



Sustainability Report

2025

PFM Group

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Letter to the stakeholders

Dear Stakeholders,

We are pleased to present the second edition of the PFM Group's Sustainability Report. **This report is a valuable tool that enables us to communicate transparently who we are, how we operate, and the values that guide our development.**

For over sixty years we have been designing and manufacturing packaging solutions that combine **technology, reliability and innovation**. In an ever-changing economic and industrial context, **we believe that creating long-term value** depends not only on economic performance, but also on the **focus on people, the environment and the quality of the relationships we build every day with customers, suppliers, collaborators and communities**.

2025 was an important year for our Group. We have continued to **grow and invest in research and development and strengthened our technology** offering by developing solutions that focus on efficiency, **safety and impact mitigation**. This is all thanks to our commitment to innovation and to our long-term vision.

Throughout the year, we also made further progress in integrating sustainability into our business processes. **The creation of the Sustainability Committee is an important stage in the organisation's evolution** and demonstrates a desire to strengthen the coordination of **ESG initiatives at a Group level**.

We understand that sustainability is a **journey of continuous improvement**. This is why we continue to invest in listening to our stakeholders, valuing our employees and establishing relationships based on trust, expertise and transparency.

This Sustainability Report provides an overview of our work and is also a **useful tool for identifying areas for continued growth and improvement**.

I invite you to read this document, which outlines our daily commitment, the results achieved and how **the PFM Group intends to continue to create value over time for all its stakeholders**.

Enjoy the read.

Andrea Fioravanti
MANAGING DIRECTOR - PFM GROUP

The Group

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15	The governance model and our business ethics
20	Cyber-security and privacy protection

Highlights

OVER

60 yrs.
Of flexible

PACKAGING TECHNOLOGY

14
Companies

THAT ARE PART OF
THE GROUP

The Group

About us

Founded in 1964, PFM Packaging Machinery (hereinafter the “PFM Group” or “Group”) is an international industrial group that sets the standard for the **design and construction of flexible packaging** for the food and non-food industries. These include fresh and dry products, confectionery, bakery products, dairy products, pasta, meat, and frozen products, as well as the chemical-pharmaceutical, cosmetic, beverage, and pet food industries. The Group always ensures top quality, safety, and reliability standards. Thanks to its broad range of machines, the Group is able to **provide customised packaging** solutions for every product and production process.



P.F.M. S.P.A. is the parent company of the PFM Group and represents its operational and strategic hub. Based in Torrebelvicino (Vicenza), the company coordinates the activities of the 14 specialised Group companies operating in **Italy, the United Kingdom, Germany, Spain, Canada, the United States and Thailand**. It provides administrative, technical and commercial support, ensuring consistency and synergy in industrial and commercial processes at a global level. The headquarters are also the company's technological and production hub, where advanced packaging solutions, including **flowpack and Form Fill & Seal machines, as well as a wide range of automated packaging and feeding systems**, are designed, built and marketed. The product portfolio includes around 40 different packaging machine models, as well as a range of customisable accessories designed to meet specific customer requirements regarding size, product, performance and automation.

The leadership of the PFM Group is the result of **substantial investment in research and development**, ongoing and constructive dialogue with end users, and the ability to **expand internationally and conquer new markets**.

With an extensive sales network covering 70 countries worldwide, our dedicated team of Area Managers provides customers with a fast, efficient and personalised service, primarily in Europe, North and South America, the Middle East and the Far East.

Over the years, the Group has developed a technologically advanced, integrated industrial ecosystem capable of meeting the needs of increasingly diverse and competitive markets. **The Group's companies design and manufacture a range of products, including packaging machines, complete production lines, multi-head weighers, high-precision dosing systems, and customised solutions.** These products are designed to meet the highest standards of quality, innovation, and reliability.

PFM's technical expertise is rooted in its highly skilled in-house technical department, which consist of engineers and designers, who develop innovative, highly customised applications that are internationally recognised for their technological content, precision and top performance. **Our Customer Service Department, consisting of specialised technicians and expert testers**, guarantees timely and qualified support for installation, maintenance and supply of spare parts, with a fast and efficient service, both in person and remotely.

With over 60 years' experience, the PFM Group has established a reputation for **reliability, a global presence and the ability to respond quickly to the needs of its customers.** Thanks to these values, the Group is able to offer innovative solutions and high-quality products, demonstrating its ongoing commitment to excellence.



The Group

Our history

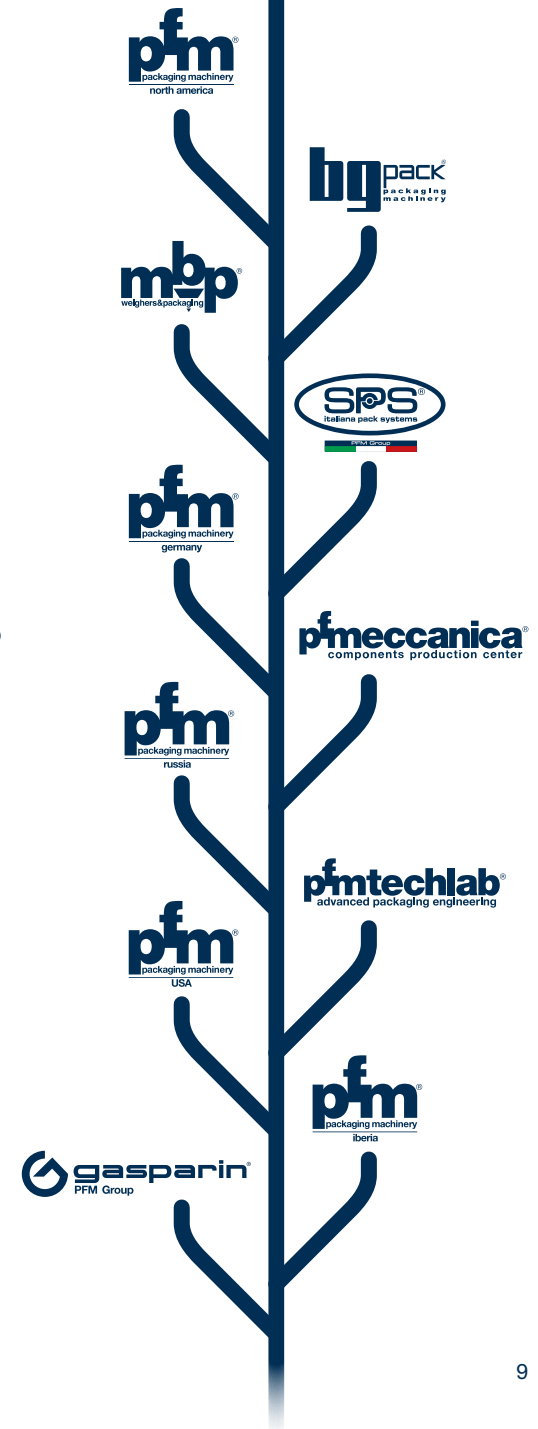
- 1964:** **Italianapack**, which manufactured horizontal flowpack packaging machines, is founded
- 1969:** The company **Fioravanti Pietro &C. S.n.c. is founded.**
- 1971:** The company manufactures sealing machines, coupon feeders and die cutters. The construction of the first systems for packaging breadsticks begins.
- 1972:** Italiana Pack is sold to FMC, an American group.
- 1975:** **The economic crisis leads to a differentiation with the production of rotary ovens**, a product that enjoys a favourable trend. It is the springboard for PFM.
- 1977:** The mass production of ovens and lifters begins. **The first Super Compact heat-shrink machine is created and mass production begins immediately.**
- 1979:** **The first CC150 flowrap packaging machine** is created.
- 1980:** The design of a new model **of Flowrap packaging machine, the PFM 80, begins.**
- 1981:** **The new SC81 is created and the prototype for the PFM 2000 packaging machines takes shape. The Long Dwell in oil bath project begins.**
- 1982:** **Flowrap production increases whereas oven production is reduced.** A trend that shapes the company's investment decisions. **The PFM 80 is completely redesigned.** A line for packing snack bars is designed and the **STAINLESS version of the PFM 2000 machine is developed.**
- 1983:** **The SC83 heat-shrinking machine is created.** Foreign sales increase: in particular in **Greece, Israel, the Netherlands, Morocco, Germany and France.**
- 1984:** **PFM arrives in the USA where it sells the first PFM 2000.** The new **PFM 2500 and PFM LVA flowrap models** are developed. The law on the compulsory packaging of mozzarella comes into force.
- 1985:** **The production of packaging machines for mozzarella begins.**
- 1986:** **PFM boasts 10 service centres in Italy.** The company grows, the number of employees increases.
- 1987:** **PFM UK is founded.**



The Nineties

These are hectic years. The range of vertical and horizontal machines and loading systems expands. The company moves towards the improvement of the entire range of technological and mechanical components.

- 1991:** PFM Canada is founded.
- 2001:** PFM acquires the company **BG PACK**, designs the **SHAMAL** packaging machine and introduces the **Pocket Bag** resealable bag. Three moves that make it the European leader in cheese packaging.
- 2002:** PFM obtains the **UNI EN ISO 9001-2000** certification. It acquires **MBP**, a company that manufactures multi-head weighers and vertical packaging machines.
- 2003:** PFM acquires **SPS Italiana Pack Systems**, formerly **Italianapack**.
- 2004:** PFM Germany is founded.
- 2006:** PFM Meccanica is founded.
- 2008:** PFM Russia is founded.
- 2012:** **PFM USA is founded**, with headquarters in Huntington Beach, Los Angeles. **D-Series Pouch Machinery**. **The PFM Group enters the pouch industry with the new D-Series, a range of horizontal Form Fill & Seal machines dedicated to producing the highly regarded Stand-Up Pouches.**
- 2013:** **PFM UK wins the PPMA Award for best packaging machine manufacturer.** PFM China, a sales subsidiary, is founded in Shanghai. It is responsible for providing technical and commercial services for complete handling, weighing and packaging lines manufactured by the PFM Group to the Chinese market.
- 2014:** PFM celebrates its **50th anniversary** and commemorates this milestone by opening new spaces for **Research, Development and Technical Support** at its headquarters.
- 2015:** The new **PFM logo**, which was created by the world-renowned designer **Heinz Waibl** to reflect the brand's identity from its origins to its future, is presented.
- 2016:** The consolidated turnover reaches **100 million Euros**. The new **R-Series** is created.
- 2017:** **MBP inaugurates a new 6000 sq. m facility.**
- 2018:** **PFMTECHLAB is founded.**
- 2022:** A new production site adjacent to PFM SpA is purchased.
- 2024:** PFM strengthens its leadership in the Bakery sector by acquiring **60% of Brevetti Gasparin**, a company specialising in the production of bread cutting and packaging systems. **PFM Iberia is founded.**
- 2025:** In 2025, consolidation efforts continued, enabling the group to surpass 200 million in revenue **during its sixtieth anniversary year.**



Our future

New P.F.M. S.p.A. Facility in Torrebelvicino

Construction work on the new facility, located adjacent to the historic headquarters, has continued as planned. **The project is expected to be completed in the second half of 2026.** The 8,000 m² building is designed as a genuine laboratory for future technology. The intervention is part of a **broader approach to improving energy efficiency** and reducing environmental impact. This includes installing **a 372 kW photovoltaic system on the roof of the building.**

The system is already being installed and is expected to be operational by mid-2026. Once fully operational, the facility will be able to cover a significant proportion of its energy needs through self-consumption, thereby **reducing CO₂ emissions associated with the use of electricity from conventional sources.**

At the same time, the company launched an initiative to improve waste management at the site **by focusing on separating paper and plastic packaging for disposal.** The aim is to **promote more effective waste separation and recycling, thereby reducing the environmental impact of waste materials.**



The Group

The main brands



PFM Packaging Machinery, with headquarters in Torbelvicino (VI), **designs and manufactures packaging machines, including flowwrap and Form Fill & Seal packaging machines, Horizontal Stand-Up Pouch Machines as well as customisable automated packaging systems.** The company offers around 40 different types of packaging machine and feeding system, as well as a wide range of customisable accessories. It operates in various sectors, primarily the food industry **(including mozzarella, meat, cheese, confectionery, fruit, vegetables and baked goods)**, as well as the pharmaceuticals and cosmetics industries. It has a specialised technical office that develops innovative, customised solutions, as well as a sales network active in 70 countries. **Real-time technical support and spare parts are provided by the support service, which also uses systems such as Teleservice.**

P.F.M. S.P.A.

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Founded in 1987, **PFM Packaging Machinery UK** is the UK subsidiary of the PFM Group. The company specialises in **selling and providing technical services for horizontal and vertical packers, multi-head weighers, and automatic lines to the UK and Republic of Ireland markets.** The company has won several major awards, including the PPMA Award for Customer Service and the Best Packaging Manufacturer Award in 2013. The company originally specialised in the cheese sector, but has since expanded into other food and non-food sectors. The company's goal is to distribute the entire PFM range and provide an exceptional level of support. This will be achieved by a team of **six specialist engineers, who will be coordinated by a Service Manager, a Sales Support Manager and a Spare Parts Manager.** The spare parts warehouse is valued at £ 400,000 and PFM Italia supports the staff if needed. The technical staff undergo constant training through specialised courses and annual visits to the Group's Italian offices.

PFM Packaging Machinery LTD

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Stanningley,
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PFM Germany is based in Hollenstedt, Lower Saxony. Established in 2004 in collaboration with Kaiser & Kaiser Packaging Systems, it has become a leading company in the packaging sector. It specialises in **selling flow pack packaging machines for the cheese, bakery, confectionery** and green sectors, and markets the full range of PFM, MBP and BG Pack machines **in Germany, Switzerland and Central and Northern Europe.** A new 1,000-square-metre headquarters and showroom opened in 2008. With a growing emphasis on service, PFM Germany is committed to achieving commercial and logistical efficiency at the heart of Europe. **The design office is integrated with the Italian parent company, and technical support is provided by trained technicians** who operate throughout Switzerland and Germany. These technicians are fully up to date with the latest developments and work closely with the PFM Italia team.

PFM Verpackungsmaschinen GmbH

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Web: www.pfmgermany.de
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PFM Iberia was founded in Barcelona in 2024 and operates across the Iberian Peninsula through a **network of agents and specialised technicians**. The company **sells and provides after-sales services** for horizontal and vertical packaging machines, multi-head weighers, and automatic lines for various sectors of the food industry. *

PFM PACKAGING IBERIA S.L.
Tel: +34 646 254 390
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PFM Packaging Machinery Corp. was founded in Ontario, Canada, in 1991. It manufactures, distributes and provides support for PFM machines in North America. **The company employs 50 people and manufactures flow-wrappers, automatic lines and feeding systems for the food and non-food industries. It has a stand-alone Technical Office for customised solutions and an efficient support service**, which is also available at weekends and offers online Teleservice support. **Since 2012, the California office of the US Division has increased its coverage and stock of spare parts for the West Coast** and three North American time zones. Major clients include multinational corporations such as **Ferrero, Kraft, Johnson & Johnson, Kimberly-Clark, and others**.

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In 2012, PFM North America - West Coast Division, a new commercial subsidiary, was founded in Huntington Beach, California. It provides the American West Coast market with **technical and commercial services** for the PFM Group's complete handling, weighing and packaging systems. It also serves as commercial and after-sales support for neighbouring PFM North America.

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Web: www.pfmusa.com



September 2019 officially marks the launch of **PFM ASIA PACIFIC CO. LTD., a Bangkok-based company** that strengthens PFM Packaging Machinery's presence in Asia as part of its ongoing international expansion.

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— * PFM IBERIA has been excluded from the scope of this Sustainability Report due to the limited significance of its environmental, social and economic impacts. Further details can be found in the consolidated financial statements of PFM S.p.A.



Founded in 1996, BG Pack is based in Bergamo and has been part of the PFM Group since 2001. The company **specialises in high-tech packaging machines for innovative flexible packaging**. Most machines (80%) are highly customisable, with flagship models such as the Vetta vertical machine capable of producing up to 30 different types of pack. **The main market are Europe, Eastern Europe, the Middle East and the United States**. The support service is integrated with PFM's and offers remote technical support via Teleservice.

BG - Pack S.r.l.

Via C. A. Dalla Chiesa, 13, 24048
Treviolo (BG) – Italy
Tel: (+39) 035. 20.31.22
Fax: (+39) 035. 20.31.25
Web: www.bgpack.it
Email: bgpack@bgpack.it



MBP manufactures Vertical Form Fill Seal machines, multihead weighers and complete lines. **Founded in 1980 and part of the PFM Group since 2002**, MBP is headquartered in Castiglione delle Stiviere (Mantua) and specializes in the design of multihead weighers from 10 to 32 heads, which are also available with memory buckets, valued for their accuracy, speed, and ease of hygienic cleaning. **MBP also develops Serie-R, Serie-RQ, and Serie-RS vertical Form Fill Seal packaging machine, available in single or Twin versions**, designed for high performance and easy integration with complete lines. **The company invests approximately 3% of its turnover in research and development, confirming its strong commitment to continuous innovation.**

M.B.P. S.r.l.

Via Fossadone, 85, 46043
Castiglione delle Stiviere (MN) – Italy
Tel: (+39) 0376. 676.400
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Web: www.mbp.it
Email: info@mbp.it



Founded in 1964 by Pietro Fioravanti under the name Italianapack, **SPS Italiana Pack Systems** rejoined the PFM Group in 2003. The company is based in Novara and **specialises in the manufacture of automatic packaging systems for bakery products** such as biscuits, wafers and snack bars. **It manufactures automatic picking, sorting and feeding systems, as well as high-speed horizontal packaging and cream filling machines**. **These are sold to markets in Europe, the United States, China, the Middle East and the Far East**. **The technical office works in synergy with PFM**, and support and spare parts services are structured to ensure prompt responses, including via Teleservice.

S.P.S. Italiana Pack Systems S.p.A.

Via S. Isidoro, 6, 28010
Bogogno (NO) – Italy
Tel: (+39) 0322. 861.100
Fax: (+39) 0322. 861.122
Web: www.spsspack.com
Email: info@spsspack.com



Founded in 1960, Brevetti Gasparin is a leading manufacturer of innovative bread cutting and packaging systems. The company joined the PFM Group in February 2024. Brevetti Gasparin's reputation for commitment to research and development, impeccable after-sales service and extensive global distribution network aligns perfectly with PFM's philosophy. **This acquisition further strengthens PFM's position in the bakery industry** by combining advanced technology with sustainability to provide state-of-the-art solutions.

Brevetti Gasparin S.r.l.
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Marano Vicentino (VI) - Italy
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Fax: (+39) 0445. 622.484
Email: info@gasparin.it



Founded in 2006 within the PFM Group, PFMeccanica is a manufacturing centre dedicated to producing high-precision mechanical components. The company's core purpose is to ensure that the components used in the group's machines are of the absolute highest quality. **Equipped with the latest generation of numerically controlled machine tools and an advanced quality control system,** PFMeccanica works in close synergy with PFM engineering offices, ensuring high and uniform standards. The company demonstrates the PFM Group's commitment to achieving total, transparent and controllable quality. **Internal production enhances local skills and the Group's industrial identity.**

PFMeccanica S.r.l.
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Fax: (+39) 0445. 570.175
Email: pfm@pfm.it



This advanced engineering laboratory, founded in 2018 and located in Volvera, is dedicated to the mechanical design and development of specialised solutions for handling and packaging food and non-food products.

