



SUSTAINABILITY REPORT 2025

Sustainability Report 2025



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Letter to Stakeholders

Dear Stakeholders,

CD Automation Srl has operated for years across various industrial sectors, developing advanced technological solutions to support innovation in production processes. Since its establishment, the Company has oriented its growth toward efficiency, energy savings, and an ever-increasing focus on environmental sustainability, in the awareness that industrial development must today be combined with responsibility toward the environment and Society.

Our strategy is based on a concrete commitment to reducing environmental impacts, pursued through targeted investments in products and technologies capable of optimizing energy consumption and improving the performance of industrial plants. In this context, solutions such as the REVO PN and REVO DPU systems are integrated, designed to foster a more efficient use of energy and contribute to the reduction of emissions, supporting our customers in the transition toward more sustainable production models.

Concurrently, CD Automation is committed to the continuous improvement of the working environment and its own infrastructure through energy efficiency interventions within company premises and the adoption of solutions dedicated to reducing consumption. These include the implementation of mains voltage regulators via AVC (Automatic Voltage Control) systems, which allow for a more responsible and efficient use of energy resources even within our operational sites.

Furthermore, the focus on sustainability extends to corporate mobility, with the progressive introduction of hybrid vehicles into the car fleet, demonstrating the will to reduce emissions related to travel and promote more sustainable modes of transport.

For CD Automation, however, sustainability is not limited to the environmental dimension. People represent a central element of our development model: for this reason, we promote policies for the enhancement of human capital, welfare programs, and initiatives dedicated to employee well-being, recognizing that the skills, motivation, and involvement of our resources are a key factor for solid and lasting growth.

This Sustainability Report marks the beginning of a structured and well-defined journey aimed at monitoring, improving, and reporting over time the environmental, social, and economic performance of CD Automation. This is a path we intend to develop with transparency and continuity, strengthening the dialogue with all our stakeholders and confirming our commitment toward an increasingly sustainable, innovative, and responsible industrial development.

The CEO
Simone Brizzi

HIGHLIGHTS 2025



39

YEARS OF
CORPORATE
HISTORY

7.117.318

TURNOVER



2

TRADE FAIRS
WORLDWIDE

E nvironmental



26%

ENERGY CONSUMED
FROM RENEWABLE
SOURCES



100%

RECYCLED WASTE
PRODUCED



100%

NON-HAZARDOUS
WASTE PRODUCED

S ocial



100%

PERMANENT
EMPLOYMENT
CONTRACTS



0%

EMPLOYEE
TURNOVER

0



INJURIES

G overnance

60% 

FEMALE
REPRESENTATION ON
THE BOARD OF DIRECTORS



FIRST CERTIFIED

ESG
Rating

R&D



AT THE HEART
OF THE BUSINESS
STRATEGY

Methodological Note

This document constitutes the **first Sustainability Report** of the Company CD Automation (also referred to herein as the “Company” or the “Organization”).

This document has been prepared on a **voluntary basis**, addressing the Company’s need for a tool through which to present its sustainability policies and objectives to its stakeholders, illustrating the results achieved during the year.

This report has been prepared **in accordance with the “VSME standards”**, published by EFRAG (European Financial Reporting Advisory Group) in December 2024 and promoted in the form of a Recommendation by the European Commission. The Company has adopted the complete module of the VSME standards, which is ideal for structured companies committed to reporting a greater number of sustainability-related metrics.

The reporting period for the Sustainability Report is set on an **annual basis**. The reporting boundary considered is that of the registered office of CD Automation srl, Milan, and any limitations regarding the reporting boundary are expressly indicated in the text. Furthermore, to ensure data reliability, the use of estimates has been limited as much as possible; where present, such estimates are appropriately identified and based on the best available methodologies.

The applicable topics - specifically those deemed to be most significant for CD Automation and its stakeholders - were identified through an **applicability assessment** in which company management was directly involved. This process is detailed further in the “Applicability Assessment” section of this document.

The 2025 Sustainability Report and the applicability assessment were submitted to the Company’s Board of Directors. It is noted that the document has not been subject to audit by an independent third party. This Sustainability Report is also available to the public at the following web address: **<https://www.cdautomation.com>**

For any information regarding the Sustainability Report, the dedicated team may be contacted at the following address: **<https://www.cdautomation.com>**

1. With registered office at Via Pablo Picasso 34- 20025 - Legnano (MI), Italy and NACE code 26.11.
2024 Balance sheet assets: 10,839,030€ - 2025 Balance sheet assets 11,013,929€;
2024 Turnover: 7,021,629€ - 2025 Turnover: 7,137,317€

01

THE CORPORATE IDENTITY OF CD AUTOMATION

Sustainability Report

1.1 ROOTS AND VISION: History, Activities, and Corporate Values

Who We Are

Founded in 1987 in the province of Milan, CD Automation has been a point of reference for over thirty years **in the production of high-performance thyristor power units** intended for process control across multiple industrial automation sectors. CD Automation is an industry leader and operates through a single production site located in Italy; furthermore, through two wholly-owned foreign offices - in the UK and India - and a global network of qualified subsidiaries and partners, it ensures international coverage and excellence in technical support, offering comprehensive solutions for electrical power control and thermal regulation within the industrial sector.

CD Automation's solutions integrate advanced microprocessors and intuitive graphical interfaces, designed to simplify configurations, reduce footprints, and improve overall plant efficiency. The focus on innovation enables the offering of products compliant with Industry

4.0 and 5.0 requirements, featuring the most widely used digital communication systems (ModBus RTU, ModBus TCP, ProfiNet, Ethernet IP). The range includes single-phase, two-phase, and three-phase units (from 3A to 2100A, from 24Vac to 690Vac), capable of regulating various types of loads - resistive, infrared, inductive, and special - ensuring efficiency, reliability, and energy savings for customers' industrial plants.

The Company operates within the **Business-to-Business sector** and, through strategic partnerships and excellence in know-how consolidated by its Research & Development Department, brings innovative projects to the market ranging from co-design to co-marketing, fostering the creation of efficient, innovative, and customized solutions based on the specific needs of the customer's industrial plant. With CD Automation, innovation, quality, and energy efficiency merge to meet even the most complex challenges of modern industry.



Vision

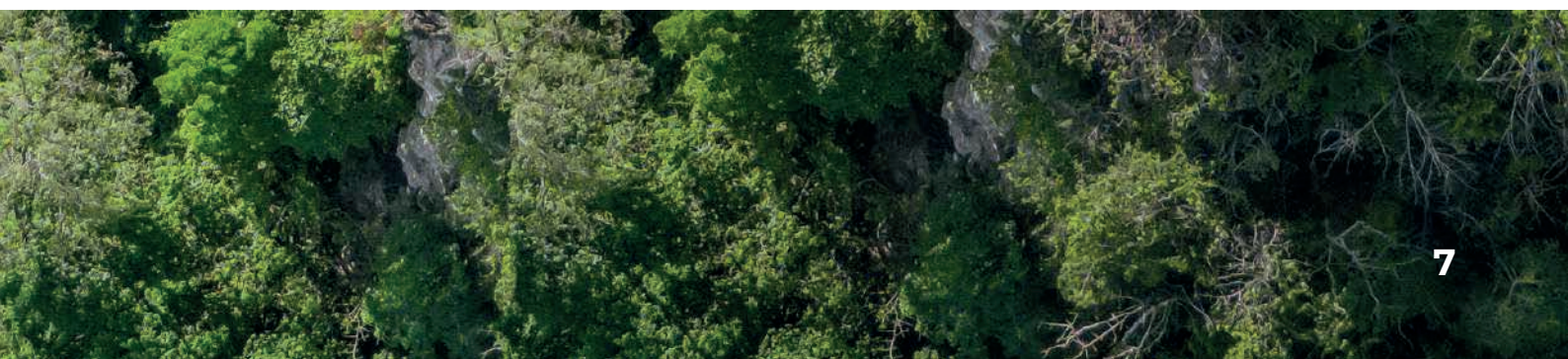
CD Automation's vision is based on **continuous innovation as a strategic lever** for developing high-performance products, built according to rigorous quality standards and designed to contribute to the efficiency and sustainability of industrial processes. The Company aims to be a reliable technological partner, capable of anticipating the evolution of customer needs and the production context by integrating digital solutions and approaches oriented toward the reduction of energy waste.

In the long term, CD Automation aspires to promote an industry that is **safer, more efficient, and more environmentally friendly**, supporting a path of continuous improvement that strengthens corporate competitiveness and the well-being of the communities in which it operates.

Mission

CD Automation pursues the mission of consolidating and strengthening its role as a point of reference, both nationally and internationally, in the field of electric thermal regulation and industrial process control systems. The Company operates with the **objective of providing reliable, efficient, and technologically advanced** solutions capable of increasing customer productivity, reducing energy consumption, and improving the environmental impact of processes.

Through an approach oriented toward quality, service, and maximum operational safety, CD Automation promotes a **responsible business model** based on listening to market needs and creating lasting value for all stakeholders.



Markets served

As previously mentioned, CD Automation operates predominantly in the **B2B and wholesale markets**, specializing in industrial process electric heating applications. The solutions developed by the Company are applied across a **wide range of industrial sectors**, spanning from common manufacturing fields to contexts of high technological complexity, including plastics production, semiconductor processing, the chemical and petrochemical sectors, glass and ceramics, industrial furnaces and heat treatment processes, automation, and the food and beverage industry. This positioning requires a high level of technical expertise and a consultative approach that accompanies the customer throughout the entire product life cycle.

The Company is active at the **national and European levels**, as well as in **major international markets** (such as the USA, China, and India), through a direct service model based on the management of relationships between sales representatives and end customers, and on the constant involvement of CD Automation even when marketing occurs through strategic partners².

Indeed, the high technical content of the products requires **continuous specialist support**: every new project involves a structured pre-sales phase, during which a preliminary study is conducted to define the correct application of the solution and to support the customer in integrating the product within complex machinery or plants.

Consultative support continues into the **post-sales phase**. CD Automation provides assistance in commissioning and system configuration, ensuring a timely and effective service. Specifically, a dedicated team of two technicians is capable of connecting remotely within two hours of a service request, ensuring operational continuity and fast problem resolution. The support service may also include **ad hoc product customizations** developed based on the specific needs of the customer. In the presence of different time zones, the Company proactively manages availability, agreeing upon intervention methods and timelines appropriate to the operational context.

2. CD Automation's strategic commercial partners include: CD automation UK, Toshcon CD, Watlow, and Sensing.

This **consultative approach** represents a **distinctive element of CD Automation's business model** and extends to the relationship with strategic partners, duly supported by the Company during the phases of technical analysis, solution design, and definition of application specifications. Such support ensures the correct and efficient use of the products and strengthens the relationship of trust with end customers.

In this context, CD Automation operates internationally through an articulated sales network consisting of both direct resources and local partners. With a network of approximately 70 customers, the Company is present in **Europe**, with active customers in France, Germany, and Northern European countries; in

North America, where market presence is maintained through strategic partners; in **India**, through a 50%-owned manufacturing subsidiary; and in **England**, through an exclusively commercial subsidiary, also 50%-owned. In **China**, CD Automation collaborates with a local strategic partner and schedules periodic on-site visits by its representatives to support customers and develop new business opportunities.

The combination of international presence, advanced technical skills, and structured consultative support enables the Company to offer reliable and customized solutions, contributing to the building of long-term relationships and the consolidation of its reputation in its target markets.



Our Distinguishing Values

Continuous Innovation



Technical Expertise and Professionalism



Fast Customer Support



Environmental Responsibility



Social Responsibility



CD Automation bases its corporate identity on building **solid, transparent, and lasting relationships** with customers, going beyond a mere professional connection. Attention to **customer satisfaction** represents the core principle guiding every activity of the Company, directing strategic, operational, and relational choices.

