ISOCLIMA

2025

Sustainability Report



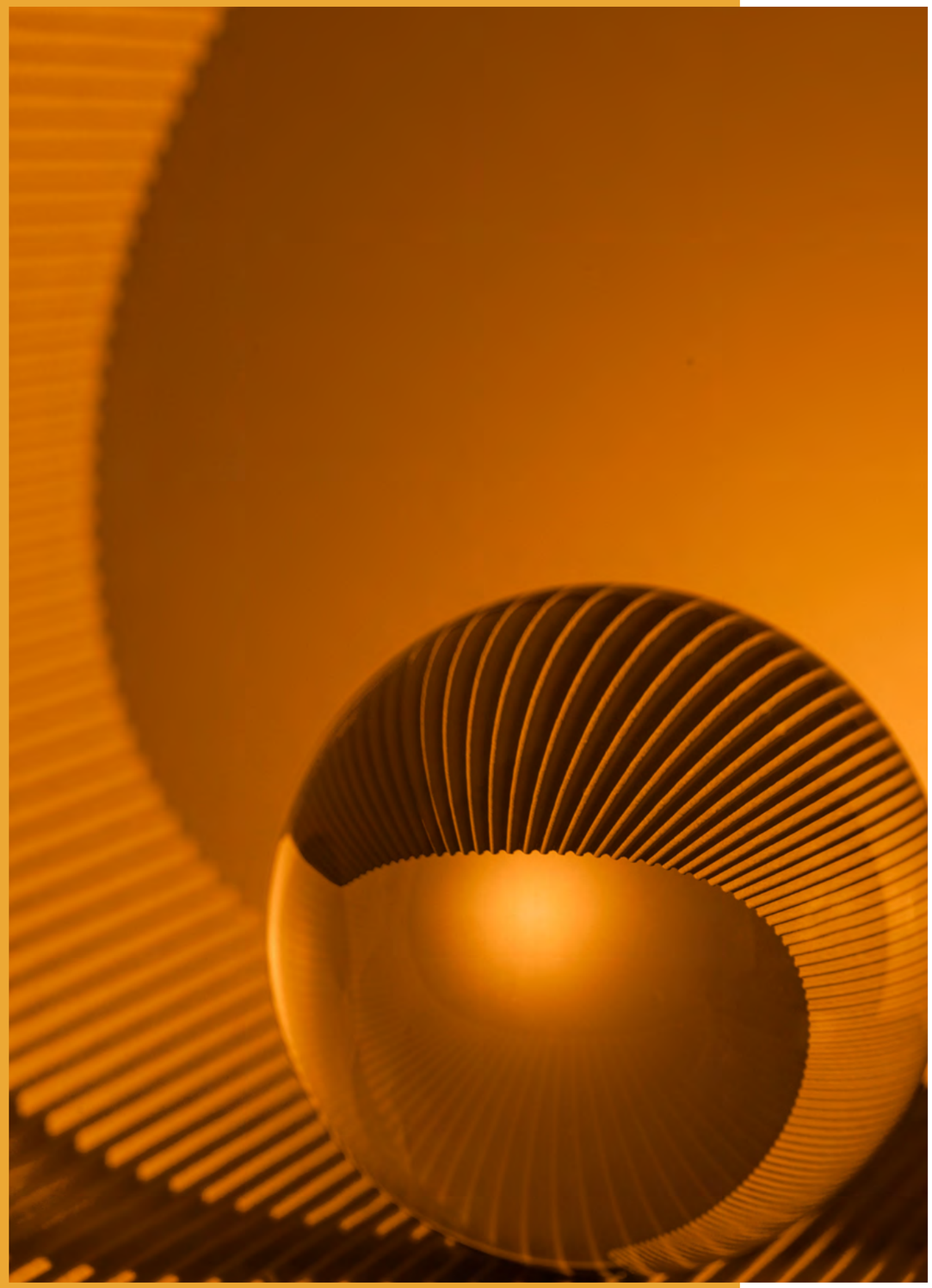


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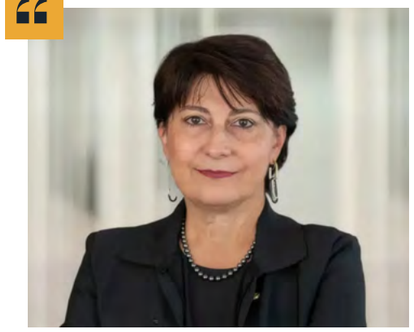
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Introduction 01

Letter from leadership to our stakeholders



Dear Stakeholders,

At Isoclima, our responsibility begins with the people who rely on our solutions. In an aircraft cockpit, an armored vehicle, a yacht, a train or a protected building, the performance of our glazing can make a critical difference to safety and everyday experience. Earning that trust has guided our business for five decades. It also guides how we approach sustainability.

For us, sustainable growth means advancing the performance of our solutions while improving the way we design, manufacture and deliver them. It means using energy and materials more efficiently, developing our people, working responsibly with our partners and making decisions with a clear understanding of their long-term consequences.

In 2025, we made progress on both the foundations and the practical delivery of this ambition. We refined our Group-wide carbon footprint assessment, establishing a stronger baseline for understanding our impacts and directing future action. Across our operations, investments in equipment, energy monitoring and renewable electricity supported more efficient production.

We also continued investing in the expertise on which our business depends. Average training hours per employee increased year over year, supporting skills development across the organization. Protecting our people remains a daily management responsibility, requiring sustained attention to prevention and working conditions.

Our contribution also extends to the solutions we develop with customers. Lighter glazing can support more efficient mobility. Advanced solar-control technologies can reduce heat entering vehicles and buildings. Greater durability can extend service life and reduce the need for replacement. These opportunities connect our engineering capabilities with our customers' evolving needs and make sustainability an increasingly important dimension of innovation.

We recognize that progress brings an obligation to be always objective about what has been achieved and what remains to be done. Recycling complex laminated products continues to present technical challenges. Our understanding of value-chain impacts depends on improving data and collaboration with all our suppliers. We must also continue translating our sustainability priorities into clearer Group-wide targets, supported by implementation plans and consistent monitoring.

These are management priorities for the next phase.

Our focus is to strengthen accountability for delivery, connect environmental performance with investment decisions, and build on the experience of individual sites across the Group. We intend future reporting to make our progress against these priorities increasingly clear.

The arrival of Fondo Italiano d'Investimento and The Equity Club as our new shareholders marks an important chapter in Isoclima's development. We look ahead with a continued focus on responsible growth, technological excellence and lasting value.

I thank our employees for their expertise and commitment, our customers for their trust, and our suppliers and the shareholders for their partnership.

Our ambition is to earn that trust every day through the quality of our solutions, the integrity of our decisions and the responsibility with which we grow.

Liviana Forza

Chief Executive Officer





1.2
Methodological Note

This Sustainability Report provides an overview of Isoclima's approach, performance, and progress across the environmental, social, and governance topics considered most relevant to its business and stakeholders.

Unless otherwise stated, the information presented relates to Isoclima's operations in Italy, Croatia, and the United States, and covers the reporting period from January 2025 to December 2025, with some limited exceptions for Q1 2026 data.

This report has been prepared with reference to the Voluntary Sustainability Reporting Standard for SMEs (VSME) developed by EFRAG1[1]. While Isoclima is not currently subject to mandatory sustainability reporting requirements under the Corporate Sustainability Reporting Directive (CSRD), the Group initially developed its sustainability reporting approach in anticipation of falling within the scope of the Directive. Following subsequent changes to the regulatory landscape and scope of application, Isoclima is currently not required to report under the CSRD. Nevertheless, certain elements of the preparatory work already undertaken, most notably the Double Materiality

Assessment and related analysis, have been retained and continue to inform the structure and content of this report. Building on this foundation, Isoclima has chosen to align its reporting approach with the VSME framework to support consistency, robustness and continuity in sustainability disclosures.

The content of this report is informed by a Double Materiality Assessment conducted at the end of 2024. The assessment considered both the impacts of Isoclima's activities on people and the environment, and the sustainability-related risks and opportunities that may influence the company's long-term performance and value creation.

1 European Financial Reporting Advisory Group



The assessment process included the review of internal documentation, stakeholder mapping, management interviews, surveys involving key functions across the organization, and validation workshops with senior management.

Following this process, Isoclima identified five material sustainability topics that form the foundation of this report:

- Personal safety of end-users
- Own workforce
- Supplier relationships
- GHG emissions and energy consumption
- Integrity and ethical business practices

Data included in this report have been collected through collaboration with internal functions across the organization, including Human Resources, Operations, Quality, Purchasing, Research and Development, Finance, Marketing, and Executive Management, via interviews and structured reporting questionnaires. Where available, quantitative information is based on internal management systems, operational records, and documented procedures in place during the reporting period. All carbon-related data have been assessed using the Aktio carbon accounting platform, based on data inputs provided by Isoclima. The report has been prepared with the support of Weastem[2] as sustainability and reporting advisors.

As Isoclima continues to strengthen its sustainability governance, reporting processes, and data management systems, some information may be subject to future refinement. Where estimates, assumptions, or limitations apply, these are disclosed where possible based on information available at the time of publication. This report reflects Isoclima's commitment to continuously improving the quality, completeness, and transparency of sustainability information, while further integrating sustainability considerations into the way it operates, innovates, and creates long-term value.

2 Weastem provided methodological and reporting support throughout the preparation of this report. The information and disclosures contained herein are the responsibility of Isoclima.

Isoclima Group

02

2.1 Group profile

For five decades, we have been developing advanced transparent solutions for applications where safety, protection, visibility and performance are essential. From AEROSPACE and HIGH-PERFORMANCE CARS to DEFENSE AND SECURITY, RAIL, YACHTING and SECURITY ARCHITECTURE, our solutions are designed for environments characterized by demanding operating conditions and stringent technical and regulatory requirements.

Today, Isoclima is recognized as a global leader in high-performance transparent solutions for several end-markets. By combining advanced materials, engineering expertise, testing capabilities and manufacturing excellence, we transform complex requirements into customized solutions tailored to the needs of our customers.

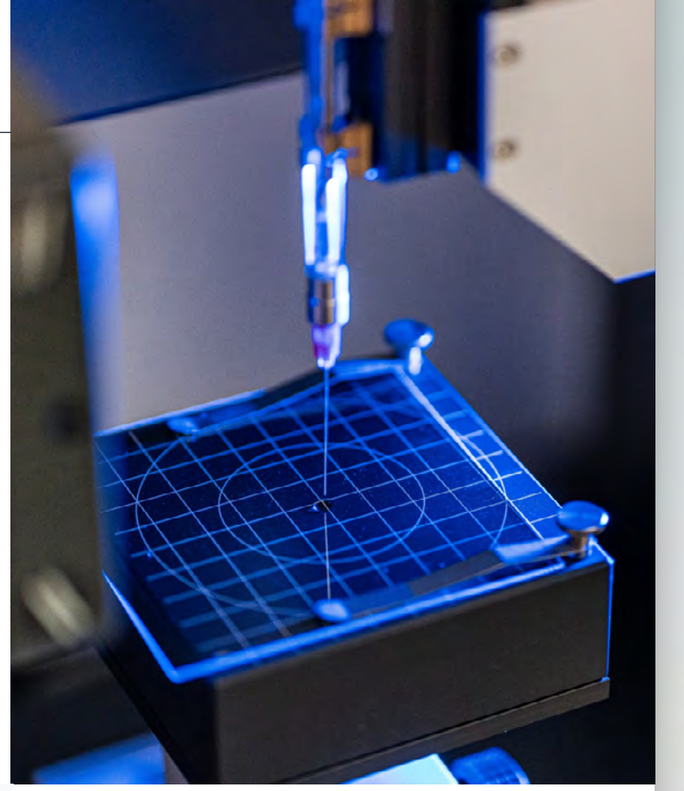
A defining characteristic of our business model is our co-engineering approach. Working closely with customers throughout the development process, we combine design, prototyping, testing and manufacturing capabilities to develop solutions that meet the highest standards of safety, quality and performance.

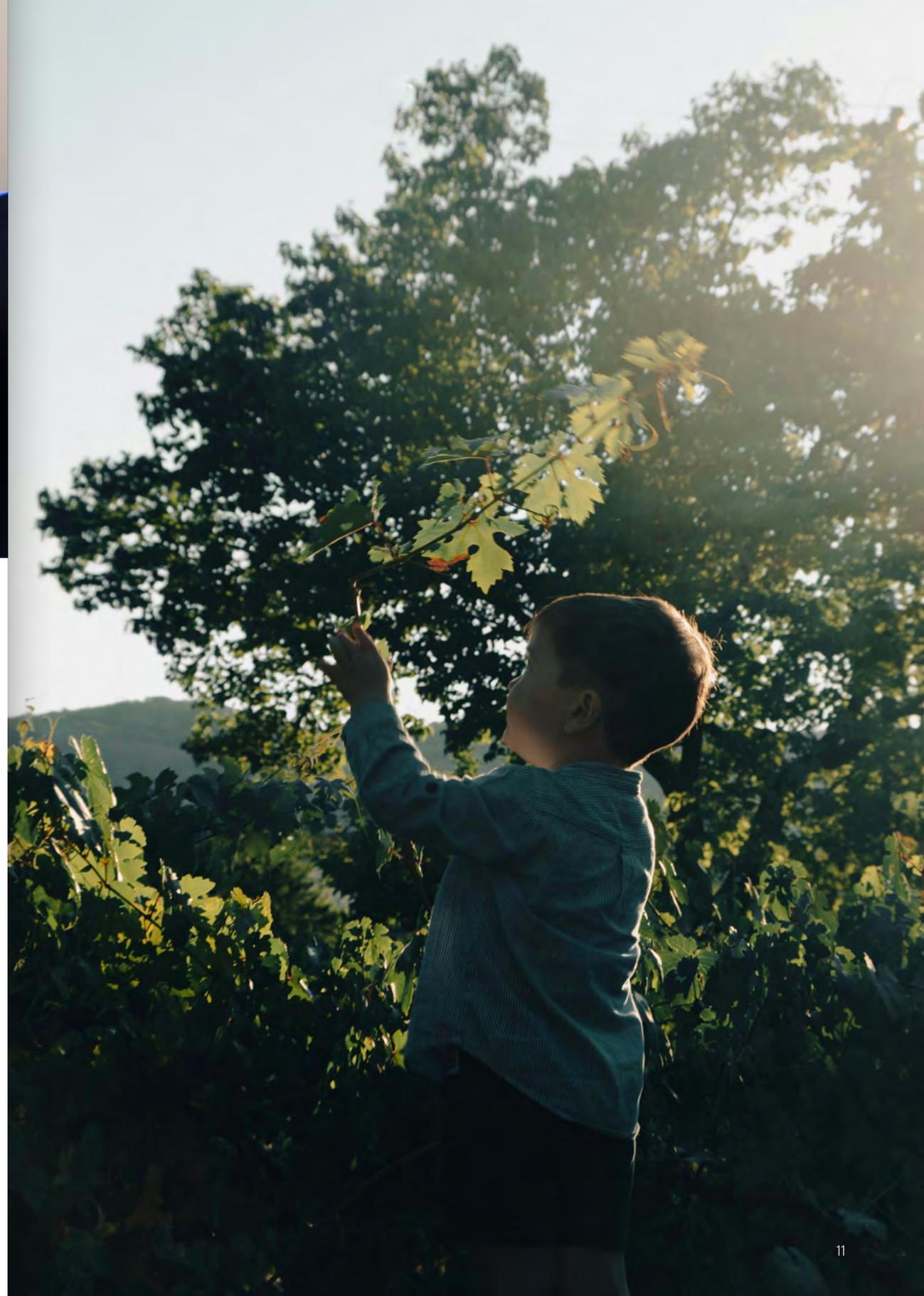
Continuous investment in technology and innovation, combined with 50 years of experience, have enabled us to build long-standing relationships with leading companies across multiple industries and continuously expand the boundaries of protection, optical performance, energy efficiency and design.

As our international footprint continues to grow, we remain committed to creating long-term value by combining technological leadership, operational excellence and close collaboration with customers around the world.



Vision, Mission and Purpose







Vision:
To be the global leader in advanced transparent solutions, shaping a safer and beautiful world through innovation and precision. We aim to transform complexity into clarity, setting the standard for excellence in security and performance across diverse industries and applications.

Mission:
We engineer and deliver technologically advanced transparent solutions that protect and perform under the most demanding conditions. Our commitment is to push the boundaries of what's possible, providing customized, high-quality solutions that safeguard lives and elevate experiences across diverse sectors and applications. Security, innovation, and excellence are at the core of everything we do.

Purpose:
To bring the extraordinary to life. We transform the world with solutions that merge beauty and safety, enabling our partners to achieve the unachievable. By mastering complexity and embracing diversity across industries, we make the transparent exceptional and the impossible possible.

Applications served

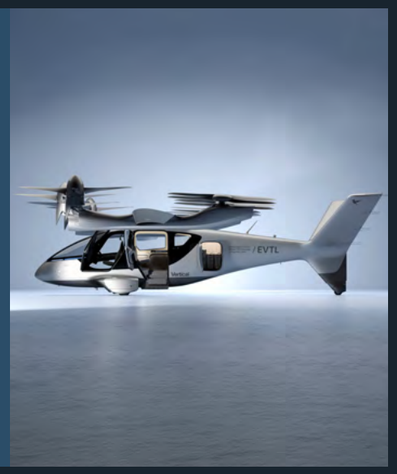
— **Yachting:**
Isoclima sets the benchmark in yacht glazing with advanced transparent solutions that combine safety, performance and design. Each solution is engineered to deliver exceptional strength, optical clarity and durability, while meeting the demanding requirements of the marine environment. Large-format and complex curved glazing, lightweight multilayer constructions and custom-engineered designs create seamless panoramic views, enhanced passenger comfort and distinctive aesthetics.





— **Defense and Security:**
Isoclima is a trusted partner in the defense and security sector, delivering high-performance glazing for civil and military vehicles, naval platforms and critical infrastructure. Its ballistic glass systems offer superior protection, durability and optical precision in extreme conditions, while meeting the most stringent international standards, and offering customization and comfort.

— **Aerospace:**
From impact-resistant windshields to dimmable windows, each product is engineered for resilience, durability, precision and performance at every altitude. With decades of experience and a legacy of reliability, Isoclima supports the evolving demands of both commercial and military aviation.



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— **High Performance Cars:**
Isoclima sets the standard in high performance cars glazing with advanced transparent solutions that combine safety, performance and design. From exclusive vehicles brands to racing cars, each solution is engineered to enhance protection, reduce weight and support aerodynamic efficiency. Proprietary technologies, frameless designs and ultra-light multilayer compositions deliver a perfect balance of elegance and functionality.

— **Rail and Mobility:**
From windscreens and side windows to interior partitions and custom transparencies, each solution is engineered to meet the most demanding certification standards in high-speed and urban rail systems. Isoclima combines precision engineering with continuous research to enhance passenger experience and operational efficiency across modern rail networks.





— **Security Architecture:**
Isoclima develops advanced architectural glazing that balances design freedom, environmental performance and maximum protection. Its solutions integrate low-emissivity coatings, lightweight materials and multilayer compositions that deliver energy efficiency, optical clarity and certified impact resistance. From schools and public buildings to high-risk infrastructure, Isoclima provides bullet-resistant, forced-entry and containment glazing engineered to safeguard people and property— without compromising on aesthetics.

2.2
Isoclima at a Glance

Key figures as of FY2025

€152M
Revenue

500+
Clients

100+
Patents

5
Manufacturing sites

980
Employees



2.3
A history of growth and Innovation

Founded in Este, Italy, in 1977, Isoclima has continuously evolved to meet the needs of increasingly demanding industries. What began as a local glass manufacturer has progressively grown into a global leader in advanced transparent solutions serving applications where safety, protection and performance are critical. Over the years, we have expanded our technological capabilities, entered new markets and strengthened our international footprint through organic growth, strategic investments and acquisitions. Among the most significant milestones were the acquisition of Lipik Glas in Croatia in 2002 and the expansion into the United States through the acquisition of specialty glazing businesses in 2021, both of which broadened our capabilities and reinforced our position across key end markets.

Since 2023, we have embarked on a new phase of transformation aimed at strengthening organizational integration, accelerating innovation and preparing the Group for its next stage of growth. Alongside strong financial performance, we have invested in new technologies, sustainability readiness and the continued evolution of our organization, with a strong focus on the growth, development and integration of each site, bringing together capabilities, cultures and expertise across geographies to operate as one stronger Group.

> *One of our most important achievements has been bringing together different cultures, capabilities and experiences into a stronger global organization.*

Liviana Forza
Chief Executive Officer

The History

The key milestones of our story and global leadership

The Early Days
(1977-1984)

1977 Isoclima was founded in Este, a historic town in Italy's Padua province, with initial focus on delivering high-quality glazing solutions for the building industry.

1979 The company obtained its first license to produce Glass and Polycarbonate solutions, paving the way for advancements in transparent materials.

1980 Isoclima became the first company in Europe to manufacture bullet-resistant glazing by combining glass and polycarbonate. This breakthrough laid the groundwork for its specialization in security glass solutions.

1984 The acquisition of horizontal thermal tempering furnace enabled Isoclima to produce curved glass panels up to 2.2×4 meters, opening new opportunities in design and engineering.

Technological Leadership Foundations
(1994-1996)

1994 **1995** The company installed the largest chemical strengthening plant for sodium-calcium glass in Europe, enhancing the mechanical strength of its solutions, crucial for aerospace, automotive and marine applications.

1996 Isoclima entered the rail sector, commencing production of specialized glass for high-speed trains, further diversifying its portfolio.

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Global Expansion & Investment

2002 The strategic acquisition of Lipik Glas in Croatia reinforced Isoclima's global footprint and bolstered its manufacturing expertise.

2017 Isoclima group became part of Stirling Square Capital Partners.

2021 A significant expansion in the U.S. market was achieved with the acquisition of Dlubak Specialty Glazing in Alabama and Global Security Glazing in Pennsylvania, which were unified under Isoclima Specialty Glass LLC.

Next- Gen Scale and The future

2023 Commissioned the world's largest chemical tempering furnace, further strengthening high-performance, large-format glass solutions capabilities.

2024 **2025** Optimized internal organization and expanded commercial efforts to drive growth and operational efficiency.

2026 Fondo Italiano d'Investimento SGR and The Equity Club became new shareholders of Isoclima Group, strengthening and supporting the company's vision for continued expansion and development.



2.4
One Group, shared capabilities

Today, Isoclima operates through manufacturing sites across Italy, Croatia and the United States, supported by commercial and technical teams serving customers worldwide. While each geography has developed distinctive capabilities and maintains strong local expertise, collaboration across functions and regions enables us to operate as one integrated organization.

Country's role

Italy | Coordinating strategy and innovation:

- Italy is the center of several Group-wide activities, including strategic planning, research and development and corporate functions, while supporting a broad portfolio of applications and end markets
- At Group level, Liviana Forza serves as Chief Executive Officer, supported by Giancarlo Perlini as Group Chief Commercial and Marketing Officer, Federico Mangolini as Chief Operation Officer, and Marco Rondelli as Chief Financial & IT Officer. Elisabetta Poli leads R&D and Innovation activities, ensuring that innovation priorities remain aligned with market opportunities and customer needs. Dedicated leadership drives other key global functions, including Quality, Purchasing, Health & Safety, and Sustainability. Moving toward an integrated Group perspective on people management, HR Director Sandro Cersosimo leads human resources management, supporting information sharing and governance development across Italy, Croatia, and the USA.

Croatia | Industrial excellence and engineering expertise:

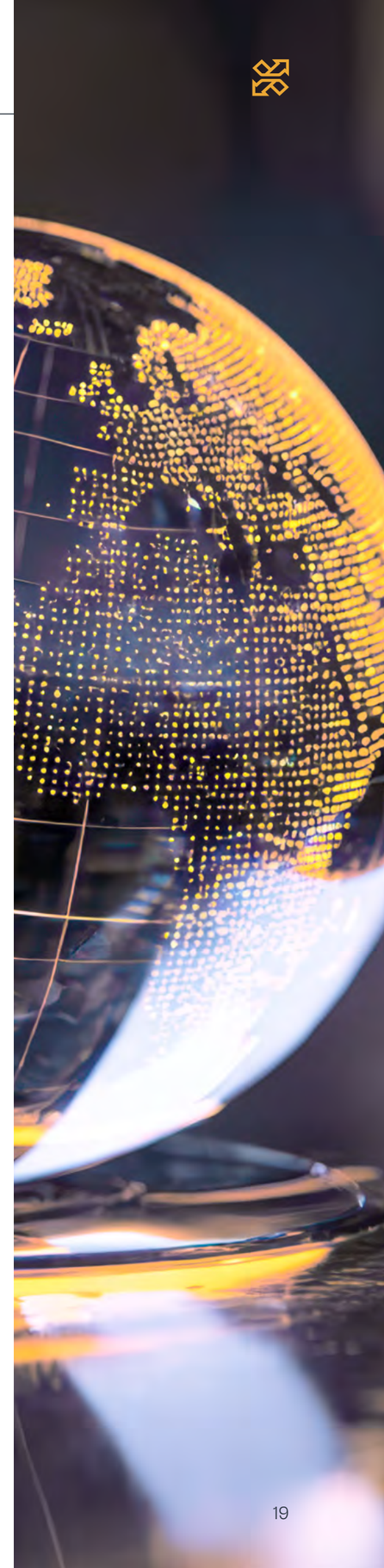
- Croatia plays an important role within the Group's industrial footprint, particularly in high performance cars and rail applications, while also contributing capabilities supporting ballistic solutions.
- The Croatian operations are led by Dorian Knapić, General Manager Croatia, supported by a local management structure.
- With state of the art manufacturing capabilities, quality and engineering, the Croatian operations support leading OEMs[3] and contribute know-how that benefits the broader organization.