PFMTECHLAB S.r.l.
Via Umberto Nobile, 9, 10040
Volvera (TO) - Italy
Tel: (+39) 011 9857613

The Group

The governance model and our business ethics

The Group's Governance structure is based on an organisational model designed **to pursue long-term strategic objectives, allocate roles and responsibilities according to the Group's activities, and encourage responsible business practices.** The goal is to guide business processes effectively and generate value for all stakeholders.

The governance structure of the Parent Company is based on the traditional system under Italian law. As at 31 December 2025, the structure of the corporate bodies includes:

- **The Shareholders' Meeting:** corporate body that expresses the will of the shareholders through resolutions.
- **The Board of Directors:** a body responsible for the company's strategic management, the supervision of the implementation of strategic guidelines, and the pursuit of social and Group objectives. This body ensures the adequacy of the internal control and risk management systems, **and is responsible for decision-making and monitoring the Group's impact on the economy, the environment, and people.**
- **The Board of Statutory Auditors:** oversees compliance with the law and the Articles of Association, ensuring that the principles of proper administration are respected and that the organisational, administrative and accounting structure adopted by the company is adequate and functioning correctly.
- **The Independent statutory auditor:** responsible for the statutory audit of financial statements.

— It should be noted that the Parent company PFM S.p.A. is a joint-stock company registered with the Vicenza Chamber of Commerce. Its registered office is in Torrelvicino (VI) in Via Pasubio n.49. For further information, please consult the certificate of incorporation of P.F.M.

The members of the Board of Directors, in office until the date of the Meeting convened to approve the Financial Statements for the year ended 31 December 2025, are:



Elisabetta Moro Fioravanti
Chairperson*

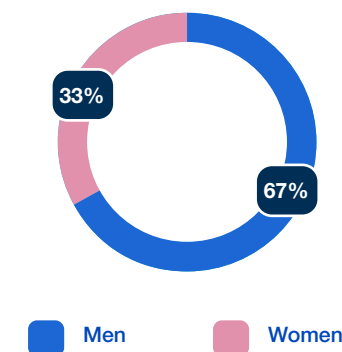


Paolo Fioravanti
Managing Director



Andrea Fioravanti
Managing Director

COMPOSITION OF THE BoD BY GENDER

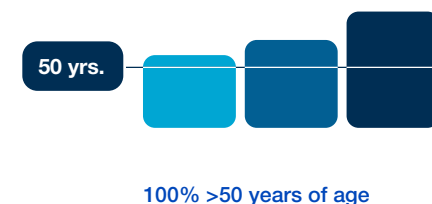


The members of the Board of Directors are appointed by the ordinary shareholders' meeting, which makes decisions based on legal majorities. They remain in office for a period of three financial years, unless dismissed or resigning, expiring on the date of the ordinary shareholders' meeting convened to approve the financial statements for the last financial year.

In accordance with the company's Articles of Association, if one or more directors are dismissed during their term of office, the Board of Statutory Auditors may approve a co-optation replacement mechanism, provided that the majority of directors appointed by the general shareholders' meeting is guaranteed. Should said majority be lost or the entire administrative body resign, the directors will be removed from office and an extraordinary general meeting will be convened to elect a new board. Until the body is reconstituted, the directors (or the Board of Statutory Auditors, should all the directors have resigned) may only perform acts of ordinary administration, ensuring the continuity of management in accordance with current legislation.

The company carries out all such activities in a way that avoids situations of actual or potential conflict of interest that could compromise the impartiality of corporate decisions. The organisation is committed to maintaining an **ethical and transparent working environment and to managing conflicts of interest effectively, in line with the best practices of corporate governance**.

COMPOSITION OF THE BoD BY AGE GROUP



— It should be noted that the Chairperson of the Organisation's main governing body is not a top executive.

The executive directors are responsible for conveying communications on critical issues to the highest governing body. They are responsible for making the board fully aware of the adequacy of the company's organisational and administrative structure, as well as its general development. During the reporting period, no issues were reported to the main governing body.

In addition to the reimbursement of expenses incurred while performing their duties, the directors may be granted a total annual allowance, including in the form of profit sharing, which shall be determined by the shareholders at the time of appointment, or through a specific shareholders' resolution adopted during an ordinary session. The general meeting may also set a total amount for the remuneration of all directors. After consulting the Board of Statutory Auditors, the Board of Directors will then be responsible for allocating this amount to each member.

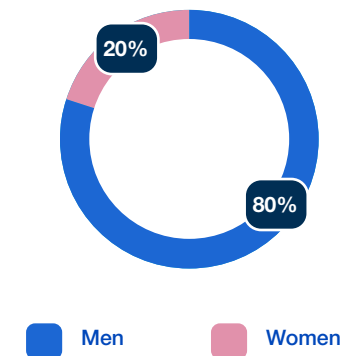
Additionally, the administrative body may be granted the right to receive a severance indemnity allowance, which may be provided through annual provisions or a dedicated insurance policy.

The current Board of Statutory Auditors was appointed in 2024 and consists of a president, two statutory auditors and two alternate auditors. All members of the Board of Auditors possess the eligibility, honour and professionalism requirements established by law.

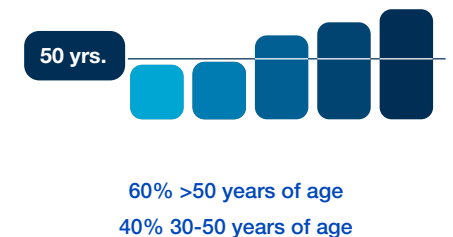
The members of the Board of Statutory Auditors, in office until the date of the Shareholders' Meeting convened to approve the Financial Statements for the year ended 31 December 2025, are listed in the following table.

Member	Position	Gender
Gianni Giglioli	President	Man
Silvia Anna Peruzzo	Auditor	Woman
Tammaro Capasso	Auditor	Man
Enrico Iannaci	Alternate Auditor	Man
Gianluca Sordato	Alternate Auditor	Man

COMPOSITION OF THE BOARD OF STATUTORY AUDITORS BY GENDER



COMPOSITION OF THE BOARD OF STATUTORY AUDITORS BY AGE GROUP



In line with the commitment made during the previous year to formally monitor ESG (Environmental, Social, Governance) issues, the Board of Directors of P.F.M. S.p.A., on 2 December 2025, **decided to set up the Sustainability Committee and approved its Regulation.**

The Committee is an internal body that advises and supports the Board of Directors. It consists of five members who formally accepted their appointments at the end of 2025. The represented functions are as follows:

- **Administration, Finance and Control**
- **Human resources**
- **Quality Assurance**
- **HSE (Health, Safety and Environment)**
- **Legal affairs**

The Committee operates with the aim of defining and updating the ESG strategy, monitoring environmental and social performance, assessing sustainability risks and opportunities, overseeing the preparation of the Group's Sustainability Report and serves as a point of reference for all Group companies.

In the performance of its duties, the body shall report periodically (at least every six months) to the Board of Directors.

The Committee became fully operational at the start of 2026.

During the first meetings of the year, the body began outlining short-, medium- and long-term objectives, coordinating the collection of data for the 2025 report, and working towards obtaining its **first EcoVadis sustainability rating in response to market demand.**



For the year 2026, the Group undertakes to:

- **Work on Group compliance:** formalise new internal policies and procedures from an integrated, group-wide perspective
- **Engage the supply chain:** work closely with suppliers to collect traceable data on their sustainability performance, and initiate a shared climate reporting journey (from an organisation and/or product perspective).
- **Strengthen the corporate culture:** draw up and enforce the Corporate Code of Ethics for the Parent Company, at least, to govern relationships with employees, suppliers, customers, contractors and administrators.

At a general level, **the entire PFM Group is committed to operating in accordance with ethical, integrity-based and responsible principles** and expects the same from all individuals within its organisation, including directors, employees and associates, as well as from its business partners.

To ensure that all company personnel and stakeholders have the opportunity to report any violations of Italian and/or European Union law in good faith, the **Parent Company has adopted a whistleblowing policy**. This policy was implemented in accordance with Italian Legislative Decree No. 24 of 10 March 2023, which came into force on 30 March 2023. The Decree transposes Directive (EU) 2019/1937 of the European Parliament and of the Council on the protection of persons who report breaches of Union law. It also introduces specific national legal provisions to protect whistleblowers.

By adopting this policy, the Company intends to **promote a corporate culture based on transparency**, legality and trust, while also clearly defining the scope, both objective and subjective, of the aforementioned Decree. Information on the internal channels established, as well as the procedures and conditions for using the external channel, are also provided in detail.

As a testament to the Group's ongoing commitment to conducting business with integrity, no reports or complaints were received **in 2025 regarding breaches of legislation or regulations, or legal proceedings relating to anti-competitive, anti-trust or monopolistic conduct**.

This confirms the group's collective commitment to operating in accordance with the rules and the principles that guide them.

The Group

Cyber-security and privacy protection

In today's increasingly digital and complex world, which is characterised by an ever-growing number of sophisticated cyber risks, the PFM Group is fully aware of the increasing threat to information security, corporate reputation, business continuity and the trust that customers, partners and employees have in the company. In order to address these challenges, the Group has adopted **a comprehensive, structured and consistent approach to data protection, based on up-to-date security standards, robust internal policies and ongoing controls.**

To ensure a high level of security, business continuity and data protection, a **Corporate IT Regulation has been established. This is handed over to all employees at the recruitment phase and aims to establish guidelines for the proper and secure use of corporate digital assets.**

It sets out users' responsibilities in managing systems and information, thereby ensuring the protection of personal and business data in compliance with applicable regulations.

The regulation encourages the responsible use of digital tools to help prevent cybersecurity risks and maintain business continuity. Additionally, it plays a vital role in safeguarding confidentiality and fostering an environment that is sustainable, accountable and integrity-driven.

The adoption of specific firewalls ensures effective protection of devices and networks against cyber threats. Furthermore, domains play a vital role in the secure management of corporate digital assets, helping to protect privacy and personal data by strictly controlling access to and communication within the network.

Each subsidiary has its own dedicated local IT infrastructure. Some centralised services, such as Intranet platforms, are provided to all Group companies by the PFM Group.

There were no customer privacy breaches reported by the Group as at 31 December 2025. Additionally, no leaks, theft or loss of customer data were identified.

During the next period, the organisation intends to deliver **training and awareness programmes to all employees to ensure that everyone understands their role in safeguarding privacy, integrity, and data confidentiality.**

The Group aims to fine-tune its internal operational skills, prevent risks related to cyber attacks or inappropriate processing, and ensure that business procedures meet **high security standards** through regular training courses, real-world examples and practical cases.

Packaging, technology, and innovation

- 22 Solutions and services
- 26 Product quality and safety

Highlights

€7,1 Million INVESTMENTS IN R&D	1300 Machines PRODUCED IN 2025
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Packaging, technology, and innovation

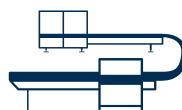
Solutions and services

The PFM Group manufactures a complete range of **horizontal flow-wrap packaging machines, vertical form-fill-seal packaging machines, multi-head weighers, and automatic packaging lines**, meeting the flexible packaging needs of the food and non-food industries. PFM packaging machines can produce **different types of pack**, offering a wide range of state-of-the-art solutions that adapt to every need and application.

RANGE OF MACHINES



Horizontal Flow Wrappers



Automated Packaging Lines



Stand up Pouch Machines



Multihead Weighers



Vertical Form Fill Seal Machines



Bakery Machinery

RANGE OF PACKS



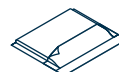
Pillow



Gusseted



Reclosable



Pocket Bag®



Block Bottom



Steele Bag



Stand-Up



3 Side Seals



Bag Sealed

SECTORS



The Group manufactures machines for various sectors of the food industry, including those producing mozzarella, pre-portioned cheese, meat, confectionery, and fruit and vegetables. The bakery and non-food product sectors, including pharmaceuticals and cosmetics, are of particular importance.

The PFM Group's **research and development activities** lie at the heart of the creative process of finding technical solutions that can transform original ideas into practical projects. As evidence of the strategic importance attributed to this function, it is the **Owners themselves who directly oversee it, giving it a central role in the company's development.**

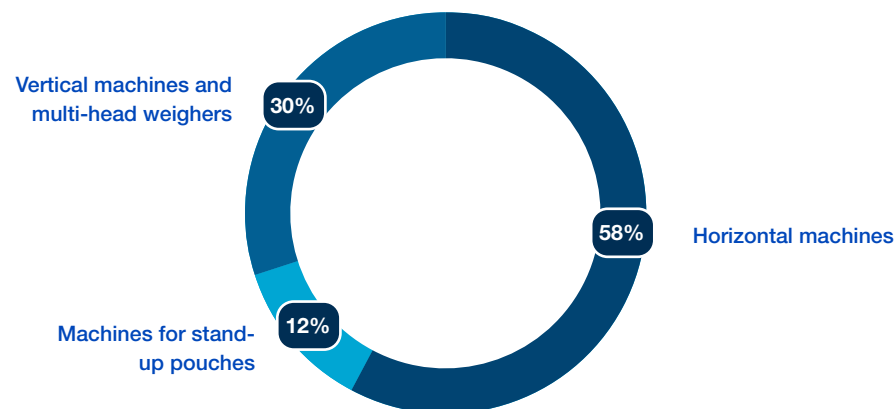
The Group's innovative approach stems from its **ongoing investment in Research and Development**, which is reflected in the daily collaborative efforts of dozens of technicians. A multidisciplinary team that shares expertise and experience with enthusiasm, as well as a sense of responsibility and common goals.

These people are aware that every new idea stems from a motivated, collaborative and creative mindset. It is precisely this drive for change that makes innovation an essential value for any forward-looking company seeking to respond to the challenges of an ever-changing market.

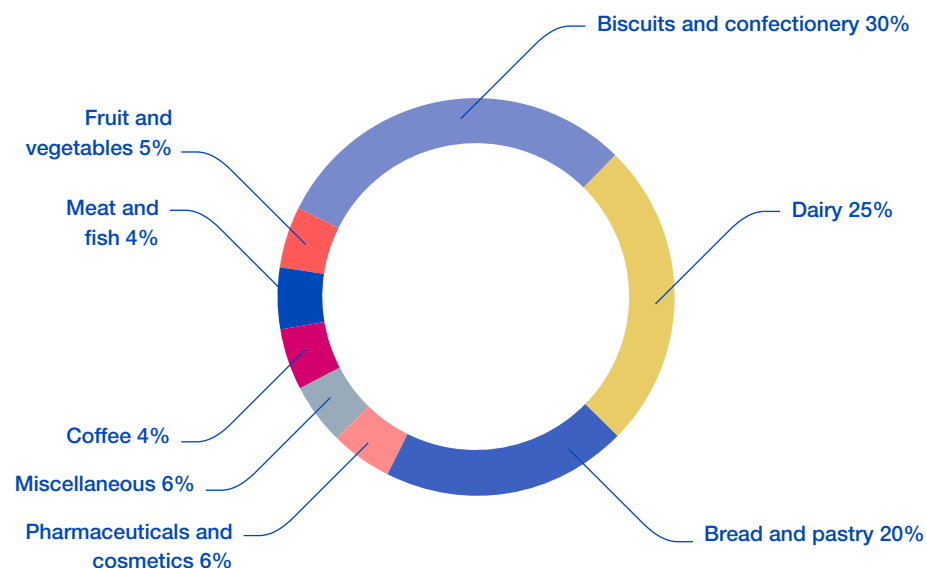
To support the digital solutions and services offered, the PFM Group provides a **highly specialised technical support system, founded on a team consisting of engineers and qualified technicians.** A reliable support system that guarantees timeliness, expertise and operational continuity throughout the entire life cycle of machines and plants.

Management-promoted **continuous training** is a central element of this service model. **Regular refresher and specialisation courses** ensure that all stakeholders keep up to date with the latest technological developments and specific customer needs.

SALES BY TYPE OF MACHINE



SALES SECTORS



◇ Research and development for the sustainability of products and processes

In line with the objectives of the industrial project completed in 2024, the Group's research and development activities have continued to **incorporate environmental and social sustainability principles into the design of new plants.**

In terms of circular economy and reduction of materials, the focus has been **on eco-design. Solutions have been developed to remove plastic from ancillary machine components and to optimise the shape of primary packaging.** The latter enables thinner, more delicate **ecological films** to be used and reduces logistics volumes.

At the same time, investments have shifted toward **energy and resource efficiency.** Systems have been developed to optimise and balance lines, reducing power consumption (through better vacuum management and the elimination of cooling tunnels where possible), **while minimising food waste.** Furthermore, the introduction of advanced **Hygienic Design** criteria has made it possible to **reduce the amount of water and chemical detergent** used in machine washing cycles.

Finally, the implementation of new safety PLCs, ergonomic vibrating channels and simplified format changeover systems with quick coupling has **enhanced operator safety and ergonomics**, reducing the risk of injury and physical effort during maintenance.



The PFM Group's technical support service consists of:

- **Customised solutions** to meet specific needs;
- **Technical consultancy specialised** in the packaging sector;
- **Distance training and support**, including through digital tools;
- **Quick shipment of spare parts** to minimise downtime.

This structured and quality-oriented organisation enables us to offer **a complete, efficient and consistent after-sales service in line with the environmental and operational sustainability objectives pursued by the Group**. With this in mind, the Group has developed an **advanced digital platform to provide customers, partners and professionals across the corporate ecosystem with closer, faster and more effective support**. The most advanced technologies are used to ensure business continuity, direct interaction, technical training, and project collaboration, even when working remotely.

PFM Bridge is among the most significant solutions introduced, enabling remote parts testing and verification via high-definition streaming links. **Operators, equipped with cameras, can show the customer the replacement parts in real time, explaining their features, correct fit and functionality**. In turn, the customer can provide instructions, observations and approvals without having to be physically present, thus ensuring accurate and immediate inspection of the spare parts before shipment or installation.

Thanks to this innovative approach, the Group has been able to meet delivery deadlines while maintaining high quality and efficiency standards and significantly reducing the environmental impact of travel. **PFM Bridge is a practical example of how digital innovation and sustainability can be combined to create value for the company and its stakeholders**.

At the same time, the increased use of remote communication tools has led to a huge rise in virtual interactions. **Business and technical meetings, as well as design and support sessions, are now held online, which reduces costs, time and environmental impact**.

A distance training and documentation platform has been integrated within the digital ecosystem of PFM Bridge to address the growing need for fast and continuous access to technical content.

The Group offers operators and technicians an advanced tool for consulting training materials related to machines and systems at any time through the TrainingApp. This covers everything from the initial installation and commissioning to maintenance activities and routine interventions. This is a continuously updated and structured digital library that simplifies learning, improves operational autonomy, and reduces the need to travel for training purposes. In addition to providing guides, videos, datasheets and procedures, the platform includes interactive features to facilitate dialogue between users and Group reference contacts, **promoting a dynamic, flexible and sustainable training approach**.



