antitrust Compliance Program to prevent the potential risk of violations to regulations and to ensure a prompt reaction should a critical situation occur. Moreover, to the current Group Head of Legal and Corporate Affairs has been assigned the role of Antitrust Compliance Officer.

As part of its approach to fair competition, RDM Group ensures that all salespeople receive appropriate training on antitrust matters. An organization-wide training program will

take place in 2024 and will also include the other main governance programs and procedures (e.g. Organization, Management and Control Model, Anti-Corruption, Code of Ethics, Privacy).

GRIEVANCE MECHANISMS

In addition to having an open-door policy, whereby employees can raise concerns with their immediate supervisor in an informal setting, RDM Group has a whistleblowing mechanism to facilitate the reporting of any violation of the Group’s Code of Ethics or the Organization, Management and Control Model, or any other critical concerns.

In 2023, the Board of Directors approved an update to the Group whistleblowing procedure. It was carried out in accordance with Italian Legislative Decree No.24/23, which adopts new EU rules that mandate specific internal reporting channels, prohibit retaliation, and establish a disciplinary system. RDM’s whistleblowing system has a secure and confidential web-based reporting channel that is managed by

a specialized third party. It ensures that the whistleblower is protected against retaliation and treats the reported information as confidential. Any reports are analyzed promptly for violations of Company policies.

In 2023, no reports were sent to the Supervisory Board via the channels provided by this system. In addition, there were no reported cases of corruption, non-compliance with laws, regulations, or standards on business ethics, antitrust, environment, cases of discrimination, violations of the Code of Ethics, legal actions for anti-competitive behavior, or monopoly practices during this period.

Critical concerns are brought to the attention of top management and the Board of Directors through channels other than whistleblowing. These channels include, and are not limited to: meetings of the Board of Directors committees for all matters concerning their responsibilities; periodic meetings that involve mill management and corporate heads of functions; and informative sessions toward the statutory auditors.

# RISKS AND OPPORTUNITIES

The day-to-day management of the Company's operations and strategy in the fiber-based packaging industry exposes RDM Group to various types of risks and opportunities that could positively or negatively impact its financial position and results. Our approach to risk management is embedded in our long-term business plan and is a crucial driver for our business.

We adopt an integrated approach to risk management, placing the assessment of risks and opportunities at the forefront of our leadership team's agenda. The risk management process is pivotal to our corporate organization, contributing to informed decision-making, consistent governance, and a thorough understanding of risks, compliance requirements, and corporate values. It plays a central role in aligning day-to-day management with the corporate objectives set by the Board of Directors.

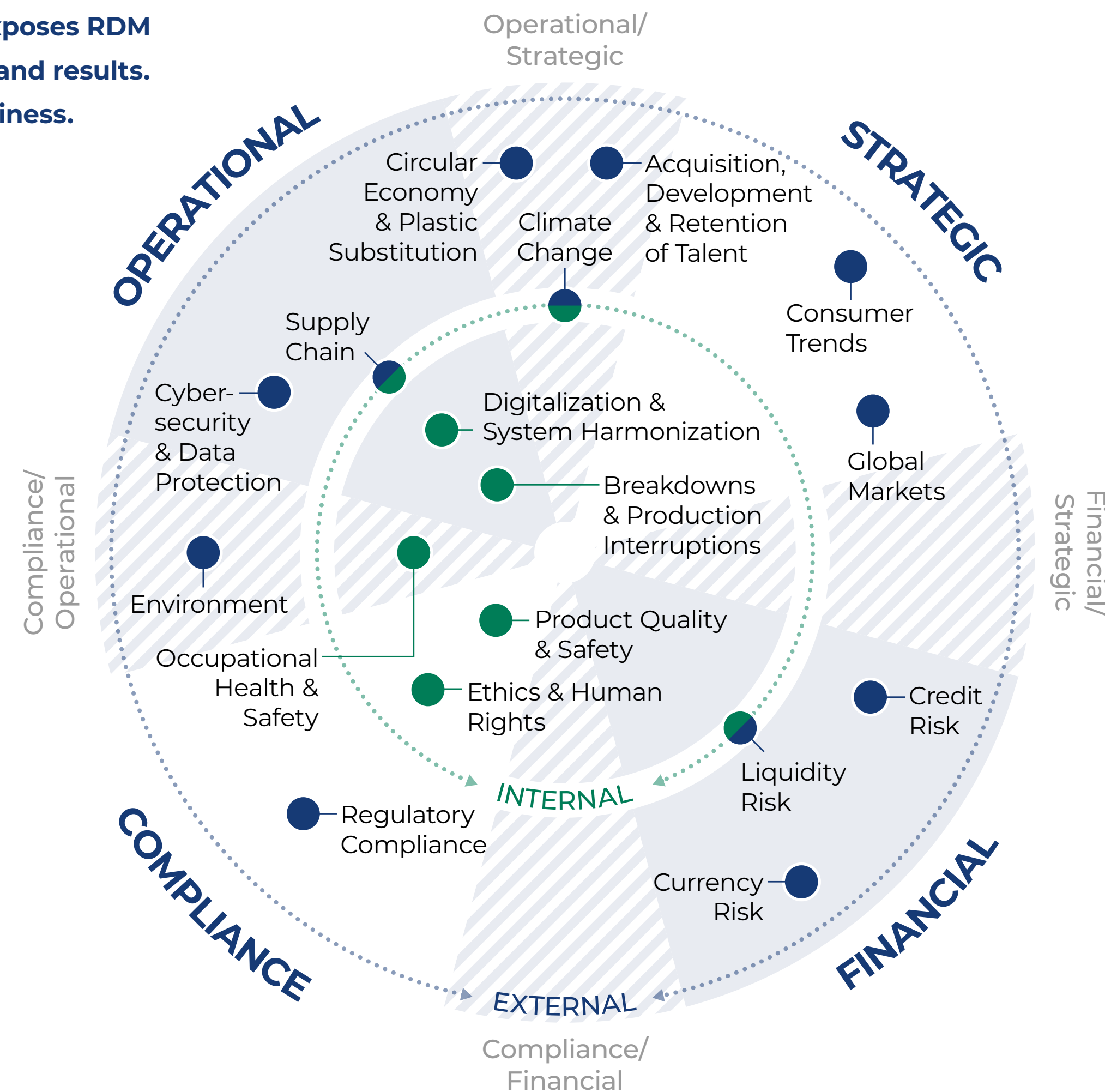
RDM Group has implemented an enterprise risk management (ERM) model inspired by international best practices. It involves the entire corporate organization and governance bodies and aims to optimize the identification, measurement, management, and monitoring of Company risks. It is integrated into decision-making processes and classifies risks into four categories: Strategic Risk, Operational Risk, Compliance Risk, and Financial Risk.

## KEY RISKS AND TRENDS

RDM Group assesses risks according to their likelihood, potential impact, and management readiness. Taken together, they determine overall risk exposure and help prioritize the most critical risks.

In 2023, RDM Group undertook a comprehensive update of its ERM methodology to better align its risk portfolio with the Strategic Plan. The results were presented to the Risk & Audit Committee and to top management.