3 Original Equipment Manufacturers.

United States | A platform for future growth:

- Following the expansion into North America in 2021, the United States has become an increasingly important pillar of our international footprint and today represents approximately one-third of Group revenues.
- Under the leadership of Lance Cotton, President and General Manager of the Isoclima NAFTA Region, our activities are currently concentrated primarily in security architecture. At the same time, the Group views the North American market as a much broader strategic platform through which to deploy the Group's capabilities across additional applications and customer segments.
- Increasing collaboration between Europe and North America helping accelerate knowledge sharing and strengthen our ability to serve customers globally American teams across commercial, operations, quality, finance and technical functions are helping accelerate knowledge sharing and strengthen our ability to serve customers globally.

While each geography retains its own market focus and operational responsibilities, Isoclima's vision is to strengthen common processes, deepen cross-functional collaboration and continue building a more integrated organization guided by a shared strategic direction.
This ongoing integration is a key enabler of the Group's ability to scale innovation, improve operational consistency and leverage capabilities across regions more effectively, reinforcing the transition toward a truly International operating model.



Global footprint map



2.5
A clear direction for sustainable growth

Isoclima's strategy centers on the markets and applications where our expertise in protection, precision and advanced materials creates the greatest value. Our ambition is to deepen that advantage, anticipate customer needs and translate technological excellence into sustained, profitable growth.

During 2024 and early 2025, we conducted a comprehensive assessment of our markets, combining external analysis with customer insights to evaluate competitive dynamics and long-term opportunities. This work informed our five-year strategic plan through 2029, connecting commercial priorities with innovation, industrial development and investment decisions across the Group.

Leadership requires anticipating what customers will need next and investing in the capabilities to deliver it. Our strategy connects market insight with engineering excellence, focusing our expertise where we can create lasting value.

Giancarlo Perlini
Group Chief Commercial & Marketing Officer

Our innovation roadmap gives this strategy a practical direction. It aligns technology development with emerging application requirements, bringing commercial, R&D and operational teams together around shared priorities.

Sustainability is increasingly part of those requirements. Lower weight, improved thermal efficiency and greater durability can help customers address operational and environmental objectives together. By incorporating these considerations early in co-engineering, we strengthen the value of our solutions throughout their intended service life.

4 Conducted in collaboration with Bain & Company.



Our growth priorities focus on three complementary areas:

- **Strengthening our leadership in established markets**, including armored vehicles, security applications, Yachting, rail and high performance cars through differentiated technologies and close customer partnerships.
- **Expanding our presence in aerospace and defense**, aligning our development priorities and industrial capabilities with demanding technical requirements and long-term customer programs.
- **Accelerating growth in the United States**, building on our local presence to bring the Group's broader expertise to additional applications and customer segments.

Delivering these priorities requires investment discipline and consistent execution. We are strengthening the engineering, quality and manufacturing capabilities that support growth, while developing our people and preserving the specialized expertise on which our performance depends.

Closer collaboration across purchasing, operations and R&D supports the evaluation of new materials, supplier resilience and more efficient resource use. Sharing knowledge across Italy, Croatia and the United States allows improvements developed at one site to benefit the wider organization and strengthens our ability to serve customers globally.

As we execute our plan, our focus is on delivering profitable growth supported by reliable operations, responsible business practices and measurable progress. These are essential to maintaining customer trust and creating enduring value for employees, shareholders and the communities in which we operate.

The strength of our strategy will be measured in its execution, the value we deliver to customers, the capabilities we build in our people and the care with which we use resources. That is how we intend to make growth sustainable.

Giancarlo Perlini
Group Chief Commercial & Marketing Officer





03 Our Path to Sustainable Growth

Why sustainability matters to Isoclima

We measure value in two ways; the advanced transparent solutions we deliver today and the world we leave behind for tomorrow. Operating at a global scale means our impact extends far beyond our facilities to reach our people, partners and the planet. Understanding and managing this impact is the way we do business in a responsible way, and it forms the foundation of our long-term competitiveness and resilience.

At the same time, expectations continue to evolve. Customers increasingly request greater transparency on environmental performance, product sustainability characteristics and climate-related impacts, shareholders and financial stakeholders are also placing greater emphasis on environmental, social and governance considerations as part of their investment and value creation strategies. In parallel, the regulatory landscape is evolving rapidly, with sustainability disclosure and due diligence requirements becoming increasingly relevant for industrial companies. As we initially expected to fall within the scope of the CSRD[5], Isoclima recognized early on the importance of strengthening its sustainability management and reporting capabilities. While compliance was not the sole driver of action, the evolving regulatory framework helped accelerate internal discussions and reinforced the need to adopt a structured approach to sustainability reporting. Together, these market, investor and regulatory expectations

5 Corporate Sustainability Reporting Directive.



are reshaping the industrial landscape in which we operate and reinforcing the importance of integrating sustainability considerations into business decisions, operational processes and long-term planning.

For Isoclima, sustainability extends beyond environmental performance alone. It encompasses the full spectrum of environmental, social and governance topics that contribute to being a responsible, resilient and high-performing organization. This includes reducing environmental impacts, creating a safe and engaging workplace, maintaining strong ethical standards and governance practices, and continuing to deliver innovative, high-quality products to demanding global customers. As a result, sustainability is increasingly viewed not as a standalone initiative or a compliance exercise, but as a lever for innovation, operational excellence and long-term value creation.

The same approach extends across our value chain. While significant progress can be achieved within our own operations, many sustainability challenges and opportunities are shared with customers and suppliers. Strengthening collaboration across this broader ecosystem will therefore remain an important element of our sustainability journey as we continue working towards a more structured, integrated and value-driven approach to sustainability.



From the first steps to concrete progress

Over the past few years, we have elevated our practices in to a robust sustainability framework designed for scale. A key milestone was reached in 2024, when Isoclima established a dedicated Sustainability Team composed of Meron Solomon Hussen (Corporate Sustainability Program Manager) and Giancarlo Perlini (Chief Commercial & Marketing Officer). Supported by active engagement from its shareholders, the team works transversally across functions and manufacturing sites and has played a central role in coordinating and advancing Isoclima's sustainability journey. Among the main achievements to date are the establishment of a structured ESG data collection process across sites, the preparation for CSRD reporting requirements, the completion of Isoclima's first Full scope group level carbon footprint assessment and the definition of an initial sustainability roadmap to guide future actions and priorities.
These initiatives have strengthened the understanding of our impacts, risks and opportunities while creating a common foundation for sustainability management across the organization. Furthermore, to ensure our governance keeps pace with rapid industry shifts, we have revised and expanded our existing foundational policies most notably our sustainability and green procurement policies.
While these activities have significantly improved our understanding of sustainability impacts, risks and opportunities, they also highlight that sustainability is a journey of continuous improvement. The work carried out so far has enabled Isoclima to establish a clearer baseline, increase awareness across the organization and identify the areas where action can create the greatest value. Today, the next step is to build on this foundation by translating priorities into measurable objectives, structured initiatives and performance targets that can guide decision-making and drive continuous improvement across the Group.

Looking forward

While important progress has already been achieved, many sustainability initiatives have historically developed independently across sites, reflecting local priorities, operational needs and investment opportunities. These initiatives, ranging from energy efficiency projects to the installation of solar panels at our Croatian site, demonstrate strong local engagement and our ability to generate tangible improvements. Looking ahead, our ambition is to bring these efforts together under a common Group-wide sustainability strategy capable of providing clear direction while remaining flexible to reflect site-specific realities. In this way, sustainability can progressively become a long-term value creation lever embedded within our business strategy, rather than a parallel or cost-driven function. To support this ambition, we aim to define clear and achievable Group-level targets that can guide overall direction while being implemented consistently at site level in line with local conditions, operational realities and strategic priorities.
Sustainability increasingly shapes the way customers evaluate suppliers, investors assess resilience, employees choose where to work and markets reward innovation.
At Isoclima, we see sustainability as a driver of long-term competitiveness. It influences how we develop our solutions, engage with customers, collaborate with suppliers and allocate investments.
In many of the sectors we serve, from aerospace and defense to high-performance cars, yachting and security architecture, the solutions that improve environmental performance often also improve operational performance, durability and customer value.
Our ambition is therefore to integrate sustainability into the way we create value, not as an additional layer of complexity, but as a natural extension of engineering excellence, innovation and customer partnership.

> *Sustainability across the Group has evolved from a combination of existing site-level practices into a more unified and coherent approach. A clear strategy and roadmap have since been established, supported by strengthened governance and the active involvement of leaders and employees across geographies and functions in both the development and execution of sustainability activities. While meaningful progress has been achieved, this remains an ongoing journey. The next phase is to further translate our strategy into measurable actions while preserving the flexibility needed to reflect the unique characteristics of each site and support long-term value creation.*
>
> **Meron Solomon Hussen**
> *Corporate Sustainability Program Manager*

3.1
Engaging with stakeholders

Stakeholder engagement is a key point of Isoclima's sustainability journey and a fundamental pillar in shaping the Group's sustainable purpose and long-term sustainability direction. At Isoclima, we recognize that sustainability is increasingly shaping the expectations of our stakeholders, while our activities in turn influence the environments and communities in which we operate. This dynamic relationship remains central to our approach: we both impact and are impacted by our stakeholders, making their identification, understanding and engagement a key element of our sustainability strategy.

Isoclima developed its comprehensive stakeholder mapping following an analysis of the Group's business activities and its broader social role across the countries in which it operates.

Isoclima affected Stakeholders



This identification phase, together with the analysis of stakeholder interests and expectations, represents a foundational step in defining our sustainability priorities and strategic focus areas. Building on this foundation, the next step is to translate stakeholder expectations into clear sustainability targets and objectives, ensuring that our commitments are measurable and embedded across the organization.

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Meeting shareholder expectations for stronger sustainability practices

Under the stewardship of Stirling Square Capital Partners, Isoclima transitioned from family ownership to a professionalized management structure, strengthening its industrial capabilities and governance framework. During this period, the Group expanded its footprint across Italy and Croatia, while reinforcing its focus on strategic growth markets such as aerospace, defense and security, yachting, and architectural security applications. Isoclima further internationalized its operations through the acquisition of specialty glass manufacturers in the United States, strengthening its presence in the Americas.

Throughout this phase, sustainability progress was further supported through ongoing collaboration and continuous dialogue with key stakeholders, while Isoclima's management team played an active role in establishing the foundations of its sustainability approach. This included the creation of a dedicated sustainability team and the completion of a Group-level carbon footprint assessment, which continue to underpin our current sustainability management framework.

This progress reflects the shared commitment of Isoclima's management team and shareholders to embedding sustainability into the Group's strategy and operations. Sustainability remains a core priority for our shareholders, who continue to support the integration of environmental, social and governance considerations into investment decisions and value creation approaches.



Building trust through robust systems and certifications

Our commitment to excellence is supported by a robust framework of certifications and management systems that span quality, environmental, health and safety, and product-specific requirements. These certifications provide independent validation of our processes, performance and compliance with internationally recognized standards. By maintaining certified management systems across its operations, Isoclima reinforces its commitment to continuous improvement, operational excellence, responsible business practices and the delivery of reliable, high-performance solutions to its customers and stakeholders.

Main Certifications

ISO/TS 22163:2017
Railway Standard

IATF 16949:2016
Automotive Standard

AQAP 2110:2018
Military Standard

UNI/PdR 125:2022
Gender Equality Management System

ISO 9001:2015
Quality Management System

ISO 14001:2015
Environmental Management

Certificate DIN 6701

AS 9100D / EN_ 9100_2018

ISO 45001:2018
Safety Management

Assessment and Label

Tisax Assessment



3.2
Sustainability across our value chain

Isoclima's approach to sustainability is embedded across our entire value chain, reflecting our responsibility to manage impacts and drive continuous improvement beyond our own operational boundaries.

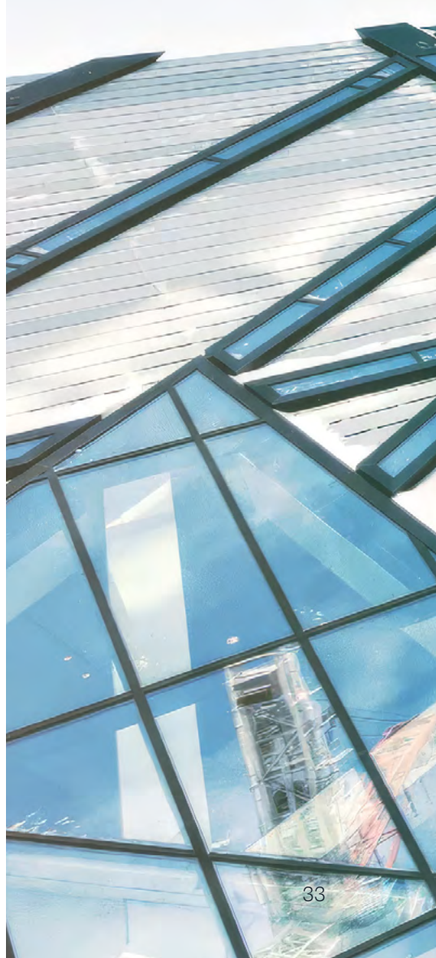
In collaboration with our customers, we actively engage in co-engineering processes to develop advanced glazing solutions that combine performance, safety and sustainability. Innovation efforts increasingly focus on solutions that reduce environmental impact, including lightweight designs and UV-reducing technologies that contribute to improved efficiency and enhanced end-user performance.

> *Our customers increasingly look to us to help solve a broader performance challenge: protecting people while reducing weight, improving energy efficiency and extending product life. Through close co-engineering, we bring these priorities into the design process, supported by greater transparency on environmental performance. This is how sustainability strengthens the value of our solutions and the trust at the heart of long-term customer partnerships.*
>
> **Elisabetta Poli**
> *R&D Director*

Isoclima is responding to growing customer expectations for greater transparency on environmental impacts by strengthening its sustainability reporting capabilities, expanding its certification framework and developing a Group-level Carbon Footprint assessment. These initiatives support increasing stakeholder demand for reliable and consistent climate-related data.

Within our own operations, Isoclima continuously works to improve environmental, social and governance performance across all sites. Key initiatives include energy efficiency and consumption reduction programs, alongside broader efforts to enhance employee engagement and strengthen social practices, including regular workforce surveys. In parallel, we are reinforcing a consistent ethical governance framework globally, ensuring that principles of integrity, compliance and responsible business conduct are embedded across all operations.

Upstream, we have further strengthened our engagement with suppliers following the appointment of a Global Supply Chain & Purchasing Director. Several initiatives have been implemented to enhance responsible sourcing practices, including the introduction of a supplier Code of Conduct and the deployment of an ESG supplier assessment platform. These measures aim to ensure alignment with Isoclima's ethical standards and sustainability expectations across the supply base. Recognizing the strategic importance of its suppliers, Isoclima is progressively deepening collaboration with key partners, with the objective of jointly developing more sustainable solutions and promoting the adoption of best practices throughout the supply chain.



Strengthening sustainability across supplier selection and monitoring

Creating real impact requires looking beyond our own operation. Strengthening collaboration with suppliers is therefore an important element of our broader sustainability journey and an opportunity to promote responsible practices throughout the value chain.

To support this ambition, we are progressively strengthening the way sustainability considerations are integrated into supplier management processes. We have invested in the implementation of Qualiware, a digital quality and document management platform that helps centralize supplier procedures, records and documentation across sites. By providing greater visibility and consistency in supplier-related information, including the communication and acknowledgment of our Supplier Code of Conduct, the platform supports a more harmonized approach to supplier governance across countries and manufacturing locations.

In parallel, we have selected Synesgy, powered by CRIBIS, as a common ESG assessment platform for our supplier base. The platform enables the collection and analysis of sustainability-related information from suppliers, generating ESG scores and providing benchmarking insights that help identify risks and opportunities for improvement. Through this approach, approximately 100 strategic suppliers will be invited to complete annual questionnaires and will receive dedicated support and training to facilitate continuous improvement. The remaining suppliers will also be covered through external information and publicly available data, enabling broader visibility across the supply base.

Over time, ESG indicators are expected to complement existing quality and delivery metrics within supplier evaluations. By integrating sustainability considerations into existing decision-making processes, we aim not only to strengthen risk management, but also to foster dialogue, encourage supplier development and advance responsible practices across our value chain.

Supply chain represents a major element of our sustainability strategy, given Isoclima's deep interconnection with its broader supplier network. While many sustainability actions can be driven internally, the Isoclima's position is strengthened by the fact that a significant share of our suppliers are large, structured organizations already equipped with codes of ethics and ESG systems. In this context, a new supplier-assessment platform from Cribis is being implemented to enable more systematic evaluation of suppliers and to generate future KPIs. This initiative is not only a compliance tool, but also a means of educating the market and encouraging a more proactive, sustainability-oriented supply chain.

Giuseppe Di Liberto
Global Supply Chain & Purchasing Director



3.3
Building priorities through Double Materiality Matrix

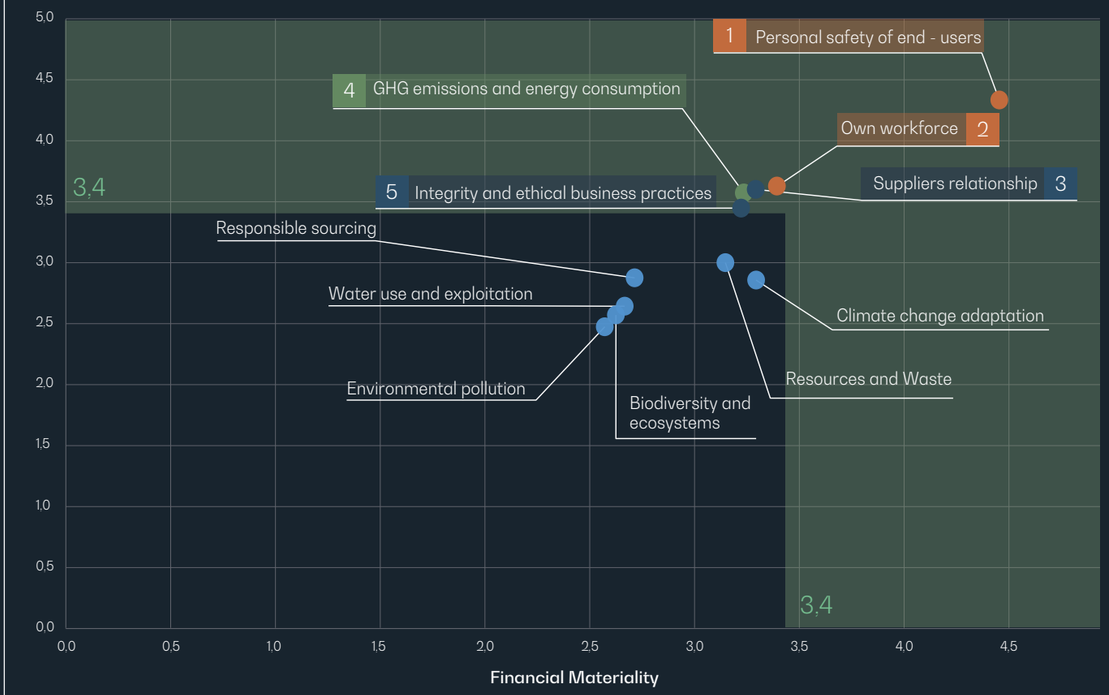
Understanding our impacts on people, the environment and the climate is an essential part of shaping our sustainability strategy. During 2024, Isoclima conducted a comprehensive Double Materiality Assessment aligned with the principles and methodology of the Corporate Sustainability Reporting Directive (CSRD). The assessment enabled the Group to identify and evaluate the sustainability matters that are most relevant to our business, considering both the impacts generated by our activities and the sustainability-related risks and opportunities that may affect our long-term success.

The process began with an analysis based on the CSRD's Impacts, Risks and Opportunities (IRO) framework. Through this assessment, Isoclima identified 16 sustainability topics as potentially material. To ensure a balanced and comprehensive evaluation, the Group engaged Senior Management through interviews and surveys. More than 27 stakeholders contributed to the assessment, providing perspectives across key business functions and areas of expertise. Given the diversity of responsibilities within the organization, a targeted approach ensured that each participant evaluates the sustainability matters most relevant to their role and knowledge area.

The outcome of this process was the development of Isoclima's Double Materiality Matrix, which provided a structured view of the sustainability topics that are most significant for both our stakeholders and our business. Based on the assessment results, Management established a materiality threshold of 3.4, leading to the identification of five material sustainability matters for the Group.

Double Materiality Matrix:

Materials topics for Isoclima



Sustainability Topics

- Personal safety of end users
- Own workforce
- GHG emissions and energy consumption
- Suppliers' relationship
- Integrity and ethical business practices

Key: Environment | Social | Governance

Sources: Isoclima, INDEFI analyses

The matrix highlights that Isoclima's material sustainability topics span environmental, social and governance dimensions, reflecting the broad range of impacts, risks and opportunities associated with our activities and value chain. The assessment provides a clear understanding of where our impacts are most significant and where our sustainability efforts can create the greatest value. It also strengthens our ability to define priorities, allocate resources and integrate sustainability considerations into decision-making processes across the organization.

Isoclima further enhanced its action in this area by defining a Sustainability Roadmap in 2025, based on the outcomes of the Double Materiality Assessment and which supports the development of our sustainability strategy.

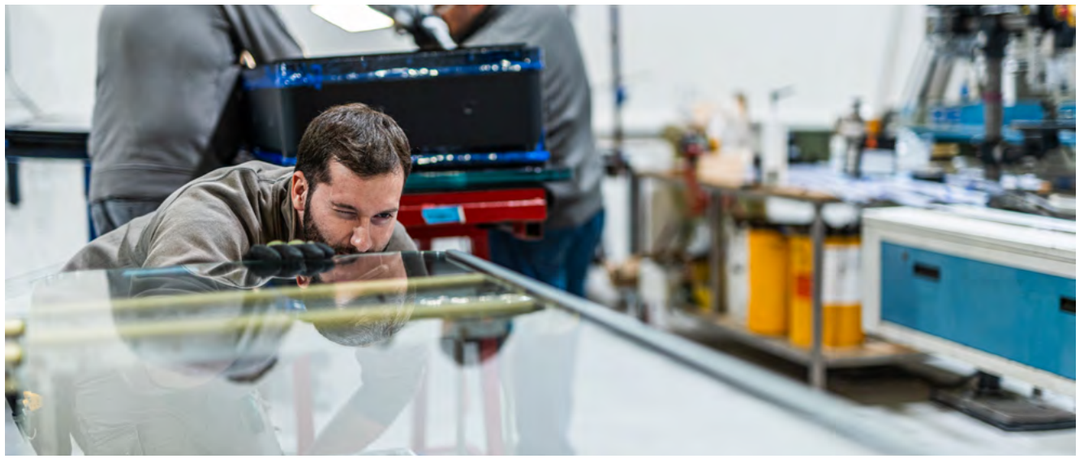
Looking ahead, our objective remains clear: to concentrate our efforts where our impacts are most significant and to continuously strengthen our approach to sustainable value creation.

With the Double Materiality Assessment completed and our sustainability priorities clearly identified, Isoclima is now entering the next phase of its sustainability journey. Building on the insights generated through this process, we are working to translate identified priorities into measurable actions and performance objectives. A key focus of the coming years is the definition of specific sustainability targets across each of the material topics, supported by implementation plans and monitoring mechanisms. These targets will be established both at Group level and at individual site level, recognizing the different operational contexts and opportunities across our facilities. By combining a common strategic direction with site-specific initiatives, Isoclima aims to strengthen accountability, drive continuous improvement and support consistent progress toward its sustainability objectives.

The Double Materiality Matrix also informs the scope and structure of this report. The following pages present our sustainability approach, initiatives, performance and future objectives, with a primary focus on the five material topics identified through the assessment, while also addressing other sustainability matters that remain relevant to us and our stakeholders.

> *Following our Double Materiality Assessment conducted in line with CSRD principles, we have identified our key sustainability priorities and translated them into a structured roadmap with concrete actions. This has already resulted in a number of delivered milestones, with further initiatives underway and planned. A key strength of this work has been the active involvement of teams across functions and geographies, ensuring a shared understanding and ownership. The current focus is to turn this foundation into measurable, consistent progress across the Group.*

Meron Solomon Hussen
Corporate Sustainability Program Manager



Driving Performance Through Safety and Innovation

04

Ensuring product safety as the foundation of everything we do

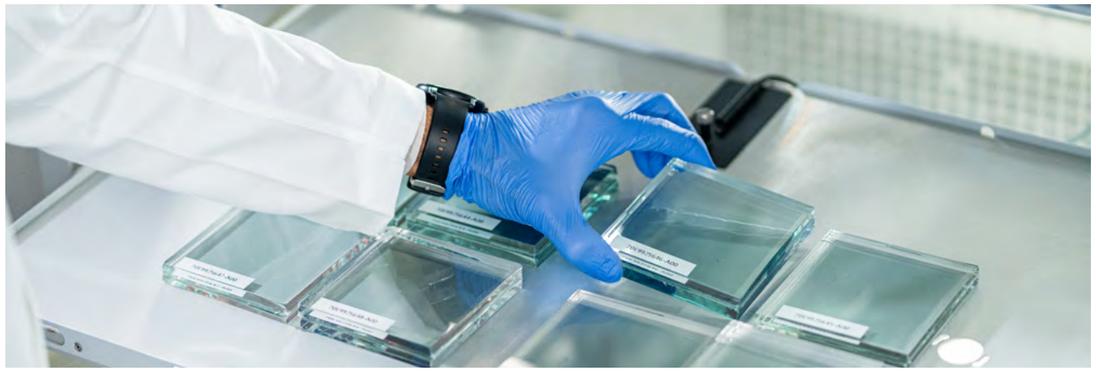
Whether installed in an aircraft cockpit, an armored vehicle, a high-performance sports car, a train, a yacht or a landmark building, our glazing systems are designed for environments where visibility, reliability and protection cannot be compromised. In these applications, the transparent solution is a critical safety component that helps people travel, work and operate in confidence.