One of the most exciting moments in the manufacturing process is **sharing the packaging design with the customer**. The Packaging Development Department at the PFM Group creates **physical samples and realistic mock-ups complete with printing of the final packs**. 3D simulation technology enables customers to view the outcome of their pack design, thereby refining their choice and **reducing the time and waste associated with prototyping**.



Packaging, technology, and innovation

Product quality and safety

The PFM Group and its subsidiaries work together with the aim of ensuring maximum customer satisfaction by **supplying safe, high-quality, bespoke machinery.**

The Group's approach is based on continuous innovation and the ability to develop tailor-made solutions that effectively address the specific needs of the various industrial sectors it serves. Close collaboration with customers allows identifying end-user needs in a timely manner, **anticipating market demands, and consolidating our technological leadership in highly specialised areas.**

In the interest of transparency, the parent company has obtained ISO 9001:2015 certification for its quality management system. This certification covers every stage of the product life cycle, from research and development to sales, delivery, installation and after-sales service. A team of specialised professionals manages each phase, providing constant updates and support through advanced digital tools and software for three-dimensional design and structural analysis.

In line with the objectives defined by the Parent company, all companies in the PFM Group pay great attention to **product quality, safety and sustainability**, reflecting a shared commitment to creating value for customers and all stakeholders.

They apply strict analysis and control criteria in the **design, construction and installation phases**, with the aim of ensuring that each machine **complies with the relevant regulatory standards and meets the highest safety and quality requirements.**

The Group's objective is to continuously improve in order to maximise customer satisfaction. To achieve this, we encourage **constant collaboration with our customers, involving them in every stage of the production process**. This approach allows us to manufacture reliable, high-performance packaging machinery and production lines, generating the **added value that gives us a competitive edge in the market**.

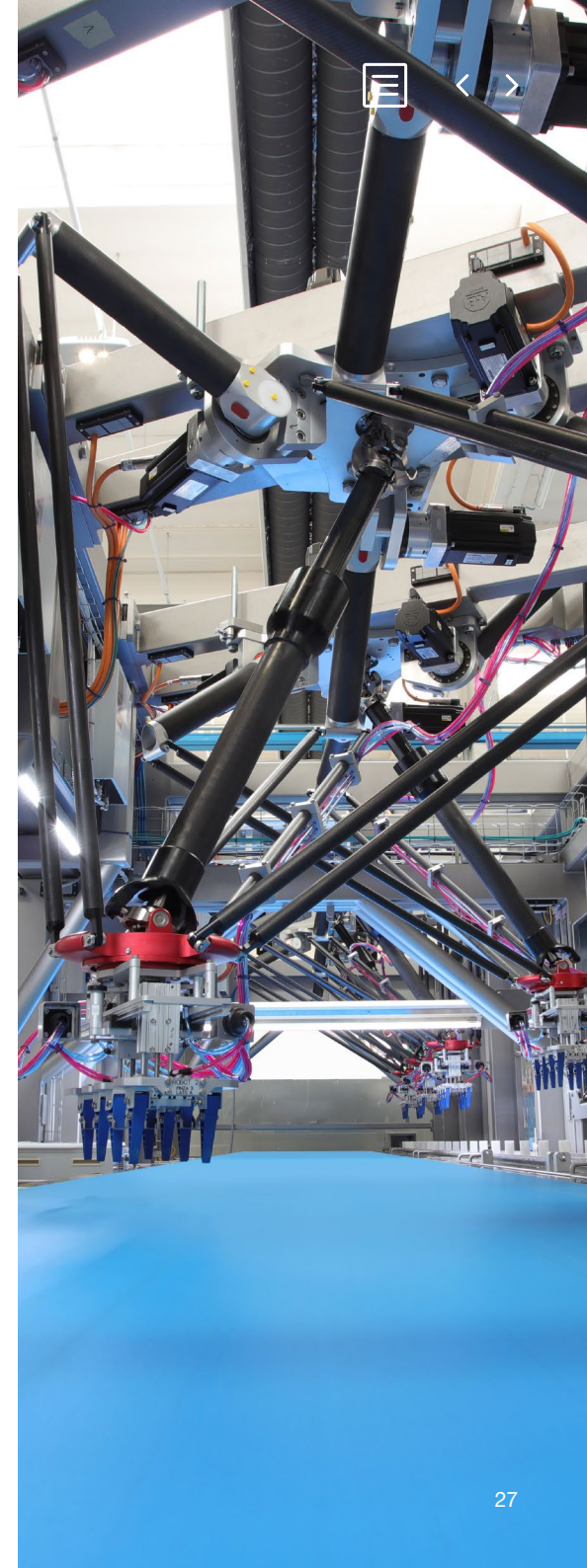
To give concrete form to this proactive approach, **515 quality control tests were carried out at the P.F.M Group's premises in 2025** (excluding Brevetti Gasparin S.r.l., PFMTECHLAB and PFM Asia Pacific, as complete information is not available for reporting purposes). Verification activities mainly took place during the testing and inspection phases of machines built to order. The parent company carried out **316 tests on machines and orders**, which were monitored via manual files. MBP conducted **159 tests in total**. PFM North America carried out **40 tests on on-site machines**, in line with the methodological approach used in 2024 (excluding the checks during installation). SPS carries out systematic verification of 100% of components during assembly. The remaining group companies (BG Pack, PFMeccanica, PFM Germany, PFM UK and PFM Asia Pacific) conduct tests and manage acceptances based on individual customer agreements or without formalised reporting processes. Therefore, they are not included in the total count.

These checks, which are carried out using dedicated check-lists, ensure the **correct configuration of the packaging system, the efficiency of packaging operations, the strength of mechanical and electronic components, and the inspection of operational safety functions**. This guarantees full compliance with the customer's technical requirements, regulatory standards, and internal procedures.

To critically monitor its processes and promote continuous improvement, the P.F.M. Group **systematically records all non-conformities that emerge during production and after-sales activities**. A total of **1,233 non-conformities** were recorded in 2025.

The overall figure is divided into three macro-categories:

- **Category 1 (Internal non-conformities):** A total of 191 cases emerged during the testing and inspection phases, requiring technical changes to machines that were being built to order.
- **Category 2 (Materials and components supplied by third parties):** 1,027 cases were found during acceptance checks.
- **Category 3 (Formally recorded customer complaints):** 15 cases subject to detailed analysis.



Activities involving the collection and classification of these reports allowed us to implement targeted corrective interventions, thereby strengthening the effectiveness of the **Quality Management System and contributing to improvements in the Group's overall performance**. Traceability and structured management of these reports are key tools for continuous process refinement and risk prevention throughout the value chain.

All machines produced by Group companies are designed and manufactured in full compliance with the relevant regulations in the countries in which they are sold. Examples include Machinery Directive 2006/42/EC in the European Union, UL 508A – Standard for Industrial Control Panels in the United States, and CSA Z432-04 – Safeguarding of Machinery in Canada.

In addition, for operating offices located in the European territory, **each product is evaluated according to the FCM criteria (Food Contact Materials)**, ensuring compliance with the safety and hygiene requirements necessary for food use, to protect the health of consumers and the reference market.

GRI 416-2 - Incidents of non-compliance regarding the health and safety impacts of products and services in 2025.

The total number of incidents of non-compliance with voluntary health and safety regulations and/or codes concerning products and services within the reporting period, broken down as follows:

Incidents of non-compliance with regulations that resulted in sanctions or penalties.	0
Incidents of non-compliance with regulations that resulted in a warning	0
Incidents of non-compliance with customers' voluntary codes / quality agreements	0

As part of the PFM Group's commitment to sustainability and social responsibility, particular attention is given to **assessing the health and safety repercussions of products and services**. This process is designed to identify areas for continuous improvement and protect operators, customers and all other stakeholders.

Specifically, the Parent company evaluates the entire portfolio of significant product and service categories (100%), **ensuring that safety systems are designed and verified in accordance with the Machinery Directive**. The tests will be carried out using dedicated check-lists to ensure the functionality and effectiveness of all the safety protections.

On the other hand, SPS Italiana Pack Systems SpA evaluates 70% of significant product and service categories, **paying particular attention to sheet metal and profile-derived parts**. In these cases, specific engineering notes have been added to the design drawings to indicate how burrs and sharp edges should be removed, helping to reduce risks and improve occupational safety.

These actions confirm the Group's proactive approach to managing health and safety aspects, which are key elements of its sustainability strategy.

With regard to Italian sites, tests are carried out using a dedicated check-list to ensure all phases of verification are controlled in a timely manner. **The safety systems are designed in accordance with the EU Machinery Safety Directive**, and the functionality of the guards is rigorously checked and recorded in the test check-list.

Sheet metal components and extrusion derivatives are given particular attention, with the technical drawings containing specific notes detailing how to remove burrs and sharp edges. This ensures that the **final product is of the highest quality and meets the strictest safety standards.**

In 2025, there were no instances of non-compliance regarding customer health and safety, which is evidence of the quality of the Group's products and services. There is also an update on the only incident of non-compliance that the parent company received in 2024, which resulted in the opening of a ministerial file following a report on a machine.

The company had taken action by providing a formal and timely response containing all the specifications and technical clarifications required. During the month of April 2026, the Ministry of Enterprises and Made in Italy (MIMIT) definitively closed the case without raising any objections or requiring further action, **thereby confirming the Group's full compliance and the correctness of its actions.**

Sustainability

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34	The materiality process
36	The double materiality assessment

Sustainability

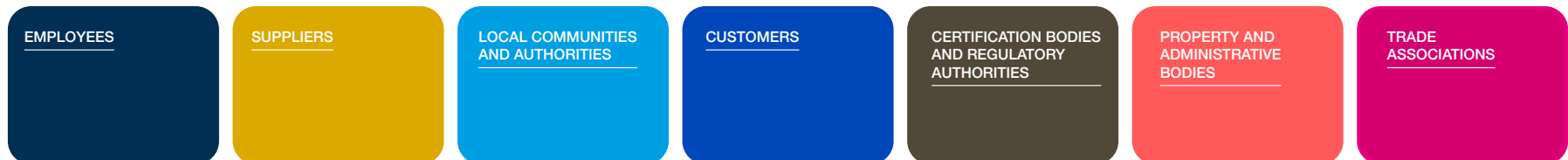
Stakeholders

The PFM Group is committed to listening closely to its stakeholders—customers, suppliers, collaborators, communities, and partners—every day. It believes that **only through open, ongoing, and constructive dialogue can solid and lasting relationships be built.**

Our goal is to generate trust and shared value by **promoting relationships based on transparency**, mutual respect and collaboration. **Understanding the needs and expectations of those who interact with the company** enables us to improve internal processes constantly and make more informed decisions that integrate organisational priorities with those of the external context.

The stakeholder categories and their priorities were identified through a benchmark analysis of the main industry comparables in the previous year (2024).

During a materiality analysis workshop, the leaders of the Parent Company's business functions mapped and ranked internal and external stakeholders according to their level of influence. This analysis was then expanded to include a larger group of employees from various business areas.



Today, this listening path has taken a major step forward through two fundamental pillars:

- The establishment of the Sustainability Committee: Following the formal establishment of the body at the end of 2025, the members of the Committee (representing Finance, Human Resources, Quality, Health & Safety, and Environment and Legal) have assumed responsibility for the supervision and direct guidance of monitoring and interaction activities with internal and external stakeholders.
- Extension of listening to suppliers: In order to integrate diverse perspectives and enhance its strategic vision, the Group has initiated a methodical campaign to engage its suppliers. Through the provision of questionnaires and discussions to map sustainability along the supply chain, external business partners confirmed the validity and relevance of the approach and themes previously identified by the Group.

This approach shows the Parent Company's dedication to understanding internal and external dynamics, and to creating a long-term, sustainable and shared path with the entire supply chain.

The stakeholders and the scope of their engagement, along with the mechanisms for their participation, are listed below:

Stakeholder	Scope	Engagement method
Employees	Enhance employee well-being, engage employees and foster a working environment open to collaboration and diversity.	• On-boarding • Internal communication (meetings, emails) • Institutional website • Corporate events. • Intranet
Suppliers	Cultivate trust-based collaborative partnerships, ensuring reliable and quality supplies, and support the adoption of responsible and sustainable practices.	• On-site audits • Interaction with the Quality office • Signing of questionnaires and/or documents
Local communities and authorities	Actively contribute to the well-being of local communities by promoting constructive relations with the institutions and supporting projects and initiatives of social and environmental value.	• Support for social initiatives • Local presence • Meetings with institutions
Customers	Strengthen customer satisfaction by continuously improving quality and consolidating positive, lasting, and constructive relationships.	• Institutional website • Participation in trade fairs • Corporate events.

Stakeholder	Scope	Engagement method
Certification bodies and regulatory authorities	Ensure compliance with regulations and industry standards; collaborate with the certification bodies to obtain and maintain the required certifications, and actively participate in validation processes.	• Participation in audits • Updates on regulations
Property and administrative bodies	The PFM Group is committed to effective and transparent governance, ensuring full compliance with current regulations and internal policies. Moreover, it supervises and provides ongoing support for the management and control of company activities, promoting responsibility and compliance in any operational context.	• Board of Directors • Regular reports and updates on business activities • Audits to assess the efficacy of company processes and conformity with the regulations
Trade associations	Represent the company's interests in its reference sector, taking part in initiatives and debates that aim to guide the definition of sector-specific standards, regulations and policies.	• Participation in events, seminars and meetings organised by the trade-associations to discuss topics of interest to the sector • Collaborate with technical committees or working groups to influence the setting of sector-specific standards and regulations • Contribute to studies and research carried out by the association to share knowledge and best practices.

Sustainability

The materiality process

In 2024, the company implemented an initial structured double materiality assessment process in accordance with the requirements of the Corporate Sustainability Reporting Directive (CSRD), to identify the sustainability aspects most relevant to the Parent company and define the contents of the Sustainability report in line with the company's strategy.

A central element of this process was the materiality analysis. For this purpose, the parent company, PFM, identified and evaluated all material information relating to sustainability-related impacts, risks, and opportunities. The outcome was a prioritised list of material topics that fully complied with the new reporting standard requirements.

In this first phase, the process initially involved four key managers, followed by a larger group of employees from various business areas to ensure a more comprehensive analysis.

In defining the materiality process and impact analysis, the parent company, PFM, was inspired by the GRI standards' principles, which include a materiality analysis as a key requirement for identifying priority topics. The company also referred to EFRAG's Implementation Guidance on the ESRS, particularly IG 1 (Materiality Assessment), to ensure a transparent, structured, and coherent approach to identifying and evaluating material topics.

This integrated approach has aligned the expectations of internal and external stakeholders with the Group's strategic priorities, ensuring that the selected themes reflect the company's financial value, as well as its social, environmental and economic impacts.

A top-down approach was adopted, taking into account the impacts, risks and opportunities identified at PFM that are relevant to all companies in the Group.

Here are the four steps in the process:

STEP 1 UNDERSTANDING THE SUSTAINABILITY CONTEXT AND IDENTIFYING ESG ISSUES

The Parent company's double materiality was assessed by starting with an initial phase to understand the context in which it operates. At the same time, a preliminary benchmark analysis of the main sustainability impacts and risks was carried out on a peer panel through a desk analysis of available documents and an analysis of the main sustainability publications in the reference sector that focused on trends.

STEP 2 IDENTIFICATION OF IMPACTS, RISKS AND OPPORTUNITIES (IROs)

At this stage, it was possible to identify an initial list of applicable IROs. In most cases, these impacts were associated with the corresponding risks and/or opportunities. When identifying and assessing these impacts, risks and opportunities, the Parent company considered the entire reporting perimeter.

STEP 3 EVALUATION OF IROS, IMPACT MATERIALITY AND FINANCIAL MATERIALITY

Firstly, a workshop was held with the four managers of the Parent company, PFM, followed by a survey of a group of selected internal stakeholders (employees). In 2025, the evaluation was extended to strategic suppliers. The activities resulted in multiple assessments. Specifically, the identified IROs were assessed to determine their level of materiality based on:

Impact materiality

Once the list of potential impacts had been identified, each one was assessed against the three relevant criteria: scale, distribution and probability (the latter of which was only applicable to potential impacts). Weightings were applied to the results of the first and second groups of voters (employees) to balance them, taking the evaluation processes into account. In 2025, the evaluation panel was expanded to include not only the four managers and employees, but also a strategic selection of Group suppliers.

Financial materiality

Following the impact assessment, the risk and opportunity assessment process involved the Administration, Finance and Control (AFC) department. At this stage, a further severity and probability assessment was carried out. In line with standard reporting, all risks and opportunities were assessed in terms of their potential impact on the company's development, financial position, economic performance, financial flows, access to financing or cost of capital.

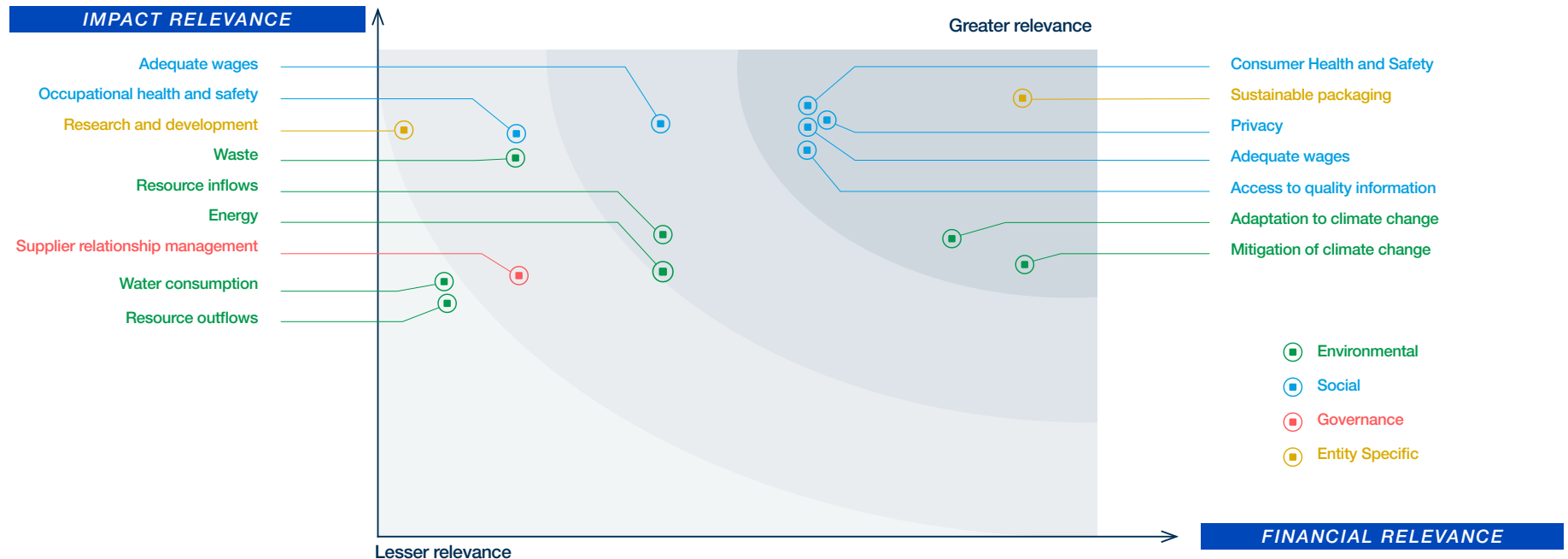
STEP 4 RESULTS OF THE DOUBLE MATERIALITY ASSESSMENT AND PRIORITISATION OF IDENTIFIED IMPACTS

The identified IROs have been categorised and broken down into themes. The results of the assessment are presented in a matrix. Financial materiality is represented on the vertical axis and impact materiality values are indicated on the horizontal axis. The findings and feedback obtained from suppliers confirmed the importance and correctness of the mapping of the previously defined themes.