The main Company-specific risks are outlined below. These are not the only risks and uncertainties the Group might face. RDM Group acknowledges that additional risks and uncertainties might emerge as significant factors influencing the organization.



GLOBAL MARKETS

In a globalized world, every national economy is linked and interdependent upon others. While the possibility of operating in a global market is a great opportunity for business, it also brings regulatory and geopolitical risk. The Group’s business links to countries experiencing political instability or those engaged in conflicts carry a risk in terms of supplies, especially of energy sources.

Unstable geopolitical situations lead to higher fuel costs, which impacts internal production costs, as well as logistics costs.

RDM Group remains vigilant and constantly monitors changes in global markets to proactively address any potential adverse effects.

CONSUMER TRENDS

The cartonboard industry is shaped by evolving consumer preferences and trends that are sensitive to geopolitical instability and inflation. Failure to anticipate and respond to consumer trends appropriately could result in

reduced demand for RDM Group products, leading to financial losses.

To address this risk, RDM Group adapts its product development and innovation activities to meet emerging consumer trends, including those related to sustainability. The Group is working to strengthen its environmental footprint analysis alongside product development to better support our customers on their sustainability journeys.

SUPPLY CHAIN

To manage price volatility and guarantee the availability of raw materials, RDM Group diversifies the contractual and geographical origin of supplies. Wherever possible, the Group sources raw materials locally to reduce environmental impacts and mitigate risks associated with global transportation.

For the transportation and distribution of final products, RDM Group relies on a multi-mill strategy, which allows for flexibility in product manufacturing and logistics while ensuring that several mills are able to guarantee delivery if required.

The management of large quantities of incoming paper for recycling also exposes RDM Group to risks related to quality. To manage the risk of sourcing virgin fibers from potentially unsustainable sources, the Group relies on the internationally recognized chain-of-custody certification schemes: FSC® (Forest Stewardship Council®), PEFC (Program for the Endorsement of Forest Certification) and FSC® controlled wood. The Group only buys from suppliers that sustainably manage their operations and comply with the Group’s environmental and safety requirements.

To manage volatility in wholesale energy markets, in particular natural gas, RDM Group adopts a mid- to long-term volume and price purchase strategy. This allows the Group to lock in fuel prices and manage unexpected price spikes, while limiting exposure to spot prices to small volumes.

ENVIRONMENT

Paper and board production is a significant user of water resources. RDM Group has a dedicated program

to reduce water withdrawals and discharges through improved production processes, including closed water loops. Beyond supporting the Group’s sustainability goals, this prepares the Company for the likelihood of stricter constraints on withdrawals, particularly in water-stressed areas.

The Group runs chemical, physical, and biological water treatment plants to treat effluents before they are discharged into waterways or sent to municipal wastewater treatment facilities. The mills of Sappemeer in the Netherlands and Fiskeby in Sweden also use anaerobic wastewater treatment technology to treat their own wastewater and generate biogas.

Each mill has systems in place for monitoring the quality of water discharges, including laboratories that run specific tests and make sure the mills comply with all legal requirements and quality standards.

RDM Group reduces its impact on the environment by using technologies that significantly limit the volume

of waste produced, and by finding organizations that may have a use for the Company’s waste as inputs for their own production processes.

The Group employs specific equipment to recover the fiber content of pulper waste, thus maximizing the use of raw materials and minimizing waste. The Group is striving to increase the proportion of waste sent for recovery to minimize sending waste to landfill.

Of the waste produced onsite, 99% is non-hazardous and therefore of low environmental concern. The Group has adopted environmental management systems (ISO 14001), certified by accredited third-party bodies, at several of the Group’s locations.

CLIMATE CHANGE

The paper manufacturing process is energy intensive and contributes to the emission of greenhouse gases. The Group has adopted energy management systems (ISO 50001) at several of its mills, certified by accredited third-party bodies.

The Group is beginning to transition toward production processes and energy sources with a lower environmental impact, including electricity from renewable sources, high-efficiency cogeneration plants, and investments in energy efficiency.

The Company is following the evolution in green technologies, such as biofuels and electrification. RDM Group has already adopted alternative energy technologies at its plants in Hoogezand in the Netherlands and Fiskeby in Sweden, which use waste-to-energy (WTE) facilities. In future, the Group expects to continue to use cleaner fuels as they also help to reduce the cost and volatility risks associated with the purchase of emissions allowances under the EU Emissions Trading System (EU-ETS).

Mills in locations that are potentially subject to climate-change events, such as rising rivers or extreme weather, potentially expose the Company to the disruption of operations. The Company has implemented a robust resilience strategy to mitigate this risk, including infrastructure improvements

and disaster response planning. The Company also performs regular risk assessments and scenario planning to ensure it can adapt to the escalating challenges of climate-induced natural disasters.

PRODUCT QUALITY AND SAFETY

Product safety and compliance with quality standards are pivotal to the Group’s reputation and a distinctive feature of the Company’s products.

RDM Group has 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’s Technical Customer Service (TCS) operates at mill level, at regional level, and at Group level, to ensure the quality and safety of its products and provide direct customer support. Each mill has a dedicated quality manager who is responsible for the quality control system.

All of RDM Group’s board mills and sheeting centers have adopted ISO 9001 quality management systems, certified by independent third-party organizations. Several of the Group’s products are certified for contact with food.

PEOPLE HEALTH AND SAFETY

While the production process of the board mills is automated, it also requires manual intervention and supervision by operators.

RDM Group ensures that its workforce has the appropriate training and personal protective equipment to work safely. It also invests in machine upgrades.

RDM Group seeks to empower its people to manage their own safety and that of their colleagues. The Group is strategically investing in a Behavior-Based Safety (BBS) program to enhance the safety culture of the organization and promote safe behaviors as it has been shown that a high level of safety increases worker engagement and their sense of belonging. People’s safety is a moral obligation for the Group and is a top commitment for all levels of management.

The Group has adopted ISO 45001 management systems and relies on dedicated safety teams, both at Group and mill level. The dialogue on safety solutions and cross-auditing between health and safety managers allows each plant to continuously improve its practices. 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. The Group also has a Group Health and Safety Manager whose role is to enhance standardization, deploy Group-wide safety programs, and ensure the adoption of improvement plans in each plant.

**ETHICS AND HUMAN RIGHTS**

RDM Group abides by the United Nations Universal Declaration of Human Rights and the conventions of the International Labor Organization. Its operations are located in countries with a low risk of human rights violations. Furthermore, the Group is committed to fighting all forms of professional discrimination and, where possible, national collective bargaining

agreements are adopted. The purchase of FSC® and PEFC-certified or controlled fiber-based raw materials reduces the risks associated with illegal felling, labor exploitation, and violation of the rights of indigenous populations.

During 2023, RDM Group updated its Code of Ethics to strengthen rules of business conduct that prevent corrupt practices and collusive behavior. RDM Group’s Code of Ethics has been distributed to all its business units and brought to the attention of all employees. The Group organizes dedicated training sessions to ensure all employees are aware of the Code’s content and principles.