Every day, our products support millions of passengers, drivers, crew members, security operators and building occupants around the world. This responsibility shapes how we innovate, how we engineer our products and how we define quality. The solutions we deliver are rooted in safety, designed to protect people and assets in demanding environments. Through continuous innovation and close co-engineering partnerships with our customers, we develop reliable, durable and high-performing solutions tailored to the unique requirements of the sectors we serve.

Our glazing solutions must withstand extreme impacts and temperatures, preserve visibility in critical conditions and contribute to thermal and acoustic comfort, all while meeting stringent certification standards and customer specifications. This is why Isoclima places such a strong emphasis on engineering excellence, technological innovation, rigorous testing and continuous improvement.

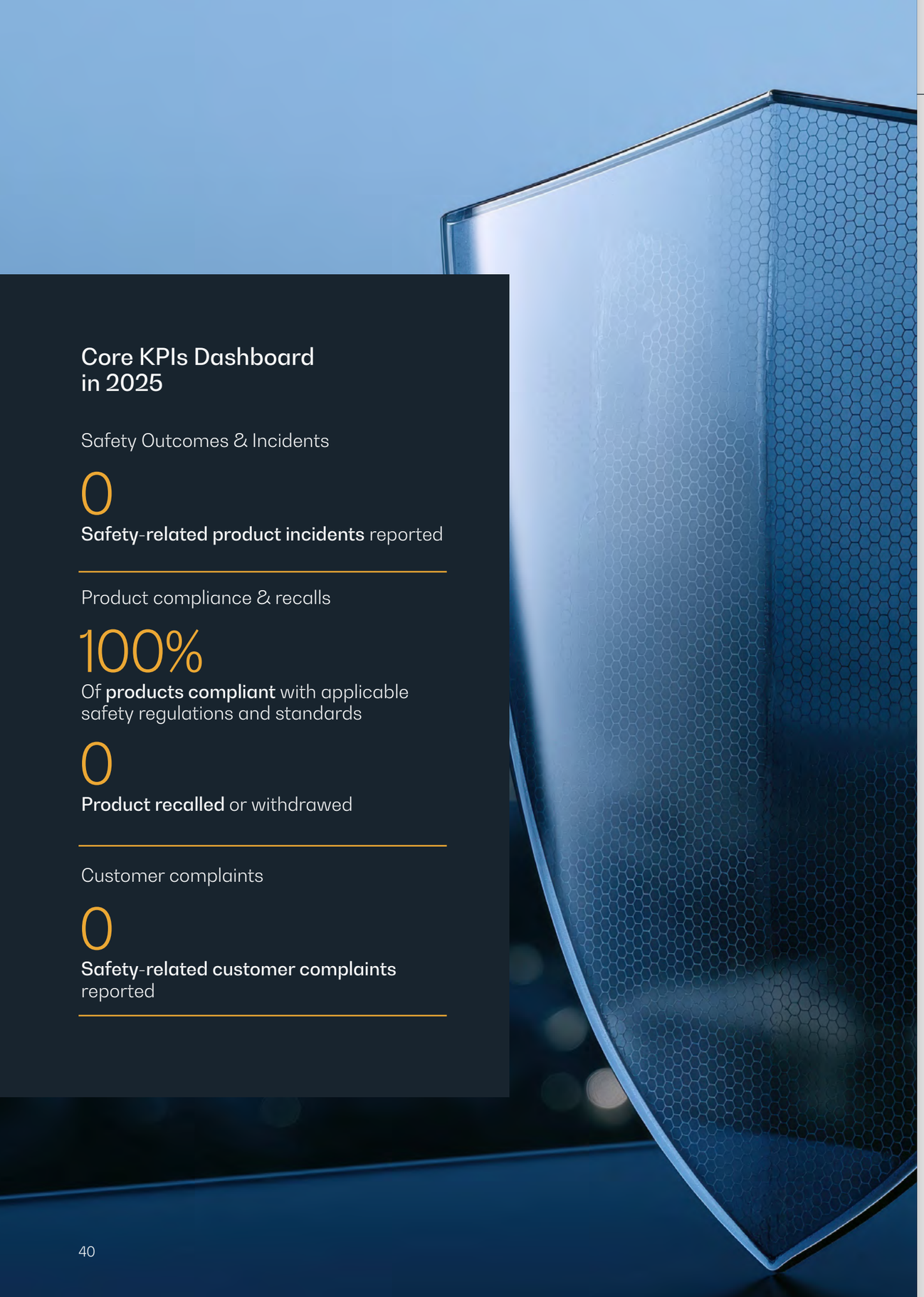
> *We sell performance, ballistic protection, lightweight structures, solar control, optical clarity, designed to protect people and keep operations running in some of the most demanding environments.*

Elisabetta Poli
R&D Director



Application	Application Overview	Key Quality and Safety Capabilities
Aerospace 	The aerospace sector requires transparent solutions that combine exceptional optical quality, structural performance and reliability. Glazing systems are used in cockpit windshields, passenger windows and other critical aerospace applications, where performance is essential to safe operations.	— Bird strike resistance — EMI[6] shielding for secure, interference-free performance — De-icing systems — Hoard-coating for abrasion resistance — Perfect optical quality through complex blending
High Performance Cars 	High-performance cars applications require glazing solutions that support vehicle performance, occupant comfort and aesthetic design. Innovation is focused on lightweighting, solar protection and advanced transparent technologies.	— Heating systems for all weather visibility — Variable light control — Laminated glass and polycarbonate for reduced weight and superior performance — Solar control and triple silver layer coatings for energy efficiency — Scratch and impact-resistant surfaces
Defense & Security 	Defense and security applications rely on advanced transparent protection systems for military vehicles, armored transportation, law-enforcement vehicles and other high-risk environments where occupant protection is paramount.	— Anti-IR[7] coating — Ballistic resistance — Chemical strengthening for improved mechanical strength of the glass — Magnetron sputtering PVD[8] for conductive or semi-conductive coatings — Encapsulation technologies for durability and life-cycle performance — Heating systems for de-icing and de-frosting — Lightweight solutions
Rail & Mobility 	Rail and mobility applications require durable and reliable glazing solutions that contribute to safety, operational performance and comfort across trains, urban mobility systems and next-generation transportation platforms.	— Anti-IR[2] coating — Solar protection technologies — Chemical strengthening for resistance and impact — Magnetron sputtering & CVD[9] coatings — Thermal & heat strengthening — Acoustic insulation — Integrated heating systems for de-icing and defrosting
Security Architecture 	In architecture, transparent solutions contribute to building protection and occupant wellbeing. Applications range from high-security facilities and critical infrastructure to commercial and public buildings.	— Advanced security glazing, bullet- and blast-resistant — Behavioral health and hospital glazing protecting patients and staff — Abrasion resistance, ballistic protection, customizable options for containment needs — Bird-friendly glass — Attack & burglar resistant solutions — Fire-resistant technologies — One-way vision solutions for privacy and security
Yachting 	Yachting applications combine advanced engineering with high aesthetic standards. Large, glazed surfaces are increasingly used to enhance visibility, comfort, design and maintaining structural performance.	— Optical quality — Resistance to expected and unexpected threats — Solar radiation, heat loss and noise protection — Electronic protection — Chemical strengthening for consistency and durability — Magnetron and thermal sputtering — Thermal strengthening

6 Electromagnetic interference.
7 Infrared
8 Physical Vapor Deposition
9 Chemical Vapor Deposition



Core KPIs Dashboard in 2025

Safety Outcomes & Incidents

0

Safety-related product incidents reported

Product compliance & recalls

100%

Of **products compliant** with applicable safety regulations and standards

0

Product recalled or withdrawed

Customer complaints

0

Safety-related customer complaints reported

4.1
Safety by design: protecting people through transparent solutions

Our products are inherently safety products. From tempered glass that breaks into small rounded pieces to laminated systems that keep fragments together, safety is in the very choice of glass types, interlayers and bonding systems we use.

Elisabetta Poli
R&D Director



Engineering protection for the toughest environments

Isoclima operates in sectors where transparency, safety, protection and performance are critical to the final use of the product. In these demanding environments, glazing is an essential element that contributes to occupant protection, operational reliability and overall safety. Product performance can directly influence the protection of people and, in certain circumstances, help prevent serious injuries or save lives. The durability and strength of Isoclima's advanced glazing solutions help reduce the risk of incidents such as breakages while enhancing safety in vehicles, educational facilities, yachts and buildings. In high-risk situations, ballistic and resistant glazing systems provide an additional layer of protection, supporting the safety of occupants when it matters most. This responsibility is why product safety, quality and reliability remain at the core of our approach to engineering, innovation and continuous improvement.
Our advanced glazing and transparent solutions are supplied primarily to business customers operating in sectors such as aerospace, defense and security, high-performance cars, rail transportation, architecture and marine applications. Through these industries, Isoclima's products support a broad range of consumers and end-users across global markets. These end-users include passengers and operators of transportation systems, drivers and occupants of protected or high-performance vehicles, personnel working in security-sensitive environments, building occupants benefiting from safety and energy-efficient glazing solutions, and users of marine and mobility applications requiring high-performance transparent materials. Across these applications, the Group's products are designed to enhance safety, protection, durability, visibility, thermal and acoustic comfort in demanding operating conditions.

Embedding safety throughout the product lifecycle

At Isoclima, safety, quality and reliability are embedded throughout the product lifecycle from the earliest stages of development. Every project begins with clearly defined technical, regulatory and customer requirements. During design and engineering, our teams assess potential risks related to product performance and occupant safety, addressing them through material selection, structural design, simulations and prototype development.

Before entering industrial production, products undergo extensive validation and testing. Depending on the application, this may include ballistic testing, structural and mechanical testing, optical evaluations, compatibility assessments between materials and accelerated aging tests designed to simulate years of use within a compressed timeframe. These tests help confirm that laminates, coatings and bonding systems will continue to perform reliably throughout their intended service life.

Requirements › Design and simulation › Prototyping

Testing and validation › Industrialization › Monitoring and continuous improvement



Protection in High-Risk Environments

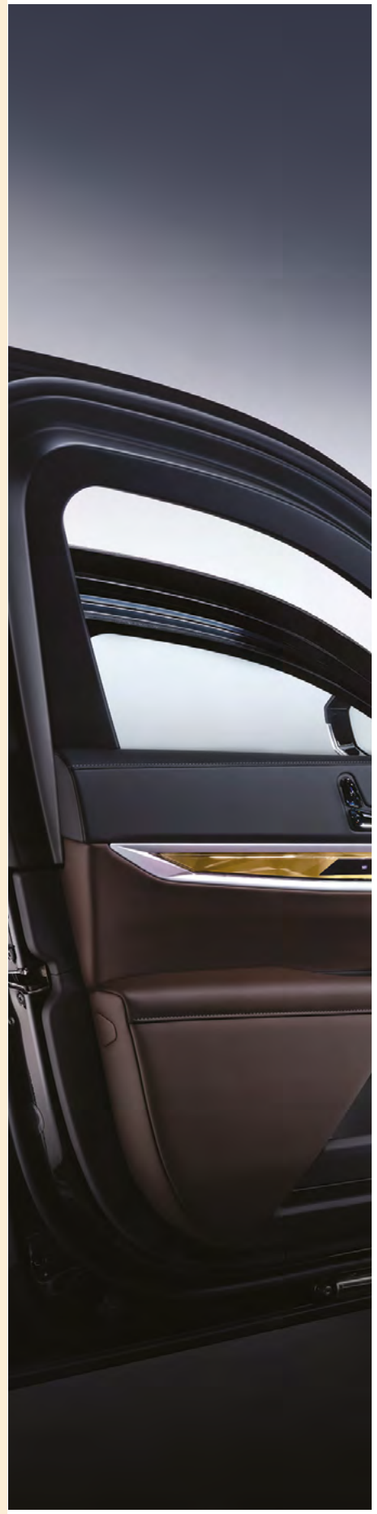
Across many of the markets served by Isoclima, including security transport, law enforcement and defense applications, glazing is far more than a transparent surface. It is a critical safety component designed to help protect occupants from external threats.

In June 2024, the Mondialpol headquarters in Caniga, Sassari, Sardinia, was targeted in a violent assault by a heavily armed commando unit. During their escape, the attackers engaged responding Carabinieri and police officers, opening fire with machine guns including Kalashnikovs. A Carabinieri vehicle was hit by multiple rounds, but despite the windshield being riddled with high-caliber gunfire, Isoclima's ballistic resistant glazing absorbed the heavy impacts and held firm keeping the glass intact and protecting the officers inside.

In situations like these, vehicle protection systems play a vital role. Ballistic-resistant glazing helps create a protective barrier between occupants and external threats, contributing to the safety of drivers, security personnel and law-enforcement officers operating in demanding conditions. The ability of glazing to withstand ballistic impacts while maintaining visibility and structural integrity can be critical to occupant protection.

This is precisely the challenge for which Isoclima's ballistic glazing systems are engineered. Through multilayer constructions tested against internationally recognized ballistic standards, our solutions are designed to resist penetration, maintain structural integrity and support occupant protection under extreme conditions. In selected applications, interior polycarbonate layers further enhance safety by helping reduce the risk of glass fragments being projected toward occupants during an impact.

For Isoclima, innovation ultimately serves a clear purpose: protect the people who rely on our products in some of the world's most demanding environments. Whether supporting security operators, law-enforcement personnel or other professionals working in high-risk settings, our role is to provide solutions that combine visibility, reliability and protection when they matter most.



4.2
Engineering the next generation of transparent solutions



Partnering with customers to drive meaningful innovation

Innovation is how we respond to the increasingly complex challenges faced by our customers. Across aerospace, defense and security, mobility, yachting and security architecture, expectations continue to evolve. Customers are seeking solutions that combine enhanced protection, reduced weight, improved energy efficiency and extended product lifecycles, often within the same application. Meeting these demands requires continuous advancement in materials, coatings, laminates, bonding technologies and manufacturing processes.

At the heart of Isoclima's technological leadership is a dedicated Research and Development division, led by R&D Director Elisabetta Poli, which transforms ideas into advanced transparent solutions. Beyond product innovation, our laboratories support engineering teams across the Group by providing specialized technical expertise, accelerating development activities and strengthening collaboration with customers throughout the co-engineering process. Through rigorous testing and validation methodologies, our teams ensure that every new solution meets the highest standards of quality, safety and performance, while complying with applicable regulatory requirements and customer specifications.

100+

Patents protect

the innovation embedded in our products, reflecting decades of research, technical expertise and in-house development

Isoclima Group | 2025 Sustainability Report

From ideas to industrial solutions

For five decades, innovation has been a defining element of Isoclima's identity and competitive strength. Our capabilities span the entire development cycle, from design and prototyping to testing and industrial production. Specialized manufacturing environments, including climate-controlled production areas and facilities designed for complex and small-batch manufacturing, enable us to develop highly customized solutions with advanced performance characteristics. These include exceptional optical clarity, optimized strength-to-weight ratios, large-format glazing systems and complex curved and structural transparent components.

Our innovation roadmap brings together R&D, commercial and operational teams across Italy, Croatia and the United States to identify emerging market needs and transform them into practical, scalable solutions. Regular cross-functional innovation reviews create opportunities to share expertise, accelerate development activities and ensure that knowledge generated in one region can support customers and applications across global markets.

Collaboration is a fundamental part of our innovation model. We partner with OEMs and customers from the earliest design stages through to the development, testing and certification of finished products. In some cases, innovation is driven by specific customer requirements or evolving market trends, creating opportunities for joint development and co-engineering. In others, our teams proactively leverage their expertise to propose new compositions, lighter structures or more energy-efficient solutions that can enhance product performance and sustainability outcomes. This continuous exchange of knowledge allows us to anticipate future needs, strengthen customer relationships and deliver solutions that create long-term value across the industries we serve.



Lightweight innovation: when performance meets efficiency

The value of innovation is ultimately measured by its ability to solve real-world challenges. In high-performance cars applications, manufacturers continuously seek new ways to reduce weight without compromising safety, durability or driving experience. Achieving this balance requires close collaboration between material specialists, engineers and vehicle designers.

In Croatia, an interesting case emerged from the luxury car sector when a leading high-end vehicle manufacturer approached Isoclima with a clear objective: to develop an ultra-lightweight windshield capable of supporting the vehicle's performance targets while fully complying with stringent safety requirements.

To address this challenge, our engineering teams worked closely with the customer to develop a new laminated glazing composition incorporating Gorilla Glass®, a chemically strengthened glass technology widely known for its use in smartphone screens. By combining Gorilla Glass® layer with standard glass layer, the team engineered an exceptionally thin windshield solution that maintains the required levels of safety, optical quality and structural performance.

The resulting glazing system is able to reduce the overall vehicle weight by approximately 2 kilograms. This reduction is significant, as for a high-performance vehicle every kilogram can influence acceleration, handling and the horsepower-to-weight ratio, central to driving performance.

By combining advanced materials expertise, engineering know-how and close collaboration throughout the development process, Isoclima is able to continuously deliver solutions that advance vehicle performance while meeting the highest standards of safety and quality.

From ballistic-resistant glazing and advanced solar control to smart glass technologies and lightweight structures, innovation remains one of the most important drivers of our long-term competitiveness.



Sustainability as a driver of innovation

Sustainability is embedded in design client requests. Customers today expect solutions that deliver safety and reliability and also contribute to energy efficiency, resource optimization and longer product lifetimes. As a result, sustainability considerations are increasingly influencing the way we innovate. Today, more than 10% of our R&D budget is dedicated to sustainability-related innovations, including lightweighting, solar control, smart glazing and durability.

>10%

Of R&D budget

dedicated to sustainability related innovation

Levers

- **Lightweighting:** Lightweight solutions are a key priority across aerospace, defense and security, yachting and high-performance car markets, where reducing weight can improve, performance, efficiency and operating range. Beyond these benefits, lightweighting is a critical sustainability lever. By reducing the energy required to move vehicles, vessels and aircraft throughout their operational life, lighter solutions help lower fuel and electricity consumption, reduce greenhouse-gas emissions and decrease overall resource use. As a result, lightweighting not only enhances performance but also plays an important role in supporting the transition to more sustainable transportation and mobility systems.
- **Solar control:** Managing heat and solar energy is another important area of innovation. In yachts and buildings, we use solar-control coatings, absorbing interlayers and advanced laminate combinations to reduce the amount of solar energy entering cabins and interiors, lowering cooling requirements and improving occupant comfort. In markets such as the Middle East, we supply windshields with advanced coatings capable of blocking around 60%[10] of solar energy, helping to improve vehicle efficiency, particularly for electric vehicles.
- **Smart glazing:** These technologies are opening new possibilities for both comfort and efficiency. PDLC, SPD[11] and Electrochromic solutions are being validated as ways to dynamically modulate light and solar-energy transmission. Combined with high-performance coatings and structural interlayers, these technologies can contribute to energy savings while enhancing user comfort and expanding design flexibility.
- **Durability:** Durability sits at the intersection of performance and sustainability. Longer-lasting products mean fewer replacements, less waste and reduced disruption for customers. Our work on adhesion promoters and bonding systems aims to improve lamination durability and reduce issues such as aesthetic defects that can lead to premature replacement. In some yacht and ballistic applications, technical lifetimes are validated for eight to ten years or more, helping extend product longevity while reducing resource consumption over time.

10 According to an internal study conducted by Isoclima
11 Suspended Particle Device (SPD)

Driving efficiency through solar-control innovation

Innovation can create value through solutions that support energy efficiency and sustainability. As temperatures rise globally and vehicle electrification accelerates, managing heat inside vehicle cabins is becoming an increasingly important challenge for transportation sector.

One example comes from Isoclima's ongoing research and development activities focused on advanced solar-control and UV-protection glazing technologies. Supported through European-funded innovation programs, the project explores new glass compositions and coating technologies designed to reduce the amount of solar radiation entering vehicle interiors while maintaining optical quality and occupant comfort.

A practical application of this innovation can be seen in glazing solutions currently supplied for vehicles operating in Saudi Arabia, where extreme temperatures place significant demands on climate control systems. These windscreens incorporate AG3 coating technology, which blocks approximately 60% of incoming solar radiation, significantly reducing heat build-up inside the vehicle. By limiting solar heat gain, these glazing solutions reduce the demand on vehicle air-conditioning systems. In electric vehicles, lower cooling needs conserve battery energy to extend driving range, while in conventional vehicles, reduced load translates directly to lower fuel consumption and emissions.

The other example is Secur Solar Shield, an advanced glazing solution designed specifically for the marine sector, that cuts incoming solar radiation by up to 50%. By limiting interior heat buildup, it lowers air-conditioning demand and improves onboard comfort. Its lightweight, high-strength build also reduces total vessel weight, saving fuel and lowering emissions.

The solution is Recognized in the 2025 Monaco Yacht Show's Blue Wake Programme Secur Solar Shield shows how solar-control innovation delivers both energy efficiency and high performance.

This projects illustrates how sustainability-driven innovation can generate benefits across the product lifecycle. Through continuous research into advanced coatings and glazing technologies, Isoclima is helping customers address emerging challenges linked to climate change adaptation, energy efficiency and vehicle performance.

Innovation is increasingly measured by the value it creates throughout its lifecycle.

Whether reducing weight, improving thermal efficiency, extending product durability or enabling new mobility solutions, sustainability is becoming an important driver of technological innovation. Our role is to translate these expectations into advanced transparent solutions that help customers improve both performance and environmental outcomes.



4.3
Driving continuous improvement through quality management and customer feedback

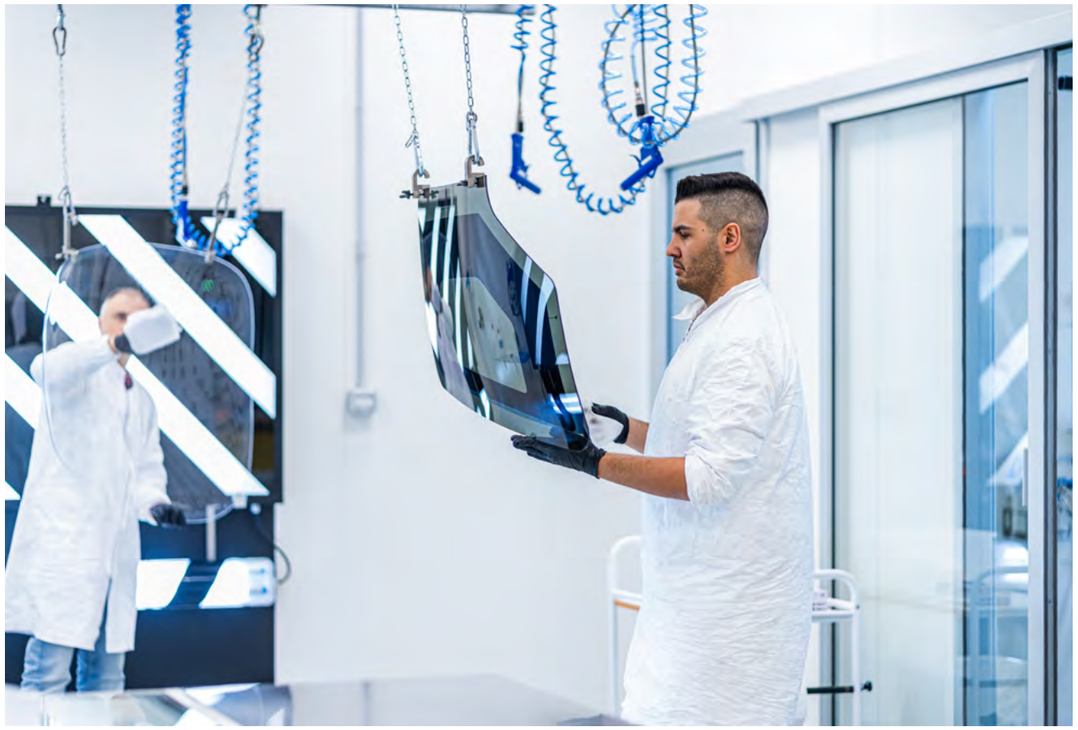


Delivering excellence through quality certifications and systems

At Isoclima, responsibility does not end when a product leaves the plant. We use quality systems, traceability tools and customer feedback to keep learning, refine processes and strengthen reliability over time. For the markets we serve, some certifications are not simply value-adds, they are essential conditions for doing business. This is why certifications and management systems play such an important role for our products and across our processes.

Category	Certifications / Standards
Quality Management Systems	EN 9100, EASA Part 21G, IATF 16949, IRIS,ISO 9001, AQAP, IATF 16949
Product Safety & Technical Standards	EN 17460
Information Security & Data Protection	TISAX

Together, these frameworks help ensure that safety, traceability and performance requirements are embedded into our daily operations.