Technical expertise and professionalism constitute a distinctive element of CD Automation's approach, ensuring constant and qualified support throughout the entire product life cycle. This is complemented by a **rapid and effective assistance service**, designed to ensure operational continuity and timely responses, both for standard solutions and customized projects. The products developed by the Company are characterized by **reliability, ease of use, and safety**, as well as high **integrability with other systems** - aspects that contribute to enhancing the value of the offering and customer trust.



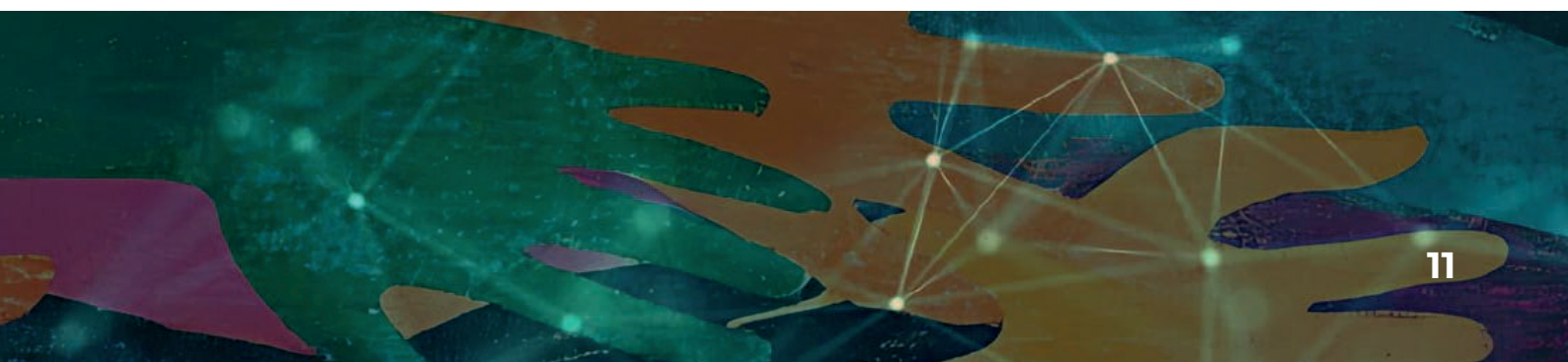
Our Distinguishing Values

Furthermore, CD Automation's operations are guided by deeply rooted ethical values, such as **honesty, fairness, transparency, and mutual respect**, which govern every relationship, both internal and external. An attentive listening, combined with an approach marked by humility and collaboration, allows the Company to accurately understand the needs of its stakeholders and respond with effective and sustainable solutions. Finally, a passion for work represents the engine that fuels the Company's growth journey and sustains its success over time.

CD Automation's mission is to support customers as a reliable partner, offering innovative technological solutions and accompanying them through every phase of the relationship, from design and pre-sales to post-sales service. The Company is committed to ensuring **high standards of quality and leadership**

through continuous training programs, rigorous controls throughout all phases of the production process, and a constant path of innovation and expansion of its offering.

In this context, CD Automation pursues a strategy oriented toward **long-term value creation**, integrating industrial development objectives with a concrete commitment to environmental and social responsibility. The corporate value system places the **protection of the individual**, the **safety** of communities, and **respect for the territories** in which the Company operates at its centre, while promoting **inclusion** and the appreciation of diversity. Through the application of its know-how and engineering skills, CD Automation intends to contribute to **sustainable innovation**, capable of improving people's quality of life and generating a positive impact for all stakeholders.



1.2 PRINCIPLES OF EXCELLENCE:

Corporate Governance and Integrity

Governance Structure

CD Automation's organizational framework follows a **traditional model**, featuring a Board of Directors that defines strategic guidelines and an internal management team overseeing key corporate functions. Operational governance is structured to ensure clear accountability and precise oversight of areas critical to the business

The **Board of Directors (BoD or Board)** is composed of **five members**: Mr. Simone Brizzi (Managing Director); Mr. Luca Brizzi (Managing Director); Ms. Ilaria Francesca Tasso (Director); Ms. Marisa Vezzoni (Director); and Ms. Valentina Mornata (Director). The Board carries out the operations necessary to achieve the corporate purpose and is the primary decision-making body, tasked with defining commercial strategies and guidelines.

A five-member board configuration represents a strength for a small company, as it combines **decision-making effi-**

ciency with rigorous governance oversight. Indeed, the presence of five directors fosters greater transparency in decision-making and ensures more distributed control among Board members, **reducing the risk of power concentration** in a single individual and helping to promote conduct consistent with **solid and responsible business ethics**.

Regarding the Board's composition, three out of five members are women: an **adequate gender balance within the administrative body** fosters a more robust and informed decision-making process by leveraging different perspectives, experiences, and skills, in line with best practices in governance, sustainability, and inclusion.

The Board of Directors meets two or three times a year and discusses, among other topics, any critical issues arising during the observation period raised by shareholders, employees, or customers.

The primary areas of experience and expertise represented by the Board members can be summarized in the following categories: Accounting and Finance, Product Engineering, Product Quality and Safety, etc.

Corporate Management utilizes various figures with specific roles in health, safety, and environment, including the Head of the Prevention and Protection Service, the Environmental and Safety Management System Manager, the Competent Physician, and an external ADR Consultant. Internal figures are also present, dedicated to monitoring regulatory compliance, risk prevention, and technical support.

Functionally, the Company is structured into administrative, engineering, and commercial areas. Administrative and management activities include accounting, personnel management, and the coordination of training activities. The engineering function handles the manufacturing process. The commercial function, supported by technical offices, manages product sales and customer relations.

Finally, **sustainability matters** are currently overseen by several internal points of contact, each within their respective field of expertise. With a view to stren-

gthening ESG governance, CD Automation aims to progressively identify a figure dedicated to coordinating sustainability initiatives, tasked with consolidating the Company's approach to environmental, social, and economic responsibility toward the market and its stakeholders. Once formalized, this figure will operate in close coordination with General Management, which will be responsible for ensuring a constant flow of information to the Board of Directors regarding the progress of sustainability initiatives and objectives.



The Code of Conduct

During **2025**, CD Automation adopted and disseminated its Code of Conduct, strengthening its governance system and the oversight of corporate ethical principles in a structured manner. The introduction of this Code represents a significant milestone in the Company's sustainability journey, aiming to promote a culture of integrity where compliance with current legislation and ethical values is an expression of shared and conscious responsibility, integrated into decision-making and operational processes.

The Code is addressed to employees of all levels and ranks, owners, agents, representatives, independent contractors, consultants, suppliers, and business partners, defining a **common framework for all entities interacting with the Company**. It aims to ensure **behavioural consistency, transparency, and accountability** in the conduct of corporate activities, in line with best practices in compliance and sustainability.

Through **clear principles and operational guidelines**, CD Automation's Code regulates the main areas of corporate responsibility: the protection of human dignity and the promotion of a work environment based on respect, inclusion, and the appreciation of diversity; the safeguarding of health and safety in the workplace; the promotion of fair competition and propriety in commercial relations; the prevention of corruption and bribery, as well as the transparent management

of business courtesies; compliance with regulations concerning imports, exports, and international trade; the protection of product quality and corporate assets; the safeguarding of confidential information, privacy, and intellectual property; cybersecurity and data protection; the proper management of conflicts of interest; responsible external communication; transparent relations with public institutions; environmental protection; the promotion of sustainability and respect for human rights.

Compliance with the Code constitutes an integral part of the internal control and corporate risk management system. Any violations may result in disciplinary action, up to and including the termination of employment or contractual relationships, in addition to the application of civil or criminal sanctions provided for by current legislation. By adopting the Code of Conduct, CD Automation **confirms its commitment to integrating ESG principles into its decision-making and operational processes**, promoting a sustainable growth model based on responsibility, transparency, and long-term value creation.



Incentives and Remuneration

Although CD Automation does not currently have a formalized procedure regarding remuneration, it ensures **fair and transparent treatment for all its employees**, guaranteeing that every individual receives just compensation, proportionate to their contribution and expertise, in full compliance with the salary requirements set forth by the relevant National Collective Labour Agreement for the Metalworking-Small Industry sector. All the Company's employees are covered by a National Col-

lective Labour Agreement and receive remuneration equal to or higher than the minimum established by the reference agreement.

Consistently with the principles of equity and inclusion that characterize its corporate culture, CD Automation guarantees that, for equal skills and duties, every individual receives the same remuneration, without any discrimination based on gender, age, or any other personal condition.



02

OUR APPROACH TO SUSTAINABILITY

2.1 Building a Sustainable Future

CD Automation is aware of its impact, both direct and indirect, on the surrounding environment, on economic and social progress, and on the overall well-being of communities. For this reason, it is committed to promoting a culture of sustainability and social responsibility, actively involving both the Organization and external stakeholders.

The objective is to **generate competitive value**, not only for the Company, but also for stakeholders and the local area, **while fostering stable and sustainable economic growth**. CD Automation strives to improve the quality of life, preserve and enhance the environment, and resolutely address any negative impacts that its activities may have on the environment, communities, and the territories in which it operates.

Governance and corporate integrity ³

Commitment to responsible business and sound governance are considered cornerstones of CD Automation's ethical culture, inspiring the conduct of corporate bodies, management, and employees in their relations with customers, suppliers, and all stakeholders. In 2025, the Company introduced and shared its Code of Conduct to promote responsible behaviour and high ethical standards both within and outside the Company.

Corporate Culture and People ⁴

CD Automation is committed to ensuring a healthy and safe working environment, in compliance with current labour laws and regulations. Furthermore, the Company promotes an inclusive climate, actively countering all forms of discrimination and committing to support initiatives aimed at fostering the growth and continuous professional development of its personnel.

3. For further information, please refer to the section "Principles of Excellence: Corporate Governance and Integrity".

4. For further information, please refer to the section "Working at CD Automation: Where Talent and Opportunity Meet".

Research and Development on Sustainability⁵

Innovation represents a central element in CD Automation's business model: continuous investment in the development of efficient solutions with reduced energy and thermal consumption, as well as power control, allows for the concrete integration of sustainability principles, generating value for both the Company and its customers. Furthermore, the Company actively participates in innovation and development projects within the sustainability field, such as the collaboration established with the University of Florence for research into new renewable energy sources.

Product Responsibility throughout the Supply Chain⁶

CD Automation conducts a rigorous selection of suppliers and periodic monitoring of the entire supply chain. Furthermore, the Company looks forward to the implementation, in the near future, of a Supplier Code of Conduct aimed at integrating ESG criteria into the selection process.

Environmental Protection⁷

Aware of the environmental impact of its processes, the Company is committed to promoting initiatives aimed at preventing and reducing the environmental effects arising from its business activities.

Indeed, CD Automation constantly invests in the development of innovative solutions designed to improve the energy efficiency of industrial processes, helping its customers significantly reduce energy consumption to the benefit of both costs and the environment.

Furthermore, the Company continuously monitors its own consumption, and Management issues circulars addressed to employees and directors containing guidelines to be adopted to reduce waste and optimize the use of resources.

5. For further information, please refer to the section "Synergies with the Local Area: Partnerships, Value Chain, and Local Impact".

6. For further information, please refer to the section: "Partners in Responsibility: Managing the Value Chain with Suppliers".

7. For further information, please refer to the section "Towards a Sustainable Future: Our Environmental Responsibility".