The Group also adopted a new Human Rights Policy in 2023 and embedded it as an essential and non-negotiable element of its corporate culture and strategy, in line with the principles of the United Nations Global Compact, one of the world’s largest corporate sustainability initiatives.

Moreover, RDM Group has adopted an Organization, Management and Control Model (pursuant to Italian Legislative Decree No. 231/01), which defines roles, responsibilities, and protocols for preventing possible offenses – including for human rights – as part of a company’s internal control system.

**BREAKDOWNS AND PRODUCTION INTERRUPTIONS**

Making cartonboard, which relies on board machines working 24/7, can be subject to interruptions when machines break down.

The Group works to minimize the risk of interruption by running a loss prevention program in partnership with a key external service provider. The program relies on third-party assessments of the condition of buildings, machinery, and combined heat and power (CHP) plants to schedule preventative maintenance.

The loss prevention team works to identify potential business interruption criticalities, implement

action plans to apply preventative maintenance protocols and invest in the protection of facilities and assets. Particular importance is given to fire risk protection, where substantial investments have been made and further enhancements are planned in accordance with the Group’s Loss Prevention Plan.

The risk of production interruptions is also mitigated by RDM Group’s adoption of a “multi-mill concept.” This allows the Company to operate its board mills as a network that, if necessary, can balance and supplement the needs of individual mills.

**DIGITALIZATION AND SYSTEM HARMONIZATION**

Digital technologies have created great growth opportunities for all businesses and industries, including pulp and paper. RDM Group has an ambitious digitalization program for production sites and offices aimed at achieving efficiency gains and fortifying the Company’s digital infrastructure.

Several projects made progress in 2023, including the rollout of new IT systems to harmonize tools and processes across different plants, and the replacement of older systems at risk of obsolescence.

### **CYBERSECURITY AND DATA PROTECTION**

The growing use of technology, the accelerated shift toward digitalization, and the introduction of remote working increases the Group's exposure to different types of internal and external cyber risks. Cyberattacks have become more widespread and pose a constant threat to both the Group and third parties.

To safeguard business continuity and protect relevant and personal data, the Company has implemented specific IT security management and control systems. In addition, RDM Group has backup systems, cloud strategies, and advanced processes to thwart unauthorized access to corporate data and operational control systems.

To fortify its cybersecurity, RDM Group has contracted a specialized external IT company to run a cyberattack monitoring program and provide training sessions to raise awareness of phishing and other cyber risks among employees.

RDM Group is committed to upholding data protection standards and is fully compliant with EU Reg. 679/2016 covering the handling and safety of personal data.

### **RECRUITMENT, DEVELOPMENT, AND RETENTION OF TALENT**

The recruitment, development, and retention of skilled personnel is a critical challenge for the cartonboard industry, which has specialized needs. For the Group, attracting the right talent and qualified mill personnel is essential to its medium to long-term goal for sustainable growth.

In response, RDM Group seeks to attract young talent and retain strategic resources through talent attraction and



retention protocols, such as programs to facilitate work-life balance and working from home. Retaining skilled employees is especially crucial, as high turnover can result in knowledge loss, increased recruitment costs, and disruptions in production. To address this risk, the Group developed a strategic approach to talent management, including professional development and training programs. Moreover, the Group is investing in its people with training schemes and professional development plans that help our employees gain new skills and competences.

### **CIRCULAR ECONOMY AND PLASTIC SUBSTITUTION**

The circular economy is a fundamental pillar of the European Union's Green Deal for environmental protection and economic competitiveness. As a manufacturer of recyclable products, RDM Group's business model exemplified the circular economy in action. The Group also contributes to UN Sustainable Development Goal 12, which promotes sustainable consumption and

production patterns, and sees itself as a leader in the transition toward a more sustainable society.

Consumer demand for environmentally friendly and easily recyclable packaging is growing. The drive to replace plastic packaging, in particular, is gaining momentum and brings new opportunities for development and innovation in the fiber-based packaging industry. As a result, the Group is engaged with clients, partners, laboratories, and research centers to find fiber-based solutions with functional barriers that can substitute plastics and contribute to a circular economy.

### **REGULATORY COMPLIANCE**

As the cartonboard industry operates within a complex global marketplace, compliance with diverse and evolving regulatory frameworks poses a significant risk. Changes in environmental standards, health and safety regulations, and trade policies could impact the production processes, supply chain, and market access for

the Company. Failure to stay abreast of, interpret accurately, and adapt to these regulatory shifts may result in financial penalties, legal disputes, and reputational damage. Moreover, the interconnected nature of the global economy means that regulatory changes in one region can have cascading effects on the entire supply chain.

To mitigate this risk, RDM Group maintains a proactive and adaptable approach, consistently and continuously monitoring and addressing regulatory developments to ensure ongoing compliance and sustainable operations.



# MANAGEMENT SYSTEMS

Effective business process management is a crucial factor for achieving long-term success. In line with the commitment to operational excellence, RDM Group has implemented management systems certified according to internationally recognized ISO standards. Adherence to these internationally accepted frameworks is the foundation for ensuring the efficiency and sustainability of business operations while maintaining high standards across all aspects of the business.

RDM Group's current management systems cover a wide range of areas, such as quality, health and safety, environment, and energy. We have an integrated quality, environment, energy, health and safety policy that acts as a framework for all Group procedures, guidelines, and operating instructions. Other management systems and product certifications, such as FSC® and PEFC, are in place to satisfy specific market demands. Last year, the Company's Milan headquarters received the FSC® certification as well.

In 2023, the ISO 45001 certification, an international standard for health and safety at work, was awarded to the Dutch mills, Sappemeer and Hoogezand, the Paprinsa mill in Spain, and the Magenta sheeting center in Italy. The Company's remaining mills are in the process of being certified. RDM Group plans to obtain ISO 45001 certification for all plants, including the newly acquired Fiskeby mill in Sweden, indicating the Group's commitment to meeting internationally recognized occupational health and safety standards, fostering employee wellbeing, and building trust.

In 2023, all ISO certifications, with the exception of the newly acquired Fiskeby mill, were brought under a single, internationally recognized certifying body. This unified approach ensures not only operational efficiency and streamlined communication, but also consistency in auditing practices. The move is further intended to foster a cohesive and integrated management system that enhances the Group's global recognition and credibility.



## B CORP CERTIFICATION

Since 2022, Eska has B Corp certification, making it the first board brand to join a community of companies dedicated to social and environmental sustainability. B Corp certification aims to encourage businesses to operate with greater responsibility and transparency, demonstrating that business success can go hand-in-hand with sustainable development. In 2024, Eska will undertake its first renewal of B Corp certification.

In recent years, RDM Group has obtained several multi-site certifications for its Italian locations. This achievement shows significant progress, not only in the integrated management of key business areas, but also for more effectively integrating its mills. This process started with locations in Italy, but will be extended to other production sites. Thanks to integrated management systems, RDM Group is better equipped to exploit synergies and improve decision-making and the consistency and efficiency of operations. Integrated Management Systems (IMS), a dedicated corporate function, is responsible for streamlining and harmonizing various management systems with a view to enhancing organizational effectiveness.