Embedding excellence through a robust quality management framework

Quality is embedded in Isoclima's operations through a structured Quality Management System that supports every stage of the product lifecycle, from design and development to production, testing and customer support. Built on a process-based and risk-based approach, the system is designed to ensure that products consistently meet customer expectations, regulatory requirements and the demanding performance standards of the industries we serve. The Group's quality framework is guided by internationally recognized standards, including ISO 9001:2015, and is supported by sector-specific certifications such as AS9100 for aerospace, IATF 16949 for automotive and AQAP requirements for defense applications. These management systems promote a culture of prevention, accountability and continuous improvement, helping teams identify risks early, strengthen process control and maintain high levels of product reliability and customer satisfaction.

Continuous monitoring of key performance indicators, regular management reviews and ongoing employee training help ensure that quality objectives remain aligned with business priorities and customer needs. The system also extends across the supply chain through supplier qualification and evaluation processes, supporting consistent quality standards from raw materials through to finished products. By combining robust management systems, technical expertise and a commitment to innovation, we seek to deliver transparent solutions that meet the highest standards of safety, performance and reliability throughout their lifecycle.

Leveraging customer feedback to continuously raise our standards

Once the product is on the market, we continuously monitor field performance, integrate customer feedback and use lessons learned to refine designs and manufacturing processes. Quality managers from different plants meet periodically to review non-conformities, root-cause analyses and corrective actions, helping ensure that improvements developed in one location can strengthen performance across the entire organization. Non-conformities are managed through SAP, where information received by sales is logged and then reviewed by quality teams using product traceability data. Because most our products carry a unique identifier, teams can trace when a part was produced, which materials were used, in which plant it was processed and which checks were carried out before shipment. This allows us to assess feedbacks thoroughly, respond clearly and, where needed, launch corrective action.



From customer feedback to process improvement

At Isoclima, customer claims are not treated only as issues to close; they are also opportunities to improve.

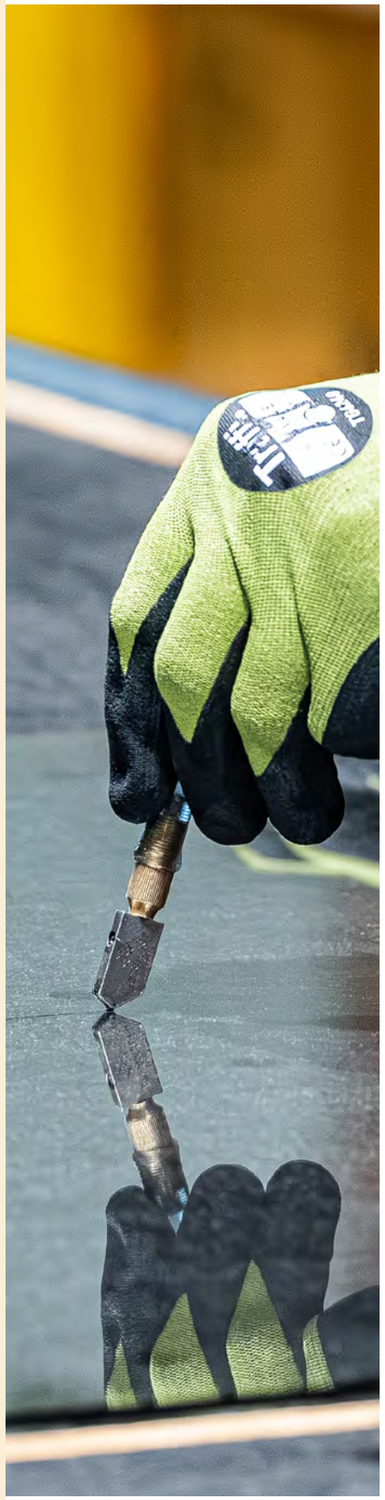
A case in point involved a German customer who reported bubbles in a product. A detailed review showed that the issue was not a defect against the original specification, but rather the result of operating conditions that exceeded those initially anticipated.

Working together, our quality and R&D teams adjusted the process so the customer could maintain the desired visual result under the new conditions, without changing the glass composition. The learning was subsequently integrated into internal procedures and shared more broadly across the organization, demonstrating how traceability, technical expertise and cross-functional collaboration help transform customer feedback into continuous improvement.

Another example comes from the United States, where we launched ArmorGuard Ultimate, an evolution of our previous ArmorGuard products, in direct response to customer feedback on durability and resistance to chemicals and scratching. Designed to provide longer service life and greater resistance to degradation, the solution helps reduce the likelihood of failures or replacements in demanding architectural environments. Together with a fire-rated life-safety glazing solution co-developed by our Italian and U.S. teams, designed to help protect people from heat during a fire, these innovations demonstrate how customer insights can translate into tangible benefits for both building occupants and vehicle users.

Durability is one of the first things our customers need. With ArmorGuard Ultimate we responded directly to the voice of the customer with glazing that better resists chemicals, scratching and time, so protection is there when it is really needed.

Lance Cotton
President and General Manager NAFTA Region



4.4
Advancing innovation and quality through strong supplier partnerships



Building product performance from the foundation of materials

Within our global facilities, innovation and product performance begin with the materials, technologies and expertise that enter our value chain. As a specialist in transforming advanced materials into high-performance transparent solutions, we rely on a network of strategic suppliers whose products directly influence the safety, quality and performance of the solutions we deliver to customers.

This is particularly important because our products are built around of highly specialized material families. Glass, polycarbonate, polyurethane and PVB[12] interlayers alone account for the majority of our direct material spend and form the foundation of many of our solutions used in aerospace, defense and security, automotive, Yachting and architectural applications.

These materials are far more than inputs. They are critical components of the safety and performance characteristics that our customers expect. Glass provides structural integrity and optical quality. Polycarbonate can deform without shattering, helping protect occupants from splinters in ballistic applications. Interlayers hold glazing systems together under impact, while bonding systems and adhesives help ensure long-term durability, even in demanding operating environments.

Because many of these materials are highly specialized or customer-approved, supplier relationships are a strategic element of our ability to deliver consistent product excellence, support innovation and maintain operational resilience.

Whenever possible, we also prioritize working with suppliers located close to our manufacturing facilities. Geographic proximity helps reduce transportation complexity, improve responsiveness and strengthen day-to-day technical collaboration between procurement, operations, quality and R&D teams.

12 Polyvinyl butyral

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Balancing performance, sustainability and safety

Selecting materials for safety-critical applications often requires balancing multiple priorities at once. Performance, durability, sustainability and safety must all be considered together.

In ballistic applications, glass alone may provide the required level of ballistic resistance. However, we typically add interior polycarbonate layers because they deform without breaking and help prevent glass fragments from being projected toward occupants during an impact. The result is a glazing system designed to resist threats, and to reduce the risk of injury to the people it is intended to protect.

Similar considerations apply across many of our markets. In aerospace, Yachting and high performance cars applications, coatings, interlayers, adhesives and strengthening technologies must work together to deliver optical quality, durability, structural performance and long-term reliability under challenging operating conditions.

To introduce sustainable principles in our material selection, we have defined a Green Procurement Policy supporting these decisions by encouraging the selection of lower-impact materials, the reduction of hazardous substances and the promotion of circular-economy principles. At the same time, we recognize that some high-performance applications still depend on materials for which no equivalent alternative currently exists. In those cases, our focus is on working with suppliers to improve the next generation of solutions while ensuring materials are used responsibly and safely. Recycling provides a good example of these trade-offs. Our glass suppliers already incorporate recycled content into their production processes, and we work with partners to return pre-lamination glass scrap into recycling streams whenever technically feasible.

The same balancing act applies when evaluating material safety. While we continuously seek lower-impact and lower-hazard alternatives, every new material must also be assessed against the technical requirements of the application and the conditions under which it will be used.

Every new material introduced into our facilities undergoes a formal review by the safety department before it can be approved for use. Dedicated assessments evaluate intended applications, exposure conditions and potential risks, while safety experts define the required procedures, personal protective equipment (PPE) and operating conditions.

Where risks are intolerable, materials may be rejected. In cases where substitution is not possible, specific controls are implemented, including dedicated handling procedures, specialized ventilation systems and strict PPE requirements. This process helps ensure that innovation and product performance never come at the expense of safety.



Our challenge is often to balance performance, durability, sustainability and safety at the same time. The best solutions are those that improve all four dimensions together.

Elisabetta Poli
R&D Director



Advancing innovation through collaboration

As a transformation specialist, Isoclima role is to understand the potential of emerging materials and technologies and transform them into solutions that address evolving customer needs.
For this reason, supplier collaboration is a critical driver of innovation. New glass compositions, advanced coatings, structural interlayers and next-generation bonding systems are often developed through close cooperation between our R&D teams, suppliers and customers. This collaborative approach helps accelerate development cycles, validate new technologies and bring innovative solutions to market more effectively.
One current area of focus is the development of next-generation bonding systems.

Traditional polyurethane materials used in demanding applications can contain significant levels of isocyanates, substances that require careful handling and are increasingly scrutinized by customers and regulators. Working alongside suppliers, our teams are evaluating alternative formulations with significantly lower isocyanate content while maintaining the adhesion, durability and performance required in safety-critical applications.
This work reflects a broader trend across many of our markets. Customers increasingly expect products that combine high performance with reduced environmental and health impacts, creating new opportunities for innovation across the value chain.

Developing safer bonding systems through supplier collaboration

A practical example of co-innovation can be found in our work on bonding technologies.

Working closely with suppliers, our R&D teams have been evaluating alternative polyurethane formulations with significantly lower isocyanate content. The challenge is not simply to replace one material with another. Any new formulation must deliver the same levels of adhesion, durability and long-term performance required in demanding aerospace, automotive and specialty applications.

Through joint testing, validation and qualification activities, suppliers and Isoclima engineers are working together to identify solutions that maintain product performance while reducing potential health and environmental impacts.

This project illustrates how innovation often emerges through collaboration across the value chain, helping create materials that are safer to handle, aligned with evolving customer expectations and capable of supporting the next generation of high-performance transparent solutions.

Supplier relationships support continuous quality improvement. Through our supplier-management processes, we monitor indicators such as product quality, delivery performance and supplier reliability. These systems help ensure that materials entering our facilities consistently meet the standards required for safety-critical applications by the industries we serve while creating a foundation for long-term collaboration and innovation.

By combining rigorous supplier qualification, close technical collaboration and a shared focus on continuous improvement,

> *When selecting suppliers, quality is the most important criterion.*
>
> **Giuseppe Di Liberto**
> *Global Supply Chain & Purchasing Director*

we strengthen our ability to deliver innovative, high-quality and reliable solutions. In many cases, the performance achieved by our products is not only the result of our own expertise, but also of the collective knowledge, innovation and commitment shared across our value chain. Together, these partnerships help us deliver the quality, safety and reliability that our customers require.



Acting with Integrity Every Day

05

5.1
Ensuring sound corporate and sustainability governance

Isoclima operates through a global presence across Italy, Croatia and the United States with a governance system designed to support Group-wide strategies and best practices. Our governance is built to ensure clear decision-making, balanced oversight and transparent management, with the aim of creating long-term value for all stakeholders. As we continue to grow internationally, this framework helps us operate as one organization, with shared decision-making principles and consistent accountability across geographies.

Our corporate governance system is structured around three main governing bodies:

Shareholders' Meeting

- The shareholders' Meeting is primarily entrusted with decisions relating to our organizational structure and governance, including the appointment and possible removal of members of the Board of Directors.

Board of Directors

- The Board of Directors represents the highest governing body and holds the broadest powers for the ordinary and extraordinary management of the company, except for matters reserved by law or by the Articles of Association to the shareholders' Meeting. The Board of Directors currently consists of four members, of whom 25% are women.

Leadership Team

- The Management Team, led by the Chief Executive Officer, comprises the leaders of our key global functions, including Finance, Operations, Commercial, Research & Development and HR, together with the country leaders for the United States and Croatia. This structure supports effective coordination of strategic initiatives and ensures consistent execution across all geographies.

Corporate & Sustainability governance



Sources: Weastem analyses.

Sustainability is managed and coordinated by the Corporate Sustainability Program Manager, Meron Solomon Hussen, who reports to Chief Commercial and Marketing Officer.

Our Corporate Sustainability Program Manager collaborates closely with leaders in Operations, Marketing and Research & Development, as well as with the plant managers for the United States and Croatia, overseeing sustainability initiatives on the ground. This cross functional and cross country coordination keeps information flowing, aligns priorities and helps us turn high level goals into concrete actions at site level.

> *Over the last two years we have built a clearer governance framework. The next step is to make sustainability even more operational, embedding it in agendas, breaking it down into projects, setting targets and tracking results so that we can generate positive and measurable concrete impacts.*
>
> **Liviana Forza**
> *Chief Executive Officer*



Governance Framework for Material Sustainability Topics

- **Personal Safety of End Users:** The R&D team, led by Elisabetta Poli (R&D Director), is responsible for designing and validating advanced glazing solutions that meet demanding customer specifications and safety requirements across all our geographies. Their work ensures that performance, reliability and protection for end users are built into products from the earliest stages of development.
- **Own Workforce:** Matters relating to our workforce, including human capital management, DEI, and skill development trainings are managed at Group level by Sandro Cersosimo (Human Resources Director). He works closely with Federico Mangolini (Chief Operation Officer), as well as with regional leaders such as Lance Cotton in the United States and Dorian Knapić in Croatia, to support consistent implementation of policies and effective monitoring of workforce related matters. On-site Human Resources managers are responsible for putting initiatives into practice locally, adapting them to each plant's context while maintaining alignment with group standards.
- **GHG Emissions and Energy Consumption:** Greenhouse gas emissions and broader environmental topics at Group level fall under Meron Solomon Hussen (Corporate Sustainability Program Manager). In this role, particularly on energy management and efficiency, as well as water and waste, she works in close coordination with the plant managers for the United States and Croatia and with the Chief Operation Officer, Federico Mangolini.
- **Supplier Relationships:** Giuseppe Di Liberto (Global Supply Chain & Purchasing Director), is responsible at Group level for overseeing relationships across Isoclima's supplier network. Giuseppe works in coordination with dedicated purchasing managers and local procurement leads in each country. Together with the Group Quality Director, the team helps ensure that quality, process robustness and continuous improvement are embedded in supplier selection, monitoring and development.
- **Integrity and Ethical Business Practices:** Sandro Cersosimo (Human Resources Director), also leads initiatives to strengthen and harmonize governance frameworks and policies relating to integrity and ethical business conduct to ensure consistent standards across countries and functions. In this process, he is supported by the relevant country Human Resources representatives.

To reinforce internal commitment in pursuing our sustainability objectives, Isoclima has also defined an executive remuneration scheme linked to the achievement of certain sustainability milestones.

While significant progress has already been achieved, we intend to further strengthen our sustainability organization to support our evolving ambitions and the initiatives planned for the coming years. In line with our strategic plan, the next step is to move from mapping and awareness to clear target setting and performance management across key sustainability dimensions.

Isoclima Group | 2025 Sustainability Report

5.2
Driving ethical and responsible business conduct

Integrity is one of the ways we define who we are. For Isoclima, acting with integrity means more than complying with laws and regulations. It means embedding fairness, accountability and respect into the way we manage relationships, take decisions and measure performance. This is why integrity is not treated as a stand-alone compliance topic, but as one of our core values, reflected in its Code of Ethics, extended to suppliers through its Supplier Code of Conduct, and increasingly integrated into management systems, people processes and supplier governance.

We are moving from a local, entity based approach to a more harmonized Group model, in which expectations are shared consistently across countries and functions. This evolution is particularly important for a business that has grown internationally and is working to operate more visibly as one company, with common standards applying across all geographies.

> *Respect for people is the basic expectation of a professional organization and integrity is part of who we are and how we operate every day.*
>
> **Liviana Forza**
> *Chief Executive Officer*

Ethics across borders – One company

As Isoclima becomes more integrated across Italy, Croatia and the United States, ethical governance is also becoming more global. Rather than designing systems in Europe and extending them later, we are increasingly building common approaches from the start, from values and performance management to Human Resources governance and supplier expectations. This "one group" logic is helping create more consistent standards across geographies while still allowing local adaptation where needed



Integrity as a value, not just a control

Integrity is explicitly recognized as one of the Group's core values, alongside innovation, customer success, excellence and collaboration. And ethical business conduct is not only a legal obligation or a risk-prevention mechanism, but a cultural principle that shapes everyday behavior at every level of the organization.

This value-based approach is especially important in an industrial context, where many decisions are decentralized across plants, teams and functions. Leadership recognizes that formal controls remain essential, but also that long-term credibility depends on people understanding what responsible behavior looks like in practice, in dealings with colleagues, customers, suppliers and public stakeholders.

As we become more integrated, we are also taking steps to ensure that values are translated into behaviors that make sense in each local context. We know that this requires a coordinated effort at Group level. The headquarters in Italy is working with local teams in Croatia and the United States to make ethical expectations as close as possible to employees everywhere. This includes translating values into concrete behaviors, adapting materials into local languages and using training and performance systems to make those expectations visible in daily work.

> *Values are a matter of culture and they cannot simply be imposed. People need to understand clearly, in their own context, what those values mean in terms of expected behaviors.*

Sandro Cersosimo
Human Resources Director

A Group framework for ethical conduct[13]

Our commitment to integrity is backed by a clear framework. Our ethical framework is supported by a broad set of policies and governance documents that define expected conduct internally and externally[14]. At its center is the Code of Ethics designed to reflects our broader effort to promote shared values and responsible behavior.

Integrity and ethical business practices – Integrity Framework



13 Group ethics policies apply across Isoclima entities, with local implementation reflecting applicable national legal requirements.

14 Supplier-related expectations are described in more detail in the "Extending integrity through the supply chain" section below.

Drawing the line: corruption, conflicts and fair competition

We maintain a zero-tolerance approach to bribery and corruption through our Anti-Bribery and Corruption Policy, which prohibits offering, promising, giving, soliciting or accepting anything of value to obtain an improper commercial, contractual, regulatory or personal advantage. The policy applies not only to direct employees, but also to suppliers, advisors, contractors and other third parties acting on behalf of the company.

Isoclima's policies make clear that employees and partners must avoid situations in which private interests could interfere with professional responsibilities. Conflict-of-interest expectations are referenced both in the anti-bribery framework and in political-involvement rules, underlining that personal actions must never be represented as company positions.

Isoclima explicitly includes business-integrity requirements related to prevention of corruption, fiscal integrity and responsible taxation, prevention of conflicts of interest, no money laundering, respect for competition, trade restrictions and international sanctions. This means money laundering and unfair competition topics are not treated only as legal fine print, but as part of the business-integrity expectations that Isoclima communicates throughout its value chain.

Isoclima's approach to business ethics is anchored in a zero tolerance position on bribery and corruption and supported by clear expectations on conflicts of interest, fair competition, fiscal integrity and the prevention of money laundering. These principles apply internally and are also extended to third parties through contractual terms, onboarding documentation and the Supplier Code of Conduct





Listening channels: our whistleblowing and speak-up culture

An ethical culture relies on an environment where people feel safe to speak up our leadership recognizes that strong policies alone are not enough. In a business operating across multiple countries and production sites, formal speak-up mechanisms are essential to ensure that concerns can be raised and reviewed, including when managers may not see an issue directly.

For this reason, we maintain a whistleblowing portal accessible across the Group. Reports may be submitted anonymously or by name and are received by the Organismo di Vigilanza (Supervisory Body), which includes external legal oversight and reviews whether the issue appears sufficiently grounded to require deeper investigation. Reports from Italy, Croatia and the United States are handled locally but remain visible centrally, helping the Group identify whether isolated concerns may point to broader patterns.

The same channel can also be used to report concerns linked to discrimination or diversity matters, showing that whistleblowing is not seen only as a tool for fraud or bribery issues, but more broadly as part of Isoclima's integrity and respect culture.

The presence of a formal channel, oversight by the Supervisory Body and the link to broader Human Resources and values work together create the foundation for a more open and accountable practices.

> *Leadership cannot see everything happening everywhere. That is why formal channels matter. People need to know that, if something is wrong, there is a way to raise it and have it reviewed seriously.*
>
> **Liviana Forza**
> *Chief Executive Officer*

Isoclima's whistleblowing system gives employees and stakeholders a confidential way to report concerns, either anonymously or by name. Reports are reviewed by the Organismo di Vigilanza (Supervisory Body) and can relate not only to potential ethics breaches, but also to discrimination or dignity at work concerns. By making all cases visible centrally, while still allowing local management of investigations, the Group is building a more connected and transparent approach to risk detection across the Company.

Strengthening ethical culture through people systems

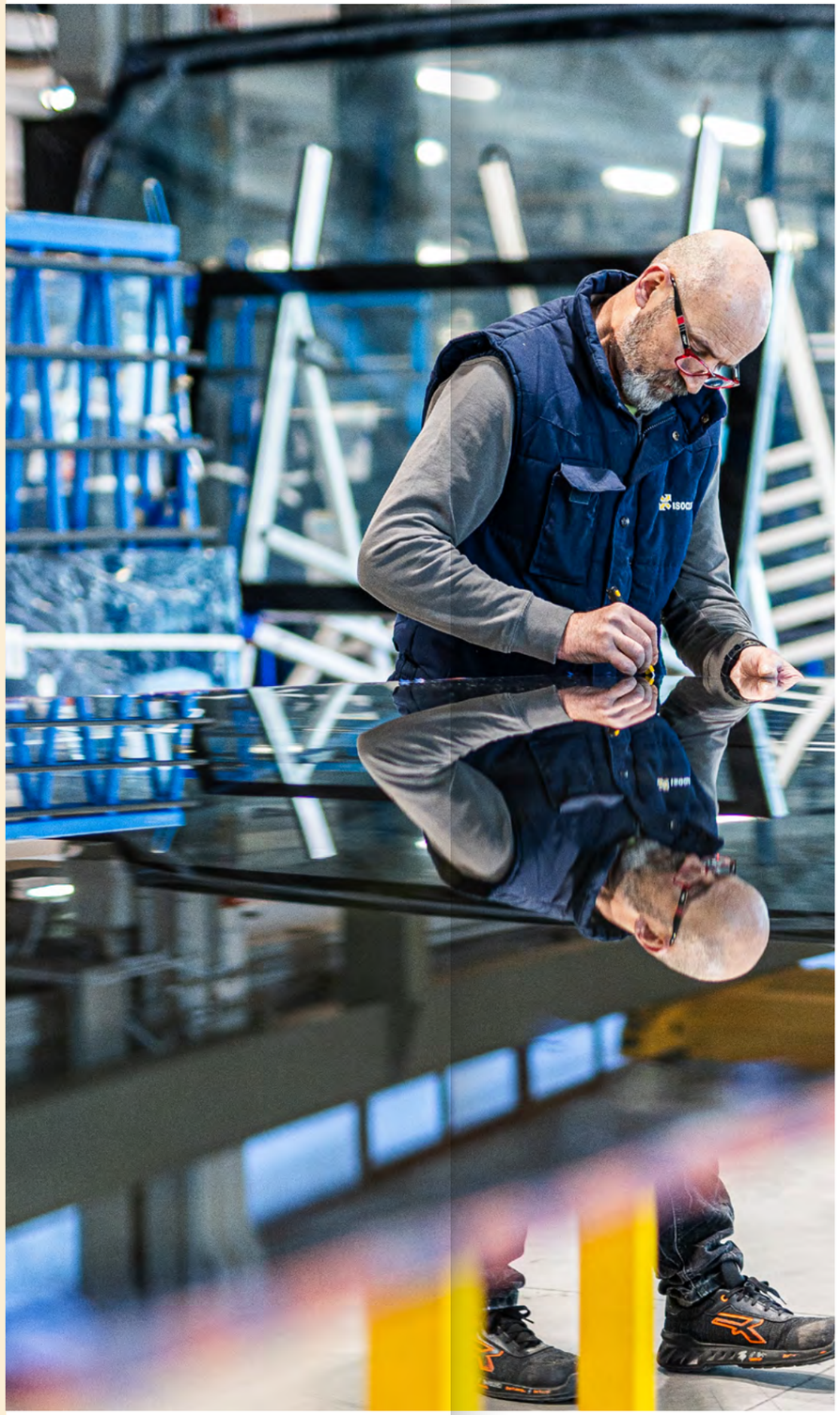
Rather than treating integrity as a separate compliance module, we are embedding it into core management processes, especially with our new performance-evaluation system for managers.

Supported by KPMG, the new system is being rolled out globally and will cover around 250 white colars across the group. It is designed not only to assess objective results, but also to evaluate managerial capabilities and alignment with Isoclima's values, including integrity. This is a significant step because it brings ethical expectations into the same space as business performance.

The practical implication is clear: values are no longer only statements in a document, but part of how managers are assessed. This helps move ethical culture from abstract commitment to operational reality and supports consistency across countries and business units.

By explicitly including integrity, collaboration, innovation, customer success, and excellence among the behavioral dimensions assessed, the system turns the Group's values into practical management expectations.





Extending integrity into the digital space

As the Group becomes more integrated and digitally connected, cybersecurity and the protection of personal data are becoming a more visible part of Isoclima's integrity agenda. Training on GDPR and information security has already been extended to a broader employee population, reflecting the growing relevance of these topics beyond specialist roles. In parallel, Isoclima's Supplier Code of Conduct includes clear expectations on information security and protection of personal information, reinforcing that responsible data handling is an essential component of trustworthy business relationships.