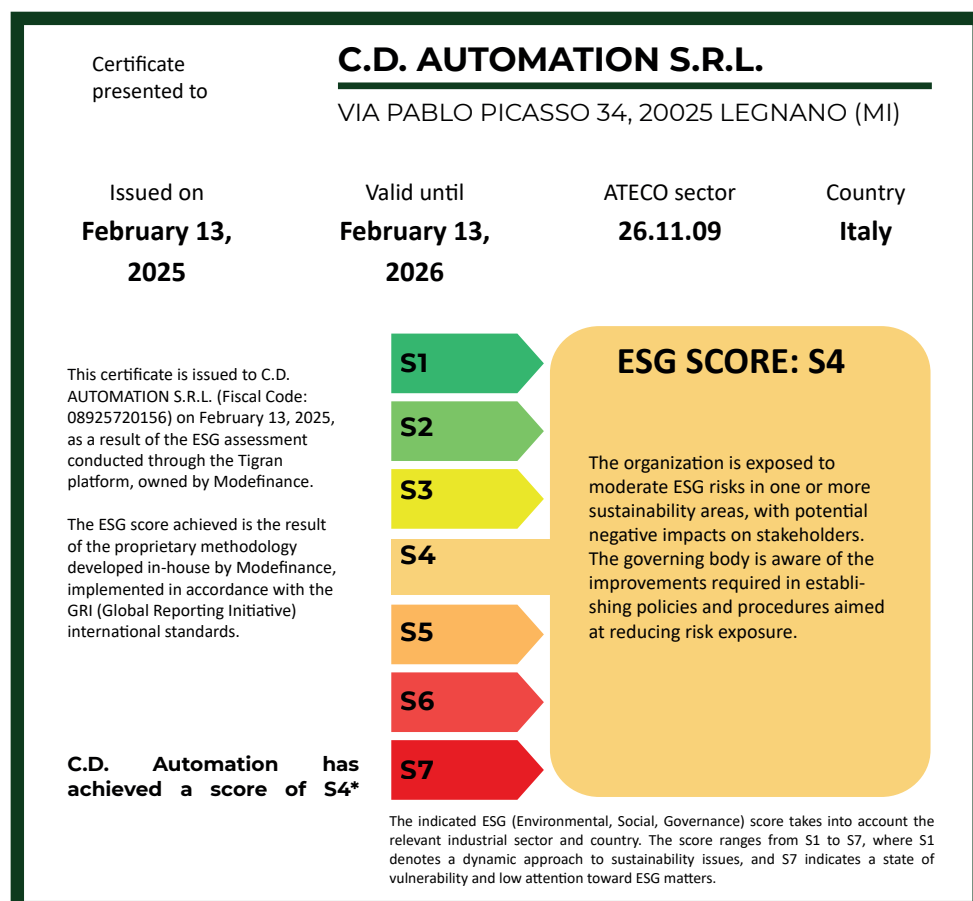
The ESG Rating

As the crowning achievement of its commitment to sustainability, the Company underwent an ESG rating on 13 February 2025. This tool is provided by Modefinance, a certified rating agency, and is intended to evaluate a Company's ESG performance through the completion of a detailed questionnaire. Specifically, the rating investigates the presence within the Company of safeguards, measures, and procedures across the three pillars of sustainability: environmental, social, and governance.

Based on the results of the questionnaire, the rating assigns companies a final score ranging **from S1 to S7**, with S1 being the highest score and S7 the lowest.

Based on the analysis performed, the Company was assigned a score of S5 in the environmental section, S4 regarding social issues, and S4 in relation to governance.

In light of the scores obtained in the various sections of the rating, CD Automation achieved **an overall score of S4**. This result confirms the tangibility and validity of the actions the Company undertakes to mitigate its environmental and social impacts and to create shared value. At the same time, however, the result encourages the Organization to continue challenging itself, identifying new areas for improvement and further strengthening its path toward sustainable growth.



2.2 Applicability Assessment

In accordance with the requirements of the VSME Standards, recently adopted by the European Commission via recommendation, the contents of this document have been drafted through an Applicability Assessment exercise. This process has allowed for the identification of the environmental, social, and governance aspects most relevant to the Company, which could therefore significantly influence the decisions of its stakeholders.

In line with the guidance provided by the VSME Standard, the applicable disclosures were identified starting from the topics (topics, sub-topics, and sub-sub-topics) set out in **Appendix B** of the document published by EFRAG on 17 December 2024.

The analysis performed initially focused on a **benchmark of industry peers and best-in-class companies** that publish a Sustainability Report. This exercise allowed for the identification of a series of **impacts, risks, and opportunities** that were also found to be valid for CD Automation's activities. Subsequently, these impacts, risks, and opportunities were mapped to the topics provided for in Appendix B.

Each identified topic was associated with its relevant metric as provided by the standards and, consistently with the guidance provided therein, **the management assessed its applicability to the Company's specific circumstances**.

List of applicable topics for C.D. Automation: ⁸

Category	Applicable topics	Associated VSME Standard
Environmental Responsibility	Energy and emissions	B3
	Water resources	B6
	Circular Economy	B7
Social Responsibility	Own workforce	B8, B9, B10, C6, C7
	Workers in the value chain	C6, C7
	Impacts on the community	C7
	Consumers and end-users	C6, C7
Governance Responsibility	Business conduct	B11, C8, C9

8. Mandatory datapoints belonging to non-applicable metrics and relating to the "General Disclosures" section are reported in the Annexes and in the Index of Contents hereof.

***TOWARDS A
SUSTAINABLE
FUTURE: OUR
ENVIRONMENTAL
RESPONSIBILITY***

3.1 TOWARDS EFFICIENCY:

Responsible Management of Energy Resources

Energy Consumption

Although operating in a context that does not involve high energy requirements, CD Automation recognizes the importance of structured oversight of consumption and aims to progressively strengthen **energy monitoring and management** with a view to continuous improvement. To this end, the Company intends to further leverage the use of technical solutions developed internally and applied to consumption measurement systems, as well as to promote increasing staff awareness regarding energy efficiency issues.

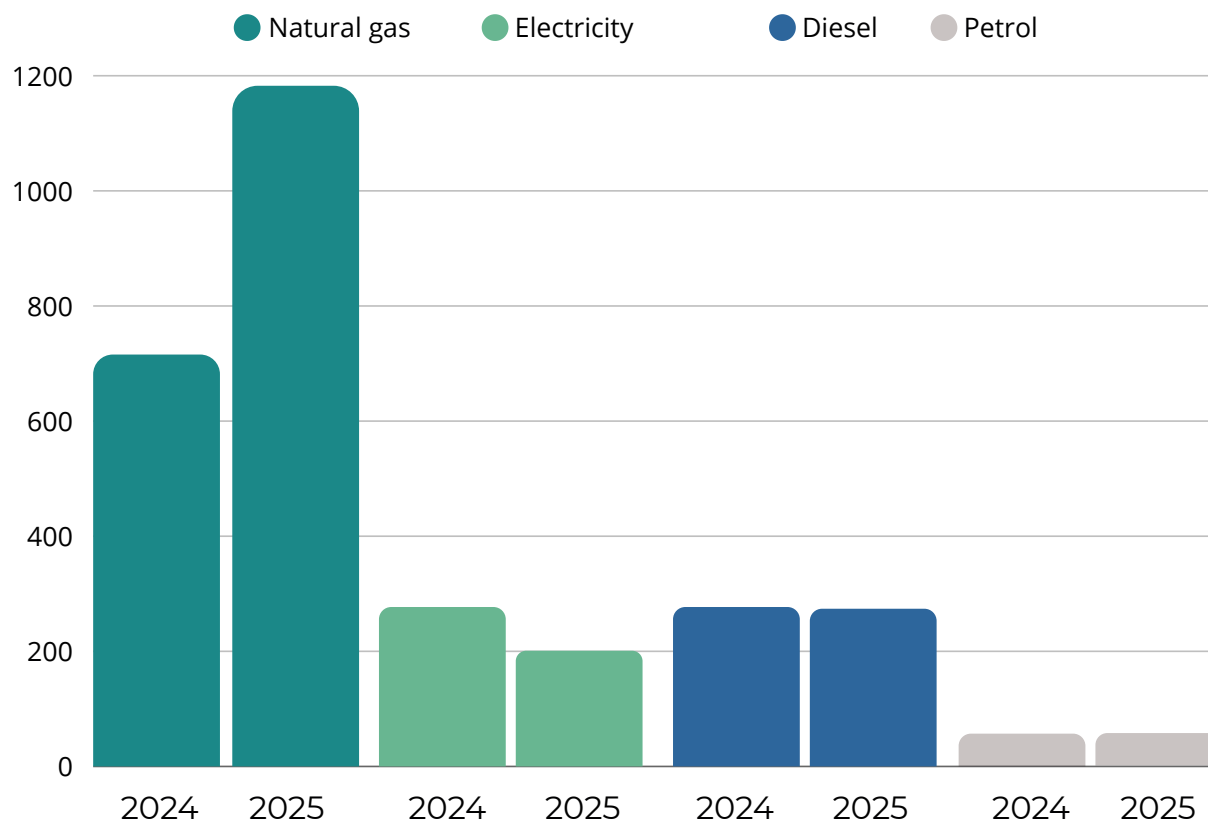
In parallel, CD Automation aims to consolidate a **cultural approach oriented toward environmental protection** through the dissemination of operational guidelines and internal communications intended to encourage responsible and sustainable behaviour. In addition to energy matters, these initiatives more generally concern the adoption of environmental best practices, such as the conscious use of resources, the reduction of paper consumption, and proper waste management, with the goal of integrating sustainability principles into the Organization's daily activities.



CD Automation's energy consumption

Energy sources used for production activities	Energy sources used for the vehicle fleet
55.303 Kwh of electricity (76.180 Kwh nel 2024)	7.515 l of Diesel (7.696 l nel 2024)
32.174 Sm3 of natural gas (20.363 Sm3 nel 2024)	1.771 l of Petrol (1.819 l nel 2024)

Total energy consumption in GJ 2025/2024



Energy Efficiency Initiatives

Over the years, CD Automation has undertaken a series of **energy efficiency initiatives** aimed at optimizing consumption and improving operations, demonstrating a steady commitment to reducing its environmental impact. This path is part of the European Green Deal, a package of measures aiming for climate neutrality by 2050.

Initiatives Adopted

CD Automation Microprocessors

CD Automation's solutions integrate advanced microprocessors and intuitive graphical interfaces, designed to simplify configurations, reduce dimensions, and improve overall plant efficiency, placing energy efficiency at the core of its business.

Efficiency of Processing Plants

CD Automation's policy has always focused on the modernization and efficiency of its processing sites. In particular, the Company is actively committed to reducing energy consumption. Indeed, a dedicated self-produced device is installed in its meter, specifically designed to minimize consumption.

Green Transport

To reduce emissions, the Company utilizes a low environmental impact Full Hybrid vehicle, and future purchases along this line are planned. These low-emission vehicles contribute to the reduction of CO2 emissions and the optimization of resources.

Relamping

CD Automation completed its Relamping project in 2024, replacing existing light bulbs with LED lamps in offices and laboratories, demonstrating a reduction in costs and consumption.

Upcoming Initiatives

Renewable Electricity

The Company is currently evaluating various solutions for the production of sustainable energy. At present, the installation of photovoltaic systems at the Company headquarters is not technically feasible, as the building's roof, characterized by the presence of skylights, does not allow for adequate installation of the systems. The Company constantly monitors the evolution of available technological solutions and aims to evaluate future installation opportunities should technologies emerge that are more efficient in terms of energy yield or footprint. In this perspective, CD Automation also intends to consider potential public incentive instruments, including funds made available by the PNRR (National Recovery and Resilience Plan), in order to support investments in renewable sources.