Sustainability

The double materiality assessment

The double materiality assessment, overseen by the Sustainability Committee and endorsed by the extension of the listening process to the supply chain, integrates the list of sub-topics stipulated by the ESRS standards with the particulars of the packaging machinery industry. The results confirm the positioning and importance of the core themes described in the following sections of this report. The matrix is presented below as the output of the assessment.



— *The measured value of the “Outflows and water consumption” theme was below the expected threshold of significance. Therefore, it was not considered to be of material relevance for reporting purposes
 *The “Adequate wages” theme appears twice in the graph because they were found to be both a risk and an opportunity for the identified impact.

Contribution to the Sustainable Development Goals (SDGs)

In line with the results of the double materiality assessment presented in the previous section, the PFM Group has mapped its material topics against the **17 Sustainable Development Goals (SDGs) defined by the United Nations 2030 Agenda**, identifying the Goals to which its activities make the most direct contribution. The mapping below includes only the topics that emerged as material from the process described in the section “The double materiality assessment.”

Material topic	Related SDGs	Link to the Group's activities	Report ref.
Climate change mitigation	13 CLIMATE ACTION 	Reduction of Scope 1/2 emissions, energy efficiency improvements at the plants.	p. 41-42
Climate change adaptation	13 CLIMATE ACTION 	Infrastructure measures aimed at resilience (new plant, photovoltaic system).	p. 10; 41-42
Energy	7 AFFORDABLE AND CLEAN ENERGY 	Photovoltaic self-generation, improved energy efficiency at the plants.	pp. 41-42
Waste	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	Eco-design, scrap reduction, increased share of waste sent for recovery.	pp. 43-44
Resource inflows	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	Monitoring and responsible management of material inflows at production sites.	p. 44

Material topic	Related SDGs	Link to the Group's activities	Report ref.
Health and safety of workers	3 GOOD HEALTH AND WELL-BEING  8 DECENT WORK AND ECONOMIC GROWTH 	HSE management system, training, accident prevention.	pp. 63-66
Adequate wages	1 NO POVERTY  8 DECENT WORK AND ECONOMIC GROWTH  10 REDUCED INEQUALITIES 	Sector-specific national collective bargaining agreement (CCNL), fair contractual conditions, corporate welfare.	p. 49; 57-59
Research and development	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	R&D investments aimed at process efficiency and reduction of environmental impact.	p. 21; 24-25
Sustainable packaging	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE  12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	Eco-design of packaging, plastic reduction, thinner eco-friendly films.	pp. 24-25
Consumer health and safety	3 GOOD HEALTH AND WELL-BEING  12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	Compliance with the Machinery Directive, MOCA (food contact materials) criteria, safety testing.	pp. 26-29
Management of supplier relationships	8 DECENT WORK AND ECONOMIC GROWTH  17 PARTNERSHIPS FOR THE GOALS 	Supplier qualification and audits, promotion of a responsible and local supply chain.	pp. 67-71
Access to quality information	16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	Transparent disclosure to stakeholders, sustainability reporting.	pp. 19-20; 31-33
Privacy	16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	Whistleblowing policy, privacy protection and cyber-security.	p. 19-20

Additional topics reported on a voluntary basis

The following two topics are reported on a voluntary basis, in the interest of transparency and careful management, with the related SDG linkage shown for completeness. The topic “Water resource management” did not exceed the materiality threshold set by the double materiality assessment and is therefore not considered material for the purposes of this Report. The topic “Employee management / Diversity, equity and inclusion,” by contrast, is not a separate topic resulting from the double materiality assessment, but rather a voluntary in-depth analysis of the material topic “Adequate wages,” presented here with a specific focus on gender and inclusion.

Material topic	Related SDGs	Link to the Group's activities	Report ref.
Water resource management		Monitoring of water withdrawals, responsible management of discharges. The topic did not exceed the materiality threshold set by the double materiality assessment, but is nonetheless reported in the interest of careful resource management.	pp. 45-46
Employee management Diversity, equity and inclusion		DE&I policies, training, family leave, employment of protected categories. In-depth analysis of the material topic “Adequate wages,” presented here with a specific focus on gender and inclusion.	pp. 53-59

Legend of the Sustainable Development Goals referenced

	SDG 1 Poverty eradication		SDG 3 Health and population		SDG 5 Gender equality		SDG 6 Water and Sanitation
	SDG 7 Access to affordable and sustainable energy		SDG 8 Employment, decent work and social protection		SDG 9 Sustainable industrialization and foster innovation		SDG 10 Reduce inequality
	SDG 12 Sustainable consumption		SDG 13 Combat climate change		SDG 16 Peaceful and inclusive societies		SDG 17 Partnership for sustainable development

Environment

41	Energy management
43	Waste management
45	Water management

Highlights

19.378,09
ENERGY

CONSUMPTION MEASURED
IN GIGAJOULES

317,4
TONS CO₂e

EMITTED FOR SCOPE 2
(LOCATION BASED)

350
TONS

OF WASTE GENERATED

Environment

Energy management

For the Group, caring for the environment means designing efficient and responsible solutions. The company focuses on the **energy efficiency of its machines, with the aim of reducing consumption, limiting waste and minimising environmental impact**. This is achieved without ever compromising on product quality, which remains a core company value.

The main energy-intensive systems and machinery used in the Group's facilities are those used for production and testing activities, as well as the heating and cooling systems (such as heat pumps, air conditioning and ventilation systems), lighting and technological office equipment.

Consumption of natural gas, heating oil and LPG is particularly linked to heating systems, which are mainly used for space heating and producing domestic hot water. The company fleet includes passenger cars assigned to employees as benefits and under medium/long-term leases, as well as shared company cars.

The total energy consumption amounts to 19,378,09 GJ. Of this, around 38% is consumed by the Parent company, while the remaining consumption is divided between the other Italian companies in the Group (29%) and the companies in the rest of the world (33%).

Renewable electricity, generated by the photovoltaic systems installed at SPS Italian Pack Systems and PFM Germany was used for self-consumption and sold to the grid, thereby reducing the need for energy from conventional sources. **In 2025, the two companies' combined solar energy production reached 1.037,38 GJ**, making a tangible contribution to decarbonising their activities.

For the purposes of climate reporting, **the Group has adopted the emission classification set out in the GHG Protocol**. Scope 1 emissions, in particular, include all direct emissions from sources owned or controlled by group companies. These include emissions from the use of fuels in production processes and company vehicles.

The total Scope 1 emissions in 2025 amounted to 839,28 tonnes of CO₂ from the fuels used (Natural gas, Diesel, Petrol and LPG). Scope 2 emissions, on the other hand, include indirect emissions associated with the production of electricity and heat purchased and consumed by the organisation.

Although these emissions are generated at external plants, they are attributed to the company since it is responsible for their use. Scope 2 reporting takes into account both the location-based approach (based on the national average energy mix) and the market-based approach (based on supply contracts from renewable sources). Using the first method, **their Scope 2 emissions amount to 317,42 tonnes of CO₂, whereas using the second method, they amount to 507,71 tonnes of CO₂.**

Scope 3 emissions include all other indirect emissions along the value chain. These include emissions related to the production and transportation of raw materials, the use of sold products, and waste generation.

Scope 3 emissions represent a significant proportion of an organisation's overall climate impact. This Report does not include Scope 3 emissions, which will be calculated for future reporting cycles.

GRI 302-1 Energy consumption within the organisation

	2025	2024
Natural gas	7.627,04	8.043,16
LPG	7,24	7,24
Petrol	131,90	235,58
Diesel fuel for company cars (both as an employee benefit under medium/long-term leasing and as pool vehicles for business use)	6.470,25	3.721,06
Total fuel consumption from non-renewable sources within the organisation	14.236,44	12.007,04
Total fuel consumption from renewable sources within the organisation.	-	-
Electricity purchased	4.603,22	4.617,85
Electricity generated	1.037,38	988,63
of which sold	498,95	495,98
Of which consumed internally	538,43	492,65
Total amount of energy that is used inside the organisation	19.378,09	17.117,54
Of which renewable	538,43	492,65
Of which non-renewable	18.839,66	16.624,89

The total number of litres of diesel used by Brevetti Gasparin was estimated taking into account the average cost of diesel and the number of kilometres travelled. The conversion factors used are instead based on the Gross CV value of Defra 2025

GRI 305-1 Direct (Scope 1) greenhouse gas emissions from energy consumption

Scope 1

	Unit of measurement	2025	2024
Natural gas	tonCO ₂ e	392,02	408,99
Diesel	tonCO ₂ e	438,77	252,34
Petrol	tonCO ₂ e	8,05	14,37
LPG	tonCO ₂ e	0,43	0,43
Total direct emissions	tonCO₂e	839,28	676,13

The total number of litres of diesel used by Brevetti Gasparin was estimated taking into account the average cost of diesel and the number of kilometres travelled. See Defra 2025 for the emission factors.

GRI 305-2 Indirect (Scope 2) greenhouse gas emissions from energy consumption

Scope 2

	Unit of measurement	2025	2024
Location Based	tonCO ₂ e	317,42	419,85
Market Based	tonCO ₂ e	507,71	547,88

The emissions reported in the table were calculated using the market-based method with the European Residual 2025 emission factors and the location-based method with the Terna factors (International Comparisons, 2024).

Environment

Waste management

In the context of its production activities, the Group takes a responsible approach to resource use, **committing to the efficient management of raw materials, semi-finished products, processing materials and packaging materials, with the aim of reducing waste as much as possible.** This commitment is reflected in the careful selection of raw materials and the optimisation of internal processes. Waste management is considered an integral part of the operational strategy since reducing waste is **closely linked to the efficiency of the production system as a whole.**

Waste is classified according to current regulations, with particular attention paid to its potential for recycling. The main types of waste generated include **mixed packaging materials** (plastic, cardboard and wood), **and metal residues such as filings, chips and iron, aluminium, bronze and brass scrap at mechanical processing sites.**

The solid waste resulting from testing automatic machines should also be considered, albeit to a lesser extent. These tests are performed using packaging materials and products supplied by the customer. These may include pharmaceuticals, cosmetics, food, and consumer goods such as tea, coffee, stock, nuts, and cheeses. **These tests generate residues that are managed in accordance with current regulations, paying close attention to traceability and proper disposal.**

The liquid waste produced by the Group's various companies derives exclusively from machining activities. It mainly comprises used oils, emulsions and solvents used in production, as well as condensation water from compressors. In addition, there are aqueous waste solutions that originate mainly from automatic machine washing operations.

In terms of quantitative data, the P.F.M. Group generated a total of 350 tons of waste from its direct operations in 2025, which represents a slight increase compared to 328.4 tons in 2024. 95.7% of the waste generated was sent for recycling (an improvement from 92.7% in 2024), while waste destined for disposal dropped from 24.0 to 15.1 tons (-37%).

Concurrently, hazardous waste decreased from 4.4 tons to 3.6 tons (-18%), indicating a steady decline in the utilisation of emulsions and solvents in manufacturing processes.

Almost all waste is managed entirely outside the Group's sites, through authorised operators, in compliance with local regulations. It should be noted that PFM Germany and PFM North America are not included in the waste reporting scope as no homogeneous and comparable data have been made available for the purposes of this reporting.

◊ Monitoring of incoming resources

As part of its commitment to responsible resource management, **the Group has conducted an analysis of incoming resource flows**, focusing on production processes where material usage plays a significant role.

Group companies in the commercial sector were excluded from this analysis as they are not directly involved in processing or using raw materials.

Production companies, on the other hand, are characterised by their predominant use of **mechanical components and raw materials, which are used to modify existing machines or sold as spare parts**. Interestingly, many of these materials have a dual function: they can be considered either raw materials when integrated into machinery, or finished products if they are sold directly to customers.

It should be noted that **all necessary packaging material reels are supplied directly by the customer**, thus excluding them from the company's incoming resource flows.

Environment

Water management

In the current global context, the PFM Group is committed to preserving water as a precious and limited resource. From this perspective, the Organisation is committed to transparently monitoring and communicating its interactions with water resources, including supply methods and the direct environmental impact of its business activities. Although water resource management was not identified as a material topic in the double materiality assessment, the Group has also decided to report on this aspect in recognition of its careful management.

In 2025, the Group's total water consumption was 7,822.72 m³ (7.82 Megalitres), representing a decrease from 8,811.93 m³ (8.81 Megalitres) in 2024. The Group companies' facilities primarily utilise water for civil, domestic and sanitary purposes (such as toilet use, drinking water supply and meal preparation in canteens). To a minor extent and on occasion, water is used in the production or logistics processes of specific sites. Any aqueous solutions resulting from manufacturing activities that may contain chemicals or organic residues are isolated and suitably treated as waste. These are then handled by designated disposal companies.

GRI 303-3 Water withdrawal per source

		All areas	
	UoM	2025	2024
Water from third parties	Megalitres	7,82	8,81
Drinking water	Megalitres	7,82	8,81
Water from third parties by source of withdrawal	Megalitres	7,82	8,81
Surface water	Megalitres	7,82	8,81
Total water withdrawal	Megalitres	7,82	8,81

Using the World Resources Institute's **Aqueduct Water Risk Atlas tool**, the Group was able to assess the level of water stress in the territories in which it operates. This allowed them to identify areas exposed to water stress and potentially the most vulnerable sites.

The analysis carried out is detailed below.

	Production site	Stress level	Catchment
P.F.M. S.P.A.	Torrebelvicino, Vicenza		Brenta
S.P.S. Italiana Pack Systems S.p.A.	Bogogno, Novara		Po
M.B.P. S.r.l.	Castiglione delle Stiviere, Mantova		Adda/Lake Como
BG - Pack S.r.l.	Treviolo, Bergamo		Oglio
Brevetti Gasparin S.r.l.	Marano Vicentino, Vicenza		Brenta
PFMeccanica S.r.l.	Santorso, Vicenza		Brenta
PFM Packaging Machinery Corporation	New Market, Ontario (Canada)		Severn /Lake Simcoe
PFM Asia Pacific Co Ltd	Bangsaothong, Samutprakarn (Thailand)		Chao Phraya
PFM Verpackungsmaschinen GmbH	Hollenstedt (Germany)		Elbe
PFM Packaging Machinery LTD	Pilgrim Way, Stanningley, United Kingdom		Aire

WATER-STRESS LEVEL



Each company in the Group is committed to the responsible management of water resources. They continuously monitor their activities and strive to improve their performance in terms of water discharge, all the while meeting the highest environmental standards. The quality of the effluent is assessed in accordance with the latest regulations. This assessment considers physical, chemical, biological and organoleptic parameters, as well as sector- and territory-specific requirements.

With regard to water discharges, the Group's activities generate almost exclusively civil and sanitary wastewater.

The people

- 48 Employee management
- 63 Occupational healthy and safety

Highlights



The people

Employee management

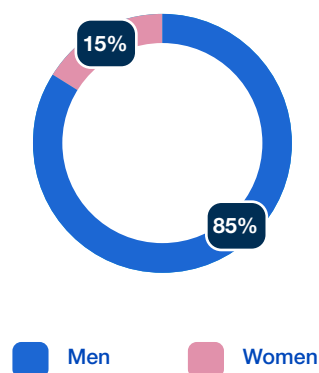
The Group's success in global markets is driven by the synergy of its people's expertise, innovation and commitment. Thanks to its ability to provide high-quality, value-added solutions, the Group is recognised as a trusted partner by its customers. **With over 600 employees** distributed across different geographical areas, **the company is a dynamic, productive and socially responsible ecosystem based on shared values and a sustainable vision of growth.**

People represent the Group's main intangible and strategic asset. They are the custodians of the technical skills, knowledge and values that characterise its identity. The Group's approach is to solve complex problems by providing customised solutions, as evidenced by the low repetition rate of projects. This applies throughout the process, from the formulation of the offer and sale to design, production and after-sales service. For this reason, **the Group is committed to developing its human capital by offering training and professional development courses** designed to enhance hard and soft skills.

Workforce data is represented by headcount and reflects the number of employees at the end of the reporting period. The UK has been included in the Europe macro-area.

In 2025, the majority of the workforce was based in Italy **(79.3%)**, with the remainder split between the rest of **Europe (9.3%)**, **North America (9.3%)**, and **Asia (2.1%)**.

% EMPLOYEES BY GENDER

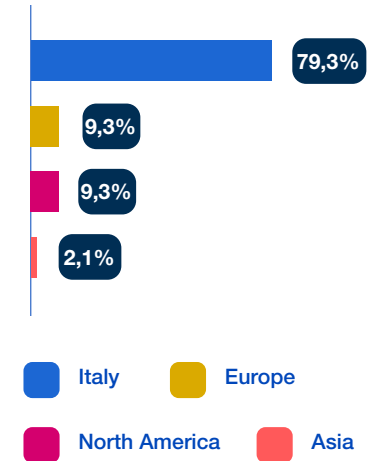


GRI 2-7 Employees

Employees by gender and geographical area

	Uomini		Donne	
	2025	2024	2025	2024
Italy	458	438	73	72
Europe	52	49	10	12
North America	48	47	14	14
Asia	10	9	4	4
Total	568	543	101	102

% EMPLOYEES BY GEOGRAPHICAL AREA



The PFM Group's dedication to fostering stable and long-term employment relationships is evident in its hiring practices. **In 2025, 98,7% of employees were hired on permanent contracts.**

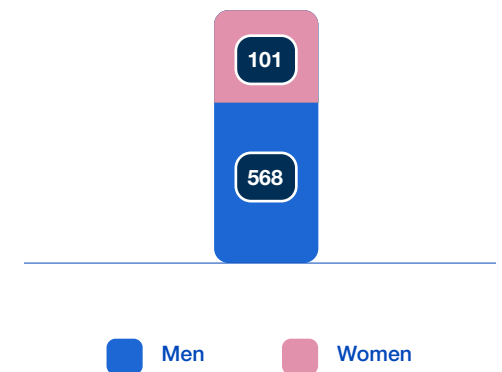
This data highlights the company's dedication **to providing job security and job continuity**, which are vital for cultivating a reliable work environment and facilitating the sustainable growth of its employees.

At PFM Packaging Machinery UK, 30 employees are on permanent contracts without guaranteed working hours, in line with current UK legislation on zero-hour contracts.

Compared with 2024, the Group's total workforce increased from 645 to 669 employees, and the proportion of permanent contracts remained high.