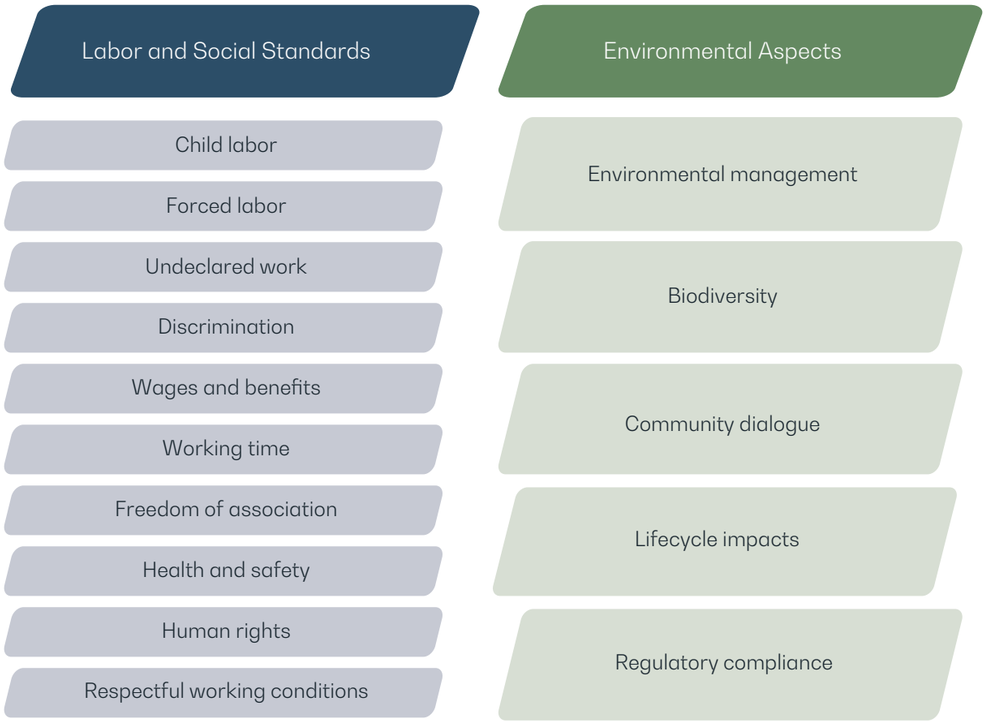
Building a supply chain that reflects our values

Isoclima's integrity approach does not stop at our own legal entities. We expect suppliers, distributors, subcontractors and business partners to share a common set of principles on ethics, social responsibility and environmental protection. These expectations are formalized in the Supplier Code of Conduct and reinforced through onboarding documents including the Green Procurement Policy and supplier-selection procedures.

The Supplier Code of Conduct is central to this effort. It sets out expectations across labor standards, social responsibility, environmental protection and business integrity, and requires suppliers to ensure that the same principles are respected further down their own value chains.

Our Supplier Code of Conduct covers a broad range of topics, both in terms of labor and social standards, and on environmental aspects.

Integrity and ethical business practices – Suppliers Code of Conduct



On business integrity topics, the Code brings together our expectations on:

- Prohibition of corruption
- Prevention of conflicts of interest
- Fiscal integrity and responsible taxation
- Anti-money laundering
- Respect for competition law and sanctions compliance
- Information security and protection of personal data
- Responsible sourcing, including conflict minerals
- Gifts, invitations and transparency in business relationships

This breadth is important because it shows that we are not treating supplier responsibility as a narrow procurement checklist. Instead, we are progressively defining a fuller view of what good partnership should look like, one that combines quality and delivery performance with broader expectations on social, environmental and governance practices.

The Code also gives us the basis to request access to information, perform inspections and require corrective action where needed.

We are now working to make this framework more traceable and operational. The implementation of a new platform, Qualiware, is expected to centralize supplier documentation and make it easier to record which suppliers have received, read, downloaded and signed relevant policies. Over time, this will make our expectations on ethics and responsible business conduct more visible and easier to monitor across the supply base.



Building a more transparent supplier ethics process: Today, Isoclima shares key supplier documents such as the Supplier Code of Conduct and Green Procurement Policy during onboarding and qualification processes. However, document management has historically been fragmented across email trails, shared folders, SAP and Excel files. The transition to Qualiware is designed to change that by centralizing supplier records, improving traceability and enabling the Group to monitor which documents suppliers have received, read and signed.

For Isoclima, integrity is a cultural choice that protects the Group's reputation, supporting trust in a complex international environment and helping create the conditions for responsible growth globally. By combining policies, speak up channels, people systems, customer expectations and ongoing harmonization efforts, the Group is building a stronger foundation for ethical conduct that can support its next stage of development.



06

Putting Our People at the Center

Our long-term success is built on the expertise, commitment and creativity of our people. Across our operations, we rely on deep technical know-how and highly skilled teams to deliver advanced glazing solutions in demanding markets. Putting our people at the center therefore means preserving critical knowledge, developing future capabilities, protecting people's wellbeing and creating a workplace where everyone can contribute and grow.

This approach is becoming more structured as we strengthen common standards across Italy, Croatia and the United States. Whether through more consistent people governance, broader training opportunities, stronger communication channels and clear pathways for growth, we are progressively shaping a model in which engagement, safety and inclusion support the same overall objective: sustainable performance.

6.1

Growing skills while championing an inclusive and equitable workplace

Building on know-how, while preparing the next generation

Our workforce remains one of our most important competitive assets. We operate in technically demanding environments where quality and safety depend not only on technology, but also on the experience, judgment and coordination of people across production, engineering, quality, logistics and support functions. This reliance on experience and technical expertise is particularly important because many activities still depend on specialized manual expertise, technical sensitivity and operational know-how built over time, rather than on automation.

At the same time, this depth of experience brings a clear strategic priority: ensuring that critical knowledge is preserved and transferred to the next generation, while continuing to strengthen our long-term capabilities.

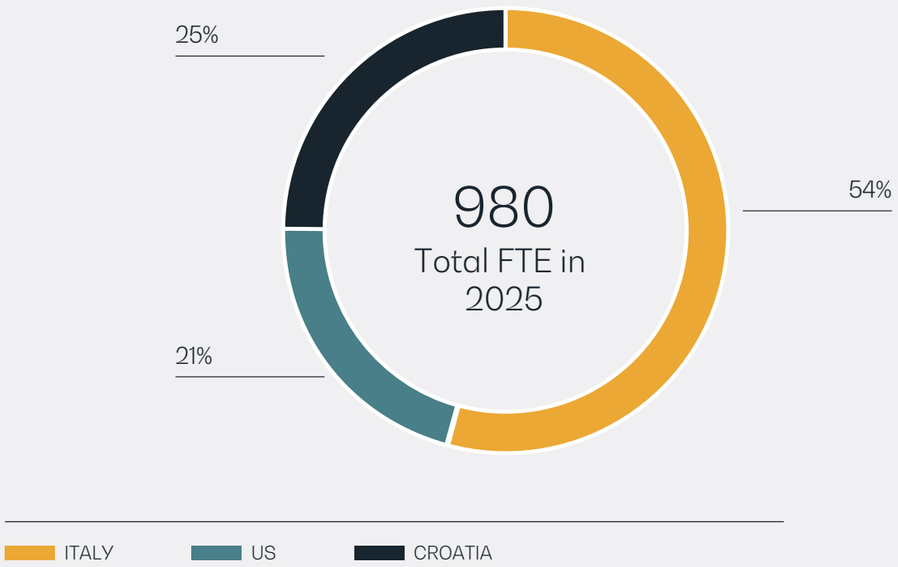
Across our operations, a large share of employees have many years of experience in the company, including a number approaching retirement age. These characteristics highlight two complementary priorities for Isoclima: preserving business and industry knowledge as more senior employees approach retirement, while also ensuring the continued development of technical and operational expertise across production activities. Both dimensions are critical to long-term success, although they require different approaches. On the one hand, Isoclima is focused on safeguarding leadership, industry experience and institutional knowledge to ensure continuity over time. In addition, we continue to invest in the development of specialized technical capabilities that are essential to maintaining product quality, operational efficiency and industrial excellence. In practice, this means creating an environment in which expertise can be shared, developed and progressively transferred across generations, functions and sites. Preserving industrial experience, however, is only one side of the challenge. Preparing the next generation requires creating structured pathways for learning and development across the organization.

> *Our workforce has a great deal of experience, and that is an asset. The priority is to manage the consequences of this age structure by planning succession and making sure knowledge passes from senior people to younger colleagues*
>
> **Sandro Cersosimo**
> *Human Resources Director*

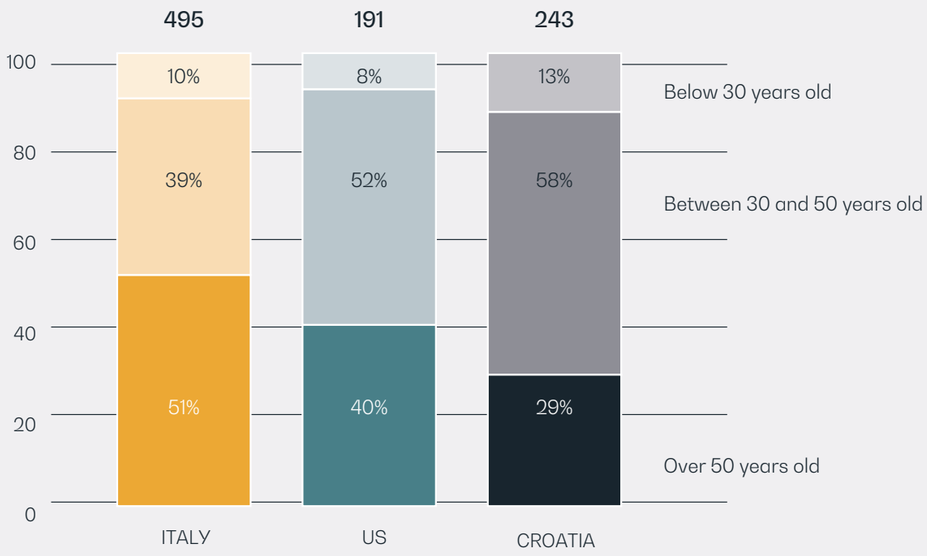


Own Workforce – General characteristics

Total FTE in 2025 by Geographies



Age Distribution of Permanent FTE in 2025 by Geographies



Empowering our next generation of leaders

Hiring new talent is not enough to prepare the next generation. In a business where technical expertise and industrial judgment are built over years of experience, development pathways must be structured early and supported continuously. To support generational renewal and strengthen its internal capabilities, we are investing in development pathways that combine technical expertise, leadership growth and formal education opportunities. We have sponsored advanced education programs, including MBAs and specialized master's programs, for our employees, in areas including program management, supply chain and lean manufacturing. Similar sponsorship initiatives are in place across entities reflecting a broader commitment to preparing the next generation of technical and managerial talent across our operations.

These investments are notable not only for the subjects covered, but also for the diversity of the profiles involved. Participants include young engineers, emerging managers and employees working in planning, process, production and control functions, showing that development opportunities are being used to strengthen the organization across multiple roles. By supporting advanced education in this way, we are aiming to help bring new skills, broader perspectives and stronger leadership capabilities into the business.

The same long-term approach can be seen in the way Isoclima is building its future talent pipeline. In Italy, we collaborate with the Universities of Padua, Verona and Bologna, as well as with technical secondary schools in the Este area, particularly in disciplines such as mechatronics that are closely aligned with plant operations. Combined school-company pathways are already being used to introduce younger profiles to the industrial environment at an early stage and create more structured entry routes into technical and production roles.



Advancing leadership through higher education

At Isoclima, we are increasingly using advanced education, specialist master's programs and internal learning platforms to prepare younger employees for future technical and managerial responsibilities. This approach reflects clear strategic logic: in a business where expertise takes time to build, leadership development and succession planning must start early if we are to preserve know-how and remain competitive over time. The initiative is designed not only to reward high-potential employees, but also to build managerial and technical capabilities that will be increasingly important as experienced employees retire and operations become more complex.

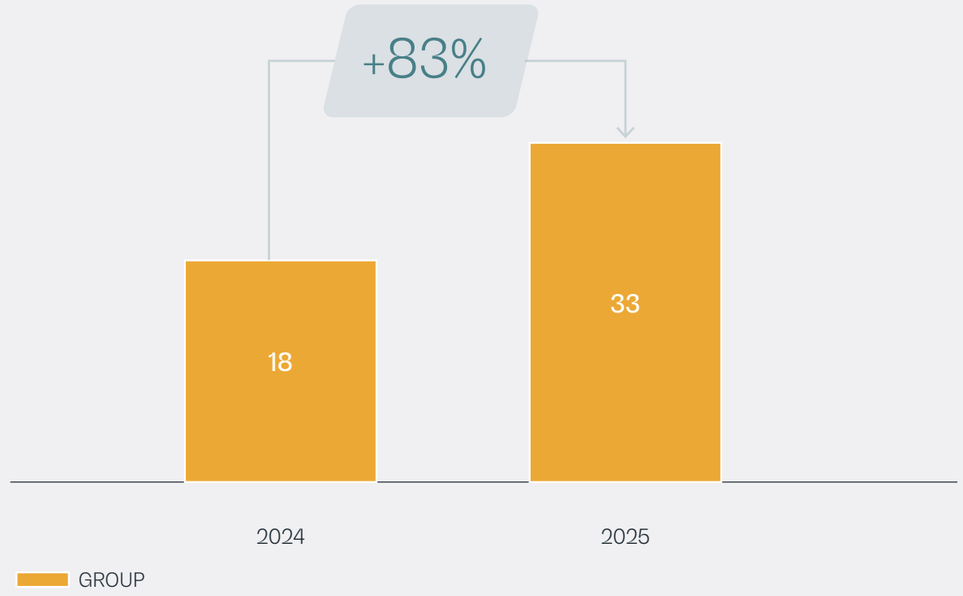
By investing in talent, Isoclima is linking learning, succession and business continuity in a concrete way.

Driving excellence through training

Training is also becoming more scalable and more continuous. In Italy, the internal academy is being developed as a cloud-based platform covering safety, ethics, growth and other development topics. Training activities in Croatia have expanded significantly through both polyvalence programs for production workers and a remote learning platform offering more than 100 courses, with more than 50 training sessions planned for 2026 across various development and operational initiatives. Together, these initiatives reflect a more structured approach to capability building, designed to support operational excellence today while preparing the skills we will need tomorrow.

Own Workforce – Training

Average Number of Hours of Training per Employee in 2025 vs 2024



These initiatives reflect a structured approach to capability building: combining formal education to deepen expertise and strengthen leadership, with ongoing training that keeps everyday skills sharp and relevant. Together, they support operational excellence in the present while also building the capabilities needed for the future.



Creating a workplace grounded in dignity and rights[15]

Putting people at the center also means ensuring that dignity, fairness and respect are part of everyday working life. Isoclima's policies on anti-discrimination, equal treatment and freedom of association provide a common framework that applies to employees, contractors and business partners, and confirm that workers have the right to organize and bargain collectively in line with applicable laws, including through union representation where relevant.

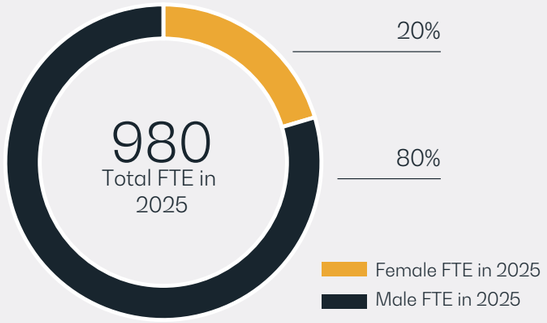
This framework is translated into practice through social dialogue and accessible channels to raise concerns. In Italy, collective bargaining remains an important lever to continuously enhance working conditions, while the Group's whistleblowing system can also be used to report issues linked to discrimination or disrespectful conduct. Across all countries, Isoclima is moving toward a people model in which rights are supported by formal policies, and also by Human Resources presence, listening mechanisms and clear accountability in day-to-day management.

15 In the reporting period, no human-rights incidents were reported.

Turning DEI into a management priority

Corporate & Sustainability governance

Gender Equality in Workforce



Share of Women by Geography in 2025	
Italy	11%
United States	28%
Croatia	33%

Isoclima is strengthening its approach to diversity, equity and inclusion by making gender equality a more visible management priority across our operations. In Italy, this commitment is supported by the achievement of UNI/PdR 125 gender-equality certification, a framework that requires companies to monitor a broad set of indicators and meet a defined performance threshold. More importantly, Isoclima is using this certification as a practical basis for building stronger governance, clearer KPIs and more consistent standards over time.

For a manufacturing group such as Isoclima, this topic is particularly relevant because gender representation remains structurally uneven, especially in industrial environments. In Italy, women currently account for around 11% of the workforce, which illustrates both the reality of the sector and the scale of the challenge ahead. At leadership level, women hold three out of nine top management roles in Italy, including the positions of Chief Executive Officer, R&D Director and Quality Director. These figures show that progress has been made, but also that increasing representation across all functions and levels remain a priority.

Our ambition is therefore creating broader conditions for inclusion, development and long-term representation across the organization. This means embedding gender equality more consistently into workforce planning, career development and day-to-day management practices. It also means applying a more consistent monitoring logic across geographies, taking the gender-equality certification framework as a reference point for wider Group alignment.

This focus is also linked to workplace culture. Feedback collected from women working in factory environments has highlighted that assumptions about technical capability can still persist in some daily interactions, even where formal policies are in place. For Isoclima, this reinforces the importance of combining governance tools with stronger Human Resources presence, direct dialogue and clear behavioral expectations, so that inclusion is reflected not only in policy commitments, but in everyday working experience.

> *We want to be a good company: a place where people are treated correctly, where they feel safe, and where opportunities are real. The challenge is to make that true in every corner of the organization.*

Liviana Forza
Chief Executive Officer

6.2
Making health, safety and well-being our top priority

Making health and safety part of industrial excellence

Health and safety is one of the clearest ways in which Isoclima translates its responsibility toward employees into everyday operational practice. In our industrial environments, where activities can be physically demanding, prevention and awareness are essential both to operational excellence and to protecting people over time.

At site level, safety topics are overseen by the local teams and managers responsible for anticipation, monitoring and corrective action. Site reviews focus first on injuries, near misses, and unsafe conditions before moving on to broader operational topics. As Isoclima continues to build a more unified Group model, these topics are also being discussed more systematically across entities, and the newly appointed Group Health and Safety Manager is expected to strengthen coordination and support a more harmonized global approach.

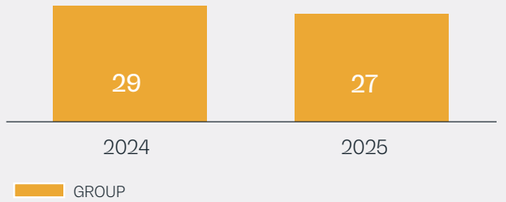
Across Isoclima, accident prevention and management are built on a combination of recurring practices:

- Trainings
- Prevention meetings
- Safety toolbox
- Regular monitoring of injuries
- Unsafe conditions and near miss communication
- Corrective-action follow-up after incidents
- Internal safety alerts to share lessons learned
- Employee reporting and engagement channels for risks and improvement brainstorming
- Training initiatives designed to reinforce awareness and safe working practices across operations
- Plant-wide bonus linked to achieving defined safety targets

Corporate & Sustainability governance

Thanks to the extensive measures and policies implemented across the Group, work-related accidents at Isoclima's plants remain limited and infrequent; the few incidents recorded primarily involved minor injuries, such as cuts or scratches

Total Number of Work-related Accidents in 2024 vs 2025 by Geography



Group Accident Frequency Rate[16] in 2024 vs 2025



16 The Group Accident Frequency Rate is calculated using the following formula: 1,000,000*(Total n. work-related accidents occurred during the calendar year/Total N. effective hours worked during the calendar year)

Country snapshots

In Italy, operational awareness relies heavily on employee involvement

- Injuries, unsafe conditions and near misses are monitored monthly, and Qualiware is used to collect suggestions and reports from both white- and blue-collar employees
- When an injury, near miss or unsafe condition occurs, Isoclima prepares a safety alert explaining what happened and which corrective measures are being implemented, reinforcing the idea that every event should lead to learning and improvement
- Near-miss reporting is also linked to year-end bonuses, helping make prevention and participation part of the broader proactive safety management

In Croatia, practical improvements and strong employee involvement have translated into visible safety results

- After nine minor injuries in 2024, mainly cuts to fingers and hands, the plant introduced stronger Kevlar-based gloves and safer cutting tools, reducing injuries to three by the end of 2025 and reaching zero injuries so far in 2026
- At the same time, Lipik has made near-miss reporting a central part of its prevention culture, increasing reports from 78 to 93 in one year and setting a target of 95 near misses for 2026, with one KPI in workers' variable pay directly linked to near-miss reporting and two additional KPIs linked to injury performance. This PDR-type bonus system is designed to reward awareness, prevention and active participation in safer operations
- Training and polyvalence are also key to Lipik's approach. Training hours have nearly tripled between 2024 and 2025, supported by a remote e learning platform offering more than 100 programs and by on-the-job training that allows workers to rotate and develop new skills
- The site uses a four-level skill system, from work under full supervision to "master" status, helping employees operate in multiple areas and share their expertise with others

In the United States, the safety picture is different by site but guided by the same shared responsibility

- In Selma, Alabama, the facility has recently passed one year without recordable injuries, supported by a full-time safety coordinator, daily safety discussions, walkthrough inspections, mock OSHA inspections by the State of Alabama's Safe State program and video surveillance to reinforce safe work practices
- In Pennsylvania, where the workforce is older and soft tissue injuries are more frequent, the focus is on stricter PPE rules, closer monitoring of safety violations and more proactive measures to reduce physical strain
- One of the most visible initiatives in Pennsylvania is the planned calisthenics program at the start of shifts. The initiative is designed to help employees physically prepare for repetitive and physically demanding tasks, particularly in a workforce where age-related strain and soft tissue injuries have become more frequent Led by site leadership. The initiative is designed to help employees prepare for repetitive and physically demanding tasks, while also supporting general wellbeing and stress reduction. By focusing on physical preparation and safe movement before work begins, the program reflects a broader shift in how safety is approached
- This program complements existing measures, including a union linked "safety day" incentive for completing a full year with no safety violations, and reflects a broader shift from reacting to incidents towards preventing the conditions that lead to accident.

Supporting employees through dialogue, flexibility and shared value

Beyond safety, Isoclima is strengthening the broader framework through which employees are supported and engaged. In Italy, a new three year union agreement introduces measures that go beyond the national framework, including paid hours for childcare and personal medical care, additional income support for both maternity and paternity leave, a "time bank" through which colleagues can donate leave hours, and adapted working arrangements where health or personal circumstances require it, such as reduced night shifts or lighter duties where appropriate. Taken together, these provisions reflect a practical understanding of the realities employees face at different stages of life, addressing family life, caregiving, life stage needs and solidarity between colleagues.

Flexibility is being reinforced in parallel. Part time arrangements are used in specific cases, particularly for family related needs, and a formal remote working policy is implemented in Italy. In the United States, a work from home program for part of the team links flexibility to performance thresholds while reducing commuting burdens and supporting employee wellbeing. These initiatives reflect an approach in which workforce support is viewed an important condition for retention, engagement and long-term operational continuity.



A union agreement designed around real life:

Italian union agreement shows how Isoclima is translating workforce commitments into practical support. By combining childcare leave, parental leave top ups, a leave hours donation mechanism between colleagues and accommodations for older workers, the agreement responds to concrete situations that shape employees' everyday lives. In doing so, it turns collective bargaining into a lever for inclusion, retention and wellbeing.



6.3
Building trust through employee engagement and social dialogue

Listening more systematically and closing the feedback loop

Employee engagement becomes meaningful when listening is followed by action. Isoclima is moving in this direction through regular surveys, suggestion mechanisms and structured follow up, including factory surveys on safety, security, quality and organization that are repeated over time to track the impact of activities and training.

In Italy, a broader survey on wellbeing and workplace climate achieved a 66% response rate and showed that collaboration is generally perceived more positively within local teams than across the wider company, highlighting where internal cohesion still needs to improve. Crucially, the exercise did not stop at measurement: results were translated into concrete actions such as installing suggestion boxes in factories, creating dedicated Human Resources listening sessions and discussing priorities with unions.

The response and action plan was presented internally, first to unions and then to employees through town hall style exchanges, creating a clearer connection between employee voice, management response and accountability. This process helped strengthen credibility by showing that feedback can influence tangible decisions rather than remaining a purely symbolic consultation. Isoclima aims to strengthen this feedback culture further by making dialogue regular, visible and actionable across all sites and functions.

We want employees to bring us problems, concerns and ideas for improvement directly, and then to act on them.

Sandro Cersosimo
Human Resources Director

07 Growing a Resilient, Low-Carbon Business

Building a more sustainable glass transformation model

The Planet is one of the core pillars of our sustainability strategy. Over the past two years, we have started aligning our operations, investments and decision-making around a shared ambition: creating innovative and durable transparent solutions while progressively reducing the environmental footprint of our activities.

Glass itself brings inherent sustainability advantages. As a durable and high-performance material, it contributes to product safety and can be recycled indefinitely, supporting the transition towards a more circular economy. At the same time, transforming glass remains an energy-intensive industrial process. From raw material melting and glass bending to lamination, tempering and finishing operations, production requires significant resources, thermal and electrical energy and generates environmental impacts that must be carefully managed, including greenhouse gas emissions, air pollutants, production waste and pressure on water resources.

Production process for our transparent solution

01	02	03	04
Glass layers cut to size from large glass plates	**Layers are further shaped by cutting and grinding**	**Layers shaped to required curvature on bending fixtures in sag furnaces**	**Layers and interlayers combined into vacuum pack in clean room**
The layered glass required for each particular order is cut to size from large glass plates.	All edges are polished to remove micro cracks / stress points in the glass	Ability to bend glass to strict specifications without any visibility reduction or optical distortion.	Utilize industry leading “recipes” for layering and processing.