Throughout 2023, regular audits, both internal and by different certified bodies, were conducted and no major issues have emerged. In instances where issues are identified, an action plan is promptly implemented. IMS and internal audit functions coordinate follow-ups to ensure the resolution of identified issues. This proactive approach not only addresses

challenges promptly, but also improves and enhances operational processes.

The incorporation of Fiskeby into the Group is expected to unlock various opportunities. Fiskeby has a laboratory that is ISO 17025 certified for water analysis. Having an accredited laboratory will add value to the whole Group. In 2024, IMS will work with the Swedish mill to obtain additional ISO certifications.

ECOVADIS GOLD

In 2023, RDM Group was awarded a gold rating for Corporate Social Responsibility (CSR) by EcoVadis, a leading provider of business sustainability ratings. This places RDM Group among the top 5% of companies assessed by the organization. By achieving the EcoVadis gold medal, the Group demonstrates its commitment to responsible and sustainable business practices.



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

	ISO 45001	ISO 9001	ISO 14001	ISO 50001	EMAS	BLAUER ENGEL	FSC®	PEFC	BRC/ EN15593/ ISO 22000
Arnsberg	–	1992	1997	–	1997	–	2010	–	–
Barcelona	2021	1996	1998	2020	2000	–	2015		
Blendecques	–	1995		2014	–	–	2008	–	–
Fiskeby	–	1991	1997	2022	–	–	2010	2010	2010
Headquarters Milan	2019	1996	2021	2021	–	–	2023	–	–
Hoogezand	2023	1997	2014	2020	–	–	2008	2012	2012
Magenta	2023	1996	–	–	–	–	2010	–	–
Ovaro	2020	1996	2004	2015	–	2015	2009	2017	2017
PAC Service	2021	1997	–	–	–	–	2010	2009	2009
Paprinša	2023	2022	–	–	–	–	2012	–	–
S. Giustina	2020	1996	2001	2015	–	–	2010	2016	2016
Sappemeer	2023	1997	2014	2020	–	–	2008	2012	2012
Villa S. Lucia	2020	1996	2005	2015	–	–	2010	–	–

In green are the multi-site certifications.

# MEMBERSHIPS

RDM Group is an active member of various associations, initiatives, and working groups, spanning both local and international spheres. By engaging with industry associations, the Company amplifies its advocacy for the advancement of the fiber-based packaging and recycling industry, championing progress and sustainable innovation within the sector.

## ASSOCIATIONS AT 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

## ASSOCIATIONS AT LOCAL LEVEL

- ACOGEN – Asociación Española de Cogeneración
- ASPAPEL – Asociación española de fabricantes de pasta, papel y cartón
- ASSOCARTA
- ASSOGRAFICI
- CONFINDUSTRIA – Confederazione generale dell’industria italiana
- 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 Industria i Comunicació Grafica de Catalunya
- MEDEF
- Royal VNP – Koninklijke Vereniging van Nederlandse Papier- en kartonfabrieken
- Royal VEMW – Vereniging van Energie, Milieu en water
- VDP – Verband Deutscher Papierfabriken
- Swedish Forest Industry Federation



PRO CARTON  
PACKAGING FOR  
A BETTER WORLD

### PRO CARTON

RDM Group is an active member of Pro Carton, the European Association of Carton and Cartonboard

Manufacturers. This non-profit organization represents more than 40 cartonboard mills in 13 European countries and North America. These mills collectively supply over 90% of Europe’s carton demand, serving both the region’s market needs and the carton converting industry in Europe.

Following a year-long consultation period, in June 2023, at the Pro Carton’s Annual General Meeting in Brussels, members of Pro Carton and CEPI Cartonboard agreed to merge into one strong association under the name of Pro Carton. The official merger is expected to take place in 2024. RDM Group CEO Michele Bianchi, as president of Pro Carton, is committed to maximizing synergies resulting from the merger to secure the best industry representation at EU level.

# APPENDIX

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# ABOUT THIS REPORT

## COMPLIANCE AND METHODOLOGY

RDM Group's 2023 Sustainability Report is designed to inform stakeholders of its current performance and future perspectives with regard to sustainability. The Group's Sustainability Reports are published annually.

The contents of this document are based on an updated materiality analysis that identified the most important topics for the Company in terms of their impact on long-term growth and value creation for all stakeholders. The Sustainability Report covers the period between January 1 and December 31, 2023, and aims to offer a balanced, accurate, exhaustive, and transparent representation of achievements, considering the expectations of stakeholders and the impacts generated by the Group's activities. The report has been prepared in accordance with GRI Standards 2021, published by the Global Reporting Initiative.

A GRI Content Index section has been included in the Appendix to highlight GRI disclosures and the corresponding pages of

reference for each material topic for the Group. The Appendix also contains the Sustainability Performance section, which includes all data in table format to facilitate the search and analysis of key figures.

Where possible, comparative figures for previous years have been included to enable a better understanding of the Group's progress.

To ensure the reliability of data and an accurate representation of performance, the use of estimates has been limited as far as possible and, where present, these are based on the best available methodologies.

In this report, metric tons are used as the measure for weights. The term "main external contractors" refers to workers who provide core business-related services to the Company and have a stable on-site presence. The term "highest governance body" reported in the GRI content index refers to the Board of Directors. When used, the expression "production sites" or "production units" refers

to both mills and sheeting centers. Any reference to the Forest Stewardship Council (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 2023 Consolidated Financial Statements; all other data and information includes the Parent Company and the companies consolidated on a line-by-line basis in the Consolidated Financial Statements.

However, environmental and safety KPIs do not include data relating to offices, as they are considered to be non-material.

The 2021 sustainability performance data reflects the integration of Paprinsa and Eska for six months after the acquisition in July 2021. The mill in La Rochette is included until its divestment in April 2021.

The 2023 sustainability performance data includes six months for Fiskeby following

its acquisition in July 2023, consistent with the Group's 2023 Consolidated Financial Statements.

The reporting boundary of our long-term sustainability goals on page 11 excludes La Rochette, which was already part of a sales agreement when the goals were launched.

Any additional exceptions to the scope of consolidation are clearly explained in the report.

## REPORTING APPROVAL AND ASSURANCE

The Sustainability Report was approved by the Board of Directors on March 26, 2024. PricewaterhouseCoopers Business Services S.r.l. audited this report and has certified, in a separate statement included in the Appendix, that the report is in compliance with GRI Standards. The appointment of a third-party independent auditor for the Sustainability Report has been decided by the Company's management to guarantee the quality, accuracy and reliability of the data and information disclosed to stakeholders.