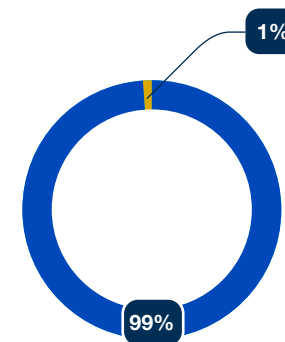
Currently, 40 employees work on part-time contracts. The Group is sensitive to the need to balance work and private life, and we aim **to meet the demands of flexibility** while also considering organisational needs.

NUMBER OF EMPLOYEES BY GENDER



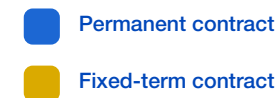
GRI 2-7 Employees		
Employees by contract and gender		
	2025	2024
Permanent contract	660	640
Of which men	562	538
Of which women	98	100
Fixed-term contract	9	5
Of which men	6	5
Of which women	3	-
Total	669	645

% BY TYPE OF CONTRACT



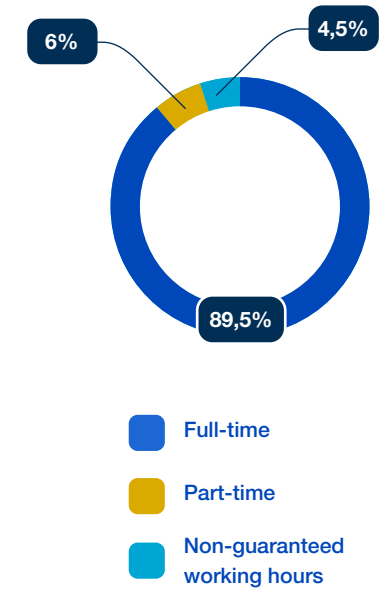
GRI 2-7 Characteristics of employees				
Employees by contract and geographical area				
	Permanent contract		Fixed-term contract	
	2025	2024	2025	2024
Italy	523	505	8	5
Europe	62	61	-	-
North America	62	61	-	-
Asia	13	13	1	-
Total	660	640	9	5

NUMBER OF EMPLOYEES
BY TYPE OF CONTRACT



GRI 2-7 Employees		
Employees by working hours and gender		
	2025	2024
Non-guaranteed working hours	30	31
Of which men	23	24
Of which women	7	7
Full-time	599	574
Of which men	534	505
Of which women	65	69
Part-time	40	40
Of which men	11	14
Of which women	29	26
Total	669	645

% OF EMPLOYEES
BY WORKING HOURS



GRI 2-7 Employees						
Employees by working hours and geographical area						
	Non-guaranteed working hours		Full-time		Part-time	
	2025	2024	2025	2024	2025	2024
Italy	-	-	494	474	37	36
Europe	30	31	30	30	2	-
North America	-	-	62	58	-	3
Asia	-	-	13	12	1	1
Total	30	31	599	574	40	40

— The phrase “non-guaranteed working hours” refers to PFM Packaging Machinery UK.

For years, the Parent company has cultivated a strong relationship with the local community by offering students from the **Istituto Tecnico Industriale Statale Silvio De Pretto secondary school in Schio, Italy, as well as students from the universities of Padua, Vicenza and Venice**, hands-on training experiences in the **workshop and technical department** as part of their school and university programmes.

Every year, the project involves at least four young people, with the aim of providing career guidance and developing useful technical skills. **In 2025 two students took their first steps into the corporate working environment** when they were hired by the Internal Technical Department, which confirms the real value and opportunities that this initiative generates.

This vision has always been at the heart of the Group, fostering an environment of collaboration and knowledge-sharing that enhances people's value. It promotes an environment in which **each individual can fulfil their potential and feel like an active part of the company's growth journey.**

The Group adopts a responsible and attentive approach to human resource management, **promoting policies and practices that safeguard the fundamental rights of its employees.**

This commitment is made in full compliance with the local regulations of the countries in which the company operates, and in accordance with the applicable contractual conditions. This includes remuneration and benefits **such as parental leave, annual leave and so on.**

Where required by law, the Group guarantees its employees the minimum wage set out in the relevant regulations. This principle finds application in Italy within the framework of the relevant national collective labour agreement.

In addition, some Group companies offer their employees better-than-average contractual conditions, **including health insurance, pension contributions and travel allowances.**

In Italy, the organisation adheres to the **National collective Labour Agreement (CCNL) of the Metalworking Industry sector**, guaranteeing contractual conditions that comply with national standards for the protection of labour rights and working conditions.

79% of Group employees are covered by collective bargaining agreements, which ensure fair working conditions that comply with industry regulations. This commitment demonstrates the Group's dedication **to safeguarding the well-being and rights of its employees and maintaining the highest standards in the workplace.**

The PFM Group ensures full compliance with local employment regulations in all its foreign offices, ensuring fair contractual conditions and adequate safeguards for all its employees:

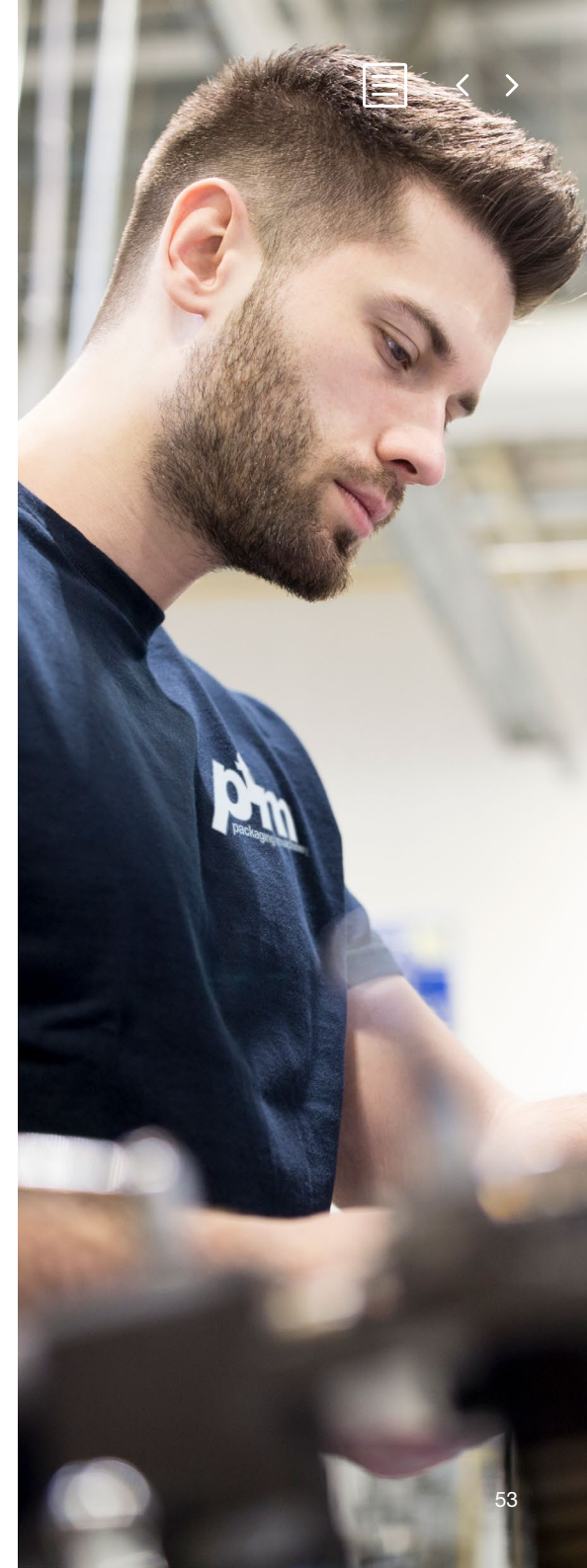
- **In Thailand, PFM Asia Pacific Co., Ltd.** enforces the Labour Protection Act (LPA), **providing regular contracts, reasonable working hours, a guaranteed minimum wage and protection against unfair dismissal;**
- **In Canada, PFM Packaging Machinery Corporation,** a subsidiary located in Newmarket, Ontario, operates in accordance with the Employment Standards Act (ESA, 2000). **This ensures that employees receive adequate hourly pay, have a limit on the number of hours they can work each week, have access to rest periods, and can take statutory leave;**
- **In Germany, PFM Verpackungsmaschinen GmbH** complies fully with the German labour law framework. This includes **respecting written contracts, observing maximum daily working hours, providing paid leave and ensuring that the national minimum wage is met,** as well as promoting internal employee representation;
- **PFM Packaging Machinery Ltd,** based in Leeds, operates under the UK's Working Time Regulations and national safeguards system. **This ensures that its employees have contractual transparency,** compliant wages, and a safe and inclusive working environment. In all these organisations, the company's commitment is to promote decent, stable working conditions that comply with the highest international standards.

The right to freedom of association in trade unions is guaranteed in all of the Group's Italian offices. This recognises the fundamental value of individual rights, as set out in the main international conventions and national regulations.

This approach demonstrates the Organisation's commitment to **promoting an inclusive working environment** in which employees can freely express their views and protect their interests by joining recognised trade unions.

The right of employees in all international units of the Group to form, join or be represented by trade unions is guaranteed, in accordance with local regulations.

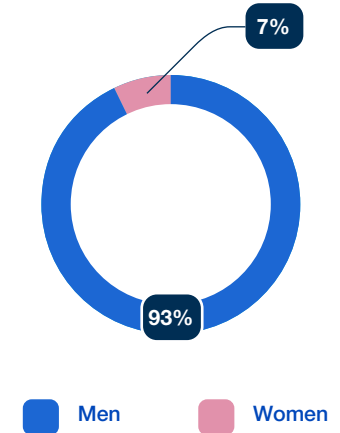
Although the presence of trade union representatives within individual operating entities is not mandatory, **these entities ensure respect for freedom of association.** They also undertake to create an open framework for dialogue, encouraging industrial relations characterised by transparency, mutual respect, and the protection of workers' rights.



For the PFM Group, employee training is a key strategic element for the success and growth of the entire organisation. Investing in training provides people with the technical skills and knowledge they need to meet the challenges of an ever-changing sector. It also raises their awareness of their role and improves their effectiveness. At the same time, training is an important sign of consideration for employees, helping to boost their **satisfaction and thus becoming a vital tool for attracting and retaining talent.**

GRI 404-1 Average hours of training per year per employee		
Average hours of training provided by category		
	2025	2024
Executives	8,89	8,89
Of which men	10,0	8,89
Of which women	-	-
Managers	23,51	54,39
Of which men	23,06	27,72
Of which women	26,67	26,67
Office workers	10,81	17,94
Of which men	11,43	8,72
Of which women	9,12	9,22
Blue-collar workers	20,15	27,91
Of which men	20,54	27,91
Of which women	-	-
Trainees	2.537	1196,5
Of which men	2.537	1196,5
Of which women	-	-
Total	19,35	21,07

**% OF TRAINING HOURS
BY GENDER**



— In 2025, BG Pack and PFM Germany were not included in the count as no training programmes were implemented during the year.

The Group promotes the development of technical, professional and transversal skills through a wide range of training activities accessible to all employees, regardless of their role. The aim is to foster a culture of continuous learning, **constant improvement and openness to change**.

Training is a strategic pillar of skills development policies within the Parent company, **and access to external financing instruments is also promoted, particularly through the inter-professional funds provided by Confindustria**.

Such funding can be used to design and deliver high-quality, personalised and structured training programmes for different professional categories. These programmes aim to upgrade and enhance employees' technical, transversal and managerial skills, while supporting the organisation's long-term innovation and competitiveness.

In 2025, the P.F.M. Group implemented training programmes and initiatives involving employees for a total of over 11,899 hours. Although the training programme's total hours decreased from over 13,590 hours in 2024, all professional categories remained involved, with a particularly significant contribution from workers' and apprentices' categories.

Training is not only seen as a means of increasing productivity, but also as a way of **making employees feel more engaged with and invested in business processes**. The goal is to create an environment in **which each individual can fully express their potential** and feel valued for their unique skills and characteristics.

More specifically, in 2025, training activities focused on developing language, digital and managerial skills, including through investments supported by the Fondo Impresa in the fields of languages, artificial intelligence and managerial skills. With regard to language training, the Parent Company administered a German course and multiple English courses, including individual, semi-individual and group sessions, engaging numerous employees. Each course was 30 hours long, and the Parent Company intends to adopt this same format in 2026.

Furthermore, the Group provides a psychological counselling and support service to promote the well-being and mental health of its staff.

In preparation for 2026, three training courses have already been scheduled, with plans to extend them to the other Group companies. These courses will be delivered either at the Parent Company or at the offices of the attendees. The programme includes a Masterclass on Artificial Intelligence applications in the company (in collaboration with CUOA), a course on the new 2023/1230 Machinery Directive and its compliance obligations (in collaboration with SBS – Scuola Beni Strumentali), and a course on Pneumatic System Design (in collaboration with Festo).

For the PFM Group, diversity, equity and inclusion (DE&I) are key elements in building a healthy, innovative and future-oriented working environment. The objective of company is to create a working environment in which everyone feels welcomed, respected and valued, **regardless of their personal, cultural or professional characteristics**. Fostering diversity means **creating an environment rich in perspectives that stimulates creativity, constructive dialogue and innovation** – all of which are key to the organisation's sustainable growth.

In 2025, 67 people joined the company (59 men and 8 women), while 49 people (36 men and 13 women) left. In 2025, most new employees were in the **30–50 age group**, followed by those under 30. There were fewer hires in the over-50 age group.

In 2025, the overall recruitment rate was approximately 10.0% of the total workforce at the end of the year, with the male component slightly higher (10.4%) than the female component (7.9%).

GRI 401-1 New employee hires and employee turnover

Recruitment

Italy				Europe				North America				Asia				Total					
2025		2024		2025		2024		2025		2024		2025		2024		2025		2024			
By gender																					
Man	44	9,6%	43	9,8%	7	13,5%	10	20,4%	6	12,5%	10	21,3%	2	20%	1	11,1%	59	10,4%	64	11,8%	
Woman	5	6,8%	6	8,3%	-	-	1	8,3%	2	14,3%	4	28,6%	1	25%	1	25%	8	7,9%	12	11,8%	
By age																					
< 30	19	23,8%	16	17,78%	4	57,1%	3	41,7%	3	27,3%	5	-	-	-	-	23,1%	26	26,5%	25		
30 - 50	22	7,7%	25	9,09%	1	3,6%	9	24%	4	13,3%	6	9,1%	3	25%	1	12,2%	30	8,4%	42		
> 50	8	4,8%	6	4,14%	2	7,4%	-	8,3%	1	4,8%	2	50%	-	-	1	4,6%	11	5,1%	9		

The Group's commitment to its employees is reflected in its low staff turnover rate of 7.3%, a figure which is within the expected range. In 2025, 49 people left the Group, compared to 58 in 2024, primarily due to voluntary resignations.

The PFM Group approaches the issue of employee offboarding with care, respect and responsibility. Regardless of the reasons, **offboarding** is considered a significant event. It is addressed **in full compliance with current regulations and the ethical principles that inspire the Group's work.**

Active listening to people who are leaving the organisation is a fundamental step. Through direct discussion, the Group aims to understand the reasons behind their decision, viewing all feedback as a concrete opportunity to improve the work environment and dynamics.

GRI 401-1 New employee hires and employee turnover

Termination

Italy		Europe		North America		Asia		Total	
2025	2024	2025	2024	2025	2024	2025	2024	2025	2024

By gender

Man	23	5%	32	7,3%	6	11,5	9	16,3%	6	12,5%	7	14,9%	1	10%	3	33,3%	36	6,3%	51	9,2%
Woman	3	4,1%	3	4,2%	1	10%	2	16,7%	8	57,1%	1	7,1%	1	25%	2	50%	13	12,9%	7	7,8%

By age

< 30	9	11,3%	6	6,7%	1	14,3%	2	33,3%	5	45,4%	3	25%	-	-	-	-	15	15,3%	11	10,2%
30 - 50	12	4,2%	9	3,3%	5	17,9%	6	19,4%	4	13,3%	3	12%	2	16,7%	2	20%	23	6,5%	20	5,8%
> 50	5	3%	20	13,8%	1	3,7%	2	8,7%	5	23,8%	2	8,3%	-	-	3	100%	11	5,1%	27	13,8%

— For information on the calculation methods used to determine the percentages presented in the table, please refer to the GRI 401-1 reporting.

Equity lies at the heart of the Group's policies. The Group is committed to ensuring equal opportunities for access, growth and development for all through **transparent recruitment processes, fair career paths and consistent, fair pay systems.**

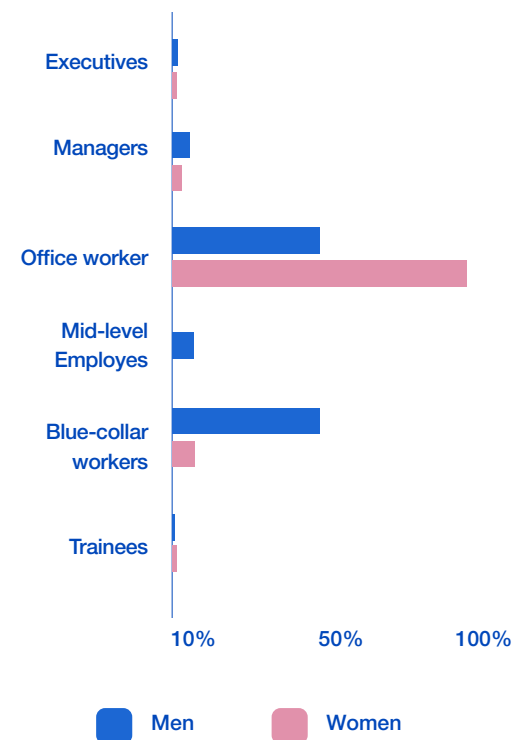
Finally, it reaffirms its ongoing commitment to protecting human rights and operating in accordance with Italian law and key international conventions, including those of the International Labour Organization.

GRI 405-1 Diversity of governance bodies and employees

% of employees by category and gender (GRI 405-1)

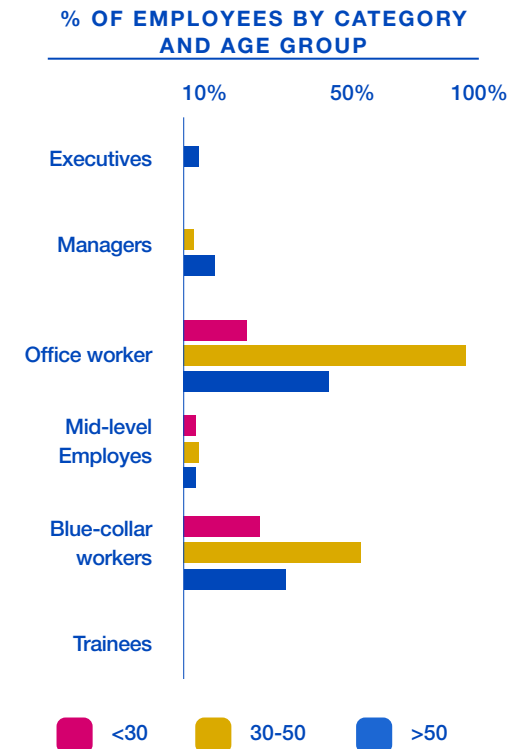
	Men		Women		Total	
	2025	2024	2025	2024	2025	2024
Executives	1,4%	1,7%	1%	1%	1,3%	1,6%
Managers	4,2%	4,4%	4,2%	2,9%	4,0%	4,1%
Office workers	44,4%	44,9%	90,1%	90,2%	51,4%	52,1%
Mid-level Employees	3,5%	4,8%	-	-	4,2%	4%
Blue-collar workers	46,3%	44%	5,9%	4,9%	39,0%	37,8%
Trainees	0,2%	0,2%	-	1%	0,1%	0,3%
Total	84,9%	84,2%	15,1%	15,8%	100,0%	100,0%

% OF EMPLOYEES BY CATEGORY AND GENDER



— Brevetti Gasparin S.r.l. and Pfmtechlab S.r.l. were not included as they did not carry out any training activities in 2024.