Monitoring of atmospheric emissions

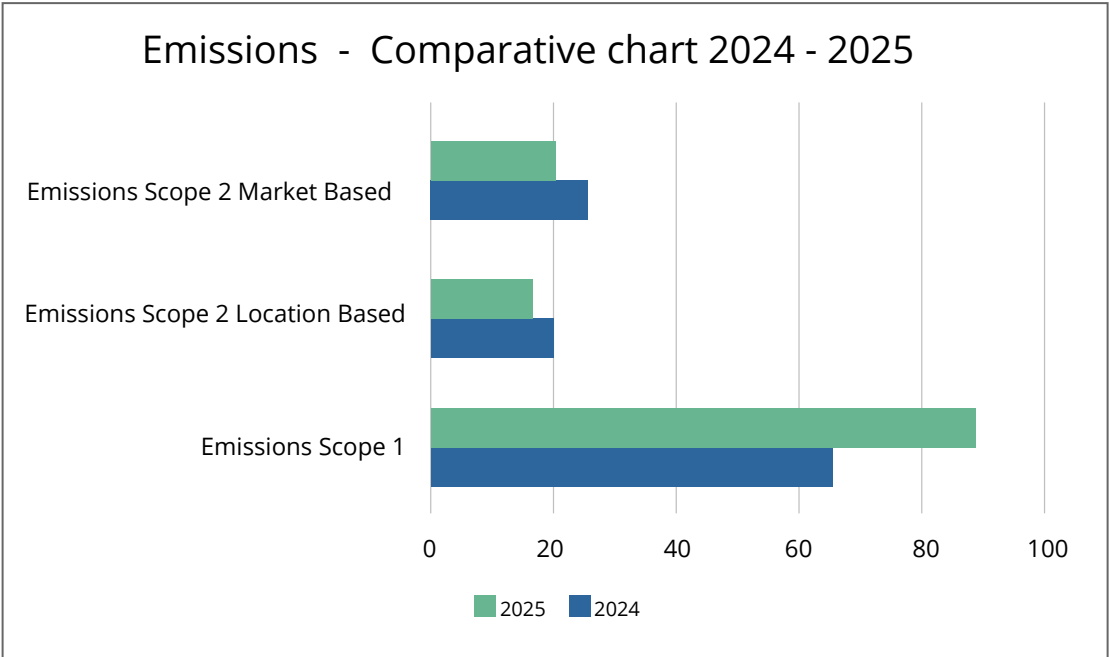
CD Automation pays particular attention to the issue of climate-changing emissions, actively committing not only to the monitoring of direct and indirect greenhouse gas emissions but also to the control of other polluting substances that may arise from processing operations.

GHG Scope 1 emissions reported in 2025⁹ for the Company amount to 88.97 tCO₂ (65.72 tCO₂ in 2024).

Finally, GHG Scope 2 emissions were evaluated using two different methodologies:

- **Location-based:** this method considers the average emissions of the distribution network used by the Organization, referring to the geographical location (Italy) of its electricity utilities;
- **Market-based:** this method takes into account the specific emissions associated with the type of electricity supply contract selected by the Organization.

In 2025, for CD Automation, **Scope 2 Location-Based emissions** amount to **16.99 tCO₂** (20.41 tCO₂ in 2024) and **Scope 2 Market-Based emissions** amount to **20.46 tCO₂** (25.76 tCO₂ in 2024).



9. For further details on the emission factors used, please refer to the Annexes section.

3.2 Our Waste Strategy and Circular Economy Principles

A key element for environmental protection and for the implementation of sustainable business management is represented by the treatment and disposal of waste. Proper recycling not only reduces negative environmental impact but also contributes to the conservation of natural resources.

International regulations, such as the Waste Framework Directive ([Directive 2008/98/EC](#)), establish a hierarchy aimed at preventing and minimizing the negative effects of waste generation and management on health and the environment. In this context, the Company's **commitment to the ecological management of waste** generated in the production process demonstrates how industry can contribute to environmental protection and the promotion of the circular economy, prioritizing recycling within its own technological cycle whenever possible.

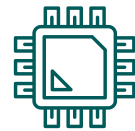
The **waste produced**, managed in compliance with current European regulations, is classified according to EWC codes (European Waste Catalogue) and **includes**:



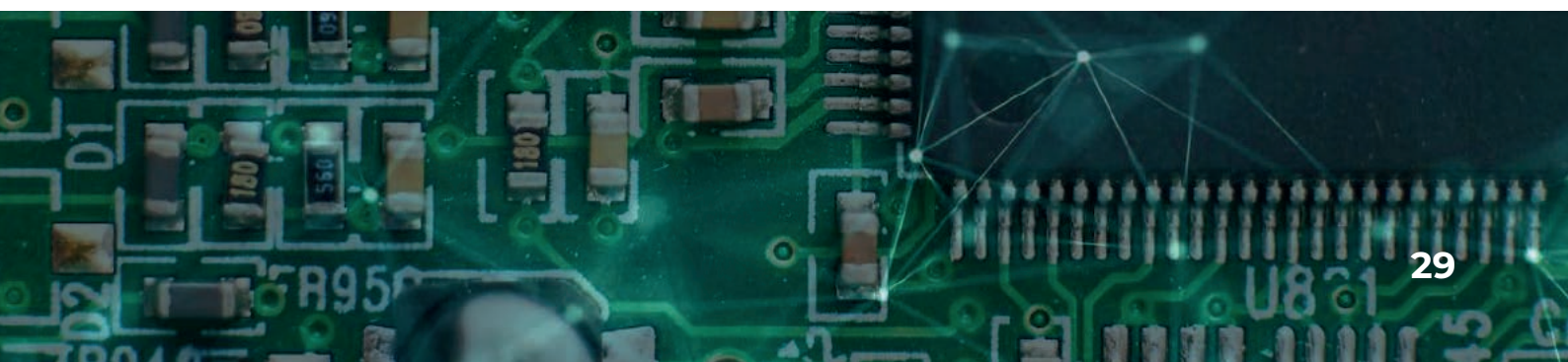
Paper and cardboard



Plastic



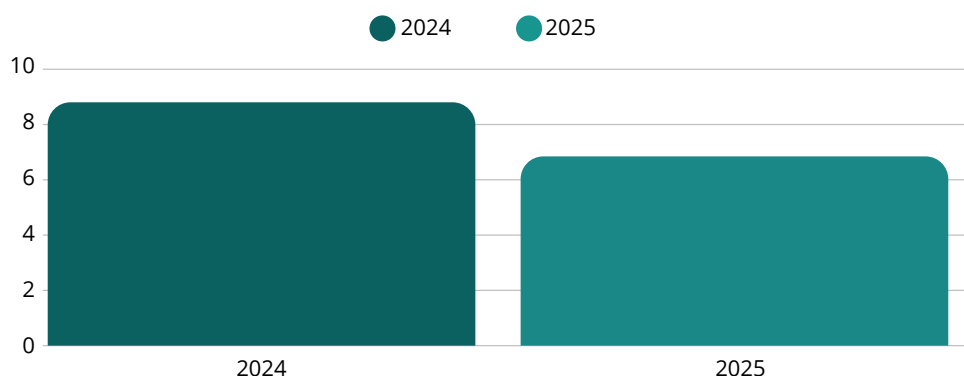
Metal residues deriving from processing scrap



Our Waste Strategy and Circular Economy Principles

In 2025, the Company's **total waste production** was **7.35 tonnes**, compared to 9.17 tonnes in 2024. For both years, all waste produced was sent for recycling.

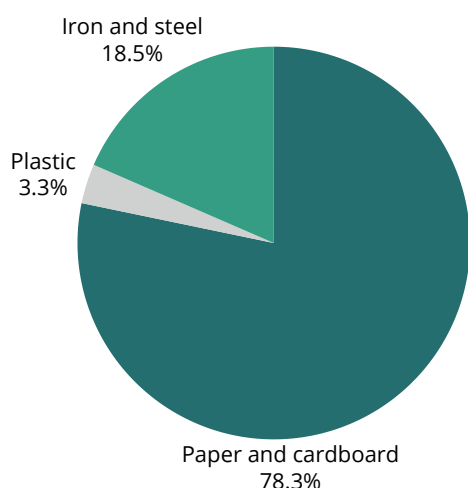
Waste statistics 24-25



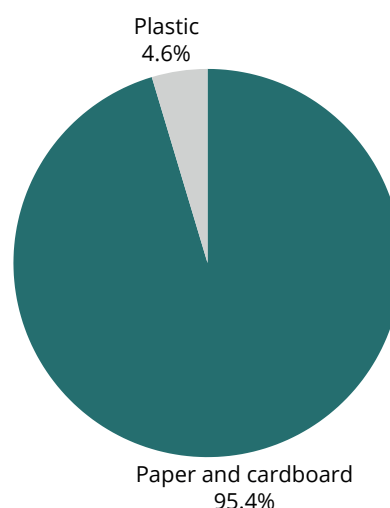
Specifically, in 2025 CD Automation produced **7.2 t of paper and cardboard** and **0.35 t of plastic**, which were **appropriately sent for recycling**. In 2024, however, the Company produced 1.7 t of iron and steel, which were transferred to a company specializing in the recovery of such materials, 7.2 t of paper and cardboard, and 0.27 t of plastic, which were appropriately sent for recycling.

As can be seen from the description above, **the totality of the waste produced by the Company is to be considered “non-hazardous” type**.

Waste classification 2024



Waste classification 2025



Our Waste Strategy and Circular Economy Principles

CD Automation's waste management is governed by specific internal operating procedures, defined in **compliance with current legislation** and aimed at ensuring traceability, safety, and control throughout the entire process. At predetermined intervals, the waste produced is handed over to external operators duly registered with the National Register of Environmental Managers, who handle its recovery or disposal at authorized facilities. All operations are appropriately recorded and monitored through computerized systems, ensuring the correct maintenance of records and full compliance with applicable regulatory obligations.

Waste is temporarily stored in suitable containers and placed in specially equipped storage areas, segregated by waste type, in order to prevent environmental risks and ensure proper operational management. At the same time, in the selection of packaging materials, the Company prioritizes recycled and recyclable solutions, with the aim of reducing waste generation and promoting a more efficient use of resources.

In accordance with the principles of the circular economy, CD Automation adopts an approach **aimed at enhancing the value of the waste produced, prioritizing recovery over disposal where possible**. In particular, certain processing scraps, such as aluminium, copper, and other metals, are periodically transferred to a local company specialized in the recovery and recycling of materials, thereby contributing to the reintroduction of resources into the production cycle. This approach allows for a reduction in the environmental impact of corporate activities and, at the same time, generates value through the reuse of raw materials.

Furthermore, the Company recognizes the importance of adequate regulatory oversight regarding waste traceability. Although it does not produce hazardous waste, CD Automation is among the entities subject to the obligations introduced by the National Electronic Registry for Waste Traceability (RENTRI) system and aims to ensure progressive alignment with the relevant provisions, including through the integration of internal waste management and disposal procedures.

***TOWARDS A
SUSTAINABLE FUTURE:
OUR PRODUCT
RESPONSIBILITY***

4.1 FROM RAW MATERIALS TO EXCELLENCE: Our Manufacturing Process

The Company's manufacturing process represents an ideal example of **corporate synergy** and **production interconnection**, in which each operating unit plays an essential role. This is the strength of CD Automation: an **ecosystem of interconnected units** working together to create complete power control solutions.

Manufacturing Process Phases

CD Automation's production is managed at a single site, and the **process phases** are **carefully proceduralized and monitored** to achieve constant performance improvement.