05	06	07	08
Layers and interlayers are bonded together in autoclave	**Ballistic encapsulation / patented edge coatings are applied**	**Final quality control for optics and dimensions**	**Installation into final use / target sector of the panel**
Layers are bonded together with interlayers that incorporate various additional features, such as defrost, antennas, silk screening, etc.	Critical to prevent delamination / reduced life of ballistic glass.	Quality control to assure all critical parameters are met and the highest levels of performance, quality, and reliability are delivered.	Each type of product is certified according to the reference standards for the relevant field of application.

As expectations for climate performance and industrial sustainability continue to increase, we recognize the importance of reducing the environmental footprint of our operations while strengthening long-term business resilience. Our approach focuses on improving energy efficiency, reducing CO_2 emissions, optimizing the use of raw materials, limiting waste generation and mitigating impacts on air quality and water consumption across our sites.

Turning local initiatives into a Group ambition

Over the recent years, our five manufacturing sites have already implemented a range of initiatives aimed at improving operational environmental performance. These efforts include the installation of solar panels, the replacement of legacy equipment with more energy-efficient technologies and process optimization initiatives designed to reduce glass scrap and hazardous waste generation. In parallel, the Group-level Environmental, Health and safety policy, together with the ISO 14001-certified environmental management systems support the monitoring, control and continuous improvement of environmental impacts across operations.

These actions have demonstrated the ability of our teams to identify practical solutions with measurable operational benefits. Beyond reducing environmental impacts, these initiatives also contribute to improving operational efficiency, reducing resource consumption and strengthening the resilience of our industrial operations.

Today, the next step is to move from individual site initiatives towards a more structured Group-wide setup and approach.

We are therefore working on the development of a common climate and environmental strategy designed to harmonize practices across sites, strengthen governance and integrate sustainability considerations more systematically into business decisions. Establishing shared priorities, common performance indicators and measurable targets will be key to structuring our environmental transition and driving continuous improvement across all operations.

> *For our leadership and shareholders, sustainability is a core part of the business plan. Investments in new technologies are evaluated for productivity and quality, but also for their ability to reduce consumption and emissions, creating value for both the company and the environment. This view has been an important element throughout the Group's ownership transition and continues to guide the development of a clear sustainability roadmap, supported by a dedicated Corporate Sustainability Program Manager to steer our efforts.*
>
> **Liviana Forza**
> *Chief Executive Officer*



Isoclima Group | 2025 Sustainability Report

7.1
Accelerating climate actions across our operations

Understanding our carbon footprint

Our carbon-footprint journey started in 2019, when we carried out a first emissions assessment for our Italian sites. That initial exercise was primarily about learning: understanding where emissions occur in our processes and building awareness of our climate impact among teams.

Since then, we have progressively strengthened our approach, moving from site-by-site calculations towards a structured Group-wide methodology. In 2024, we identified measurement of greenhouse-gas emissions as a strategic priority, recognizing that credible climate action depends on robust, comparable data.

Under the coordination of our Corporate Sustainability Program Manager, Meron Solomon Hussen, we completed our first Group-wide full scope carbon-footprint assessment in 2024 and a second, more refined assessment in 2025 to serve as our baseline.[17]



17 Both assessments follow the Greenhouse Gas (GHG) Protocol and were supported by Aktio, the carbon-accounting platform we use to centralize data and structure GHG reporting across all sites. The 2025 assessment benefited from significantly improved data availability and quality, notably for Scope 3 categories and monetary based emission factors, which were updated in 2025 in line with the latest ADEME dataset. As a result, year on year comparisons largely reflect methodological refinements rather than actual emissions evolution.



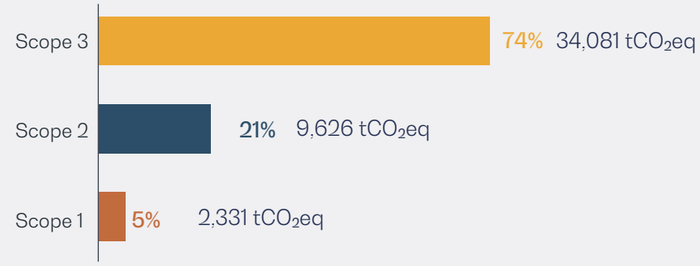
Our 2025 emissions at a glance

In 2025, Isoclima's total greenhouse-gas emissions amounted to 46,038 tCO_2e, corresponding to a carbon intensity of 303.6 tCO_2e per million of revenue. This total includes Scope 1, Scope 2 (location-based) and Scope 3 emissions across our main geographies.

2025 GHG emissions

In 2025, Scope 3 emissions across our value chain accounted for around 70% of Isoclima's carbon footprint, with direct (Scope 1) and purchased electricity (Scope 2) emissions representing the remaining 30%

Total Emissions by Scope



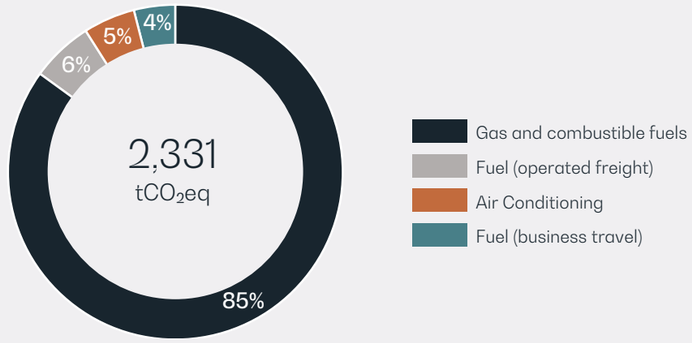
What drives our emissions

Behind the scopes, there is a clear operational story.

— Direct emissions (Scope 1): In 2025, Scope 1 totalled 2,331 tCO_2e. About 85% of Scope 1 emissions came from stationary sources, mainly natural-gas consumption in furnaces and boilers at our production sites.

Scope 1 Emissions by Item

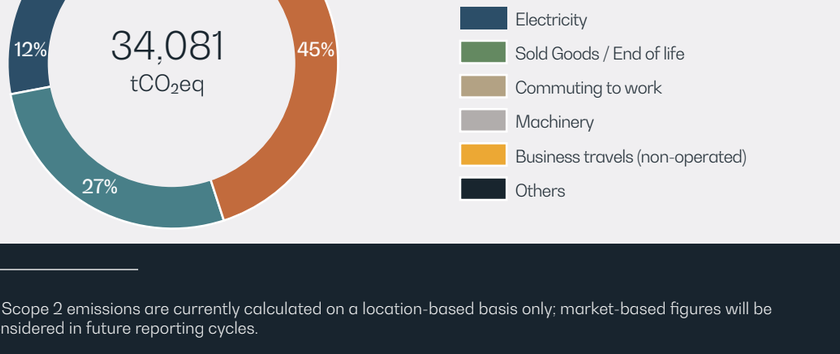
Most of our direct emissions come from natural-gas use in furnaces and boilers, underlining the importance of targeted efficiency measures and low-carbon energy projects at our sites.



- Purchased electricity (Scope 2): Scope 2 emissions were 9,626 tCO_2e in 2025. All purchased energy currently consists of electricity; we do not rely on external steam, district heating or cooling. The rooftop solar plant in Croatia and planned solar projects in Italy will help reduce our exposure to location-based grid emissions over time, while efficiency measures and LED relighting projects are already moderating growth in electricity demand.

Scope 2 Emissions by Item[18]

Our Scope 2 emissions are entirely linked to electricity; on site renewables and efficiency projects are therefore key to reducing this part of our footprint

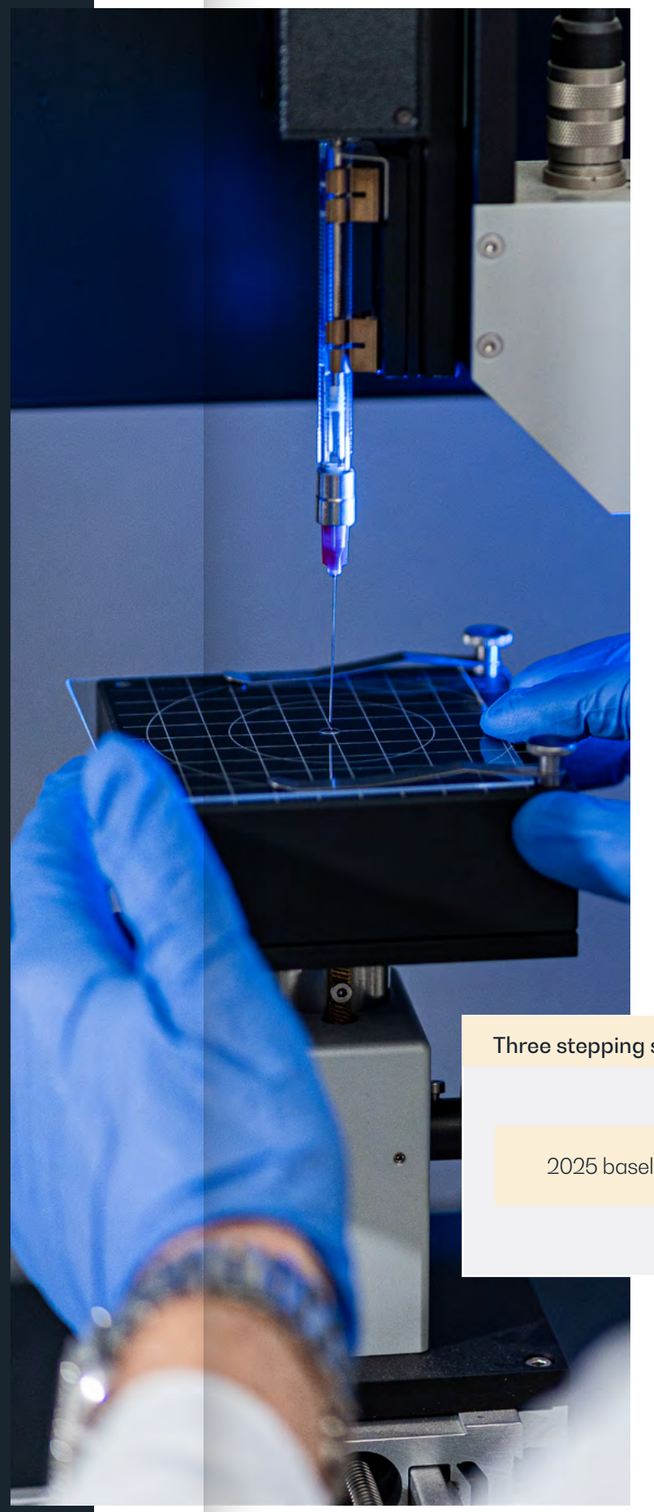


- Value-chain emissions (Scope 3): Scope 3 accounted for the remaining 34,081 tCO_2e, or roughly 70% of our footprint. The largest categories were raw materials and manufactured goods, third-party freight, electricity-related emissions in the value chain, and sold goods, together representing more than 90% of Scope 3. This reflects both the energy embedded in our glass and advanced materials and the logistics needed to serve global customers.

Scope 3 Emissions by Item

Raw materials and manufactured goods, third-party freight, electricity-related emissions and sold goods together account for more than 90% of our Scope 3 emissions, guiding where we focus our value-chain engagement

18 Scope 2 emissions are currently calculated on a location-based basis only; market-based figures will be considered in future reporting cycles.



From measurement to action

Performing a group carbon-footprint assessment and refining our data collection methodology was a key and essential step in our sustainability journey. Looking forwards, beyond these numbers, we see the carbon-footprint assessment as part of a broader strategic business plan linked to sustainability, with areas of improvement to work on and KPIs to track.

The 2025 assessment is already helping us identify the most carbon-intensive activities, the main levers for action and the links between energy, materials, logistics and product manufacturing. This calculation is also improving internal accountability by giving sites and functions a clearer picture of their contribution to the Group footprint.

Next steps on our climate journey

With a more reliable baseline in place, we are now entering a new phase focused on structuring and accelerating our climate ambition. Isoclima aims to develop a comprehensive climate strategy supported by a formal climate-transition plan, guiding emissions reductions across all operations and progressively embedding climate considerations into business decision-making.

As part of this transition, we will work to define clear decarbonization pathways, strengthen our environmental-governance framework at Group level and connect our carbon-footprint insights with capital-allocation and product-development decisions. We are also exploring a future commitment to the Science Based Targets initiative (SBTi) to ensure our emissions-reduction trajectory is aligned with climate science and recognized international best practice.

Three stepping stones

2025 baseline › Define targets and SBTi ambition › Implement transition plan



7.2
Optimizing energy consumption and efficiency

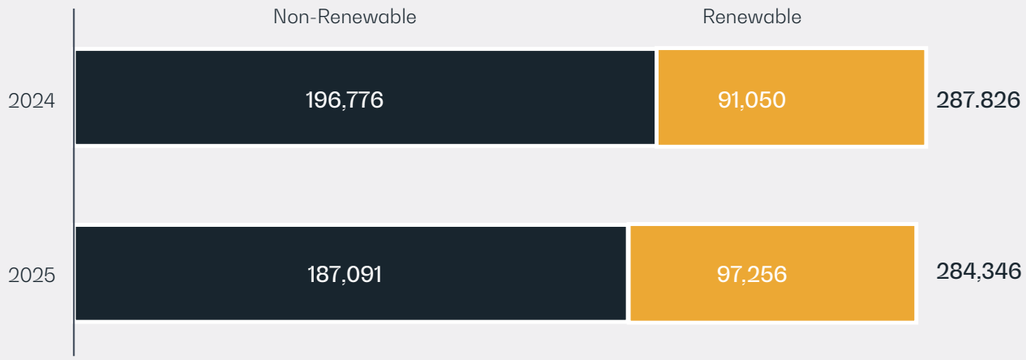
Powering resilience through smarter energy

Across our sites, energy is where our low carbon ambition meets the reality of glass and advanced materials transformation. High temperature and energy intensive furnaces will remain at the heart of what we do, but how we power and operate them is changing. From Croatia to Italy and the United States, we are redesigning our energy footprint through targeted efficiency investments, local renewable electricity and innovation, turning energy from a cost into a lever for resilience.

At Group level, we invest around EUR 10 million per year in new technologies and equipment, and every major project is assessed for its environmental as well as its business impact.

> *Each investment in modern machinery is also an investment in lower energy consumption and lower emissions, whether it involves a new furnace, a digital production line or automation in material handling. This lens is applied consistently across factories, aligning capital expenditure with our low carbon ambition.*
>
> **Federico Mangolini**
> *Chief Operation Officer*

Total Group annual Energy Consumption Intensity (kWh/€ million revenue) by Energy Source

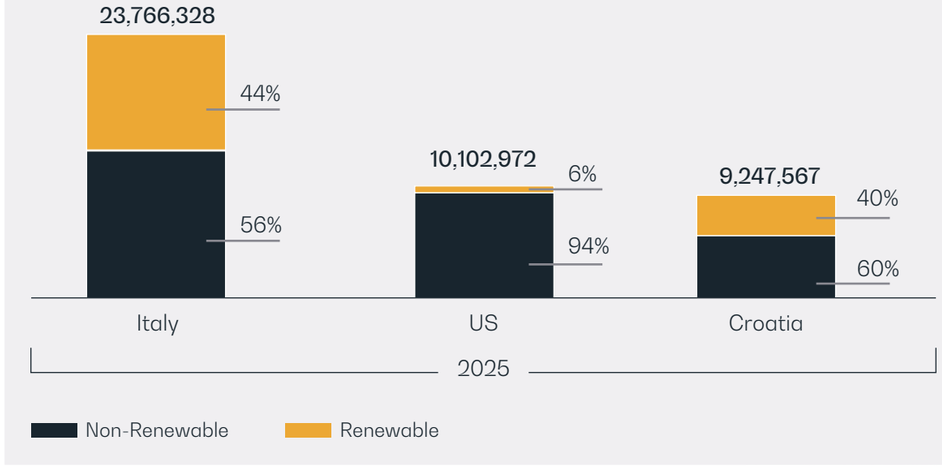


Our energy reality

Our most energy-intensive operations involve bending furnaces and tempering ovens, which can drive up to half of the total electricity consumption in certain months at our Lipik facility in Croatia.

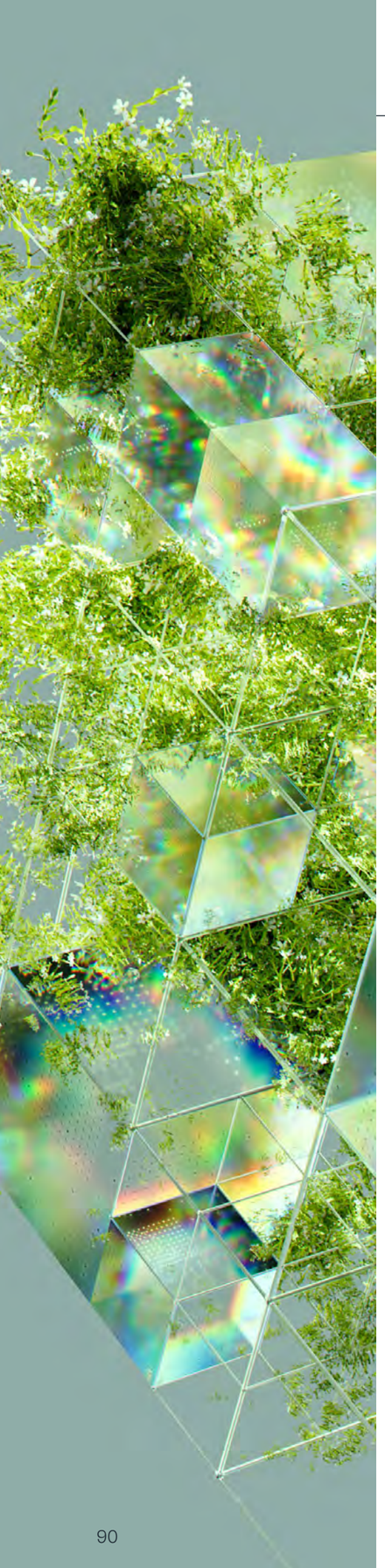
To support this shift, each plant has a focal point or team responsible for monitoring energy consumption, sharing monthly data with management and feeding into our capital expenditure planning. This ensures that energy is part of the business case for every major project.

Total Group annual Energy Consumption in kWh by Energy Source across Geographies



In 2025, renewable electricity represented a growing share of our energy mix. This was driven by on-site solar generation led by our ≈10,000m2 solar panels at our facility in Croatia alongside small contribution from Borgo Veneto, Italy; combined with the renewable portion embedded in our standard purchased grid mix.





Making every kilowatt count

In Croatia, we have invested around EUR 16 million since 2017, with a significant share directed towards energy efficiency improvements. Projects range from a new loading and cutting table and a digital printing machine to a major retrofit of an old furnace, all designed to deliver more output for every kilowatt hour. Italy and the United States are following the same logic with some equipment already implemented: future equipment is selected not only for productivity and quality, but also for its energy profile, supported by national and local incentives wherever possible. In all three regions, we have replaced legacy lighting with LED systems, a simple change that lowers consumption and improves working conditions.

> *We compete in a global market with very different energy prices and regulations. For us, every kilowatt hour saved and every megawatt of local solar is a sustainability win, and a way to stay competitive.*
>
> **Dorian Knapić**
> *General Manager Croatia*

Building the data backbone

Good decisions need good data. Years ago, our Croatian site had a single meter for the entire plant; today, almost every major piece of equipment has its own meter. This allows the site's, ISO 50001 certified, energy management team to track consumption by machine, identify anomalies and design targeted interventions.

In Italy as well as in Croatia, a dedicated energy specialist consolidates monthly consumption data for administration and acts as the reference person for both energy and water. In the United States, teams use similar monitoring to build the case for more efficient furnaces and process controls, supported by rebates from local utilities and public authorities.

Country snapshots

From Italy and Croatia to the United States, all entities are progressing on this journey, whether through on-site solar, high-efficiency furnaces or the roll-out of new lighting systems and lamps that cut consumption without compromising performance.

Croatia (Lipik)

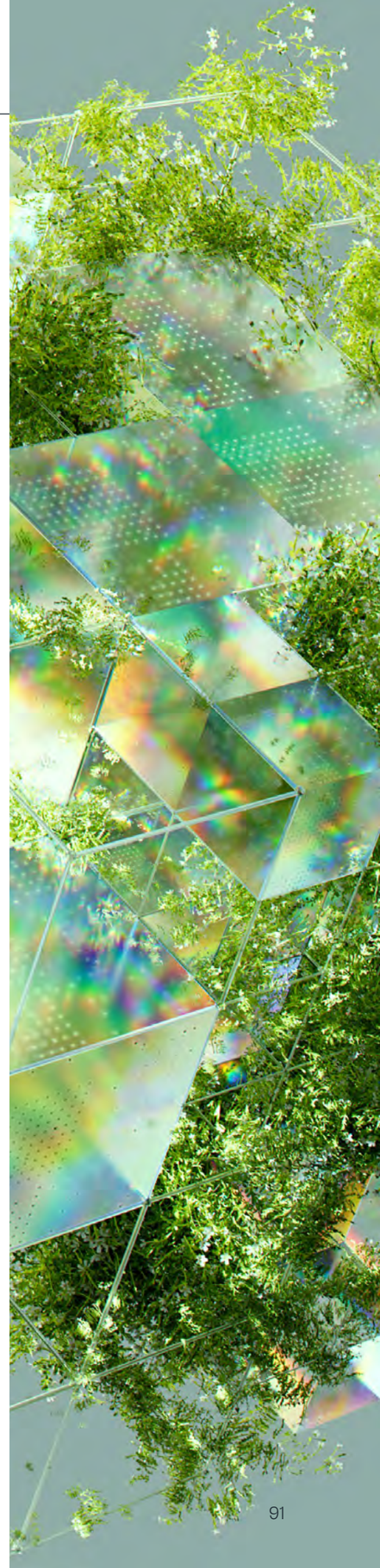
- ISO 50001 certified
- Energy management system with weekly action plan reviews
- Around 10,000 m² of rooftop solar panels, providing 1.5 MW installed capacity
- ~1.8 GWh of solar electricity per year, covering 15–20% of site electricity needs (9–9.5 GWh)
- EU funded energy efficiency project worth ~EUR 1.6 million, half co financed by European grants
- One dedicated energy specialist providing monthly consumption data and acting as reference for energy and water
- Full LED lighting across plants

Italy

- Defined energy reduction trajectory aligned with national programs such as "Fondo di Transizione" and "Industria 5.0"
- One dedicated energy specialist providing monthly consumption data and acting as reference for energy and water
- Full LED lighting across plants and roofs prepared for future solar installations
- Solar plant in Borgo Veneto generating around 40–50 MWh of electricity per year

United States

- New high efficiency tempering furnace installed in 2025, replacing an outdated unit
- New controls on autoclaves to optimize energy performance
- LED lighting upgrades, supported by rebates from local power companies and local
- New high efficiency lamps to further reduce electricity use



Turning a glass plant into a power plant

When you stand above our Lipik site in Croatia, the first thing you notice is the roof. Around 10,000 m² of panels turn the plant into a 1.5 MW solar power station, generating roughly 1.8 GWh of electricity every year. That is enough to cover between 15% and 20% of the site's annual electricity consumption of 9–9.5 GWh, directly on the roof of the factory.

The solar plant is only one piece of a broader transformation. Since 2017, Lipik has invested around EUR 16 million in buildings and equipment, with a strong focus on energy efficiency. An EU funded project worth approximately EUR 1.6 million, half of it covered by European grants, financed new insulation, a complete LED relighting of the site, upgraded electrical infrastructure and heat pump based systems for heating and cooling.

These technical upgrades are anchored in a certified ISO 50001 energy management system. A dedicated team meets weekly, tracks an action plan for gas, electricity and water, and now benefits from detailed metering on almost every major machine after moving away from a single plant wide meter. With two upcoming additional rooftop solar projects (1.1 MW and 0.8 MW), the Croatian site shows how a traditional glass plant can steadily increase its share of local renewable energy while strengthening its competitiveness.

On average, rooftop solar now covers

15–20%

of Lipik's annual electricity needs

"Today, almost every major machine has its own meter, and our roof produces up to one-fifth of the electricity we need. Energy has become something we actively manage, not just a bill we pay."

Dorian Knapić
General Manager Croatia

Looking ahead

For our operations in Italy, we have already defined an energy-intensity reduction trajectory, anchored in a clear, numerical plan. For 2026 alone, the target is to reduce energy consumption by approximately 818,254 kwh supported by a pipeline of efficiency projects. As some of the machines are being installed at different points throughout the year, the full impact of these measures will only become visible over time, with additional savings expected beyond 2026.

To enable this, we are installing dedicated software on many of the most energy-intensive machines in Italy, giving teams better insight into how equipment behaves, where peaks occur and which processes offer the largest improvement potential. Over time, this approach will be standardized and extended to the rest of our operations as well, ensuring a consistent, data-driven view of energy performance across the Group.

7.3
Managing environmental and climate risks



Understanding our climate risks

Climate is becoming an increasingly defining factor in how we design, operate and invest in our business. As part of our sustainability journey, we have assessed both physical and transition-related climate risks across all our manufacturing sites, considering different climate scenarios and time horizons from 2030 through to 2050.

The analysis considered both regulated and delayed transition pathways, including Net Zero and Nationally Determined Contributions (NDC) scenarios[19], to capture a broad range of possible future developments. The assessment focused on key transition drivers, particularly carbon pricing, the cost of decarbonization, regulatory evolution, technology change and shifts in market conditions. Each risk was evaluated in terms of its potential impact on operating expenditure (OPEX), capital expenditure (CAPEX), supply chain costs and overall operational resilience.