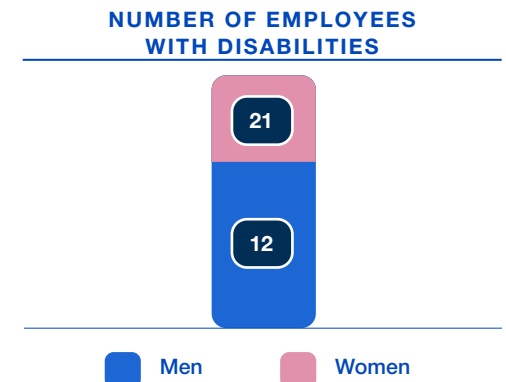
GRI 405-1 Diversity of employees								
% of employees by category and age group (GRI 405-1)								
	<30		30-50		>50		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Executives	-	0,2%	-	-	1,3%	1,4%	1,3%	1,6%
Managers	0,1%	0,2%	1,2%	0,9%	2,7%	3,1%	4%	4,2%
Office workers	6,0%	6,8%	29,1%	29,9%	16,1%	15,5%	51,3%	52,2%
Mid-level Employees	0,7%	1,2%	1,5%	1,6%	1,9%	1,2%	4,2%	4%
Blue-collar workers	7,6%	8,1%	21,4%	18,9%	10%	10,7%	39%	37,7%
Trainees	0,1%	0,3%	-	-	-	-	0,1%	0,3%
Total	14,6%	16,8%	53,2%	51,3%	32,1%	31,9%	100,0%	100%



In line with the principles of inclusion and equal opportunities, **the PFM Group encourages the employment of individuals from protected groups across all its subsidiaries**, in accordance with relevant local legislation (e.g. Law 68/1999 in Italy, SGB IX in Germany and the Equality Act 2010 in the UK).

In 2025, individuals belonging to protected categories accounted for approximately 5% of the Group's total workforce. With this in mind, the Group is committed to implementing targeted solutions, such as direct recruitment, workstation adjustments and inclusion programmes. These solutions aim to ensure accessible environments and enhance the contribution of each individual.

Compared with 2024, the number of people with disabilities has increased slightly, from 31 to 33.



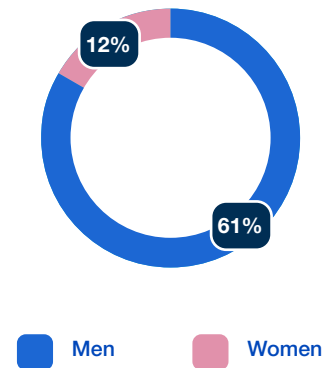
The PFM Group believes that people's well-being is fundamental to creating a healthy, motivating and sustainable work environment. For this reason, the Group promotes concrete initiatives that aim to promote an optimal work-life balance. The Group adopts an approach that focuses on the needs of people at all stages of their lives. In line with this commitment, **the Group provides welfare services that exceed the legal minimum**, demonstrating a genuine focus on the well-being of its employees.

Welfare initiatives are adapted to local contexts and include **social healthcare services, prevention programmes and insurance coverage for medical expenses, as well as regular follow-up visits.** The aim is to promote health, peace of mind, and a good quality of life, both in and outside the workplace.

Support for parenthood is particularly important in promoting equal opportunities and the well-being of employees. In line with current legislation, **we guarantee the right to parental leave to all persons in the event of maternity, paternity or adoption.**

Additionally, some companies within the Group actively participate in collective bargaining negotiations with the aim of improving national-level conditions **by promoting the introduction of additional leave days and paid leave periods for eligible employees.**

% EMPLOYEES ENTITLED TO PARENTAL LEAVE



GRI 401-3 Number of employees entitled to parental leave

	2025	2024
Total number of employees	669	645
Number of employees entitled to parental leave	489	463
Number of employees entitled to parental leave - MEN	408	384
Number of employees entitled to parental leave- WOMEN	81	79
Number of employees entitled to parental leave - OTHER	-	-
Number of employees entitled to parental leave - NOT REPORTED	-	-

In order to respond concretely to the needs of parents and improve the work-life balance, the PFM Group actively supports its employees through targeted initiatives that foster an attentive corporate culture to individuals and the different stages of life.

In this context, all employees are guaranteed leaves of absences and parental leave in accordance with current legislation, providing active support throughout the parental journey.

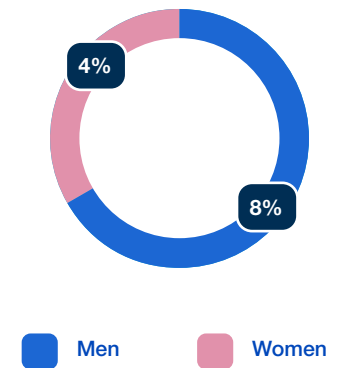
In 2025, 56 out of 489 eligible employees took parental leave, with a 100% return-to-work rate at the end of their absence, confirming the effectiveness of the company's policies in supporting parenting and reintegration into work.

GRI 401-3 Number of employees who took parental leave

	2025	2024
Number of employees entitled to parental leave	489	463
Number of employees who took parental leave	56	34
Number of employees who took parental leave - MEN	38	25
Number of employees who took parental leave- WOMEN	18	9
Number of employees who took parental leave- OTHER	-	-
Number of employees who took parental leave - NOT REPORTED	-	-

In conclusion, personnel management remains a key strategic priority for the PFM Group. Our commitment to our human resources is demonstrated by the contractual stability, training opportunities and professional relationships we offer, as well as the high proportion of permanent contracts we offer to new recruits. These factors also represent our **commitment to achieving fair, sustainable and lasting growth that creates value for our employees, the company and the local community.**

% OF EMPLOYEES WHO TOOK PARENTAL LEAVE



◆ The Corporate Welfare of the Parent Company

The Parent company provides its employees with a range of welfare tools to promote safety and provide financial support.

The following tools are currently active:

- a **mission policy** for workers on temporary assignments
- subscription to the **MetaSalute healthcare fund**
- the **pension fund** for metalworkers
- an **accident insurance** reserved for managers.

The possibility of extending the insurance coverage to include a death risk policy for all employees is also under consideration, with the aim of offering their families greater economic protection.



The people

Occupational healthy and safety

The PFM Group is firmly dedicated to fostering **a safety culture focused on preventing and continuously identifying risks associated with the working environment**. In terms of health and safety, the Group acts in accordance with its values and pays great attention to the **well-being of its employees, customers, suppliers and all other stakeholders involved in its activities**.

The policies and procedures of the Group's Italian companies constitute an occupational health and safety management system. They have been designed in accordance with current regulations and comply with the requirements of Italian Legislative Decree No. 81/2008 and applicable standards. In particular, **the Interference Risk Assessment Document (DUVRI)**, in accordance with Art. 26, serves as a tool for Italian companies to analyse potential risks arising from the interaction between their activities and those entrusted to third parties. It helps them to **identify and implement appropriate prevention and protection measures to eliminate these risks, or minimise them where elimination is not possible**.

Relevant health and safety information is constantly shared with all staff, to ensure they are **fully aware of current regulations and company procedures**.

The Prevention and Protection Service Officers (HPPS/PPSA) are responsible for identifying risks, defining operational procedures and planning periodic checks. The Employer is responsible for supervising these procedures and ensuring they are implemented, a task they carry out through the appointed Officers. Any observations or non-conformities found are handled by the Prevention and Protection Service (PPS), in collaboration with the employer (E), according to a stem of priorities.

The safety management system provides a channel through which workers can report accidents, near-miss accidents, and potential dangerous situations, thereby **contributing actively to the continuous improvement of working conditions.** **Regular meetings with all stakeholders involved** in the Prevention and Protection Service are organised to support this participatory process.

The annual safety meetings provide the main opportunity for dialogue between those involved in health and safety, i.e. the Employer (or their representative), the Head of the Prevention and Protection Service (RSPP), the Company Doctor (CD) and the Workers' Health and Safety Representative (WHSR).

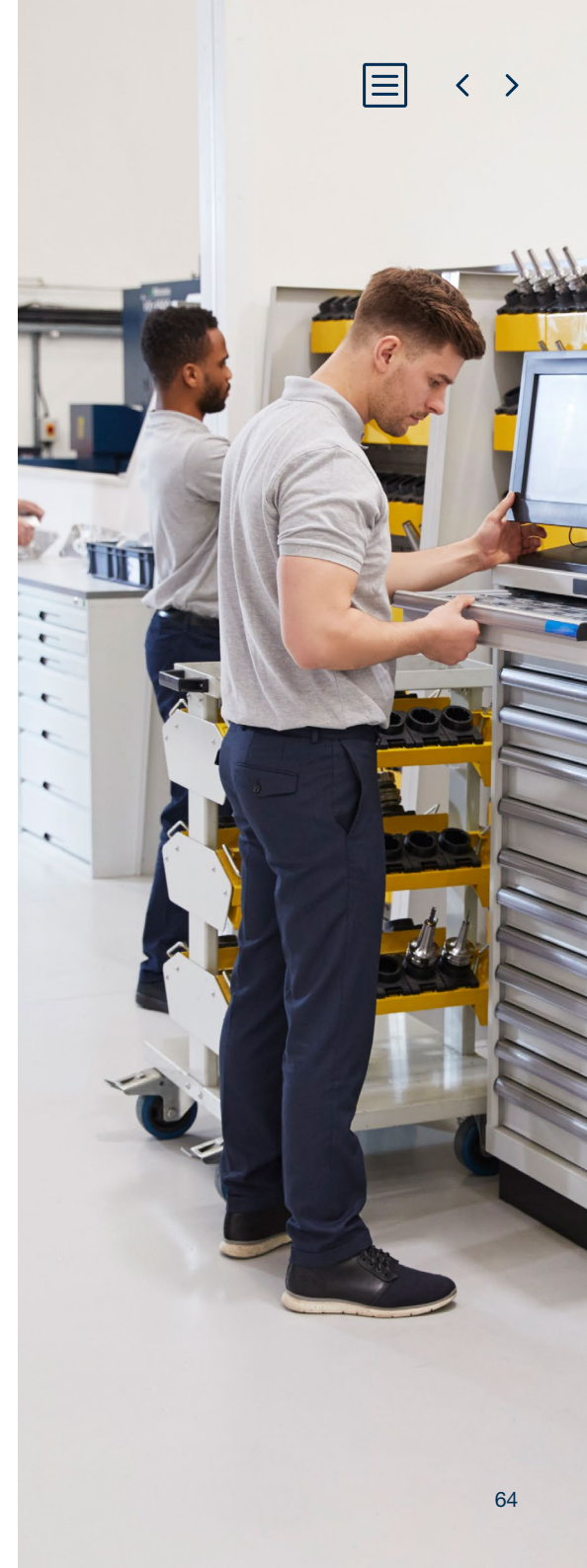
During these meetings, **changes to the risk assessment, training and information programmes for personnel and the suitability and conformity of the personal protective equipment used are analysed. The outcomes of health surveillance are also assessed, and any accidents, near-miss accidents, and potentially dangerous situations** arising during work activities are examined to identify and implement the necessary corrective or improvement measures.

With regard to international offices, **PFM UK** conducts both general and task-specific risk assessments and reviews them on an annual basis. **PFM North America** maintains policies and mappings that have been validated in the previous financial years. By contrast, the commercial subsidiary **PFM Asia Pacific** does not adopt structured systems because of the size of its workforce.

All staff are adequately trained **and informed about their duties and the associated risk levels, and receive additional training where appropriate.** The training content also covers the use of work equipment that could affect safety. The aim is to ensure that everyone is fully aware of the correct behaviour **to be adopted and promote a safe and compliant working environment.**

In 2025, none of the companies in the PFM Italia Group received fines or penalties for non-compliance with occupational health and safety legislation (particularly Italian Legislative Decree 81/2008).

In 2025, there were nine employee accidents at work, all of which occurred in Italy. There were no fatalities as a result of accidents. Instead, **the rate of workplace accidents was 8.89** for the whole Group, due to nine cases that occurred during the reporting year.



GRI 403-9 Work-related injuries		
Work-related injuries for all employees		
	2025	2024
Number of deaths as a result of work-related injuries	-	-
Death rate from work-related injuries	-	-
Number of work-related injuries with serious consequences ¹ (excluding deaths)	-	-
Rate of work-related injuries with serious consequences (excluding deaths)	-	-
Number of recordable work-related injuries	9,00	5,00
Rate of recordable work-related injuries ²	8,89	5,30
Number of hours that were worked	1.012.205	994.213
Work-related injuries for all non-employees whose activities and/or places of work are under the control of the organisation		
	2025	2024
Number of deaths following work-related injuries	-	-
Number of work-related injuries with serious consequences ³ (excluding deaths)	-	-
Number of recordable work-related injuries (excluding deaths)	-	2,00
Rate of recordable work-related injuries ²	-	105,03
Number of hours that were worked	18.100,00	19.042

— 1 “Serious consequences” refers to accidents that result in death, or to damage from which the worker cannot, does not, or is not expected to recover fully within six months of the accident, and which result in a period of absence from work exceeding six months (180 days).

— 2 (Number of work-related injuries/ Number of hours worked) x 1,000,000.

— 3 The data for BG Pack S.r.l. and PFM Verpackungsmaschinen GmbH (Germany) are not included in the reporting scope of this table because the information available was not sufficiently homogeneous for consolidation purposes.

In accordance with current regulations, the PFM Group takes an **active approach to preventing and mitigating risks related to occupational health and safety**, including those relating to business relations. Each Group company implements practices and procedures designed to ensure a safe working environment for everyone involved in the business.

In the event of an accident, the Group adopts a careful and analytical approach to identifying the causes and implementing corrective measures. Although there is no formalised procedure for managing near-miss accidents, each report is recorded, analysed and considered an integral part of the continuous safety improvement process.

Particular attention is paid to verifying the technical and professional suitability of contractors, including by monitoring subcontracting and mandatory documentation. External workers operating on company sites are coordinated and involved in implementing prevention and protection measures through careful management of interference risks, in full compliance with regulatory provisions.

At a general level, each company has implemented corrective actions to prevent these situations arising, even where there is a potential risk.

In summary, the PFM Group believes that safety is a collective commitment that goes beyond simply meeting regulatory requirements. It is based on active participation, mutual respect, and the promotion of a shared culture of prevention. Only through the conscious contribution of all people can we guarantee truly safe, inclusive and sustainable working environments.

◊ Healthcare services and the promotion of health

The Group facilitates workers' access to healthcare and medical care services, including outside of the workplace, through:

- **Supplementary healthcare:** The Italian companies (Parent Company, Brevetti Gasparin, MBP, PFMecanica and SPS) guarantee the registration of their employees to the Metasalute Supplementary Healthcare Fund, promoting the knowledge of the fund and encouraging its use also through specific information sessions held during the trade Union meetings of the Unitary Trade Union representations.
- **International benefits:** PFM UK provides private healthcare coverage for its all employees. PFM North America offers a comprehensive package of benefits upon completion of the probation period, including dental care, reimbursement of medicines, paramedical care, healthcare spending accounts (HSA), long-term disability insurance (LTD), life insurance, telemedicine services, and medical insurance for travel to Canada.
- **Promotion of health:** The SPS initiative is one of the voluntary well-being promotion programmes. It organises and offers a free flu vaccination campaign to all its employees every year.

Suppliers and local communities

68 Generated value

Highlights

THE DISTRIBUTED ECONOMIC
VALUE REPRESENTS

87,5%

OF THE GENERATED
ECONOMIC VALUE

THE VALUE DISTRIBUTED TO
EMPLOYEES REPRESENTS

24,5%

OF THE DISTRIBUTED
VALUE

**93% OF
PROCUREMENTS**

COMES FROM ITALIAN
SUPPLIERS

Suppliers and local communities

The generated value

The prospectus below relates to the **economic value generated and distributed by the organisation**. It is a key tool for analysing the extent to which the organisation creates and shares value with its stakeholders.

GRI 201-1 Economic value generated and distributed*		
	2025	2024
Generated economic value	208.644.224€	188.954.417 €
Distributed economic value	182.618.261€	165.398.679 €
Operating expenses	123.098.761€	111.229.831 €
Employees	44.681.235,00 €	42.283.916 €
Payments to capital providers	4.008.435€	2.660.609 €
Payments to governments	10.677.355€	9.116.601 €
Investments in the community	152.475€	107.722 €
Retained economic value	26.025.962 €	23.555.738 €

— The data refer to the Consolidated Financial Statements of PFM S.p.A. include PFM Packaging Machinery Corporation, PFM Packaging Machinery Limited and PFM IBERIA.

The distributed economic value highlights the Group's ability to generate wealth over the reference period for some of the main stakeholders, while respecting cost management and stakeholder expectations.

The two main categories are suppliers (**operating expenses**), which account for **67.4%** of the distributed economic value, and Group employees, which account for **24.5%**.

For further information on the Group's economic performance and financial position, see the consolidated financial statements of P.F.M. S.P.A. as at 31 December 2025.

The PFM Group is committed to having a positive and lasting impact in the territories in which it operates by **strengthening its relations with local communities and stakeholders**.

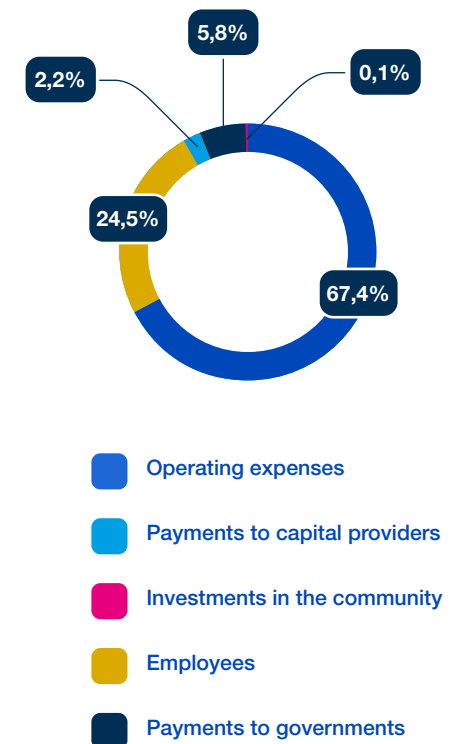
This commitment is reflected in practical initiatives designed to strengthen the local social and economic fabric while **promoting environmental and social sustainability**. The Group's main objectives in this area include:

- **the consolidation of relations with the local socio-economic context** through an active and responsible presence;
- **the participation in important cultural, sporting and social events**, to demonstrate the company's commitment to the local community;
- **strengthening the identity and reputation of the PFM Group within the communities in which it operates**, thereby helping to build a positive and shared perception of its role within the territory.