For more information or comments on this report, please contact the Group at: [sustainability@rdmgroup.com](mailto:sustainability@rdmgroup.com)

# SUSTAINABILITY PERFORMANCE

PRODUCTION	U.o.M.	2023	2022	2021
Net salable production	ton	964,190	1,206,493	1,281,125

RAW MATERIALS AND OTHER MATERIALS	U.o.M.	2023	2022	2021
<b>Total raw materials and other materials used</b>	<b>kton</b>	<b>1,258</b>	<b>1,524</b>	<b>1,686</b>
of which renewables	kton	1,064	1,296	1,421
of which non-renewables	kton	194	228	264
<b>Total fiber-based raw materials</b>	<b>kton</b>	<b>1,016</b>	<b>1,252</b>	<b>1,367</b>
Paper for recycling	kton	967	1,190	1,229
Virgin pulp	kton	50	62	74
of which certified FSC®/PEFC or FSC® controlled wood	%	100	100	100
Wood chips	kton	0	0	64
of which certified FSC®/PEFC or FSC® controlled wood	%	0	0	55

ENERGY	U.o.M.	2023	2022	2021
<b>Total energy consumption<sup>1</sup></b>	<b>MWh</b>	<b>2,145,275</b>	<b>2,575,371</b>	<b>2,873,875</b>
<b>Energy consumption from fossil fuels</b>	<b>MWh</b>	<b>1,770,046</b>	<b>2,370,386</b>	<b>2,441,542</b>
of which natural gas	MWh	1,323,710	1,930,087	1,983,754
of which diesel	MWh	9,850	10,517	11,410
of which LPG/propane	MWh	767	284	721
of which Waste to Energy (fossil)	MWh	68,933	29,372	14,575
of which coal	MWh	364,905	399,992	423,904
of which fuel oil	MWh	1,881	134	7,177
<b>Energy consumption from renewable sources</b>	<b>MWh</b>	<b>82,882</b>	<b>28,186</b>	<b>134,111</b>
of which biogas	MWh	7,428	4,412	2,850
of which biomass	MWh	0	0	116,708
of which Waste to Energy (biogenic)	MWh	75,454	23,774	14,553
<b>Electricity purchased</b>	<b>MWh</b>	<b>292,346</b>	<b>176,798</b>	<b>298,222</b>
of which electricity from renewable certified sources	MWh	47,780	48,704	60,626
<b>Electricity sold</b>	<b>MWh</b>	<b>48,721</b>	<b>205,246</b>	<b>367,232</b>
of which electricity from renewable	MWh	2,085	0	0
<b>Energy intensity<sup>2</sup></b>	<b>MWh/ton</b>	<b>2.22</b>	<b>2.13</b>	<b>2.24</b>

(1) Does not include fossil fuel used for the generation of electricity supplied to the national grids amounting to 88,377MWh (2023), 431,065 MWh (2022), 708,756 MWh (2021).

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

GHG EMISSIONS	U.o.M.	2023	2022	2021
Direct emissions (Scope 1) <sup>1</sup>	tCO <sub>2</sub> e	385,213	492,342	508,983
Indirect emissions (Scope 2) (location based) <sup>2</sup>	tCO <sub>2</sub> e	73,984	40,588	65,611
Indirect emissions (Scope 2) (market based) <sup>2,3</sup>	tCO <sub>2</sub> e	97,330	51,806	60,938
Emissions neutralized with green certificates (market based)	tCO <sub>2</sub> e	3,058	15,342	27,827
Emissions from biogenic sources	tCO <sub>2</sub> e	27,929	7,410	52,824
Carbon intensity (location based)	tCO <sub>2</sub> e/ton	0.476	0.442	0.449
Carbon intensity (market based)	tCO <sub>2</sub> e/ton	0.500	0.451	0.445

(1) Gases included in the calculation: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFC. 2023 emission factor sources: EU Guidance Document Biomass issues in the EU-ETS; UK 2023 Government GHG conversion factors for company reporting; AIB 2022 Residual mix results v 1.0; latest version of Terna - confronti internazionali (2019). Emissions from corporate fleets are excluded as they are not material. Emissions from fossil fuel combustion for the generation of electricity supplied to the national grids are excluded and correspond to 16,704 tCO<sub>2</sub>e (2023), 79,166 tCO<sub>2</sub>e (2022), 79,427 tCO<sub>2</sub>e (2021).

(2) Indirect emissions are expressed in metric tons of CO<sub>2</sub>; the percentage of methane and nitrous oxide has a negligible effect on total greenhouse gas emissions (CO<sub>2</sub>e) as per technical literature.

(3) Indirect Scope 2 market-based emissions are net of the emissions neutralized through green electricity, amounting to 3,058 tCO<sub>2</sub>e.

OTHER EMISSIONS	U.o.M.	2023	2022	2021
NO <sub>x</sub>	ton	214	308	511
SO <sub>x</sub> <sup>1</sup>	ton	240	134	138
Particles	ton	3	5	11
Carbon monoxide	ton	29	182	285
Volatile organic compounds (VOC)	ton	7.4	35.1	24.8

The figures in the table refer to the sole activity of cartonboard production. Total 2023 amount are: NO<sub>x</sub> 219 tons, SO<sub>x</sub> 243 tons, particles 3 tons, carbon monoxide 30 tons, VOC 7.4 tons.

(1) SO<sub>x</sub> emissions increased in 2023 due to high sulfur content in coal.

WATER	U.o.M.	2023	2022	2021
<b>Water withdrawals<sup>1</sup></b>	<b>megaliters</b>	<b>16,179</b>	<b>17,038</b>	<b>17,676</b>
of which from surface waters	megaliters	10,106	8,380	8,817
of which from groundwater	megaliters	5,820	8,394	8,605
of which from municipal water supply	megaliters	253	264	254
<b>Wastewater discharges</b>	<b>megaliters</b>	<b>9,054</b>	<b>11,174</b>	<b>13,475</b>
of which to external treatment plants	megaliters	3,365	4,473	4,978
of which toward surface waters	megaliters	5,689	6,701	8,497
<b>Non-contact cooling water discharges<sup>2</sup></b>	<b>megaliters</b>	<b>4,907</b>	<b>3,687</b>	<b>2,577</b>
<b>Water withdrawal intensity<sup>3</sup></b>	<b>m<sup>3</sup>/ton</b>	<b>16.78</b>	<b>14.12</b>	<b>13.80</b>
<b>Wastewater discharge intensity<sup>3</sup></b>	<b>m<sup>3</sup>/ton</b>	<b>9.39</b>	<b>9.26</b>	<b>10.52</b>

(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.