19 NDCs embody efforts by each country to reduce national emissions and adapt to the impacts of climate change under the Paris Agreement.

2040 – Net Zero 2050 scenario

Risk level	Risk	Financial / operational impact
High	Increased pricing of GHG emissions	Higher OPEX; compliance costs; increased R&D; CAPEX linked to energy transition
High	Technology - cost of transitioning to lower-emission alternatives	Higher CAPEX for technology and machinery; increased production and input costs
Low	Mandates on and regulation of existing products and services (policy and legal)	Limited financial impact

2030 – Net Zero 2050 scenario

Risk level	Risk	Financial / operational impact
High	Increasing pricing of GHG emissions	Higher compliance costs; increased R&D; higher electricity-related OPEX
Low	Regulatory mandates on existing products and services	Limited financial impact
Low	Cost of transitioning to lower-emission alternatives	Limited financial impact

2030 – NDC scenario

Risk level	Risk	Financial / operational impact
High	Increasing pricing of GHG emissions	Higher OPEX; compliance costs; R&D costs for alternative materials
Low	Cost of transitioning to lower-emission alternatives	Limited financial impact
Low	Mandates on and regulation of existing products and services (policy and legal)	Limited financial impact

2040 – NDC scenario

Risk level	Risk	Financial / operational impact
High	Increased pricing of GHG emissions across sectors	Supply chain pressure; higher OPEX and CAPEX; operational vulnerability
Low	Technology - cost of transitioning to lower-emission alternatives	Limited financial impact
Low	Mandates on and regulation of existing products and services (policy and legal)	Limited financial impact

Delayed transition – 2040

Risk level	Risk	Financial / operational impact
High	Increased pricing of GHG emissions	Higher OPEX; compliance costs; R&D costs for alternative materials
Medium	Technology costs linked to low-emission transition	OPEX and CAPEX impacts
Low	Mandates on and regulation of existing products and services (policy and legal)	Limited financial impact

Delayed transition – 2030

Risk level	Risk	Financial / operational impact
Low	Increased pricing of GHG emissions Carbon pricing (policy and legal)	Limited financial impact
Low	Cost of transition to low-emission technologies	Limited financial impact
Low	Mandates on and regulation of existing products and services (policy and legal)	Limited financial impact



Across all scenarios, carbon pricing consistently emerges as the most material transition driver, while the cost of technological transition varies depending on the speed and ambition of global decarbonization pathways.

Rather than viewing these risks in isolation, we see them as a structural signal of transformation. While we are still at an early stage in defining targeted adaptation actions specifically linked to climate risk scenarios, ongoing investments in energy efficiency, process optimization and more efficient production technologies already contribute to strengthening operational resilience and reducing exposure over time.

7.4

Advancing circular resource use, water stewardship and waste reduction

Water and raw materials sit at the heart of our business: from washing and cooling glass in high precision processes to managing off-cuts and laminates at the end of the line. Our operations rely on a range of resources and materials, including glass, chemicals, interlayers, coatings and other substances used throughout production and finishing processes. As with many industrial activities, these operations may generate environmental impacts related to air emissions, wastewater, waste generation and the handling of substances of concern if not carefully managed. Across Italy, Croatia and the United States, we are reshaping the way we use these resources, reducing water demand, cutting scrap, mitigating pollution, and keeping glass and other materials in circulation as long as possible. In particular, we focus on the two areas where we can currently drive the most measurable impact: water use and glass scrap reduction. Our goal is simple: every liter of water and every square meter of glass should create value, not waste.

Water: protecting a critical resource

In our operations, water is mainly used for glass washing, cooling equipment, process performing and controlling dust and impurities during processing. Glass washing is the most water-intensive step, and some legacy cutting and washing lines still rely heavily on water. To address this, we are progressively replacing older equipment with new technologies designed to reduce or eliminate water use.

For our processes, we know we cannot remove water completely, but we can make every liter count, by choosing better equipment and by managing it with much more precision.

Federico Mangolini
Chief Operation Officer



Water systems and closed loops

Across sites, we are progressively increasing the share of water that is internally recirculated and reused rather than discharged. Some areas already operate closed-loop systems, while others are being upgraded. For furnaces and other high-temperature equipment, we use evaporative cooling towers to remove heat, combined with filtration and reintroduction of water into the process wherever technically feasible.

These systems not only reduce fresh-water demand but also help stabilize operations by maintaining controlled temperatures and avoiding thermal shocks in equipment.

Closed loop water recycling in Italy:

In Italy, three of our largest facilities use a dedicated industrial wastewater treatment system (DTP/2400) that recycles process water in a closed loop. The system treats wastewater from glass processing operations and recirculates it back into production, significantly reducing freshwater intake while ensuring compliance with environmental regulations. The technology separates out suspended solids without using flocculants, producing clarified water for work centers and salinity controlled water for more sensitive processes such as washing. Most of the water remains in the loop, with only around 1–5% losses due to evaporation, while the remaining sludge is dewatered to reduce volume and facilitate handling and disposal.

Using river water in Croatia:

In Croatia, process water is sourced from the Pakra River and used as technological water for the production, shaping and processing of glass. The water is captured at several intake points, sent through settling tanks and pre clarification where up to 90% of sludge is removed without added chemicals, and then circulated in a largely closed system. Most of the treated water is returned to cooling basins and process equipment, with only limited volumes added from the river to compensate for operational and evaporation losses. Sludge is periodically removed and managed separately, helping reduce the environmental footprint of operations while limiting reliance on municipal drinking water supplies.





Total Group annual Water withdrawal intensity in m3 / € million revenues

Water withdrawal and consumption are monitored at Group and site level, with dedicated focal points and closed loop systems progressively reducing net water use in critical processes.

Water efficiency: technology as the main lever:

For Isoclima's type of operations, equipment technology is the main driver of reductions in water, energy and waste. In Italy, Isoclima achieved a 26% reduction in water consumption from 2024 to 2025, driven by equipment upgrades. Looking ahead, a new laser-cutting line planned is expected to use no water at all for cutting, further decoupling production from water use.

Waste: closing the loop on glass and materials

Waste is where our circular-economy ambition becomes concrete. Glass is our primary material, and we aim to keep as much of it as possible in the value chain. Accordingly, most of the waste generated across the Group consists of glass scrap produced during cutting, processing and finishing operations. Across the Group, more than 85% of waste generated is diverted from landfill and recovered or recycled, with European sites operating in line with the European Waste Catalogue (EER/EWC) classification system. This performance is enabled by long-term partnerships with recycling companies and careful sorting of glass, wood, cardboard and other materials at plant level.

Our R&D teams also contribute by designing products that use materials more efficiently and by exploring solutions that maintain performance while reducing resource intensity over the lifecycle.

In the United States, for example, urethane used in lamination is sent to a recycler that repurposes it as an adhesive in footwear, while other plastics are reground for non-optical applications such as opaque polycarbonate dividers.

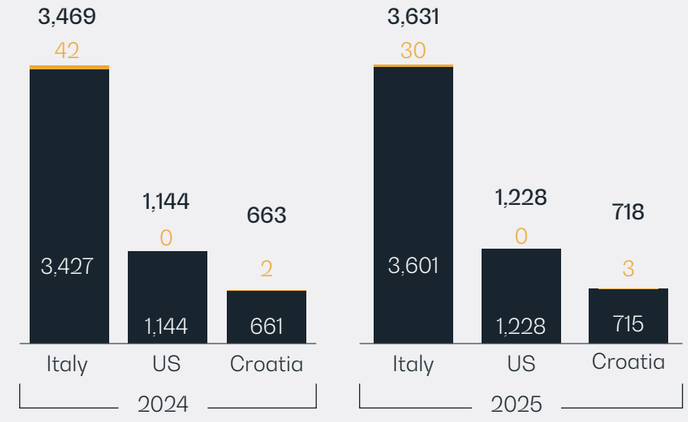
At the same time, sustainability expectations are extending into the supply chain, with procurement teams working with suppliers to reduce scrap, monitor critical materials and improve environmental performance upstream.

Our first priority is to avoid waste through better planning and equipment, but when waste is unavoidable, we want as much of it as possible to become someone else's input.

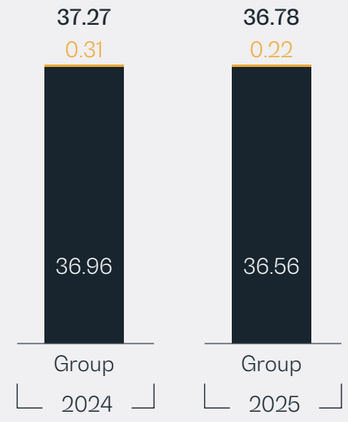
Lance Cotton
President and General Manager NAFTA Region

Total Group annual generation of waste in tons by Geographies

Total annual generation of waste in tons.



Total 2025 waste generation intensity in tons/ € million revenue.

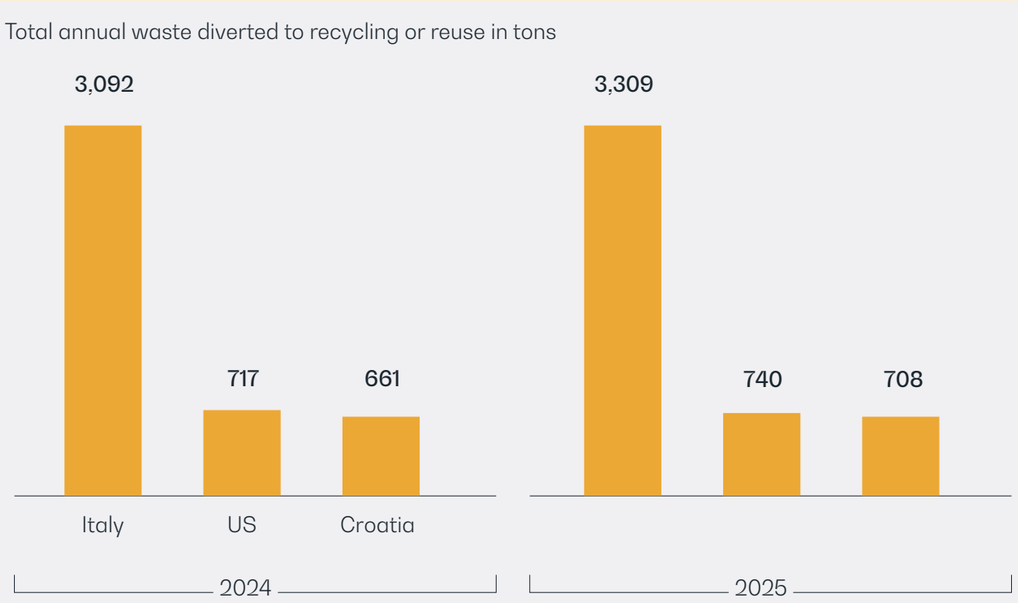


Scrap reduction as a central lever

Scrap reduction is one of the Group's most powerful levers, demonstrating our concrete commitment to sustainability. Over the last two years, annual scrap rates at our Italian sites have fallen substantially, allowing us to produce less waste and unlock approximately €1 million of significant cost savings purely in material cost. This improvement automatically reduces wasted energy, water, and other inputs, creating a positive circular effect throughout operations.

While this effort started in Italy, it now extends to Croatia and the United States. The Croatian site is deeply engaged in scrap reduction, and the United States operations perform particularly well, with scrap around 1%. Scrap rate is monitored as a key sustainability KPI across locations, complemented by a focus on labor efficiency to increase output, reduce manual effort and improve production efficiency.

Total Group annual waste diverted to recycling or reused in tons by Geographies



Isoclima Group | 2025 Sustainability Report

How we reduced scrap: planning, technology and automation

The scrap improvement was not the result of a single project but of a disciplined way of operating. The first step was to organize production more effectively, with clear planning and better information for operators. The operations team then began to monitor each piece of equipment for precision and reliability, identifying machines that generated disproportionate scrap. Some were refurbished and overhauled; others were earmarked for replacement and included in the strategic CAPEX plan.

One of the most impactful investments in Italy was a new-generation laser scanner installed immediately after cutting. The scanner detects glass defects coming from upstream production at the very start of the process instead of at the end, when full units would otherwise be scrapped. It now identifies about 70% of these defects at the beginning, preventing unnecessary processing and enabling constructive discussions with suppliers on quality. Overall Equipment Effectiveness (OEE) in our site in Saletto, Italy rose from about 38% to 52% over two years, without massive technology investments beyond the scanner and improved operator practices.

In parallel, significant investments in automatic material-handling systems have been made in Croatia. These systems move glass between shops without manual handling, improving safety, reducing breakages and contributing further to lower scrap rates and better resource efficiency.

Saletto's laser scanner

70%

of upstream defects detected at start of process; OEE improved from ~38% to ~52%; reducing unnecessary processing of scrap glass and strengthening stronger supplier dialogue on quality.





Recycling routes and remaining challenges

In the United States, virgin glass scrap generated during cutting accounts for about 15% of total glass consumption. This scrap is fully recycled through external partners, who remanufacture it into new glass products. By contrast, laminated scrap, which represents approximately 1–1.5% of final product volume, is significantly harder to recycle because it combines glass and plastics in thick, multi-layered composites. This challenge is closely linked to the highly technical and safety-critical nature of many of the Group's products, which require advanced multilayer configurations, strict performance standards and extensive testing throughout the production process. While these characteristics are essential to product quality and safety, they also increase process complexity and make both scrap reduction and recycling more difficult.

While there are companies capable of recycling "simpler" laminated glass, they cannot yet, especially in the United States, process the thick, multi-layer laminates used in Isoclima's products. Most of this laminated scrap is therefore landfilled and appears in waste and refuse-disposal data. To address this, the teams in United States and Croatia are exploring potential partnerships by sharing contacts and assessing whether similar solutions could work for thinner laminated products in Europe.

Our cutting scrap is already fully recycled, the real challenge is laminated glass, where today's technology struggles with the thickness and complexity of our products.

Lance Cotton
President and General Manager NAFTA Region

Circular-economy principles in practice

The Group's approach to water and waste is anchored in a broader commitment to circular-economy principles. Waste streams are classified and managed in line with the European Waste Catalogue (EER/EWC), and more than 85% of total waste is recovered or recycled, reentering the value chain rather than going to landfill. This includes not only glass but also wood pallets, cardboard and wooden boxes, where partnerships with waste-management companies sometimes generate revenue for certain scrap fractions.

At the same time, we recognize the limits of current technology, particularly for complex laminated products and some composite materials. Our R&D and operations teams continue to explore innovations such as reusable vacuum bags, increased recycled content where optical properties allow, and more efficient product designs that reduce material use at source.

When we invest in better equipment, reduce scrap, or increase recycling, we are not only lowering our footprint, but we are also making the company more efficient, competitive, and resilient. That is why we believe sustainability is an area where environmental and business benefits meet.

Liviana Forza
Chief Executive Officer





Turning commitments into action

Sustainability is a journey built through continuous improvement.

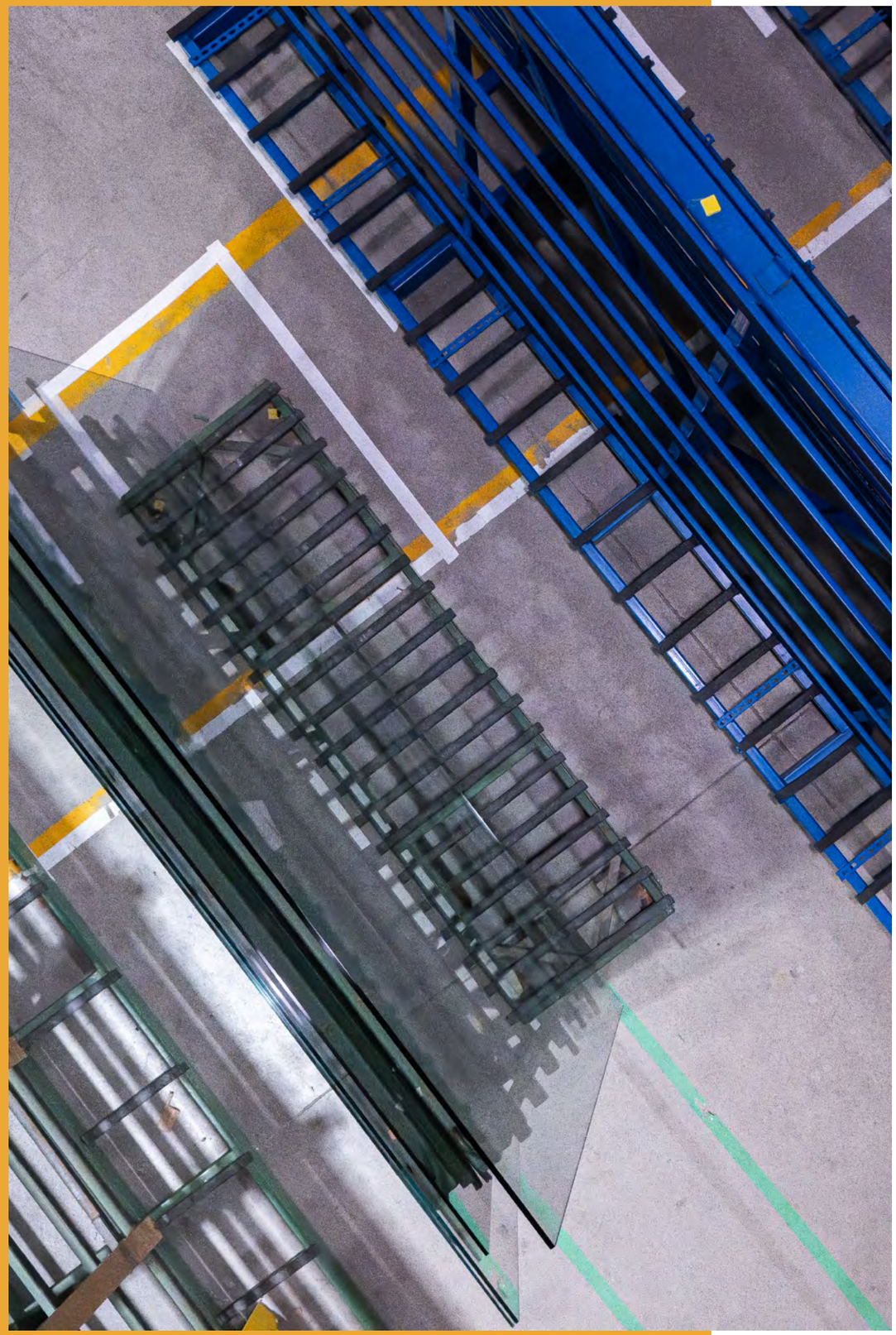
We have established solid foundations, strengthened governance and improved our understanding of the topics that matter most.

The next phase will focus on enhancing execution, translating priorities into measurable objectives, further embedding sustainability into everyday decisions and working together with customers, suppliers and employees to create lasting value.

Our ambition is to make sustainability an integral part of the way Isoclima innovates, competes and grow.

Appendix

Isoclima - 2025 Sustainability Report
VSME Disclosures Table



Metrics Type	VSME Disclosure	Description	Response
General Information	B1, Basis for Preparation, 24, (a)	The undertaking shall disclose: i. OPTION A: Basic Module (only); or ii. OPTION B: Basic Module and Comprehensive Module	OPTION B: Basic Module and Comprehensive Module
General Information	B1, Basis for Preparation, 24, (b)	If the undertaking has omitted a disclosure as it is deemed classified or sensitive information (see paragraph 19), the undertaking shall indicate the disclosure that has omitted	No information was omitted due to confidential or sensitive considerations
General Information	B1, Basis for Preparation, 24, (c)	Whether the sustainability report has been prepared on an individual basis (i.e. the report is limited to the undertaking's information only) or on a consolidated basis (i.e. the report includes information about the undertaking and its subsidiaries)	Consolidated base
General Information	B1, Basis for Preparation, 24, (d)	In case of a consolidated sustainability report, the list of the subsidiaries, including their registered address, covered in the report	Via Alessandro Volta, 35042 Este(PD), Italy Via Enerico Mattei 1, 35046, Borgo Veneto, Italy Staklanska Ulica 4, 34551, Lipik, Croatia Alexanderstraße 3, 70184 Stuttgart · Deutschland (Germany) 616 Selfield Road Selma, AL 36703 520 Chestnut Street Blairsville, PA 15717
General Information	B1, Basis for Preparation, 24, (e)	The following information: (i) the undertaking's legal form	Joint-stock company (Società per Azioni – S.p.A.)
General Information	B1, Basis for Preparation, 24, (e)	(ii) NACE sector classification code(s)	NACE 23.1 – Manufacture of glass and glass products
General Information	B1, Basis for Preparation, 24, (e)	(iii) Size of the balance sheet (total assets in monetary units)	EUR 160.2 million
General Information	B1, Basis for Preparation, 24, (e)	(iv) Turnover (in monetary units)	EUR 151.6 million

Metrics Type	VSME Disclosure	Description	Response
General Information	B1, Basis for Preparation, 24, (e)	(v) Number of employees in headcount or full-time equivalents	980
General Information	B1, Basis for Preparation, 24, (e)	(vi) Country of primary operations and location of significant asset(s)	Italy
General Information	B1, Basis for Preparation, 24, (e)	(vii) Geolocation of sites owned, leased or managed	Isoclima S.P.A. Via Alessandro Volta,35042 Este (PD), Italy: 45.222478, 11.683611 Via Enrico Mattei 1, 35046, Borgo Veneto, Italy: 45.225025, 11.557653 Lipik Glass d.o.o Staklanska Ulica 4, 34551, Lipik, Croatia: 45.411842, 17.151828 Isoclima Specialty Glass LLC 616 Selfield Road Selma, AL 36703: 32.437374, -86.941373 520 E. Chestnut Street Blairsville, PA 15717: 40.438317, -79.261998 Isoclima German Commercial Office Alexanderstraße 3, 70184 Stuttgart · Deutschland (Germany): 48.77, 9.18
General Information	B1, Basis for Preparation, 25	If the undertaking has obtained any sustainability-related certification or label (e.g., ISO 26000, ISO 45000, ISO 14001, ISO 9001). If so, please provide details in the comments column (including, where relevant, the issuers of the certification or label, date and rating score). For every certification, please also specify scope coverage (e.g., ISO 19 001 - number of sites certified)	Below is the list of the certificate in different entities Italy • Iso 45001:2018 - Safety Management - Issued by RIINA • Iso 14001: 2015 - Environmental Management - Issued by RIINA • Iso 9001: 2015 - Quality Management System - Issued by RIINA • UNI/PdR 125:2022 - Gender Equality Management System - Issued by RIINA Croatia • Iso 45001:2018 - Safety Management - Issued by RIINA • Iso 14001: 2015 - Environmental Management - Issued by TÜV NORD CERT GmbH • Iso 9001: 2015 - Quality Management System - Issued by RIINA • Iso 50001 - Energy Management System - Issued by TÜV NORD CERT GmbH USA • Iso 9001: 2015 - Quality Management System - Issued by SRI

Metrics Type	VSME Disclosure	Description	Response
General Information	B2, Practices, policies and future initiatives for transitioning towards a more sustainable economy, 26, (a)	If the undertaking has put in place specific practices, policies or future initiatives for transitioning towards a more sustainable economy, it shall state so. The undertaking shall state whether it has: Practices in this context may include, for instance, efforts to reduce the undertaking's water and electricity consumption, to reduce GHG emissions or to prevent pollution, and initiatives to improve product safety as well as current initiatives to improve working conditions and equal treatment in the workplace, sustainability training for the undertaking's workforce and partnerships related to sustainability projects.	The relevant information is set out in the following chapters: • Personal Safety of End Users - Chapter 4: Driving Performance through Safety and Innovation • Integrity and Ethical Business Practices - Chapter 5: Acting with Integrity Every Day • Own Workforce - Chapter 6: Putting our People at the Center • GHG Emission and Energy Consumption - Chapter 7: Growing a Resilient, Low-Carbon Business
General Information	B2, Practices, policies and future initiatives for transitioning towards a more sustainable economy, 26, (b)	Policies on sustainability issues, whether they are publicly available, and any separate environmental, social or governance policies for addressing sustainability issues. Please provide links to relevant documents in the comments column (where possible).	The relevant information is set out in the following chapters: • Personal Safety of End Users - Chapter 4: Driving Performance through Safety and Innovation • Integrity and Ethical Business Practices - Chapter 5: Acting with Integrity Every Day • Own Workforce - Chapter 6: Putting our People at the Center • GHG Emission and Energy Consumption - Chapter 7: Growing a Resilient, Low-Carbon Business
General Information	B2, Practices, policies and future initiatives for transitioning towards a more sustainable economy, 26, (c)	Any future initiatives or forward-looking plans that are being implemented on sustainability issues	The relevant information is set out in the following chapters: • Personal Safety of End Users - Chapter 4: Driving Performance through Safety and Innovation • Integrity and Ethical Business Practices - Chapter 5: Acting with Integrity Every Day • Own Workforce - Chapter 6: Putting our People at the Center • GHG Emission and Energy Consumption - Chapter 7: Growing a Resilient, Low-Carbon Business