Through these actions, the Group intends to demonstrate its commitment to corporate social responsibility, collaboration with local stakeholders, and the promotion of **sustainable and inclusive development**.

The PFM Group honours its social commitment by providing **tangible support to bodies, organisations and associations operating within its own territories and in international contexts**.

These initiatives focus on areas of particular social relevance, such as **health, childhood, education, culture, sport and inclusion, and take the form of donations, ongoing collaborations and active participation in projects with a significant social impact**.



During the reference period, the Parent company, PFM, together with Brevetti Gasparin S.r.l., SPS Italiana Pack Systems S.p.A. and e M.B.P. S.r.l. allocated **financial contributions and resources to numerous third-sector organisations, both locally and internationally.**

In 2025, the largest proportion of donations was allocated to **projects dedicated to child support, health and education, accounting for 36.5% of the total.** Then, **29.9%** of the contributions were allocated to cultural, sporting and community-building initiatives, while **16.5%** were given to religious, charitable, and welfare organisations. **13.2%** of resources were allocated to the healthcare and care sector, to disability support and sustainable mobility services, while **3.9%** supported international solidarity programmes. This distribution reflects the PFM Group's desire to have a positive and widespread impact by intervening in areas that are a priority for the well-being of the people and territories in which it operates.

By supporting these initiatives, the PFM Group reaffirms its commitment to sustainable development, which extends beyond the corporate perimeter to encompass the well-being of communities, as well as the promotion of a fairer, more inclusive and resilient society.

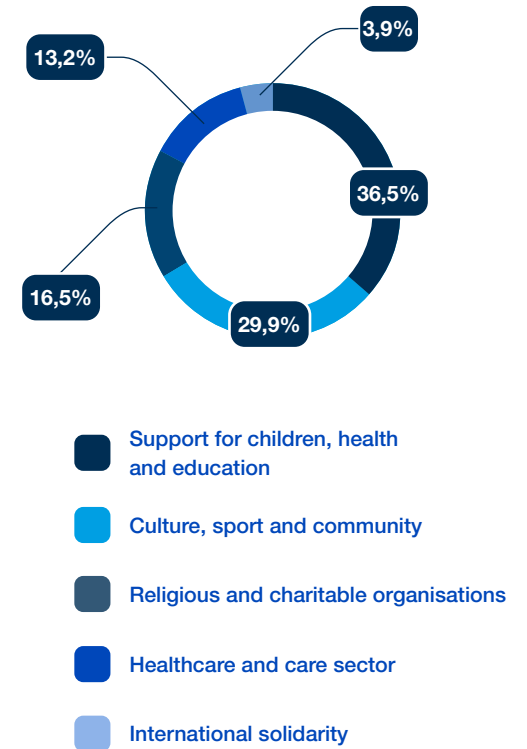
As with any industrial entity, the PFM Group relies on the supply of materials necessary for producing its machinery, as well as on the **collaboration with qualified partners to provide supporting services for core activities.** The aim is to ensure high quality standards and to respond effectively to the needs of direct customers and end-users.

Responsibility for managing strategic supplier relationships lies with the Group Purchasing function, which coordinates decisions centrally. Vendors are selected and listed on the Vendor List based on their ability to ensure reliability, transversal skills and a dimensional structure that aligns with business needs. Instead, **day-to-day operations and order management are carried out by the buyers of the individual Group companies,** thus striking a balance between a shared strategic vision and attention to local specifics.

In particular, the parent company, PFM S.p.A., certified according to the UNI EN ISO 9001 standard, implements **a structured procedure for the qualification of suppliers as required by its Quality Manual.** This process includes initial and periodic reassessments, as well as continuous performance monitoring, to ensure the compliance of purchased materials and services.

In 2025, the Parent Company continued to audit its suppliers in order to **assess compliance with technical, qualitative, and environmental requirements.** The audits have allowed identifying areas for improvement and include the related issues in corrective action plans. These plans are monitored in the short term, confirming the Group's commitment to the structured and continuous management of the qualification and monitoring of its supplier base."

% OF ECONOMIC VALUE ALLOCATED TO THE COMMUNITY DIVIDED BY SCOPE



Suppliers are classified according to the type of product or service they offer, as well as the criticality of their products or services. Particular attention is paid to those who supply components that directly impact the essential requirements of finished products.

The selection and purchase conditions are based on objective criteria that take into account quality, economic competitiveness, and the ability to provide an adequate level of service.

The purpose of the procedure is to define methods and criteria for:

- **evaluate and select suppliers**, ensuring their suitability both during the qualification phase and over time;
- **establish the checks that need to be implemented when receiving materials** to ensure compliance with the necessary requirements.

As part of its commitment to monitoring and qualifying its supply chain, **the Parent company asks its suppliers to complete a self-assessment questionnaire**. This aims to collect structured information about their organisation, production capacity, quality management systems, operational practices, and regulatory compliance.

The questionnaire includes sections dedicated to personal data, the internal organisation, order and complaint management, and certifications (e.g. ISO 9001), **as well as the ability to ensure the traceability and compliance of materials, including those used in contact with food (FCMs).**

This tool enables the **systematic evaluation of the reliability and quality of business partners**, promoting transparent, continuous, improvement-oriented relationships.

The commitment of the PFM group to its suppliers, especially local ones, is based on **commercial relations that are based on respect, responsibility and mutual trust**. The Group enhances the skills and capabilities of its partners, with the aim of **contributing to the improvement of their long-term performance and economic stability**. A well-integrated supply chain enables critical issues to be addressed quickly, while fostering greater collaboration.

The PFM Group's global supply chain comprises numerous suppliers of various sizes and specialisations who support business activities throughout the value chain. **The most strategic partners are selected based on their annual turnover. Among them are well-established companies in the Italian industrial context** and operators active on an international scale.

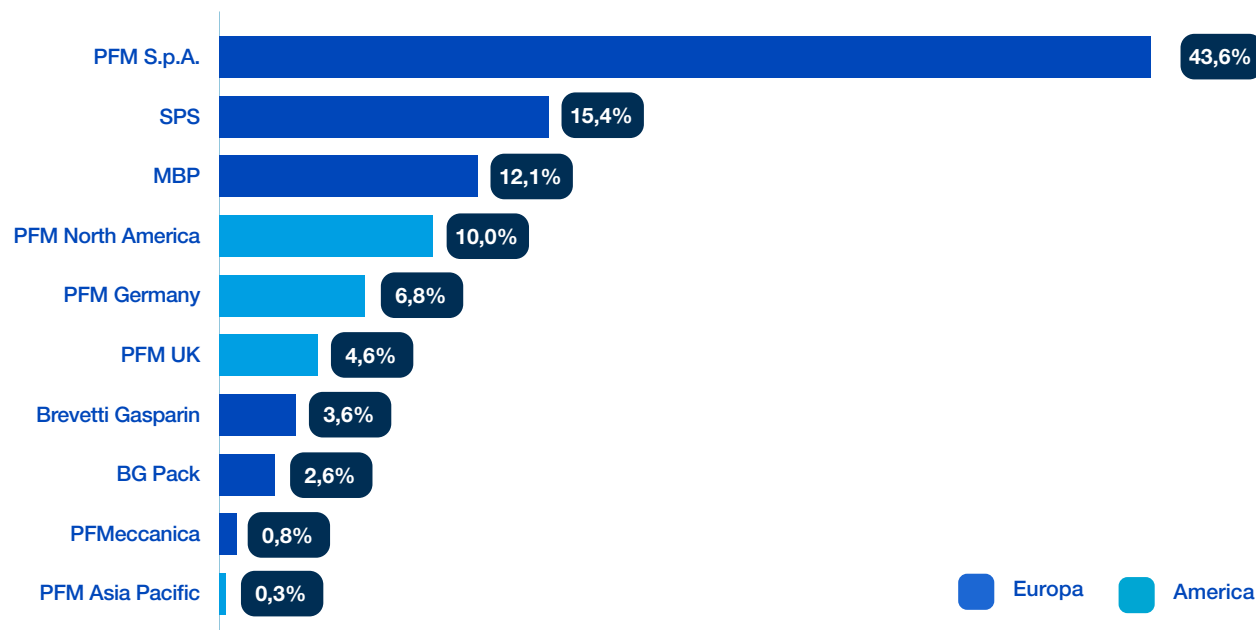
These suppliers operate in highly specialised technological sectors, including **industrial electrical automation, electronic component manufacturing, and the design and construction of machinery and plants for the food industry**. They also develop solutions **for machine and plant automation and smart manufacturing**.

Other relevant areas include **aluminium machining and anodic oxidation treatments, as well as advanced services related to electrification, digitalisation, and industrial automation**.

Thanks to the contribution of these highly qualified companies, the PFM Group has **a supply chain that guarantees high standards of innovation, reliability and technological quality**.

These collaborations reflect the Group's commitment **to establishing robust and enduring partnerships** founded on quality, innovation and reliability, while promoting the responsible and sustainable management of the entire supply chain. This approach is in line with the sustainable **development goals and the principles of transparency and environmental stewardship**.

During the 2025 financial year, the Group's total purchase expenditure could be divided as follows:



— The company-by-company breakdown is indicative and subject to certain methodological specifics. The Parent Company's data is calculated based on the top 250 suppliers by turnover, and includes an extraordinary investment for the construction of the new shed. The data for SPS is net of suppliers operating in third countries not covered by the main flows. Please note that the data for PFM North America is originally expressed in Canadian dollars (CAD) and converted into Euro, therefore subject to exchange rate fluctuations. At the consolidated level, total expenses may include intercompany transactions between Group companies.

In line with the commitment to support the economies of the territories in which the Group operates, **the supply flows of 2025 confirm the strong concentration of purchases within the European and national markets (98.2%)**, enhancing the skills of the local productive fabric.

The PFM Group promotes a responsible, continuous improvement-oriented approach with the aim to generate value for itself, its supplier network and the communities in which it operates.

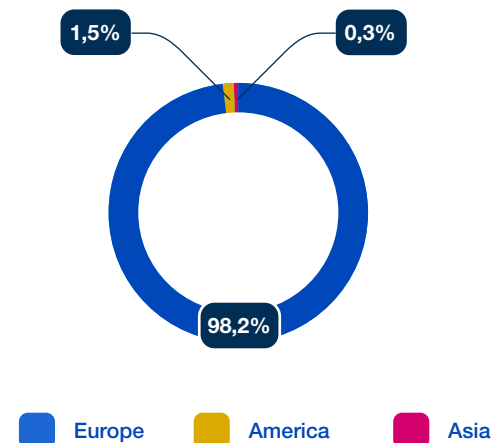
The Group actively supports the economic development of the territories by promoting local purchasing policies, thereby contributing to the creation of a model of shared and sustainable growth. This choice also allows for **greater flexibility in production processes and shorter lead times, thereby optimising operational efficiency.**

The relationship with suppliers is based on collaboration and mutual trust. This strengthens the quality and promotes innovation throughout the supply chain.

Although no systematic control procedure was identified, **no complaints were raised in 2025 regarding violations of human rights or environmental legislation in the supply chain.**

In accordance with the principles of fairness and transparency in business relations, the Italian companies of the PFM Group have adopted the standard payment terms with suppliers of **90 days EOM (end of month), which account for 80% of the total payments.** For around 10% of suppliers of goods, the payment terms can be extended to 120 EOM, while professional consultancy and services are generally paid within 30 days EOM (7%). Utilities are paid by Direct Debit (SDD) with a payment term of 30 EOM (3%).

% OF SPENDING ON SUPPLIERS BY GEOGRAPHICAL AREA



Europe America Asia

— Note that the total expenditure for suppliers may also include intercompany purchases, i.e. transactions and exchange of goods and services between Group companies. In addition, in the case of the Parent Company, the top 250 suppliers were evaluated by turnover.

GRI 204-1 Proportion of spending on local suppliers

Percentage of spending on local suppliers by geographical area

	2025	2024
European Union	98,2%	97,4%
America	1,5%	2,1%
Asia	0,3%	0,5%

These contractual terms have been designed to provide **financial stability and clarity regarding payment timelines**, thereby reducing the risk of delays for small and medium-sized enterprises.

For the Group's foreign companies, the standard payment terms with suppliers vary **between 30 and 90 days, in line with local regulations and practices**. Some international organisations have several monthly payment cycles, with deadlines dedicated respectively to fixed expenses (rents, rentals, utilities) and to the payment of supplier invoices, with possible adjustments in case of holidays or weekends.

All invoices received are systematically recorded and submitted to the purchasing department and management for internal approval before being settled by the accounting office.

This organisational structure enables the P.F.M. Group to **monitor and manage payment delays**, ensuring balanced and sustainable relationships with small and medium-sized enterprises **in its supply chain**.

Methodological note

This is the sustainability report (hereafter referred to as the “Report” or “Document”) to be published by P.F.M. S.p.A. (hereafter referred to as “Parent Company PFM “ or “Parent Company”). It has been prepared on a voluntary basis in 2025 with the aim **of communicating to stakeholders the performance achieved in the economic, environmental and social areas.** This report has been prepared to demonstrate the organisation’s commitment to transparent and responsible reporting. It provides a clear overview of the business, its development, its achievements and its impact on the community and the environment.

Please note that P.F.M. S.p.A. prepares the consolidated financial statements in accordance with Italian Legislative Decree No. 127 of 9 April 1991. In addition to the Parent Company, the consolidated scope includes the following Italian and foreign subsidiaries: S.P.S. Packaging System S.p.A., BG - Pack S.r.l., M.B.P. S.r.l., PFMMeccanica S.r.l., P.F.M. S.P.A., Brevetti Gasparin S.r.l. (acquired in 2024), PFM Packaging Machinery LTD Leeds, PFM Packaging Machinery Corporation, Ontario Inc. 1253387, PFM Verpackungsmaschinen GmbH, PFM IBERIA PACKAGING MACHINERY, S.A., PFMTECHLAB S.r.l. and PFM Asia Pacific Co Ltd.

With reference to the highlighted consolidation area, please note that the sustainability data and information in this 2025 Sustainability Report relates to the Group Leader, P.F.M. S.P.A. and to the following subsidiaries: S.P.S. Packaging System S.p.A., BG - Pack S.r.l., M.B.P. S.r.l., PFMMeccanica S.r.l., PFM Packaging Machinery LTD Leeds, PFM Packaging Machinery Corporation, PFM Verpackungsmaschinen GmbH, PFMTECHLAB S.r.l., PFM Asia Pacific Co Ltd and Brevetti Gasparin S.r.l.

It should be noted that the following subsidiaries are excluded due to limited sustainability impacts: Ontario Inc. , 1253387 (Canada), Trinity Park (England), and PFM IBERIA PACKAGING MACHINERY, S.A. (Spain).Further details can be found in the Consolidated Financial Statements of P.F.M. S.P.A.

When preparing this Sustainability Report, the PFM Group was inspired by the reporting principles set out in the **2021 edition of the Global Reporting Initiative (GRI) Sustainability Reporting Standards**. The Group adopted criteria such as **accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability**. The application of these principles ensured the quality, reliability and transparency of the reported information, enabling clear and consistent communication of the Group's economic, environmental and social performance.

In addition to this framework, the Group has decided to adopt the **European Sustainability Reporting Standards (ESRS)**, with the aim of aligning with the new European sustainability reporting regulations, particularly the **Corporate Sustainability Reporting Directive (CSRD)**. It should be noted that this Sustainability Report is not subject to external assurance.

This report has been prepared in accordance with the GRI 2021 standards and contains qualitative and quantitative data and information relating to the Group's performance during the period from 1 January to 31 December 2025, which coincides with the annual financial statement period. The Sustainability Report is published annually.

The GRI and ESRS Contents Index, which provides an overview of the reported indicators accompanied by the respective reference pages, **can be found at the end of the document**.

This document aims to present the Group's results and future objectives in a clear and transparent manner, in line with the results of the materiality analysis and as part of its sustainability journey.

To ensure the reliability of the data and provide an accurate representation of the Group's performance, **the use of estimates was limited as much as possible**. Any estimates are based on the best available and properly reported methods.

Please note that the data on energy consumption for 2024 has been re-disclosed.

Should you have any questions regarding this document or the sustainability strategy of the PFM Group, please contact the dedicated email address: **info@pfm.it**.