The production process primarily employs aluminium heat sinks, electronic boards, plastic components, fuses, ESC static regulators, and electronic discs. The entire order management flow is structured to ensure **traceability, efficiency, and quality**, following an approach oriented toward operational responsibility and continuous improvement.

CD Automation's manufacturing process begins with the receipt of the customer's order, which is registered in the Company's systems and subjected to a preliminary check to verify the accuracy of

the product code. Orders are collected daily and subsequently assigned to the relevant departments according to a schedule that ensures operational efficiency and continuity of the production flow.

Although orders are theoretically interchangeable, production organization is based on specialized cells, each dedicated to a specific type of product. This configuration allows for the **enhancement of internal technical skills**, encourages the standardization of activities, and **improves the overall quality of the process**. In this initial phase, the verification of the QR Code associated with the order ensures full product traceability throughout all stages of processing.

The **entire production process** is **constantly monitored** through a structured internal management system, which allows for oversight of operational activities and timely intervention in the event of any anomalies. This system, supported by performance indicators and dedicated verification procedures, represents a central element of the continuous improvement approach adopted by the Company.

Once the processing is completed, the order undergoes the testing phase, during which all necessary checks are performed to guarantee **product compliance** with the required technical specifications. Testing activities are fully recorded and made available for potential internal or external audits. Only upon a positive outcome can the unit proceed to the subsequent phases of the process.

Finishing includes the preparation of technical documentation, including manuals and labels, the inclusion of planned accessories, and the performance of a final quality control check. The

latter is aimed at identifying any aesthetic or functional defects, such as anomalies in the heat sinks or imperfections in the plastic parts. The **systematic checks** carried out during this phase testify to the Company's focus on product quality and allow for the timely identification of possible areas for improvement.

Upon completion of the finishing activities, the unit is sent for packaging, during which final checks are carried out, the delivery note is prepared, and the placement of the product in the warehouse is organized, pending shipment to the customer.

To support production efficiency, **each cell** is equipped with an **internal “supermarket”**, consisting of a material cart replenished from the warehouse whenever necessary. This system **reduces procurement times, optimizes resource utilization**, and contributes to the overall improvement of operational performance, in line with CD Automation's commitment to increasingly efficient and responsible production processes.



4.2 REVOLUTIONIZING THE MARKET: Innovation at the Core of Our Offering

In an industrial context increasingly oriented towards environmental sustainability and energy efficiency, the electrical power controller sector plays a strategic role in promoting advanced and responsible technological solutions. In this scenario, Research and Development activities assume central importance in addressing current environmental challenges and contributing to the construction of more sustainable production models.

CD Automation recognizes **Research and Development** as a **key factor in its growth strategy** and constantly invests in the development of innovative solutions aimed at improving the energy efficiency of industrial processes. The Company is committed to designing intelligent algorithms capable of analysing system demands in real time and providing exclusively the amount of energy required, thereby reducing waste and unnecessary consumption. This approach **allows for the optimization of plant performance** and, at the same time, **the mitigation of the environmental impact of production activities**.

A concrete example of innovation applied to energy saving occurred when CD Automation developed an advanced electrical voltage stabilization system using an AVC Thyristor power controller for a British customer. This solution made it possible to maintain constant voltage in contexts characterized by significant power grid fluctuations, improving operational efficiency and reducing energy consumption. The system was subsequently installed at CD Automation's own company meter, representing an emblematic case of transferring expertise developed for customers into its own internal processes.

Research and Development activities are part of a **vision of continuous improvement**, oriented towards raising the quality of the products and services offered. For several years, the Company has adopted a **cross-functional approach to innovation**, extending R&D activities to all proposed technological solutions. The R&D department consists of a dedicated team of specialized engineers, supported by external consultants, and represents the heart of corporate innovation.

The **products** developed by CD Automation are **fully compatible with Industry 4.0 and 5.0 principles**, as they allow for the collection and remote transmission of electrical data from the field. In parallel, advanced algorithms are being developed aimed at optimizing energy consumption in industrial environments, designed to interpret operational needs and minimize energy losses throughout the production process.

The **average useful life of the products** manufactured by the Company is **approximately ten years**, at the end of which evolutionary maintenance or the introduction of a new model is scheduled. In this context, every decade CD Au-

tomation initiates the development of a new “**master project**” - an innovative technological platform defined by specific Key Performance Indicators (KPIs), which guide both the design phase and performance evaluation over time.

Alongside long-term projects, the Company manages daily **technical support** and development activities at the request of customers. Indeed, the products are conceived to be highly customizable, allowing the team to adapt solutions to the specific needs of each customer. These activities, while less intensive than master projects, represent an essential element in ensuring flexibility, continuity of service, and a high level of customer satisfaction.



CD Automation Products

CD Automation offers a **wide range** of some of the most sophisticated **products** in the world for industrial electrical power control, ensuring top-level performance thanks to the solid know-how of its R&D department.

The Company is a **sector leader** and focuses on loads up to 3000KW in single-phase, two-phase, and three-phase versions, Thyristor Power Regulators (SCR Power Controllers), AC Motor Starters (Soft Starters), SSR Solid State Relays, Static Relays, Temperature Controllers, Panel Indicators, Operator Panels, and Chart and Video Graphic Recorders.

The product range is available on the dedicated website <https://www.cdautomation.com> and includes:

Thyristor Power Controllers (SCR)¹⁰



CD Automation offers a full range of thyristor power controllers (SCR), designed to continuously regulate the power supplied to the load by varying the thyristor firing angle or the number of applied half-waves. The product lines include models such as CD3000S, REVO S, REVEX, REVO C, and REVO PC/PN, available in single-phase (1PH), two-phase (2PH), and three-phase (3PH) configurations, responding flexibly and reliably to the diverse needs of industrial plants. Models such as the REVO PC/PN allow for the management of the plant's peak power demands, keeping them below contractual limits in order to minimize costs and increase the energy efficiency of the production plant. These devices allow for the efficient management of a wide variety of applications: from the control of standard resistors and the regulation of current flow in electrical circuits to the management of inductive loads, ensuring precise control of electric motors, transformers, and coils. Furthermore, the developed solutions allow for the optimization of the use of Silicon Carbide (SiC) heating elements, maximizing their lifespan and performance, as well as improving the efficiency and longevity of molybdenum disilicide (MoSi_2) heating elements. The range includes applications dedicated to the management of infrared heaters and UV lamps, ensuring accurate, stable, and reliable power control even in the most complex industrial processes.

¹⁰. For further information, please refer to the dedicated webpage: <https://www.cdautomation.com/scr-power-controller-cd-automation/>

Multi-Channel Power Units with Energy Saving Functions¹¹



Manufactured to improve the efficiency and temperature control of industrial plants using premium quality materials, what makes CD Automation's power controllers and heating element controllers unique is, above all, the intelligent load management functionality. Thanks to the specific algorithm on which they are based, these multi-channel units are capable of eliminating instantaneous power peaks through synchronization and power limit functions for each zone, resulting in the minimization of energy consumption and costs. The multi-channel power units and SCR controllers for heating elements in CD Automation's REVO line not only save time, costs, and resources by up to 70% compared to a heating solution composed of individual components, but also improve the heating process itself, leading to reduced downtime and better product quality.

Panel Regulators and Programmers¹²

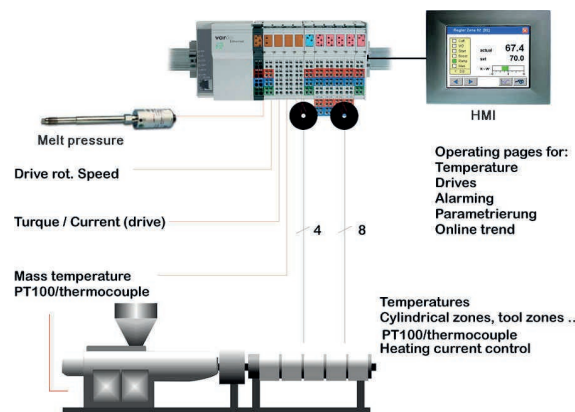


Panel indicators are essential instruments for the visualization and monitoring of parameters in industrial environments. CD Automation devices offer a clear data reading, ensuring a user-friendly interface and smooth integration into control panels. The collaboration with well-known brands such as Fuji, West, and CAL guarantees high-quality solutions that combine precision, reliability, and durability.

11. For further information, please refer to the dedicated webpage: <https://www.cdautomation.com/products/multi-channel-power-controllers/>

12. For further information, please refer to the dedicated webpage: <https://www.cdautomation.com/products/temperature-controller/>

Rear-Panel Regulators¹³



Panel indicators are essential instruments for the visualization and monitoring of parameters in industrial environments. CD Automation devices offer a clear data reading, ensuring a user-friendly interface and smooth integration into control panels. The collaboration with well-known brands such as Fuji, West, and CAL guarantees high-quality solutions that combine precision, reliability, and durability.

Static Power Relays¹⁴



The static relays from 3.5 to 800A in the REVO S range are designed to offer reliable and versatile solutions for temperature control and energy regulation across a wide range of industrial applications. REVO S static relays are distinguished by high precision and reliability in temperature control, ensuring optimal operation in all situations. The compact and robust design allows for quick and simple installation, while the wide range of available voltages and currents enables adaptation to various application needs. Thanks to advanced diagnostic and monitoring functions, these power units ensure system safety and energy efficiency.

13. For further information, please refer to the dedicated webpage: <https://www.cdautomation.com/products/temperature-controller/>

14. For further information, please refer to the dedicated webpage: <https://www.cdautomation.com/products/revo-s-family/>

Operator Panels¹⁵



CD Automation's operator terminals, HMI profilers, and graphic operator terminals are hardware and software systems that allow the human operator to effectively interact with, monitor, and configure thyristor units through user-friendly interfaces.

AC Motor Starters - Soft Starter¹⁶



The STB Basic is an affordable three-phase soft starter for three-wire connections with sizes up to 200A and integrates adjustable functions, including initial starting voltage, start ramp time, and soft stop ramp time.

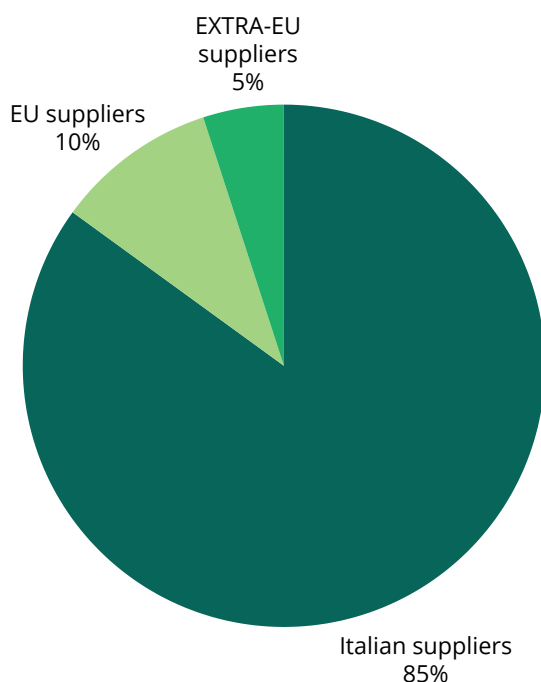
15. For further information, please refer to the dedicated webpage: <https://www.cdautomation.com/products/hmi-terminals/>

16. For further information, please refer to the dedicated webpage: <https://www.cdautomation.com/product/stb-basic-soft-starter/>

4.3 PARTNERS IN RESPONSIBILITY: Managing the Value Chain with Suppliers

CD Automation pursues high standards of quality and reliability throughout the entire production process, paying particular attention to the selection of raw materials and components used. In line with this approach, the Company adopts **rigorous criteria in upstream supply chain management**, carefully selecting its suppliers and establishing solid and lasting relationships with them, based on mutual respect, trust, and long-term collaboration.