EMISSION TO WATER	U.o.M.	2023	2022	2021
COD (Chemical Oxygen Demand)	ton	456	612	710
Total suspended solids	ton	80	96	98
Nitrogen	ton	14	13	20
Phosphorus	ton	2	1	2

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

WATER STRESS	U.o.M.	2023	2022	2021
<b>Withdrawals from low water stress areas</b>	<b>megaliters</b>	<b>3,512</b>	<b>2,100</b>	<b>2,326</b>
of which from surface waters	megaliters	2,283	0	0
of which from groundwater	megaliters	1,093	1,962	2,186
of which from municipal water supply	megaliters	136	138	140
<b>Withdrawals from moderate water stress areas</b>	<b>megaliters</b>	<b>9,822</b>	<b>10,644</b>	<b>10,659</b>
of which from surface waters	megaliters	6,697	6,764	6,566
of which from groundwater	megaliters	3,043	3,789	4,014
of which from municipal water supply	megaliters	82	91	79
<b>Withdrawals from high to very high water stress areas</b>	<b>megaliters</b>	<b>2,845</b>	<b>4,294</b>	<b>4,690</b>
of which from surface waters	megaliters	1,127	1,616	2,250
of which from groundwater	megaliters	1,684	2,643	2,405
of which from municipal water supply	megaliters	34	35	35
<b>Water discharges to low water stress areas</b>	<b>megaliters</b>	<b>1,754</b>	<b>1,994</b>	<b>2,204</b>
<b>Water discharges to moderate water stress areas</b>	<b>megaliters</b>	<b>4,888</b>	<b>5,631</b>	<b>7,240</b>
<b>Water discharges from high to very high water stress areas</b>	<b>megaliters</b>	<b>2,412</b>	<b>3,549</b>	<b>4,031</b>

WASTE	U.o.M.	2023	2022	2021
<b>Total waste generated</b>	<b>ton</b>	<b>194,386</b>	<b>215,717</b>	<b>204,019</b>
Total non-hazardous waste	ton	192,230	214,224	202,802
Total hazardous waste	ton	2,156	1,493	1,217
Total sent for disposal	ton	33,120	68,344	62,404
Total sent for recovery	ton	161,266	147,373	141,615
Total Specific Waste <sup>1</sup>	kg/t	202	179	159

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

SAFETY (EMPLOYEES)	U.o.M.	2023	2022	2021
Fatalities	n.	0	0	0
Total injuries	n.	26	30	29
Total high-consequences injuries	n.	3	1	0
Total lost days	n.	944	1,191	742
Total worked hours	n.	2,959,766	2,750,906	2,651,854
Frequency rate	Ratio	1.8	2.2	2.2
Severity rate	Ratio	63.8	86.6	56.0
Fatality rate	Ratio	0.0	0.0	0.0
Rate of high-consequences injuries	Ratio	0.2	0.1	0.0

SAFETY (INTERIM WORKERS)	U.o.M.	2023	2022	2021
Fatalities	n.	0	0	0
Total injuries	n.	2	6	3
Total high-consequences injuries	n.	0	1	0
Total lost days	n.	13	230	21
Total worked hours	n.	189,647	378,945	304,068
Frequency rate	Ratio	2.1	3.2	2.0
Severity rate	Ratio	13.7	121.4	13.8
Fatality rate	Ratio	0.0	0.0	0.0
Rate of high-consequences injuries	Ratio	0.0	0.5	0.0

SAFETY (MAIN EXTERNAL CONTRACTORS)	U.o.M.	2023	2022	2021
Fatalities	n.	0	0	0
Total injuries	n.	0	1	0
Total high-consequences injuries	n.	0	0	0
Total lost days	n.	0	3	0
Total worked hours	n.	118,074	138,791	169,877
Frequency rate	Ratio	0.0	1.4	0.0
Severity rate	Ratio	0.0	4.3	0.0
Fatality rate	Ratio	0.0	0.0	0.0
Rate of high-consequences injuries	Ratio	0.0	0.0	0.0

SAFETY (EMPLOYEES AND INTERIM WORKERS)	U.o.M.	2023	2022	2021
Frequency rate	Ratio	1.8	2.3	2.2
Severity rate	Ratio	60.8	90.8	51.6
Fatality rate	Ratio	0.0	0.0	0.0
Rate of high-consequences injuries	Ratio	0.2	0.1	0.0

PEOPLE	U.o.M.	2023	2022	2021
Number of employees	n.	2,368	2,030	2,006
of which men	n.	2,098	1,812	1,797
of which women	n.	270	218	209
of which < 30 years old	n.	271	205	201
of which 30 - 50 years old	n.	1,139	914	875
of which > 50 years old	n.	958	911	930
of which executives	n.	59	46	44
of which white-collar employees	n.	671	608	561
of which blue-collar employees	n.	1,638	1,376	1,401
of which permanent employees	n.	2,257	1,959	1,910
of which temporary employees	n.	111	71	96
of which full-time employees	n.	2,274	1,965	1,945
of which part-time employees	n.	94	65	61
of which in Italy	n.	701	673	678
of which in France	n.	204	189	207
of which in the Iberian Peninsula	n.	416	423	404
of which in Germany	n.	332	329	318
of which in the Netherlands	n.	351	346	332
of which in Sweden	n.	295	0	0
of which in the rest of Europe	n.	29	27	26
of which in the rest of the World	n.	40	43	41
of which covered by national collective bargaining agreement	%	93.6	92.6	91.7
Number of interim workers	n.	101	153	240

2023 employees: full-time men 90% and 10% women; part-time men 62% and women 38%; permanent men 89% and 11% women; fixed term men 81% and women 19%; full-time employees Italy 99%, Iberian Peninsula 90%, the Netherlands 93%, Germany 96%, France 99%, Sweden 98%, Rest of Europe 100%, Rest of the World 100%; part-time employees Italy 1%, Iberian Peninsula 10%, the Netherlands 7%, Germany 4%, France 1%, Sweden 2%, Rest of Europe 0%, Rest of the World 0%; permanent employees Italy 99%, Iberian Peninsula 100%, the Netherlands 92%, Germany 89%, France 92%, Sweden 93%, Rest of Europe 97% Rest of the World 100%; fixed-term employees Italy 1%, Iberian Peninsula 0%, the Netherlands 8%, Germany 11%, France 8%, Sweden 7%, Rest of Europe 3%, Rest of the World 0%.

PEOPLE	U.o.M.	2023	2022	2021
Total employees hired	n.	285	222	175
of which men	n.	238	177	137
of which women	n.	47	45	38
of which < 30 years old	n.	92	71	67
of which 30 - 50 years old	n.	146	121	99
of which > 50 years old	n.	47	30	9
of which in Italy	n.	102	74	66
of which in France	n.	56	15	24
of which in the Iberian Peninsula	n.	28	40	36
of which in Germany	n.	28	33	19
of which in the Netherlands	n.	43	30	10
of which in Sweden	n.	9	0	0
of which in the rest of Europe	n.	10	10	15
of which in the rest of the World	n.	9	20	5
Total employees dismissed	n.	299	199	126
of which men	n.	244	169	99
of which women	n.	55	30	27
of which < 30 years old	n.	71	37	18
of which 30 - 50 years old	n.	105	71	49
of which > 50 years old	n.	123	91	59
of which in Italy	n.	74	75	45
of which in France	n.	41	31	14
of which in the Iberian Peninsula	n.	35	29	15
of which in Germany	n.	26	22	21
of which in the Netherlands	n.	42	18	20
of which in Sweden	n.	60	0	0
of which in the rest of Europe	n.	9	6	8
of which in the rest of the World	n.	12	18	3

EMPLOYEES RECRUITMENT RATE	U.o.M.	2023	2022	2021
Total recruitment rate	%	12	11	9
Recruitment rate men	%	11	10	8
Recruitment rate women	%	17	21	18
Recruitment rate < 30 years old	%	34	35	33
Recruitment rate 30 - 50 years old	%	13	13	11
Recruitment rate > 50 years old	%	5	3	1
Recruitment rate in Italy	%	15	11	10
Recruitment rate in France	%	27	8	12
Recruitment rate in the Iberian Peninsula	%	7	9	9
Recruitment rate in Germany	%	8	10	6
Recruitment rate in the Netherlands	%	12	9	3
Recruitment rate in Sweden	%	3	0	0
Recruitment rate in the rest of Europe	%	34	37	58
Recruitment rate in the rest of the World	%	23	47	12

Rate calculated as the number of hires within each age, geographical area or gender group.