Metrics Type	VSME Disclosure	Description	Response
General Information	B2, Practices, policies and future initiatives for transitioning towards a more sustainable economy, 26, (d)	Targets to monitor the implementation of the policies and the progress achieved towards meeting such targets	Not Applicable (N/A) – Isoclima Group has not yet adopted formal Group-wide sustainability targets. The relevant functions are currently engaged in the development and formalization of such targets. In the interim, the Group monitors and discloses key performance indicators to inform investors and shareholders, primarily relating to the gender pay gap and energy intensity
General Information	B2, Practices, policies and future initiatives for transitioning towards a more sustainable economy, 27	Such practices, policies and future initiatives include what the undertaking does to reduce its negative impacts and to enhance its positive impacts on people and the environment, in order to contribute to a more sustainable economy. Appendix B provides a list of possible sustainability issues that could be covered in this disclosure	The relevant information is set out in the following chapters: • Personal Safety of End Users - Chapter 4: Driving Performance through Safety and Innovation • Integrity and Ethical Business Practices - Chapter 5: Acting with Integrity Every Day • Own Workforce - Chapter 6: Putting our People at the Center • GHG Emission and Energy Consumption - Chapter 7: Growing a Resilient, Low-Carbon Business
General Information	B2, Practices, policies and future initiatives for transitioning towards a more sustainable economy, 28	If the undertaking also reports on the Comprehensive module, it shall complement the information provided under B2 with the datapoints found in C2	The relevant information is set out in the below
General Information	C2, Description of practices, policies and future initiatives for transitioning towards a more sustainable economy, 48	If the undertaking has put in place specific practices, policies or future initiatives for transitioning towards a more sustainable economy, which it has already reported under disclosure B2 in the Basic Module, it shall briefly describe them	The relevant information is set out in the following chapters: • Personal Safety of End Users - Chapter 4: Driving Performance through Safety and Innovation • Integrity and Ethical Business Practices - Chapter 5: Acting with Integrity Every Day • Own Workforce - Chapter 6: Putting our People at the Center • GHG Emission and Energy Consumption - Chapter 7: Growing a Resilient, Low-Carbon Business

Metrics Type	VSME Disclosure	Description	Response
General Information	C2, Description of practices, policies and future initiatives for transitioning towards a more sustainable economy, 49	The undertaking may indicate the most senior level within its employees that is accountable for implementing the policies when this has been determined by the undertaking	The relevant information is set out in the following chapters: Chapter 5: Acting with Integrity Every Day - Section 5.1: Ensuring sound corporate and sustainability governance
General Information	C1, Strategy: Business Model and Sustainability – Related Initiatives, 47, (a)	The undertaking shall disclose the key elements of its business model and strategy, including: Description of significant groups of products and/or services offered	The relevant information is set out in the following chapter: Chapter 2: Isoclima Group - Section 2.1: Group Profile
General Information	C1, Strategy: Business Model and Sustainability – Related Initiatives, 47, (b)	A description of significant market(s) the undertaking operates in (such as B2B, wholesale, retail, countries)	The relevant information is set out in the following chapter: Chapter 2: Isoclima Group - Section 2.1: Group Profile
General Information	C1, Strategy: Business Model and Sustainability – Related Initiatives, 47, (c)	A description of main business relationships (such as key suppliers, customers, distribution channels)	The relevant information is set out in the following chapter: Chapter 3: Our Sustainability Journey - Section 3.1: Engaging with stakeholders
General Information	C1, Strategy: Business Model and Sustainability – Related Initiatives, 47, (d)	If the strategy has key elements that relate to or affect sustainability issues, a brief description of those key elements	The relevant information is set out in the following chapter: Chapter 3: Our Sustainability Journey - Introduction to the chapter
Environmental	B3, Energy and greenhouse gas emissions, 29	The undertaking shall disclose its total energy consumption in MWh, with a breakdown as following: (Electricity, Fuels x Renewable, Non-Renewable)	Total Energy Consumption in MWh: 43,116.87 Total Renewable Energy Consumption in MWh: 14,747.4
Environmental	B3, Energy and greenhouse gas emissions, 30, (a)	The undertaking shall disclose its estimated gross greenhouse gas (GHG) emissions in tons of CO2 equivalent (tCO2eq) considering the content of the GHG Protocol Corporate Standard (version 2004), including: (a) the Scope 1 GHG emissions in tCO2eq (from owned or controlled sources)	2,331 tCO_2eq

Metrics Type	VSME Disclosure	Description	Response
Environmental	B3, Energy and greenhouse gas emissions, 30, (b)	The location-based Scope 2 emissions in tCO_2eq (i.e. emissions from the generation of purchased energy, such as electricity, heat, steam or cooling	9,626 tC_02eq
Environmental	B3, Consideration when reporting on GHG emissions under B3 (Basic Module), 50 / 51 / 52	Depending on the type of activities carried out by the undertaking, disclosing a quantification of its Scope 3 GHG emissions can be appropriate to yield relevant information on the undertaking's value chain impacts on climate change. Scope 3 emissions are indirect GHG emissions (other than Scope 2) that derive from an undertaking's value chain. They include the activities that are upstream of the undertaking's operations (e.g. purchased goods and services, purchased capital goods, transportation of purchased goods, etc.) and activities that are downstream of the undertaking's operations (e.g. transport and distribution of the undertaking's products, use of sold products, investments, etc.). If the undertaking decides to provide this metric, it should refer to the 15 types of Scope 3 GHG emissions identified by the GHG Protocol Corporate Standard and detailed by the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. When it reports on Scope 3 GHG emissions, the undertaking shall include significant Scope 3 categories (as per the Corporate Value Chain (Scope 3) Accounting and Reporting Standard) based on its own assessment of relevant Scope 3 categories. Undertakings can find further guidance on specific calculation methods for each category in the GHG Protocol's Technical guidance for Calculating Scope 3 Emissions	34,081 tCO_2eq
Environmental	B3, Consideration when reporting on GHG emissions under B3 (Basic Module), 53	When reporting its Scope 1 and Scope 2 emissions, if the undertaking discloses entity-specific information on its Scope 3 emissions, it shall present it together with the information required under B3 – Energy and greenhouse gas emissions	34,081 tCO_2eq
Environmental	B3, Energy and greenhouse gas emissions, 31	The undertaking shall disclose its GHG intensity calculated by dividing 'gross greenhouse gas (GHG) emissions' disclosed under paragraph 30 by 'turnover' (in monetary units) To calculate carbon intensity (€): Total GHG emissions / €M revenues (million EUR)	Total carbon intensity : 303.65 tCO_2e/€M revenue

Metrics Type	VSME Disclosure	Description	Response
Environmental	C3, GHG reduction targets and climate transition, 54, (a)	If the undertaking has established GHG emission reduction targets, it shall disclose its targets in absolute values for Scope 1 and Scope 2 emissions. If it has set Scope 3 reduction targets, the undertaking shall also provide targets for significant Scope 3 emissions. In particular, it shall provide: The target year and target year value	Not Applicable (N/A) – No greenhouse gas (GHG) emissions reduction targets have been adopted by the reporting entity
Environmental	C3, GHG reduction targets and climate transition, 54, (b)	The base year and base year value	Not Applicable (N/A) – No greenhouse gas (GHG) emissions reduction targets have been adopted by the reporting entity
Environmental	C3, GHG reduction targets and climate transition, 54, (c)	The units used for targets	Not Applicable (N/A) – No greenhouse gas (GHG) emissions reduction targets have been adopted by the reporting entity
Environmental	C3, GHG reduction targets and climate transition, 54, (d)	The share of Scope 1 that the target concerns	Not Applicable (N/A) – No greenhouse gas (GHG) emissions reduction targets have been adopted by the reporting entity
Environmental	C3, GHG reduction targets and climate transition, 54, (d)	The share of Scope 2 that the target concerns	Not Applicable (N/A) – No greenhouse gas (GHG) emissions reduction targets have been adopted by the reporting entity
Environmental	C3, GHG reduction targets and climate transition, 54, (d)	The share of Scope 3 that the target concerns	Not Applicable (N/A) – No greenhouse gas (GHG) emissions reduction targets have been adopted by the reporting entity
Environmental	C3, GHG reduction targets and climate transition, 54, (e)	A list of main actions it seeks to implement to achieve its targets.	Not Applicable (N/A) – No greenhouse gas (GHG) emissions reduction targets have been adopted by the reporting entity

Metrics Type	VSME Disclosure	Description	Response
Environmental	C3, GHG reduction targets and climate transition, 55	Does the undertaking operate in a high climate impact sector (*) and has it adopted a climate change mitigation transition plan? If yes, please provide details, including how the plan contributes to reducing GHG emissions. (*) High climate impact sectors are those listed in NACE Sections A to H and Section M as defined in Annex I to Delegated Regulation (EU) 2023/137	Not Applicable (N/A) – No Climate Transition Plan has been adopted by the reporting entity
Environmental	C3, GHG reduction targets and climate transition, 56	In case the undertaking operates in high climate impact sectors (*) and does not have a transition plan for climate change mitigation in place, it shall indicate whether and, if so, when it will adopt such a transition plan. (*) High climate impact sectors are those listed in NACE Sections A to H and Section M as defined in Annex I to Delegated Regulation (EU) 2023/137	The reporting entity plans to establish a Climate Transition Plan, setting out clear GHG emissions reduction targets, associated milestones and timelines, as well as governance arrangements and progress monitoring mechanisms, within the next two years
Environmental	C4, Climate risks, 57, (a)	If the undertaking has identified climate-related hazards and climate-related transition events, creating gross climate-related risks for the undertaking, it shall: Briefly describe such climate-related hazards and climate-related transition events	The relevant information is set out in the following chapter: Chapter 7: Growing a Resilient, Low-Carbon Business - Section 7.3: Managing environmental and climate risks
Environmental	C4, Climate risks, 57, (b)	Disclose how it has assessed the exposure and sensitivity of its assets, activities and value chain to these hazards and transition events	The relevant information is set out in the following chapter: Chapter 7: Growing a Resilient, Low-Carbon Business - Section 7.3: Managing environmental and climate risks
Environmental	C4, Climate risks, 57, (c)	Disclose the time horizons of any climate-related hazards and transition events identified	The relevant information is set out in the following chapter: Chapter 7: Growing a Resilient, Low-Carbon Business - Section 7.3: Managing environmental and climate risks
Environmental	C4, Climate risks, 57, (d)	Disclose whether it has undertaken climate change adaptation actions for any climate-related hazards and transition events	The relevant information is set out in the following chapter: Chapter 7: Growing a Resilient, Low-Carbon Business - Section 7.3: Managing environmental and climate risks

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Metrics Type	VSME Disclosure	Description	Response
Environmental	C4, Climate risks, 58	The undertaking may disclose the potential adverse effects of climate risks that may affect its financial performance or business operations in the short-, medium- or long-term, indicating whether it assesses the risks to be high, medium, low	The relevant information is set out in the following chapter: Chapter 7: Growing a Resilient, Low-Carbon Business - Section 7.3: Managing environmental and climate risks
Environmental	B4, Pollution of air, water and soil, 32	If the undertaking is already required by law or other national regulations to report to competent authorities its emissions of pollutants, or if it voluntarily reports on them according to an Environmental Management System, it shall disclose the pollutants it emits to air, water and soil in its own operations, with the respective amount for each pollutant. If this information is already publicly available, the undertaking may alternatively refer to the document where it is reported, for example, by providing the relevant URL link or embedding a hyperlink	Not Applicable (N/A) – Environmental pollution was assessed as part of Isoclima's Double Materiality Assessment through the Impact, Risk and Opportunity (IRO) framework. Potential pollution-related impacts were identified in connection with wastewater discharges, chemical use, waste generation, soil contamination risks, and the downstream use of products in vehicles and yachts. However, following management's assessment, environmental pollution was determined not to constitute a material topic for the Group and has therefore not been subject to further disclosure
Environmental	B5, Biodiversity, 33	The undertaking shall disclose the number and area (in hectares) of sites that it owns, has leased, or manages in or near a biodiversity sensitive area	Not Applicable (N/A) – Biodiversity was assessed as part of Isoclima's Double Materiality Assessment through the Impact, Risk and Opportunity (IRO) framework. Potential biodiversity-related impacts were identified in connection with GHG emissions, waste generation, and the potential contamination of land and water resources arising from the Group's operations, even though no Group's sites/operations is located in or near to biodiversity-sensitive areas. However, following management's assessment, biodiversity was determined not to constitute a material topic for the Group and has therefore not been subject to further disclosure
Environmental	B5, Biodiversity, 34, (a)	The undertaking may disclose metrics related to land-use: total use of land (in hectares)	Not Applicable (N/A) – Biodiversity was assessed as part of Isoclima's Double Materiality Assessment through the Impact, Risk and Opportunity (IRO) framework. Potential biodiversity-related impacts were identified in connection with GHG emissions, waste generation, and the potential contamination of land and water resources arising from the Group's operations, even though no Group's sites/operations is located in or near to biodiversity-sensitive areas. However, following management's assessment, biodiversity was determined not to constitute a material topic for the Group and has therefore not been subject to further disclosure

Metrics Type	VSME Disclosure	Description	Response
Environmental	B5, Biodiversity, 34, (b)	Total sealed area	Not Applicable (N/A) – Biodiversity was assessed as part of Isoclima's Double Materiality Assessment through the Impact, Risk and Opportunity (IRO) framework. Potential biodiversity-related impacts were identified in connection with GHG emissions, waste generation, and the potential contamination of land and water resources arising from the Group's operations, even though no Group's sites/operations is located in or near to biodiversity-sensitive areas. However, following management's assessment, biodiversity was determined not to constitute a material topic for the Group and has therefore not been subject to further disclosure
Environmental	B5, Biodiversity, 34, (c)	Total nature-oriented area on-site	Not Applicable (N/A) – Biodiversity was assessed as part of Isoclima's Double Materiality Assessment through the Impact, Risk and Opportunity (IRO) framework. Potential biodiversity-related impacts were identified in connection with GHG emissions, waste generation, and the potential contamination of land and water resources arising from the Group's operations, even though no Group's sites/operations is located in or near to biodiversity-sensitive areas. However, following management's assessment, biodiversity was determined not to constitute a material topic for the Group and has therefore not been subject to further disclosure
Environmental	B5, Biodiversity, 34, (d)	total nature-oriented area off-site	Not Applicable (N/A) – Biodiversity was assessed as part of Isoclima's Double Materiality Assessment through the Impact, Risk and Opportunity (IRO) framework. Potential biodiversity-related impacts were identified in connection with emissions, waste generation, and the potential contamination of land and water resources arising from the Group's operations, even though no Group's sites/operations is located in or near to biodiversity-sensitive areas. However, following management's assessment, biodiversity was determined not to constitute a material topic for the Group and has therefore not been subject to further disclosure

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Metrics Type	VSME Disclosure	Description	Response
Environmental	B6, Water, 35	The undertaking shall disclose its total water withdrawal (m3), i.e. the amount of water drawn into the boundaries of the organization (or facility); in addition, the undertaking shall present the amount of water withdrawn at sites located in areas of high water-stress	102,884 m3
Environmental	B6, Water, 36	If the undertaking has production processes in place which significantly consume water (e.g. thermal energy processes like drying or power production, production of goods, agricultural irrigation, etc.), it shall disclose its water consumption (m3) To calculate water consumption: difference between its water withdrawal and water discharge from its production processes	49,749m3
Environmental	B7, Resource use, circular economy and waste management, 37	Does the undertaking apply circular economy principles? if yes, please briefly describe how it applies these principles	The relevant information is set out in the following chapter: Chapter 7: Growing a Resilient, Low-Carbon Business - Section 7.4: Advancing circular resource use, water stewardship and waste reduction
Environmental	B7, Resource use, circular economy and waste management, 38, (a)	The undertaking shall disclose: The total annual generation of waste broken down by type (non-hazardous and hazardous)	Total Annual Amount of Non-Hazardous Waste: 5,544 tons Total Annual Amount of Hazardous Waste: 32 tons
Environmental	B7, Resource use, circular economy and waste management, 38, (b)	The total annual waste diverted to recycling or reuse	Total Annual Amount of Waste diverted to Recycling: 4,758 tons
Environmental	B7, Resource use, circular economy and waste management, 38, (c)	If the undertaking operates in a sector using significant material flows (for example manufacturing, construction, packaging or others), the annual mass-flow of relevant materials used. To calculate annual mass-flow: Opening stock + Purchases/inputs during the year – Closing stock – Materials resold or returned	We calculated the mass-flow for the major relevant material. USA - (Glass and Polycarbonate =3,930,883 sq ft Urethane = 178,125 kg PVB = 122,032 M3) Italy - (Glass, Polycarbonate, Polyurethane and PVB) Mass-flow = 375,175 m^2 Croatia - (Glass, Polycarbonate, Polyurethane and PVB) Mass-flow = 1,860,766 kg

Metrics Type	VSME Disclosure	Description	Response
Social	B8, General Characteristics, 39, (a)	The undertaking shall disclose the number of employees in headcount or full-time equivalent for the following metrics: Type of employment contract (temporary or permanent)	Total Number of Permanent FTE: 929 Total Number of Temporary/Non-Permanent FTE: 51
Social	B8, General Characteristics, 39, (b)	Gender (female or male)	Total Number of Male FTE: 780 Total Number of Female FTE: 200
Social	B8, General Characteristics, 39, (c)	Country of the employment contract, if the undertaking operates in more than one country.	Total Number of FTE Employees Isoclima Italy: 532 Total Number of FTE Employees Isoclima Croatia: 245 Total Number of FTE Employees Isoclima US: 203
Social	B8, General Characteristics, 40	Employee turnover rate for the reporting period To calculate turnover: Departures / ((# permanent FTEs at the beginning of the year + permanent FTEs at the end of the year)/2)	12.7%
Social	C5, Additional (general) workforce characteristics, 59	Female-to-male ratio at management level for the reporting period (If the undertaking employs 50 or more employees)	Proportion of Men in Management Positions: 83% Proportion of Women in Management Positions: 17% Female-to-male ratio at management level = 1:4.75
Social	C5, Additional (general) workforce characteristics, 60	Number of those self employed without personnel who are working exclusively for the undertaking, and temporary workers provided by undertakings primarily engaged in 'employment activities' (If the undertaking employs 50 or more employees)	Not Applicable (N/A) – Isoclima does not engage self-employed workers operating without personnel who work exclusively for the Company, nor does it utilize temporary workers provided by undertakings primarily engaged in employment activities
Social	B9, Health and Safety, 41, (a)	Number and rate of recordable work-related accidents To calculate work-related accidents: Please follow local regulations where outlined. Where no local guidance is specified, please refer to the Guidance of ILO https://www.ilo.org/media/270756/download. For the sake of clarity, note that the following should be excluded: COVID cases, Injuries resulting from accidents occurring on the commute to or from the workplace outside of working hours, and umber of work- related fatalities	Total Number of Work-related Accidents: 27 Group Accident Frequency Rate (i.e. Number of Work-related Accidents per million hours worked): 17
Social	B9, Health and Safety, 41, (b)	Number of fatalities as a result of work-related injuries and work-related ill health. If any, please provide details in the comments column	0

Metrics Type	VSME Disclosure	Description	Response
Social	B10, Remuneration, collective bargaining and training, 42, (a)	Whether the employees receive pay that is equal or above applicable minimum wage for the country it reports on, determined directly by the national minimum wage law or through a collective bargaining agreement	Isoclima ensures all employees receive remuneration that is equal to or higher than the applicable minimum wage levels established through the relevant National Collective Bargaining Agreement (CCNL). The Company's remuneration practices are aligned with the salary scales and employment conditions set out in the applicable collective agreement, ensuring compliance with national labor regulations and collective bargaining provisions
Social	B10, Remuneration, collective bargaining and training, 42, (d)	Average number of annual training hours per employee, broken down by gender	Average annual training hours Female: 5.65 Average annual training hours Male: 4.46
Social	C6, Human rights policies and processes, 61, (a)	Does the undertaking have a code of conduct or human rights policy for its own workforce?	Yes
Social	C6, Human rights policies and processes, 61, (b)	If yes, does this cover: (i) child labor	Not Applicable (N/A) – Child labor was assessed as part of Isoclima's Double Materiality Assessment through the Impact, Risk and Opportunity (IRO) framework. No impacts, risks, or opportunities related to child labor were identified as relevant to Isoclima's operations, considering the nature of its activities and the current structure of its value chain and supply chain
Social	C6, Human rights policies and processes, 61, (b)	(ii) forced labor	Not Applicable (N/A) – Forced labor was assessed as part of Isoclima's Double Materiality Assessment through the Impact, Risk and Opportunity (IRO) framework. No impacts, risks, or opportunities related to forced labor were identified as relevant to Isoclima's operations, considering the nature of its activities and the current structure of its value chain and supply chain
Social	C6, Human rights policies and processes, 61, (b)	(iii) human trafficking	Not Applicable (N/A) – Human trafficking was assessed as part of Isoclima's Double Materiality Assessment through the Impact, Risk and Opportunity (IRO) framework. No impacts, risks, or opportunities related to human trafficking were identified as relevant to Isoclima's operations, considering the nature of its activities and the current structure of its value chain and supply chain

Metrics Type	VSME Disclosure	Description	Response
Social	C6, Human rights policies and processes, 61, (b)	(iv) discrimination	Yes
Social	C6, Human rights policies and processes, 61, (b)	(v) accident prevention	Yes
Social	C6, Human rights policies and processes, 61, (b)	(vi) other? – if yes, specify.	Prevention and Combating of Corruption, Transparency, Unfair competition, Environmental protection, Social responsibility, Confidentiality and protection of privacy, Respect and protection of intellectual property, Relations with the public administration, Relations with political parties, trade unions or other organizations, Media relations, Contributions and other donations, sponsorships, Gifts, hospitality and representation expenses, Conflicts of interest, Privacy, Antitrust
Social	C6, Human rights policies and processes, 61, (c)	Does the undertaking have a complaints-handling mechanism for its own workforce?	Yes
Social	C7, Severe negative human rights incidents, 62, (a)	Does the undertaking have confirmed incidents in its own workforce related to: (i) child labor	Not Applicable (N/A) – Child labor was assessed as part of Isoclima's Double Materiality Assessment through the Impact, Risk and Opportunity (IRO) framework. No impacts, risks, or opportunities related to child labor were identified as relevant to Isoclima's operations, considering the nature of its activities and the current structure of its value chain and supply chain
Social	C7, Severe negative human rights incidents, 62, (a)	(ii) forced labor	Not Applicable (N/A) – Child labor was assessed as part of Isoclima's Double Materiality Assessment through the Impact, Risk and Opportunity (IRO) framework. No impacts, risks, or opportunities related to child labor were identified as relevant to Isoclima's operations, considering the nature of its activities and the current structure of its value chain and supply chain

Metrics Type	VSME Disclosure	Description	Response
Social	C7, Severe negative human rights incidents, 62, (a)	(iii) human trafficking	Not Applicable (N/A) – Human trafficking was assessed as part of Isoclima's Double Materiality Assessment through the Impact, Risk and Opportunity (IRO) framework. No impacts, risks, or opportunities related to human trafficking were identified as relevant to Isoclima's operations, considering the nature of its activities and the current structure of its value chain and supply chain
Social	C7, Severe negative human rights incidents, 62, (a)	(iv) discrimination	No
Social	C7, Severe negative human rights incidents, 62, (a)	(v) other? if yes, specify	No
Social	C7, Severe negative human rights incidents, 62, (b)	If yes, the undertaking may describe the actions being taken to address the incidents described above	Not Applicable (N/A) - No incidents relating to the aforementioned categories were identified or recorded during the reporting period.
Social	C7, Severe negative human rights incidents, 62, (c)	Is the undertaking aware of any confirmed incidents involving workers in the value chain, affected communities, consumers and end-users? If yes, please describe	Not Applicable (N/A) - No incidents involving the aforementioned stakeholder groups were identified or recorded during the reporting period
Governance	B11, Convictions and fines for corruption and bribery, 43	In case of convictions and fines in the reporting period, the undertaking shall disclose the number of convictions, and the total amount of fines incurred for the violation of anti-corruption and anti-bribery laws	Not Applicable (N/A) – Isoclima has not incurred in convictions and fines in the reporting period
Governance	C8, Revenues from certain sectors and exclusion from EU reference benchmarks, 63, (a)	If the undertaking is active in one or more of the following sectors, it shall disclose its related revenues in the sector(s): controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Not Applicable (N/A) – This disclosure is not relevant to Isoclima's business activities and operations. The Company does not operate in any of the sectors listed under this disclosure
Governance	C8, Revenues from certain sectors and exclusion from EU reference benchmarks, 63, (b)	The cultivation and production of tobacco	Not Applicable (N/A) – This disclosure is not relevant to Isoclima's business activities and operations. The Company does not operate in any of the sectors listed under this disclosure

Metrics Type	VSME Disclosure	Description	Response
Governance	C8, Revenues from certain sectors and exclusion from EU reference benchmarks, 63, (c)	fossil fuel (coal, oil and gas) sector (i.e. the undertaking derives revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and the Council 17), including a disaggregation of revenues derived from coal, oil and gas;	Not Applicable (N/A) – This disclosure is not relevant to Isoclima's business activities and operations. The Company does not operate in any of the sectors listed under this disclosure
Governance	C8, Revenues from certain sectors and exclusion from EU reference benchmarks, 63, (d)	chemicals production if the undertaking is a manufacturer of pesticides and other agrochemical products	Not Applicable (N/A) – This disclosure is not relevant to Isoclima's business activities and operations. The Company does not operate in any of the sectors listed under this disclosure
Governance	C8, Revenues from certain sectors and exclusion from EU reference benchmarks, 64	The undertaking shall disclose whether it is excluded from any EU reference benchmarks that are aligned with the Paris Agreement as described in paragraph 241 of the guidance	Not Applicable (N/A) – This disclosure is not relevant to Isoclima's activities and operations. The Company is not excluded from EU reference benchmarks aligned with the Paris Agreement based on the nature of its business activities
Governance	C9, Gender diversity ratio in the governance body, 65	If the undertaking has a governance body in place, the undertaking shall disclose the related gender diversity ratio	20%

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