The collaboration with internationally prominent partners, such as West (Fortive) and Fuji Electric, allows CD Automation to further expand and qualify its range of industrial temperature control solutions, covering market segments ranging from panel temperature controllers to multi-zone controllers equipped with the latest fieldbuses.



The Company's procurement involves various categories of suppliers, including raw material suppliers, such as aluminium; suppliers of finished and semi-finished products - such as screws, plastic granules, and assembly components - as well as suppliers of machinery and equipment, electricity and fuels, transport services, vehicles, and professional services. The supply chain also includes additional ancillary supplies, such as maintenance activities, purchase of spare parts, consumables, and consultancy services.

From a geographical perspective, the Company's **spending on direct suppliers** is predominantly concentrated on national distributors, representing **85% of the total**, and on European suppliers, amounting to 10%. CD Automation resorts to non-European suppliers (5%) exclusively in cases where the national or European market does not have specific materials or components available, thus confirming its commitment to prioritizing and supporting the Italian and European production fabric.

Aware of the importance of sustainable supply chain management, the Company is committed to maintaining **high standards of quality and safety** in order to ensure **full customer satisfaction** and **compliance with the required technical requirements**. The accurate selection of suppliers and commercial partners therefore represents a key element in ensuring the integrity of relationships, decision-making independence, and respect for ethical principles throughout the entire value chain. To this end, CD Automation performs a **detailed analysis of the samples provided** and requires its commercial partners to **hold UL (Underwriters Laboratories) certification**, as a guarantee of product compliance with rigorous safety standards, verified through specific tests and controls.

In addition, **all suppliers are required to comply with the main European regulations regarding chemical substances and product safety**, including the **REACH Regulation** (Registration, Evaluation, Authorisation and Restriction of

Chemicals), aimed at protecting human health and the environment from risks associated with the use of hazardous substances, and the **RoHS Directive** (Restriction of Hazardous Substances), which limits the use of certain harmful substances in electrical and electronic products.

Alongside the technical-regulatory aspects, CD Automation also evaluates the **economic and financial reliability** of its suppliers through the CreditSafe platform, used for the analysis and monitoring of credit risk, supporting a responsible and informed management of supply relationships.

Finally, with a view to further strengthening supply chain governance, the Company aims to formalize a **Supplier Code of Conduct** in the short term, intended to consolidate the selection and monitoring processes of commercial partners and to ensure increasingly structured alignment with ESG (Environmental, Social, Governance) principles.

***TOWARDS A
SUSTAINABLE
FUTURE: OUR SOCIAL
RESPONSIBILITY***

5.1 WORKING AT CD AUTOMATION: Where Talent and Opportunity Meet

Aware of the strategic importance of its personnel, CD Automation is committed to fostering employee well-being, promoting an inclusive work environment, and combating all forms of discrimination.

The Company aims to build a culture that values merit and inclusion, stimulating continuous improvement and listening to the needs of its employees.

Our People

The Company holds a prominent position in the industrial power control labour market. CD Automation positions itself in the market as a reliable support network, acting as a strategic resource and a point of reference for the surrounding communities and its collaborators. As of 30 June 2025, the company workforce consists of **14 employees**, equal to the number of employees recorded in June 2024.

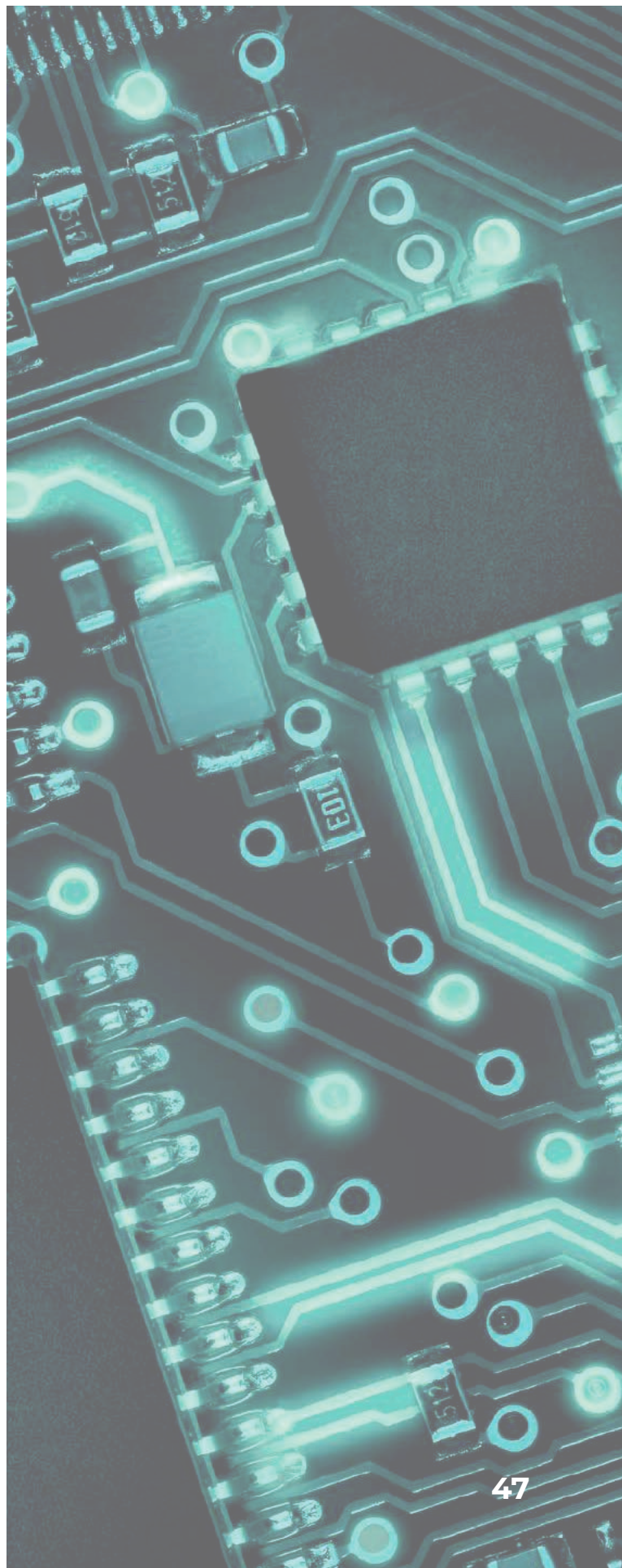
Furthermore, although the Company is not subject to the regulations regarding the employment rights of persons with disabilities under Italian Law 1999/68, it has nevertheless hired one employee belonging to a protected category under Italian law through an internship contract.

In terms of contract types, the Company has always prioritized permanent employment contracts, reflecting its commitment to a long-term retention strategy and investment in its resources. This year, in fact, the percentage of employees with **permanent employment contracts** stands at **100%**.

Moreover, CD Automation hires its personnel in compliance with national and regional regulations; specifically, each employee is hired under the relevant National Collective Labour Agreement for the **Metalworking - Small Industry sector**.



CD Automation promotes the formation of work teams characterized by appropriate heterogeneity, recognizing **diversity and inclusion** as an **enabling factor for people's engagement** and the **Organization's capacity for innovation**. As highlighted in the Code of Conduct, the Company values respect for cultural, ethnic, religious, gender, and sexual orientation diversity, in the awareness that a plurality of perspectives and experiences represents a strategic element for improving performance and achieving sustainable results over time. The gender balance within the Board of Directors - where three out of five members are women - fosters a more open vision regarding corporate management, consistent with the principles of diversity and inclusion supported by the Company. CD Automation is therefore committed to fostering an **inclusive, peaceful, and respectful work environment**, based on open dialogue and constructive exchange between management and collaborators. This approach aims to strengthen the sense of belonging, stimulate active participation, and create the conditions for balanced professional and personal development.



Well-being and Welfare Tools

To ensure the centrality of human resources and foster the continuous improvement of relationships with its employees, CD Automation has progressively developed corporate welfare initiatives aimed at enhancing the contribution of individuals and supporting their overall well-being. Over time, the Company has provided **certain benefits to employees**, with the objective of recognizing professional commitment and improving the quality of working life.

Currently or historically provided benefits include:



shopping vouchers;



fuel vouchers;



health insurance coverage through UNISALUTE, in compliance with the National Collective Labour Agreement for the Metalworking - Small Industry sector;



purchase vouchers usable at online stores;

Alongside welfare initiatives, CD Automation also promotes activities oriented toward **organizational well-being**, aimed at strengthening the sense of belonging and cohesion among its people. Such initiatives include, for example, moments of sharing and social interaction, such as the organization of company lunches and other internal gathering opportunities, intended to foster a positive and collaborative work climate. While recognizing that some forms of welfare and well-being are already in place, the Company has set the **objective** of evaluating, for the future, the **definition of a more structured and comprehensive welfare plan**, capable of responding systematically to employee needs and integrating with human resource management policies and the social sustainability principles pursued by CD Automation.

Attracting and Selecting Talent

In the personnel selection process, the Company is committed to presenting an offer aligned with corporate needs, while simultaneously valuing the individual qualities of each candidate. The process is structured to guarantee equity and non-discrimination, ensuring equal development opportunities and fair treatment for every individual, regardless of gender, religious belief, or sexual orientation.

The search for and selection of personnel is a strategic element for the Company; the Human Resources Manager role figures among the senior head-of-sector positions, interfacing with employees, the labour consultant, and the Ownership. CD Automation's human resources office aims to identify collaborators who best satisfy the requirements for the roles of interest. Consequently, the Company has developed a **meticulous and well-organized selection process**, structured into the following **phases**:

- **Job Analysis and Job Description:**

These activities aim to analyse and define the ideal profile for the sought position. The description of the vacancy, including duties, tasks, aptitudes, qualifications, and skills, is managed by the Function Managers in collaboration with the Human Resources department.

- **Recruiting:** The candidate recruitment process varies based on several factors, such as the type of figure sought, the geographical area, and the required professional profile. In this phase, the Company may draw from its own CV archive, utilize internal reference systems, or collaborate with local universities to offer curricular internships. Furthermore, it may seek support from external partners. Recruiting includes CV collection, initial candidate screening, and the organization of preliminary interviews.

- **Candidate Selection:** During this phase, the managers of the involved functions, together with the HR Function, meet the candidates directly for an in-depth evaluation. The individual interview, which is introductory and motivational in nature, allows for a better understanding of each candidate's skills and motivations.

At the end of the selection process, a detailed candidate summary is prepared to facilitate the final choice. After a careful internal evaluation, the Company identifies the ideal candidate and provides feedback to all those who participated in the interviews.

Employee Development and Training

CD Automation promotes a **corporate culture** that recognizes the **central value of human capital**, being aware that maintaining the excellence built over time depends on the presence of qualified, competent, and motivated personnel. In this context, the Company attaches particular importance to the continuous development and updating of skills, supporting lifelong learning paths across diverse training areas.

Investment in training represents a strategic tool both for the Organization's growth and for the professional development of employees, enabling them to acquire the technical skills, specialized knowledge, and soft skills necessary to navigate market evolutions. Alongside the mandatory training required by law, CD Automation plans "**training on the job**" initiatives aimed at strengthening transversal skills and developing specific capabilities for certain professional categories.

At the same time, CD Automation attributes a central role to **personnel performance appraisal**, considered a fundamental tool for identifying areas for improvement, enhancing the results achieved, and supporting professional and organizational development. In this view, the Company promotes a work environment oriented toward dialogue and constructive exchange, through performance analysis and the **periodic sharing of feedback**.