TRAINING	U.o.M.	2023	2022	2021
Average hours of training for employees	n.	11.0	14.6	9.4
Average training hours for men	n.	11.0	12.1	9.0
Average training hours for women	n.	11.4	35.1	13.3
Average training hours for executives	n.	12.2	8.4	10.2
Average training hours for white-collar employees	n.	13.8	13.3	14.3
Average training hours for blue-collar employees	n.	9.8	15.4	7.4
Employees trained	n.	1,939	1,597	1,093
of which executives	n.	55	29	36
of which white-collar employees	n.	586	467	361
of which blue-collar employees	n.	1,298	1,101	696

EMPLOYEES TERMINATION RATE	U.o.M.	2023	2022	2021
Total termination rate	%	13	10	6
Termination rate men	%	12	9	6
Termination rate women	%	20	14	13
Termination rate < 30 years old	%	26	18	9
Termination rate 30 - 50 years old	%	9	8	6
Termination rate > 50 years old	%	13	10	6
Termination rate in Italy	%	11	11	7
Termination rate in France	%	20	16	7
Termination rate in the Iberian Peninsula	%	8	7	4
Termination rate in Germany	%	8	7	7
Termination rate in the Netherlands	%	12	5	6
Termination rate in Sweden	%	20	0	0
Termination rate in the rest of Europe	%	31	22	31
Termination rate in the rest of the World	%	30	42	7

Rate calculated as the number of terminations and resignations within each age, geographical area or gender group.

CLAIMS	U.o.M.	2023	2022	2021
Withdrawals from the market for food safety	n.	0	0	0
Recalls from the market for food safety	n.	0	0	0
Rate of complaints <sup>1</sup>	n.	0.37	0.26	0.27

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

DIVERSITY	U.o.M.	2023	2022	2021
Total number of executives	n.	59	46	44
of which men	n.	44	34	31
of which women	n.	15	12	13
of which < 30 years old	n.	0	0	0
of which 30 - 50 years old	n.	15	12	15
of which > 50 years old	n.	44	34	29
Total number of white-collar employees	n.	671	608	561
of which men	n.	481	426	397
of which women	n.	190	182	164
of which < 30 years old	n.	64	60	51
of which 30 - 50 years old	n.	325	269	258
of which > 50 years old	n.	282	279	252
Total number of blue-collar employees	n.	1,638	1,376	1,401
of which men	n.	1,573	1,352	1,369
of which women	n.	65	24	32
of which < 30 years old	n.	207	145	150
of which 30 - 50 years old	n.	799	633	602
of which > 50 years old	n.	632	598	649
Total number of Board members	n.	7	7	7
of which men	n.	5	5	5
of which women	n.	2	2	2
of which < 30 years old	n.	0	1	1
of which 30 - 50 years old	n.	3	3	5
of which > 50 years old	n.	4	3	1

# GRI CONTENT INDEX

Statement of use	RDM Group has reported in accordance with the GRI Standards for the period 1st January - 31st December 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	N/A

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	COMMENTS AND OMISSIONS	LOCATION
General disclosures			
GRI 2: General Disclosures 2021	2-1 Organizational details		p. 7; Credits
	2-2 Entities included in the organization’s sustainability reporting		pp. 7, 75
	2-3 Reporting period, frequency and contact point		p. 75
	2-4 Restatements of information	No restatements of information in 2023	
	2-5 External assurance		p. 75; pp. 87-90
	2-6 Activities, value chain and other business relationships		pp. 6, 7, 17, 20, 21, 23
	2-7 Employees	Numbers reported in head count at the end of the reporting period	pp. 5, 7, 48; pp. 79-81
	2-8 Workers who are not employees		pp. 48, 75, 79
	2-9 Governance structure and composition		pp. 60, 61

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	COMMENTS AND OMISSIONS	LOCATION
	2-10 Nomination and selection of the highest governance body		pp. 60, 61
	2-11 Chair of the highest governance body		p. 60
	2-12 Role of the highest governance body in overseeing the management of impacts		pp. 60, 61
	2-13 Delegation of responsibility for managing impacts		pp. 60, 61
	2-14 Role of the highest governance body in sustainability reporting		pp. 15, 60, 61, 75
	2-15 Conflicts of interest	The Group is not aware of any case of conflicts of interest.	p. 63
	2-16 Communication of critical concerns		pp. 60, 61, 64
	2-17 Collective knowledge of the highest governance body	No induction performed in 2023 to highest governance body. Sustainable development matters are regularly presented to the Board members during each committee meeting.	
	2-18 Evaluation of the performance of the highest governance body		p. 60
	2-19 Remuneration policies	Omission due to confidentiality constraints	
	2-20 Process to determine remuneration		pp. 51, 52, 60

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	COMMENTS AND OMISSIONS	LOCATION
	2-21 Annual total compensation ratio	Omission due to confidentiality constraints	
	2-22 Statement on sustainable development strategy		pp. 3, 4, 8, 9
	2-23 Policy commitments	Policies available at <a href="https://rdmgroup.com/governance">https://rdmgroup.com/governance</a>	pp. 62-64
	2-24 Embedding policy commitments		pp. 62-64; pp. 68, 70
	2-25 Processes to remediate negative impacts		pp. 44, 64
	2-26 Mechanisms for seeking advice and raising concerns		p. 64
	2-27 Compliance with laws and regulations		p. 64
	2-28 Membership associations		p. 73
	2-29 Approach to stakeholder engagement		p. 13
	2-30 Collective bargaining agreements		pp. 53, 79

Material topics

GRI 3: Material Topics 2021	3-1 Process to determine material topics		pp. 14, 15
	3-2 List of material topics		p. 15

Financial health

GRI 3: Material Topics 2021	3-3 Management of material topics	The impacts not explicitly reported in this Report on the material topic “financial health” refer to the ability of the company to be a reliable partner to its stakeholders, including supplier, employees, and investors	Consolidated Financial Statements 2023
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GRI STANDARD/ OTHER SOURCE	DISCLOSURE	COMMENTS AND OMISSIONS	LOCATION
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Economic value generated: 888 million Economic value retained: 5 million Economic value distributed: 882 million, of which 581 payments to suppliers, 153 employee wages and benefits, 95 operating costs, 7 payments to governments, 46 payments to lenders of capital.	