GRI Content Index

Declaration of use P.F.M. S.P.A. has submitted a report in accordance with the GRI Standards for the period 1 January 2025 to 31 December 2025

GRI 1 used GRI 1 - Foundation 2021

Applicable GRI industry standards Not available

Standard GRI	Disclosure	Paragraph	Omission	Reason	Explanation
			Omitted requirements		
GRI 2: General disclosures					
2-1	Organisational details	About us			
2-2	Entities included in the organisation's sustainability reporting	Methodological note			
2-3	Reporting period, frequency and contact point	Methodological note			
2-4	Revision of information	Methodological note			
2-5	External assurance	This document has not undergone external assurance.			
2-6	Activities, value chain and our business relationships	About us; The main brands			
2-7	Employees	Employee management			
2-8	Workers who are not employees	Employee management			
2-9	Governance structure and composition	The governance model and our business ethics			
2-10	Nomination and selection of the highest governance body	The governance model and our business ethics			

Standard GRI	Disclosure	Paragraph	Omission		
			Omitted requirements	Reason	Explanation
2-11	Chair of the highest governing body	The governance model and our business ethics			
2-12	Role of the highest governing body in overseeing the management of impacts	The governance model and our business ethics			
2-13	Delegation of responsibility for managing impacts	The governance model and our business ethics			
2-14	Role of the highest governance body in sustainability reporting	The governance model and our business ethics			
2-15	Conflicts of interest	The governance model and our business ethics			
2-16	Communication of critical concerns	The governance model and our business ethics			
2-17	Collective knowledge of the highest governance body	The governance model and our business ethics			
2-18	Evaluation of the performance of the highest governance body				At present, the Group has no formal procedures in place to evaluate the performance of its highest governing body in terms of managing the impact on the economy, the environment and people.
2-19	Remuneration policies	The governance model and our business ethics			

Standard GRI	Disclosure	Paragraph	Omission		
			Omitted requirements	Reason	Explanation
2-20	Process to determine remuneration	The governance model and our business ethics			
2-21	Annual total compensation ratio		2-21 Annual total compensation ratio	Confidentiality constraints	As a private company, the Top Management does not consider it appropriate to share this information.
2-22	Statement on sustainable development strategy	Letter to the stakeholders			
2-23	Policy commitments	The governance model and our business ethics; Cyber-security and privacy protection; Product quality and safety; Occupational healthy and safety			
2-24	Embedding policy commitments	The governance model and our business ethics; Cyber-security and privacy protection; Product quality and safety; Occupational healthy and safety			
2-25	Processes to remediate negative impacts	The double materiality assessment			
2-26	Mechanisms for seeking advice and raising concerns	The governance model and our business ethics			
2-27	Compliance with laws and regulations	The governance model and our business ethics			
2-28	Membership of associations	Generated value			
2-29	Approach to stakeholder engagement	Stakeholders			
2-30	Collective bargaining agreements	Employee management			

Standard GRI	Disclosure	Paragraph	Omission		
			Omitted requirements	Reason	Explanation
GRI 3: Material Topics 2021					
3-1	Process to determine material topics	The materiality process			
3-2	List of material topics	The double materiality assessment			
Economic performance					
GRI 3 – Material topics 2021 edition	3-3 Management of material topics	The double materiality assessment			
GRI 201: Economic performance 2016	201- 1 Direct economic value generated and distributed	Generated value			
Supplier relationship management					
GRI 3 – Material topics 2021 edition	3-3 Management of material topics	The double materiality assessment			
GRI 204: Procurement practices 2016	204- 1 Proportion of spending on local suppliers	Generated value			
Anti-corruption and anti-competition					
GRI 3 – Material topics 2021 edition	3-3 Management of material topics	The double materiality assessment			
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	The governance model and our business ethics			
GRI 206: Anti-competition behaviour 2016	206-1 Legal actions for anti-competitive behaviour, antitrust, and monopoly practices	The governance model and our business ethics			
Energy					
GRI 3 – Material topics 2021 edition	3-3 Management of material topics	The double materiality assessment			
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Energy management			

Standard GRI	Disclosure	Paragraph	Omission	Reason	Explanation
			Omitted requirements		
Water consumption					
GRI 3 – Material topics 2021 edition	3-3 Management of material topics	The double materiality assessment			
GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource	Water management			
	303-2 Management of water discharge-related impacts	Water management			
	303-3 Water withdrawal	Water management			
Adapting to climate change					
GRI 3 – Material topics 2021 edition	3-3 Management of material topics	The double materiality assessment			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Energy management			
	305-2 Energy indirect (Scope 2) GHG emissions	Energy management			
Waste					
GRI 3 – Material topics 2021 edition	3-3 Management of material topics	The double materiality assessment			
GRI 306: Waste 2020	306-3 Waste generated	Waste management			
Adequate wages					
GRI 3 – Material topics 2021 edition	3-3 Management of material topics	The double materiality assessment			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Employee management			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees				There are no differences in benefits depending on the type of contract

Standard GRI	Disclosure	Paragraph	Omission	Reason	Explanation
			Omitted requirements		
Workers' health and safety, adequate wages					
GRI 403: Occupational healthy and safety 2018	403-1 Occupational healthy and safety management system	Occupational healthy and safety			
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational healthy and safety			
	403-3 Occupational health services	Occupational healthy and safety			
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational healthy and safety			
	403-5 Worker training on occupational health and safety	Occupational healthy and safety			
	403-6 Promotion of worker health	Occupational healthy and safety			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational healthy and safety			
	GRI 403-9 Work-related injuries	Occupational healthy and safety			
GRI 405: Diversity and Equal opportunity 2016	405-1 Diversity of governance bodies and employees	Employee management			
Access to quality information; Consumer health and safety					
GRI 3 – Material topics 2021 edition	3-3 Management of material topics	The double materiality assessment			
GRI 416: Customer healthy and safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Product quality and safety			
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Product quality and safety			

Standard GRI	Disclosure	Paragraph	Omission		
			Omitted requirements	Reason	Explanation
Privacy					
GRI 3 – Material topics 2021 edition	3-3 Management of material topics	The double materiality assessment			
GRI 418: Customer privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Cyber-security and privacy protection			

Annexes

ESRS Content Index

In line with the PFM Group's desire to align progressively with the CSRD Directive, this report includes the tables of indicators set out in the ESRS (European Sustainability Reporting Standards).

Although the ESRS standards are still being updated and revised at a regulatory level, the company felt that integrating them as a complementary guide to the adopted GRI standards would be useful for preparing the report. This reflects the Group's commitment to increasingly transparent and structured reporting in line with the latest European sustainability requirements.

The PFM Group has been required to report the following disclosure requirements in this Sustainability Report, following the double materiality process.

ESRS topics	Subsection Sub-subsection	Disclosure requirements
General information section		
		BP-1 General basis for preparation of the sustainability statements
		BP-2 Disclosures in relation to specific circumstances
		GOV-1 The role of the administrative, management and supervisory bodies
		GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies
		GOV-4 - Statement on due diligence
		GOV-5 - Risk management and internal controls over sustainability reporting
		SBM-1 – Strategy, business model and value chain
		SBM-2 – Interests and views of stakeholders
		SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model
		IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities
		IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement
Environmental information section		
E1 Climate change	Climate change mitigation Adaptation to climate change	SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model
		IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities connected to climate
		E1-3 – Actions and resources in relation to climate change
		E1-4 – Targets related to climate change mitigation and adaptation
		E1-5 –Energy consumption and mix
		E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions

ESRS topics	Subsection Sub-subsection	Disclosure requirements
E3 Water and marine resources	Water consumption	IRO-1 — Description of the processes to identify and assess material impacts, risks and opportunities connected to water and marine resources
		E3-1 – Policies related to water and marine resources
		E3 – 2 Actions and resources related to water and marine resources policies
E5 Resource use and circular economy	Resource inflows Resource outflows	IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities
		E5-3 – Targets related to resource use and circular economy
		E5-4 – Resource inflows
		E5-5 – Resource outflows

Social Information section

S1 Own workforce	Health and safety of workers Adequate wages	SBM-2 – Interests and views of stakeholders
		SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model
		S1-1 – Policies related to own workforce
		S1-2 – Processes for engaging with own workers and workers' representatives about impacts
		S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns
		S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions
		S1-6 – Characteristics of the undertaking's employees
		S1-8 – Collective bargaining coverage and social dialogue
		S1-9 Diversity metrics
		S1-10 Adequate wages
		S1-12– Persons with disabilities

ESRS topics	Subsection Sub-subsection	Disclosure requirements
		S1-13 – Training and skills development metrics
		S1-14 Health and safety metrics
		S1-15 Work-life balance metrics
		S1-17 – Incidents, complaints and severe human rights impacts
S4 Consumers and end-users	Consumer Health and Safety Access to (quality) information Privacy	ESRS 2 SBM-2 Interests and views of stakeholders
		SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model
		S4-1 – Policies related to consumers and end-users
		S4-2 – Processes for engaging with consumers and end-users about impacts
		S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns
		S4-4 – Taking actions on material impacts on consumers and end-users and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users and effectiveness of those actions
Governance Information section		
G1 Business conduct	Management of relationships with suppliers, including payment terms	IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities
		G1-1– Corporate culture and business conduct policies
		G1-2– Management of relationships with suppliers
		G1-3 – Prevention and detection of corruption or bribery
		G1-4 – Proven cases of corruption or bribery

Annexes to Chapter

Environment

ESRS E1 Climate change

E1-5 –Energy consumption and mix - disclosure obligation		
	MWh	MWh
	2025	2024
Total amount of energy from fossil fuels (MWh)	5260,43	4.648,75
Fuel consumption from coal and coal products (MWh)	-	-
Fuel consumption from crude oil and petroleum products (MWh)	1.836,02	1.101,13
Fuel consumption from natural gas (MWh)	2.118,59	2.234,17
Fuel consumption from other non-renewable sources (MWh)	-	-
Fuel consumption from other fossil sources	-	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from non-renewable sources (MWh)	1.305,81	1.313,46
Total energy consumption from renewable sources (MWh)	149,56	137,77
Fuel consumption for renewable sources, including biomass (MWh)	-	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from non-renewable sources (MWh)	-	-
Consumption of self-generated non-fuel renewable energy (MWh)	149,56	137,77
Total energy consumption (MWh)	5.409,99	4.786,53
Share of renewable sources in total energy consumption (%)	3%	3%
Share of fossil sources in total energy consumption (%)	97%	97%

ESR SE3 Water and marine resources

E3-4 – Water consumption - disclosure obligation		
	2025	2024
Total water consumption in cubic metres (m³)	7.822,72	8.811,93
Addresses of the sites where water is withdrawn (water-stress assessment):		
Via Pasubio, Torrelbelvicino (VI)		
Via Casa Celeste, Santorso (VI)		
Via C. A. Dalla Chiesa 13 - 24048 Treviolo (BG)		
Via 1 Maggio 13/19, Marano Vicentino (VI)		
Via Fossadone, 85 - 46043 Castiglione Delle Stiviere (MN)		
Via Toscanini, 48/B - 46043 Castiglione Delle Stiviere (MN)		
Via Casa Celeste, 7 Santorso (VI)		
Via San Isidoro 6 28010 Bogogno (NO)		
2 Pilgrim Way, Stanningley, Pudsey Ls28 6lu		
999/77 Moo 15 Bangsaothong Samutprakarn 10570 Thailand		
1271 Ringwell Drive Newmarket ON L3Y 8T9		
Gewerbestraße, 14, D-21279 Hollenstedt – Germany		
Total volume of water recycled and reused (m³)	78,4	48,8
Total volume of water stored (m³)	3	3

E3-4 – Water consumption - disclosure obligation		
	2025	2024
Total water consumption in cubic metres (m³)	7.822,72	8.811,93
Net revenue (€) – consolidated figure, IFRS 15 Revenue from contracts with customers	205.095.867,00 €	185.741.304 €
Water intensity	0,000038	0,000047

ESRS E5 - Resource use and circular economy

E5-5 Resource outflows - disclosure obligation			
Waste category	Unit of measurement	2025	2024
Total waste produced	kg	350.030	328.395

E5-5 Resource outflows - disclosure obligation			
	Unit of measurement	2025	2024
Total amount by weight of waste diverted from disposal, with a breakdown between hazardous and non-hazardous waste and the following recovery operation types:	kg	334.894	304.376
Hazardous	kg	1.247	192
preparation for reuse;	kg	-	-
recycling;	kg	-	-
other recovery operations.	kg	1.247	192
Non-hazardous	kg	333.647	304.184
preparation for reuse;	kg	4.450	7.360
recycling;	kg	8.017	16.268
other recovery operations.	kg	321.180	280.556
Total amount by weight of waste directed to disposal by waste treatment type:	kg	15.136	24.019
Hazardous	kg	2.382	4.241
incineration;	kg	-	-
landfilling;	kg	-	-
other disposal operations.	kg	2.382	4.241
Non-hazardous	kg	12.754	19.778
incineration;	kg	-	-
landfilling;	kg	10.294	15.188
other disposal operations.	kg	2.460	4590

Annexes to Chapter

The people

ESRS S1 – Own workforce

S1-6 Characteristics of the undertaking's employees - disclosure obligation

Number of employees by gender as at 31.12.

	2025	2024
Total number of employees	669	645
of which men	568	543
of which women	101	102
other	-	-
not reported	-	-

S1-6 Characteristics of the undertaking's employees - disclosure obligation

Number of employees by type of contract (headcount) as at 31.12

	2025	2024
Total number of employees	669	645
employees on permanent contract	660	640
of which men	562	538
of which women	98	102
other	-	-
not reported	-	-
employees on fixed-term contract	9	5
of which men	6	5
of which women	3	-
other	-	-
not reported	-	-

S1-6 Characteristics of the undertaking's employees - disclosure obligation

Number of employees by working hours as at 31.12.

	2025	2024
Total number of employees	669	645
employees on non-guaranteed working hours	30	31
of which men	23	24
of which women	7	7
other	-	-
not reported	-	-
full-time employees	599	576
of which men	534	507
of which women	65	59
other	-	-
not reported	-	-
part-time employees	40	38
of which men	11	14
of which women	29	24
other	-	-
not reported	-	-

S1-6 Characteristics of the undertaking's employees - disclosure obligation		
Number of employees who left the company during the reporting period		
	2025	2024
Total number of employees who left the company	49	58
voluntarily	33	46
of which men	27	40
of which women	6	6
other		
not reported		
due to dismissal	5	1
of which men	2	1
of which women	3	
other		
not reported		
due to retirement	11	11
of which men	7	10
of which women	4	1
other		
not reported		
due to death in service		-
of which men		
of which women		
other		
not reported		
Turnover rate	7%	9%

S1-7 Characteristics of non-employee workers in the undertaking's own workforce - disclosure obligation

	2025	2024
Average total monthly number of non-employee workers in the undertaking's own workforce (interns, temporary agency workers, etc.)	1,25	2,91
Total number of non-employee workers in the undertaking's own workforce (interns, temporary agency workers, etc.) hired in 2025	3	6

S1-8 Collective bargaining coverage and social dialogue - disclosure obligation

Staff covered by collective bargaining agreements

	2025	%	2024	%
Total number of employees	669		645	
Number of employees covered by collective bargaining agreements as at 31.12	531	79%	509	79%
Number of employees covered by workers' representatives as at 31.12	2025		2024	%
Total number of employees	669		645	
Employees covered by workers' representatives at 31.12	411	61%	390	60%

S1-9 – Diversity metrics - disclosure obligation				
Senior management as at 31.12.	2025	%	2024	%
Total number of senior managers	13	100%	13	100%
female executives	2	15%	2	15%
male executives	11	85%	11	85%
executives - other	-		-	-
Number of employees by age group as at 31.12.	2025	%	2024	%
Total number of employees	669	100%	645	100%
under 30 (up to and including 29)	98	15%	108	17%
30-50 (up to and including 50)	356	53%	343	53%
over 50	215	32%	194	30%
Male employees	568	85%	543	84%
under 30	89	13%	98	15%
30-50	308	46%	290	45%
over 50	171	26%	155	24%
Female employees	101	15%	102	16%
under 30	9	1%	10	2%
30-50	48	7%	53	8%
over 50	44	7%	39	6%

S1-12 – Persons with disabilities - disclosure obligation

People with disabilities head-counted as of 31.12

	2025	2024
% number of persons with disabilities out of the total number of employees	5%	5%
Number of persons with disabilities among employees, subject to legal restrictions on data collection	33	31
Number of persons with disabilities among employees, subject to legal restrictions on data collection - MEN	21	20
Number of persons with disabilities among employees, subject to legal restrictions on data collection - WOMEN	12	11
Number of persons with disabilities among employees, subject to legal restrictions on data collection - OTHER	-	-
Number of persons with disabilities among employees, subject to legal restrictions on data collection - NOT REPORTED	-	-

S1-13 – Training and skills development metrics - disclosure obligation		
Total hours of training provided by category		
	2025	2024
Total	11.899,55	13.590,50
man	11.044,55	12.662
women	855	928,50
other		-
not specified		-
Executives	80	80
man	80	80
women		-
other		-
not specified		-
Managers	564,25	745,25
man	484,25	665,25
women	80	80
other		-
not specified		-
Office workers	3.460	2.975
man	2.685	2.126,50
women	775	848,50
other		-
not specified		-
Mid-level employees and Blue-collar workers	5.258,3	7.397,25
man	5.258,3	7.397,25
women		-
other		-
not specified		-
Trainees	2.537	2.393
man	2.537	2.393
women		-
other		-
not specified		-

S1-14 Health and safety metrics - disclosure obligation				
Health and safety				
	2025		2024	
	employees	non-employees	employees	non-employees
Number of fatalities in the workforce due to work-related injuries and ill health.	-	-	-	-
Number of work-related incidents resulting in severe consequences (absences of more than 180 days)	-	-	-	-
Number of recordable work-related injuries	9,00	-	5,00	2,00
Total number of recordable work-related ill health	-	-	-	-
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	119,00	-	110,00	7,00
Health and safety				
	2025		2024	
	employees	non-employees	employees	non-employees
Total number of hours worked	1.012.205,13	18.100,00	943.813,83	19.042,00
Rate of fatalities as a result of work-related injuries	-	-	-	-
Rate of work-related incidents resulting in severe consequences	-	-	-	-
Rate of recordable work-related injuries	8,89	-	5,30	105,03

S1-15 Work-life balance metrics - disclosure obligation				
Number of employees entitled to family-related leave				
	2025	%	2024	%
Total number of employees	669		645	
Number of employees entitled to family-related leave	489	73%	464	72%
Number of employees entitled to family-related leave - MEN	408	61%	385	60%
Number of employees entitled to family-related leave- WOMEN	81	12%	79	12%
Number of employees entitled to family-related leave - OTHER			-	0%
Number of employees entitled to family-related leave - NOT REPORTED			-	-
Number of employees who took family-related leave				
	2025	%	2024	%
Number of employees entitled to family-related leave	489		464	
Number of employees who took family-related leave	56	11%	34	7%
Number of employees who took family-related leave - MEN	38	8%	25	5%
Number of employees who took family-related leave- WOMEN	18	3%	9	2%
Number of employees who took family-related leave- OTHER			-	-
Number of employees who took family-related leave - NOT REPORTED			-	-

Requirement S1-17 Incidents, complaints and severe human rights impacts		
Incidents and complaints		
	2025	2024
Total number of incidents of discrimination (including harassment)		
Number of complaints submitted by employees via the designated channels for raising concerns (including complaint mechanisms).	-	-
Fines, sanctions and damages (discrimination and harassment)		
	2025	2024
Total amount of fines, sanctions and compensation for damages resulting from the above accidents and complaints, together with a reconciliation of the indicated monetary amounts with the most relevant amount budgeted	-	-

Requirement S1-17 Incidents, complaints and severe human rights impacts		
Severe human rights incidents		
	2025	2024
Number of major human rights incidents related to the company's workforce	-	-
Fines, sanctions and damages (severe human rights incidents)		
	2025	2024
Total amount of fines, sanctions and damages for accidents, together with a reconciliation of the indicated monetary amounts with the most relevant amount budgeted	-	-

Annexes to Chapter

Suppliers and local communities

G1-6 - Payment terms - disclosure obligation		
	2025	2024
Average time taken by the undertaking to pay an invoice (number of days)	67,7	59,5
Number of legal proceedings currently outstanding for late payments	-	-

G1-6 - Payment terms - disclosure obligation

In 2025, the average time to pay invoices at a consolidated level was 67.73 days, which reflects a slight increase from the 2024 figure of 59.46 days. This is indicative of the existence of specific contracts with extended payment terms and the operational nuances between the different companies within the Group.

Within the P.F.M. Group, payments are primarily made by bank transfer, with varying timings and methods depending on the company and the type of supply. For the majority of Italian companies within the Group, the standard payment terms to suppliers are 90 days EOM, accounting for approximately 80% of total payments. A limited number of suppliers of goods benefit from terms extended to 120 days EOM (10%), while consultancy services and costs for interventions are paid at 30 days EOM (7%). Utilities are paid by Direct Debit (SDD) with a payment term of 30 EOM (3%).

Some Group companies operate with fixed monthly payment cycles, reserving specific deadlines for current payments (rents, rentals, utilities) and supplier invoices. Foreign companies apply contractual terms in line with local regulations and practices, which typically vary between 30 and 90 days. There were no pending court proceedings related to late payments during the reporting period.

We thank all persons who contributed to preparing the 2025 Sustainability Report.
The Report was prepared in collaboration with **www.consimp.it**

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