Currently, performance appraisal is based on a traditional approach that combines:

- **Continuous feedback**, understood as a constant flow of exchange between managers and collaborators, aimed at ensuring transparency and continuous improvement;
- **Annual review**, i.e. annual interviews aimed at evaluating the performance of the past year and defining future objectives.

The results of such appraisals support decisions regarding career advancement, salary adjustments, training, and professional retraining. Furthermore, the Company monitors the daily working life of personnel through a dedicated management software, which allows for the tracking of attendance, absences, and overtime hours, contributing to a structured and transparent management of human resources.



5.2 HEALTH AND SAFETY PROTECTION: The Foundation of Our Corporate Culture

The protection of health and safety in the workplace represents a cornerstone principle for CD Automation, which recognizes people's well-being as an essential element for operational continuity and the sustainable development of the Organization. In this perspective, the Company is committed to ensuring safe, healthy, and welcoming work environments, promoting a culture of prevention and shared responsibility.

Health and safety management is structured **in compliance with the requirements of Italian Legislative Decree 81/2008** and is entrusted to a dedicated organizational system, coordinated by the Employer and supported by an external Prevention and Protection Service Manager (RSPP). The system also

involves supervisors, the Workers' Safety Representative (RLS), the Competent Physician (MC), as well as fire emergency and first aid officers. Each of these figures contributes, according to their role, to the identification, assessment, and management of risks to the health and safety of workers.

Overall, CD Automation has implemented a **safety management model proportionate to the nature of its activities and the risks associated with company processes**, consistent with corporate policy and continuous improvement objectives. This approach allows for the systematic oversight of occupational health and safety issues, integrating them into the Company's broader sustainability strategy.



Risk Assessment and Management

The assessment and management of risks to the health and safety of workers represent a central element of the prevention system adopted by CD Automation. The risk assessment process examines all factors that could compromise the safety and health of personnel, starting with an analysis of the characteristics of the work environments, the machinery and equipment used, as well as the activities performed in relation to the various corporate duties.

The identification and analysis of risks are formalized in the **Risk Assessment Document (DVR)**, which does not merely constitute a regulatory compliance requirement, but represents a fundamental operational tool for the continuous improvement of working conditions. The DVR is subject to **periodic review**, at least annually, by the Prevention and Protection Service Manager (RSPP) and

the Competent Physician (MC), in order to ensure its updating and consistency with the evolution of company activities. The last revision of the DVR dates back to July 2025 and, as of the reference date, it has not been necessary to make substantial changes, also in view of the absence of occupational accidents recorded within CD Automation. This result testifies to the effectiveness of the prevention and protection measures adopted by the Company.

The risk assessment process involves an **in-depth analysis of individual work situations**, aimed at identifying the hazards present, the affected workplaces, the subjects potentially exposed, and the sources of risk associated with each operational phase. The identified risks have been classified into macro-categories such as safety, health, and transversal or organizational risks.

RISKS		
SAFETY RISKS	HEALTH RISKS	TRANSVERSAL OR ORGANIZATIONAL RISKS
• Structures • Machinery • Equipment • Use of electrical energy • Use of hazardous substances • Fire • Explosion	• Chemical Agents • Physical Agents • Biological Agents • Manual handling • Repetitive movements • Posture	• Work Organization • Psychological Factors • Ergonomic Factors • Working conditions and methods • Differences in age, gender, language, religion, culture, and ability

The assessment methodology adopted is based on the use of a **matrix** that crosses the **probability of the event occurring** with the **severity** of its possible consequences. In this context, CD Automation orients its risk management strategy along two main directions: on the one hand, the reduction of the probability of occurrence through targeted prevention measures; on the other hand, the reduction of the severity of potential effects through the adoption of appropriate protection measures.

		PROBABILITY			
		Very Unlikely (MI)	Unlikely (I)	Likely (P)	Very Likely (MP)
SEVERITY	Severe Harm (DG)	High Risk	Very High Risk	Very High Risk	Very High Risk
	Moderate Harm (DM)	Very Low Risk	Medium Risk	High Risk	Very High Risk
	Slight Harm (DL)	Very Low Risk	Very Low Risk	Low Risk	Low Risk

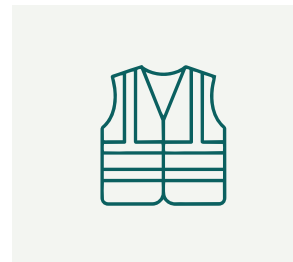
Following the comprehensive corporate risk analysis, **no unmanaged risks or significant critical issues regarding workers' health and safety emerged**, as the identified hazards are effectively controlled. Some risks were classified with a medium or high level but do not lead to concrete consequences thanks to the systematic application of appropriate technical, organizational, and procedural measures. The Company plans and implements specific interventions to further reduce any residual risk, ensuring a constantly monitored and controlled work environment.

Among the main managed risks is the **fire risk** in warehouse areas, handled through periodic checks of fire-fighting systems, escape routes, and safety signage, in addition to evacuation drills and continuous personnel training, with regular renewal of the Fire Prevention Certificate (CPI). The **explosion risk** related to the presence of flammable substances is mitigated through the adoption of safe operating procedures, the use of suitable personal protective equipment, ventilation and localized extraction systems, as well as specific training for personnel.

The **electrical risk**, particularly in the laboratory area, is managed through systems built to the highest standards according to CEI 64-8 regulations, periodic maintenance, grounding checks, dedicated signage, and training activities aimed at ensuring the correct and safe use of equipment.



More generally, CD Automation adopts a **structured approach to risk management**, which includes the elimination or replacement of hazardous elements where possible, the adoption of engineering solutions and collective protective equipment, the provision of appropriate personal protective equipment, as well as continuous training, information, and instruction activities, supported by learning verification tests. These measures are complemented by health surveillance and a hazard and risk reporting system using specific posters and signage, confirming the Company's commitment to ensuring high standards of occupational health and safety.



Monitoring and Management of Worker Health and Safety

The protection of employee health is a central element of CD Automation's approach to human resource management. The Company adopts an occupational health and safety policy that, in addition to ensuring full compliance with current legislation, is inspired by the main industry reference standards, clearly defining roles, responsibilities, and actions aimed at preventing risks and protecting staff well-being.

Regarding the risk of occupational diseases, workers exposed to specific risk factors undergo a **periodic health surveillance program** in accordance with the protocols defined by the Competent Physician. These protocols may include, where necessary, supplementary specialist visits and further medical examinations, with the aim of constantly monitoring the health status of workers and preventing the onset of work-related pathologies.

During 2025, no occupational accidents or cases of occupational diseases were recorded, maintaining the trend observed in 2024.

More generally, as previously highlighted, no occupational accidents have ever occurred at CD Automation. Despite this, the Company maintains a structured system for managing any potential future events, in compliance with Italian Legislative Decree 81/2008. This system includes specific procedures for reporting and managing accidents, conducting internal investigations to identify any critical issues, and the timely adoption of corrective and preventive actions.

Monitoring and Management of Worker Health and Safety

Particular attention is also paid to the **management of “near misses”**. As part of training and information activities, employees are made aware of the importance of promptly reporting potentially dangerous situations that could compromise their own safety or that of others. Reporting near misses is considered a fundamental prevention tool, as it allows for intervention before an event can actually occur.

With a view toward continuous improvement, in 2025 CD Automation introduced **anonymous reporting tools** accessible to all personnel, in order to involve employees and other stakeholders in sharing concerns, judgments, or opinions anonymously regarding various topics, such as suggestion/reporting boxes. These boxes are not limited exclusively to occupational health and safety but can also be used to report violations of the Code of Conduct, fostering a corporate culture based on transparency, prevention, and widespread accountability.

Overall, the occupational health and safety policy adopted by CD Automation is based on the systematic application of the general protection measures provided by law, the constant updating of risk assessments, the monitoring of worker health, and the promotion of a proactive approach to the continuous improvement of working conditions, for the benefit of both individuals and the Organization as a whole.

5.3 SYNERGIES WITH THE LOCAL AREA: Partnerships, Value Chain, and Local Impact

In an ever-evolving economic and social context, characterized by increasing interconnection between businesses, institutions, and communities, CD Automation recognizes the strategic value of collaborations as a fundamental lever for sustainable and lasting development. Over the years, the Company has **consolidated structured relationships with selected international partners**, oriented toward enhancing mutual expertise, creating operational synergies, and **generating long-term value**. Among its strategic partners, CD Automation collaborates with West (Fortive), Fuji Electric, and Innova Value Tech Trade, allowing the Company to strengthen its Value Chain and further qualify its product offering for customers.

In recent years, CD Automation has maintained a **constant presence at numerous industry trade fairs**, both in Italy and abroad, participating independently or in collaboration with strategic partners. These initiatives represent an important **opportunity for dialogue with customers, suppliers, and stakeholders**, fostering the sharing of the latest technological innovations and industry best practices. Participation in trade fairs is fundamental for a niche sector such as electrical power control, contributing to the strengthening of commercial and professional relationships, supporting the growth of the corporate network, and the dissemination of solutions oriented toward efficiency, reliability, and sustainability. This commitment is part of a broader strategy aimed at promoting transparency, dialogue, and the long-term strengthening of the supply chain.



The most recent and relevant trade fairs in which CD Automation has participated include **UK Metals Expo 2025** and **Glasspro India 2025**. Presence at these events provided a significant opportunity to highlight product lines, present the most innovative and sustainable technological solutions, and engage with a highly qualified audience. Furthermore, the fairs played a strategic role in strengthening brand visibility, developing new business opportunities, and engaging in dialogue with customers and partners, facilitating the sharing of expertise and the anticipation of market trends.

At the same time, CD Automation demonstrates a **strong awareness of its role within the territory in which it operates**. This awareness translates into a concrete commitment toward the local community, not limited to the economic dimension but extending to a contribution to social development and collective well-being. Indeed, the Company considers its local roots a distinctive element of its growth model, capable of generating widespread benefits in terms of employment, inclusion, and social cohesion.

Part of this context includes the **support initiatives for the local community** promoted by CD Automation, such as a two-year project aimed at providing donations for the purchase of a minibus for people with disabilities. The vehicle will be made available to the Regional Health Service entity (ULSS), making a tangible contribution to improving mobility and assistance services for the most vulnerable individuals.