Compliance, ethics and business integrity

GRI 3: Material Topics 2021	3-3 Management of material topics		pp. 62-64; pp. 68, 70
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken		p. 64
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		p. 64
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken		pp. 53, 64

Circular economy

GRI 3: Material Topics 2021	3-3 Management of material topics		pp. 17, 18, 36, 37, 43, 70
GRI 301: Materials 2016	301-1 Materials used by weight or volume		pp. 20, 76
	301-2 Recycled input materials used		pp. 20, 76

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	COMMENTS AND OMISSIONS	LOCATION
Energy and climate change			
GRI 3: Material Topics 2021	3-3 Management of material topics		p. 11; pp. 31-35; p. 66, 67
GRI 302: Energy 2016	302-1 Energy consumption within the organization		pp. 33, 76
	302-3 Energy intensity		pp. 33, 76
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions		pp. 35, 77
	305-2 Energy indirect (Scope 2) GHG emissions		pp. 35, 77
	305-4 GHG emissions intensity		pp. 5, 11, 35, 77
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		pp. 35, 77

Water withdrawal and discharges			
GRI 3: Material Topics 2021	3-3 Management of material topics		p. 11; pp. 41-44; p. 66
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource		p. 41-44
	303-2 Management of water discharge-related impacts		p. 41-44
	303-3 Water withdrawal	Requirement 303-3-c not available.	pp. 41, 42, 77, 78

	303-4 Water discharge	Requirements 303-4-b not available.	pp. 41, 42, 77, 78
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Responsible waste management			
GRI 3: Material Topics 2021	3-3 Management of material topics		pp. 11, 36, 37, 66, 67
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts		pp. 36-38

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	COMMENTS AND OMISSIONS	LOCATION
	306-2 Management of significant waste-related impacts		pp. 36-38
	306-3 Waste generated		pp. 37, 78

Responsible supply chain			
GRI 3: Material Topics 2021	3-3 Management of material topics		pp. 17, 20, 21, 66
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria		pp. 21, 22
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria		pp. 21, 22

Employee management and development			
GRI 3: Material Topics 2021	3-3 Management of material topics		pp. 48-53; pp. 69, 70
GRI 401: Employment 2016	401-1 New employee hires and employee turnover		pp. 80, 81
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee		pp. 50, 80

Employee health, safety and well-being			
GRI 3: Material Topics 2021	3-3 Management of material topics		p. 48; pp. 54-58; pp. 67-68
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system		p. 48; pp. 54-57
	403-2 Hazard identification, risk assessment, and incident investigation		p. 55
	403-3 Occupational health services		p. 48
	403-4 Worker participation, consultation, and communication on occupational health and safety		pp. 54, 56

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	COMMENTS AND OMISSIONS	LOCATION
	403-5 Worker training on occupational health and safety		p. 57
	403-6 Promotion of worker health		p. 48; pp. 54-58
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		pp. 54-58
	403-9 Work-related injuries		pp. 58, 78, 79

Diversity, inclusion and equal opportunity

GRI 3: Material Topics 2021	3-3 Management of material topics		pp. 11, 48, 52, 53; pp. 67-70
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees		pp. 60, 81

Product quality and safety

GRI 3: Material Topics 2021	3-3 Management of material topics		pp. 24, 27, 28, 66, 67
GRI 416: Customer Health and Safety	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services		pp. 28, 81

Continuity of business operations

GRI 3: Material Topics 2021	3-3 Management of material topics		p. 68
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Digital transformation

GRI 3: Material Topics 2021	3-3 Management of material topics		pp. 9, 68, 69
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GRI STANDARD/ OTHER SOURCE	DISCLOSURE	COMMENTS AND OMISSIONS	LOCATION
Customer satisfaction			
GRI 3: Material Topics 2021	3-3 Management of material topics		pp. 24, 29

Enterprise risk management

GRI 3: Material Topics 2021	3-3 Management of material topics		p. 65
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# AUDITOR'S REPORT



**RENO DE MEDICI SPA**

**INDEPENDENT AUDITOR'S REPORT ON THE SUSTAINABILITY REPORT 2023**

**YEAR ENDED 31 DECEMBER 2023**



Independent auditor’s report on the Sustainability Report 2023

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 and its subsidiaries (hereinafter also the “Group” or “Reno de Medici Group”) for the year ended 31 December 2023.

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 by GRI – Global Reporting Initiative (the “GRI Standards”), as illustrated in the paragraph “About this report” 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 Reno de Medici Group, as well as for identifying its stakeholders and material topics to be reported on.

PricewaterhouseCoopers Business Services Srl

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Società soggetta all’attività di direzione e coordinamento della PricewaterhouseCoopers Italia Srl  
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***Auditor’s Independence and Quality Management***

We are independent in accordance with the principles of ethics and independence set out in the Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) 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 Management 1 (ISQM 1), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

***Auditor’s Responsibilities***

Our responsibility is to express a limited assurance conclusion, based on the procedures we have performed, regarding the compliance of the Sustainability Report 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 Financial 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.

Therefore, the procedures performed were less in extent than those performed in a reasonable assurance engagement conducted in accordance with ISAE 3000 Revised and, consequently, do not provide us with a sufficient level of assurance that we have become 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, mainly of personnel of the Group 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. analysis of the process of definition of the material topics reported on in the Sustainability Report, with reference to the method applied in the analysis and understanding of the Group’s environment, the identification and prioritisation of the actual and potential impacts, and the internal validation of the results of the process;
- 2. understanding of the processes underlying the generation, collection and management of significant qualitative and quantitative information included in the Sustainability Report.



In detail, we held meetings and interviews with the management personnel of the Group, and we performed limited analyses of documentary evidence, to gather information about the processes and procedures for the collection, aggregation, processing and submission of non-financial information to the function responsible for the preparation of the Sustainability Report.

Moreover, for material information, considering the activities and characteristics of the Group:


- at a parent company level (Reno de Medici SpA),
  - a) with reference to the qualitative information presented in the Sustainability Report, we carried out interviews and obtained supporting documentation 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 following mills of Reno de Medici SpA, Villa Santa Lucia, Arnsberg and Santa Giustina, which we selected on the basis of their activities, their contribution to performance indicators and their location, we carried out site visits (Villa Santa Lucia and Arnsberg) and a remote visit (Santa Giustina) during which we met local management and gathered supporting documentation regarding the correct application of the procedures and calculation methods applied for the key performance indicators.

**Limited Assurance Conclusion**

Based on the procedures performed, nothing has come to our attention that causes us to believe that the Sustainability Report of Reno de Medici Group for the year ended 31 December 2023 is not prepared, in all material respects, in accordance with the requirements of the GRI Standards as illustrated in the paragraph “About this report” of the Sustainability Report.

Milan, 11 April 2024

PricewaterhouseCoopers Business Services Srl

  
Paolo Bersani  
(Partner)

Firmato digitalmente da: Paolo Bersani  
Data: 11/04/2024 09:06:42

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