ANNEXES

Certifications

Certification	Year obtained
UL Certification (Underwriters Laboratories)	2003

Location

VSME B1: Location of Main Activities								
	Address		Postal code		City		Country	
Sites	2024	2025	2024	2025	2024	2025	2024	2025
Headquarters	Via P. Picasso 34/36	Via P. Picasso 34/36	20025	20025	Legnano	Legnano	Italia	Italia
Office	Via P. Picasso 34/36	Via P. Picasso 34/36	20025	20025	Legnano	Legnano	Italia	Italia
Warehouse	Via P. Picasso 34/36	Via P. Picasso 34/36	20025	20025	Legnano	Legnano	Italia	Italia
Industrial plant	Via P. Picasso 34/36	Via P. Picasso 34/36	20025	20025	Legnano	Legnano	Italia	Italia

Energy

VSME B3: energy consumption¹⁷

Total energy consumption within the Organization by energy source, in GJ

Energy Consumed	Unit	2024	2025
Purchased electricity	GJ	274.25	199.09
of which from renewable sources	GJ	71.31	51.76
Natural gas	GJ	698.25	1,190.44
Diesel – vehicle use	GJ	277.14	270.62
Petrol – vehicle use	GJ	58.06	56.72
Total	GJ	1,307. 69	1,716.87

17. Further detail on conversion factors used:

- Electricity: constant factor equal to 0.0036 kWh/GJ
- Natural gas (heating): National Inventory Report (NIR) 2022, 2023
- Diesel, Petrol, LPG (vehicle use): Energy Manager Guidelines 2018 – Version 2.1 (FIRE) and National Inventory Report (NIR) 2022, 2023
- LNG (vehicle use): UK Government – GHG Conversion Factors for Company Reporting 2022, 2023
- Fuel oil (OCD): Italian Ministry of the Environment 2022, 2023
- Hard coal: National Inventory Report (NIR) 2022, 2023

VSME B3: GHG Emissions (Scope 1) ¹⁸			
Direct greenhouse gas (GHG) emissions (Scope 1) in gross metric tons of CO ₂			
GHG Emissions	Unit	2024	2025
Natural gas – heating	tCO ₂	41.11	64.96
Diesel – vehicle use	tCO ₂	20.36	19.88
Petrol – vehicle use	tCO ₂	4.24	4.13
Total emissions (Scope 1)	tCO₂	65.72	88.97

18. The following emission factors were used for the calculation of metric tons of CO₂ (Scope 1):

- Italian Ministry of the Environment
- ISPRA 2023, 2022 (Italian Institute for Environmental Protection and Research)
- GHG Conversion Factors for Company Reporting 2022, 2023

VSME B3: Indirect GHG Emissions from Energy Consumption (Scope 2)¹⁹

Indirect greenhouse gas (GHG) emissions (Scope 2) in gross metric tons of CO₂²⁰

GHG Emissions - Location-Based Approach	Unit	2024	2025
Total Scope 2 Location Based	tCO ₂	20.41	16.99
GHG Emissions - Market-Based Approach	Unit	2024	2025
Total Scope 2 Market-Based	tCO ₂	25.76	20.46

VSME B3: Emission Intensity Index

Total gross emissions relative to net turnover²¹

2024	2025
0.00000876	0.00001148

19. The following emission factors were used for the calculation of metric tons of CO₂ (Scope 2):

- ISPRA 2023, 2022 (Italian Institute for Environmental Protection and Research)
- AIB - European Residual Mixes 2022 (Version 1.0, 2023-06-01) and 2021 (Version 1.0, 2022-05-31)

20. The reporting standard used provides for two different approaches to calculating Scope 2 emissions: "Location-Based" and "Market-Based". The "Location-Based" is based on average emission factors related to energy generation for well-defined geographical boundaries, including local, subnational, or national boundaries. The "Market-Based" is based on the GHG emissions emitted by the energy suppliers from which the Organization purchases energy through a contract.

21. For the calculation of emission intensity, Scope 1 emissions were added to Scope 2 Location-Based emissions.

Water

VSME B6: Water Withdrawal ²²				
Total water withdrawal from all areas and water-stressed areas in megalitres (MI), broken down by source type				
Water withdrawal	Unit	2024	2025	Variation 24-25
In water-stressed areas	MI	0	0	0
In non- water-stressed areas	MI	0.377	0.418	11%
Total	MI	0.377	0.418	11%

22. Water consumption is considered non-material for the Company, as water is used exclusively for domestic/civil purposes and is not utilized in the production cycle.

Waste

VSME B7: Resource Use, Circular Economy, and Waste Management							
Waste produced by the Organization, broken down by type, in metric tons							
Waste Composition	Unit	2024			2025		
		Hazardous	Non-hazardous	Total	Hazardous	Non-hazardous	Total
Paper and cardboard	t	0	7.2	7.2	0	7.1	7.1
Plastic ²³	t	0	0.27	0.27	0	0.25	0.25
Ferrous material (scraps)	t	0	1.7	1.7	0	0	0
Total	t	0	9.17	9.17	0	7.35	7.35

23. To support the reduction of plastic use within the Company, as well as employee well-being, the company has planned the replacement of traditional water coolers/dispensers with a direct connection to the water mains, equipped with integrated filtration systems.

VSME B7: Resource Use, Circular Economy, and Waste Management

Waste not diverted from disposal

Waste Composition	Unit	2024			2025		
		On-site	At an external site	Total	On-site	At an external site	Total
Hazardous waste	t	0	0	0	0	0	0
Preparation for reuse	t	0	0	0	0	0	0
Recycling	t	0	0	0	0	0	0
Other recovery operations (if any, to be specified)	t	0	0	0	0	0	0
Non-hazardous waste	t	0	0	9.17	0	0	7.35
Recycling ²⁴	t	0	7.47	7.47	0	7.35	7.35
Other recovery operations ²⁵	t	0	1.7	1.7	0	0	0
Total	t	0	9.17	9.17	0	7.35	7.35

24. Weekly collection by the local municipality of plastic and paper/cardboard to be sent for recycling.

25. Sale of ferrous material to recovery companies

VSME B7: Resource Use, Circular Economy, and Waste Management

Waste directed to disposal by disposal operation, broken down by type, in metric tons

Waste Composition	Unit	2024			2025		
		On-site	At an external site	Total	On-site	At an external site	Total
Hazardous waste	t	0	0	0	0	0	0
Incineration	t	0	0	0	0	0	0
Landfilling	t	0	0	0	0	0	0
Other disposal operations	t	0	0	0	0	0	0
Non-hazardous waste	t	0	0	0	0	0	0
Incineration	t	0	0	0	0	0	0
Landfilling	t	0	0	0	0	0	0
Other disposal operations	t	0	0	0	0	0	0
Total	t	0	0	0	0	0	0

Human Resources²⁶

VSME B8: General characteristics of the workforce						
Total number of employees by gender (headcount)						
Gender	As at 31 December 2024			As at 31 December 2025		
Men	12			12		
Women	2			2		
Total	14			14		
Total number of employees by contract type and gender (headcount) ²⁷						
Gender	As at 31 December 2024			As at 31 December 2025		
	Men	Women	Total	Men	Women	Total
Permanent	12	2	14	12	2	14
Fixed-term	0	0	0	0	0	0
Total	12	2	14	12	2	14
Total number of employees by employment type and gender (headcount)						
Contract type	As at 31 December 2024			As at 31 December 2025		
	Men	Women	Total	Men	Women	Total
Permanent	12	2	14	12	2	14
Fixed-term	0	0	0	0	0	0
Total	12	2	14	12	2	14
Total number of employees by employment type and gender (headcount)						
Contract type	As at 31 December 2024			As at 31 December 2025		
	Men	Women	Total	Men	Women	Total
Full-time	12	0	12	12	0	12
Part-time	0	2	2	0	2	2
Total	12	2	14	12	2	14

26. All employees are based in Italy.

27. The category "non-guaranteed hours" is equal to zero.

C9 - 65 Gender diversity ratio in the governance body

Gender diversity ratio in the governance body

Number of men/women within the governance body	As at 30 June 2024		As at 30 June 2025	
	Men	Women	Men	Women
	2	2	2	3
GENDER DIVERSITY RATIO	1		1,5	

Occupational Health and Safety

VSME B9: Occupational Health and Safety					
Total number and rate of work-related injuries or fatalities					
Contract type	As at 30 June 2024		As at 30 June 2025		Variation 24-25
	Number	Rate	Number	Rate	
Recordable work-related injuries	0	-	0	-	-
Fatalities resulting from work-related injuries and occupational diseases	0	-	0	-	-

VSME Table of Contents

STATEMENT OF USE		CD Automation Srl has presented reporting in accordance with VSME Standards for the period from 01/07/2024 to 30/06/2025	
VSME Used		VSME Standard full module (December 2024 version)	
Module	VSME Standard	Datapoint	Location
General Disclosure			
Basic Module	B1 Basis for preparation	24 (a)	Page 3
		24 (b)	No disclosure of information deemed confidential or sensitive has been omitted.
		24 (c)	The document is prepared on an individual basis.
		24 (c)	The document is prepared on an individual basis.
		24 (d)	Not applicable.
		24 (e)	page 3; page 46; page 60
		25	Page 60
	B2 Practices, policies, future initiatives for the transition towards a more sustainable economy	26 (a)	Pages 18-21 Pages 24-31 Pages 46-56
		26 (b)	Pages 18-21 Pages 24-31 Pages 46-56
		26 (c)	Pages 18-21 Pages 24-31 Pages 46-56
		26 (d)	The Company has not formalized an ESG strategic plan with specific targets, yet; however, implementation is planned for the future.
		27	Pages 18-21 Pages 24-31 Pages 46-56
		28	Pages 18-21 Pages 24-31 Pages 46-56

Full Module	C1 Strategy: Business Model and Sustainability	47 (a)	Page 6 Pages 38-41
		47 (b)	Pages 8-9
		47 (c)	Pages 8-9
		47 (d)	The Company has not formalized an ESG strategic plan with specific targets, yet; however, implementation is planned for the future
	C2 Description of practices, policies, future initiatives for the transition towards a more sustainable economy	48	The Company has not formalized an ESG strategic plan with specific targets, yet; however, implementation is planned for the future.
		49	
		50	The Company deemed the reporting of Scope 3 emissions as not applicable
		51	
		52	
		53	

Applicable Topics			
Energy and climate-change emissions			
Basic Module	B3 Energy consumption and greenhouse gas emissions	29	Page 25 Page 61
		30 (a)	Page 28 Page 62
		30 (b)	Page 28 Page 63
		31	Page 63
Biodiversity			
Basic Module	B5 Biodiversity	32	The Company does not own sites in/near biodiversity-sensitive areas.
Efficient management of water resources			
Basic Module	B6 Water	35	Page 64
Circular Economy			
Basic Module	B7 Resource use, circular economy and waste management	37	Page 2 Page 30 Page 65
		38 (a)	Page 66 Page 30
		38 (b)	Page 67 Page 30
		38 (c)	Not applicable

Workforce well-being and protection

Basic Module	B8 General characteristics of the workforce	39 (a)	Page 46
		39 (b)	Page 68
		39 (c)	All contracts are signed in Italy.
		40	Not applicable (Company with fewer than 50 employees)
	B9 Occupational health and safety	41 (a)	Page 55 Page 70
		41 (b)	Page 70
	B10 Remuneration, collective bargaining and training	42 (a)	Page 15
		42 (b)	The Company avails itself of the omission clause for companies with fewer than 150 employees.
		42 (c)	Page 15
		42 (d)	No training hours were recorded in 2025, as no renewal deadlines for mandatory training were scheduled. Non-mandatory training is currently carried out as “training on the job” and is not specifically tracked; for internal purposes, it is estimated at approximately 30 hours per employee/year
Full Module	C6 Additional characteristics of the workforce – human rights processes and policies	61 (a)	Page 14
		61 (b)	
		61 (c)	The grievance management mechanism is currently being implemented and will become operational starting from 2026
	C7 Significant negative impacts on human rights	62 (a)	No controversies related to child labour, forced labour, human trafficking, or discrimination against the company's own workforce have occurred
		62 (b)	No controversies related to child labour, forced labour, human trafficking, or discrimination against the company's own workforce have occurred
	C9 Gender diversity ratio in the governance body	65	Page 69

Responsibility for the value chain, community and end-users			
Full Module	C7 Significant negative impacts on human rights	62 (c)	The Company is not aware of any confirmed incidents affecting workers in the value chain, affected communities, consumers, or end-users of the products
Governance responsibility			
Basic Module	B11 Business conduct	43	The Company has not been convicted of corruption or bribery
	C8 Revenues from certain sectors and exclusion from EU benchmarks	63(a)	The Company does not operate in the controversial weapons sector
		63(b)	The Company does not operate in the tobacco production sector.
		63(c)	The Company operates in the fossil fuels sector. Revenues in this sector amount to: • 720,000€ in 2024 • 800,000€ in 2025
		63(d)	The Company does not produce chemicals, pesticides, or other agrochemical products
		64	The Company is not excluded from EU Paris-aligned benchmarks

