



TERMOACQUA TECNOLOGIE

Sustainability Report 2023

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CHIEF EXECUTIVE OFFICER'S LETTER

Dear Stakeholders,

The year 2023 marked a turning point for Termoacqua Tecnologie, during which we felt an even greater need to strengthen our commitment to both our customers and employees.

The outbreak of the conflict in Ukraine, followed by the recent humanitarian crisis in the Middle East, led to increased prices of raw materials, energy, and logistics. These events triggered rapid inflation and restrictive monetary policies, abruptly altering the economic landscape in which we operate. This situation prompted us to undertake profound introspections, resulting in strategic decisions of historic significance, whose medium- and long-term consequences are not yet fully apparent.

In such a challenging context, we have become firmly convinced of the importance of integrating Environmental, Social, and Governance (ESG) factors into our corporate strategy. These are essential to achieving meaningful results inspired by sound ethical principles.

At the beginning of 2023, we made a determined effort to invest significantly in the training of our personnel. This included reassessing the resilience of our objectives—particularly in social and environmental domains—and the robustness of our strategies aimed at enhancing the ethical and organizational dimensions of our activities. This process led us to commit to drafting our first Sustainability Report by 2024.

This decision has been perceived as a significant opportunity—not merely from a competitive standpoint but also as a chance to collaborate meaningfully with our stakeholders. Together, we aim to address critical challenges through effective solutions that generate value while remaining mindful of environmental and social priorities.

Throughout our analysis of the current state of the organization, we have rigorously evaluated the adequacy of our governance and strategic framework to ensure genuine transparency on ESG matters. To this end, we initiated an action plan in early 2024, outlining a multi-year roadmap focused on fostering sustainable growth, improving governance, providing continuous training, and innovating processes. At the heart of this initiative is the recognition of the central role played by our employees, customers, and all other contributors of value to our organization.

With the dedication and enthusiasm of a committed team, we finalized the drafting of our first Sustainability Report in July 2024. This achievement also responded to encouragement from some of our clients, who had meanwhile begun certification processes under the CSRD directive. During this preparatory phase, we strengthened dialogue with stakeholders, broadened training initiatives for our personnel on the core ESG dimensions, and invested in tools to measure, monitor, and control our sustainability commitments.

We now believe we have reached a stage of maturity where it is increasingly crucial to act in a coordinated manner across the entire investment chain. This approach enables us to deepen our engagement and design a coherent and synergistic growth path in collaboration with our stakeholders, while advancing all aspects of ESG integration.

In this Sustainability Report, I am pleased to share how Termoacqua Tecnologie is addressing the new challenges of social, environmental, and ethical responsibility. We are confident that this commitment will amplify the collective expertise needed to create enduring collaborative value with our stakeholders, positioning us as active participants in the transformative change underway.

Please enjoy your reading!

CHIEF EXECUTIVE OFFICER'S LETTER



DOTT. CLAUDIO L. GIORLA

CEO

01

IDENTITY

TERMOACQUA TECNOLOGIE

The Leading Partner in Primary Water Treatment Solutions for all organizations seeking effective solutions, support, and expertise to drive their business growth and development.

Termoacqua Tecnologie Srl (hereinafter referred to as “Termoacqua Tecnologie” or simply “Termoacqua”) has been operating in the primary water treatment sector since 1985, providing effective solutions, support, and expertise to organizations seeking to enhance and grow their business.

Thanks to its dynamic approach, characteristic of high-profile specialist firms, Termoacqua offers end-to-end consultancy and sector services across civil, industrial, healthcare, and hospitality contexts. These services range from design to in-house production of plant components, installation, maintenance, and the formulation of chemical products for water conditioning.

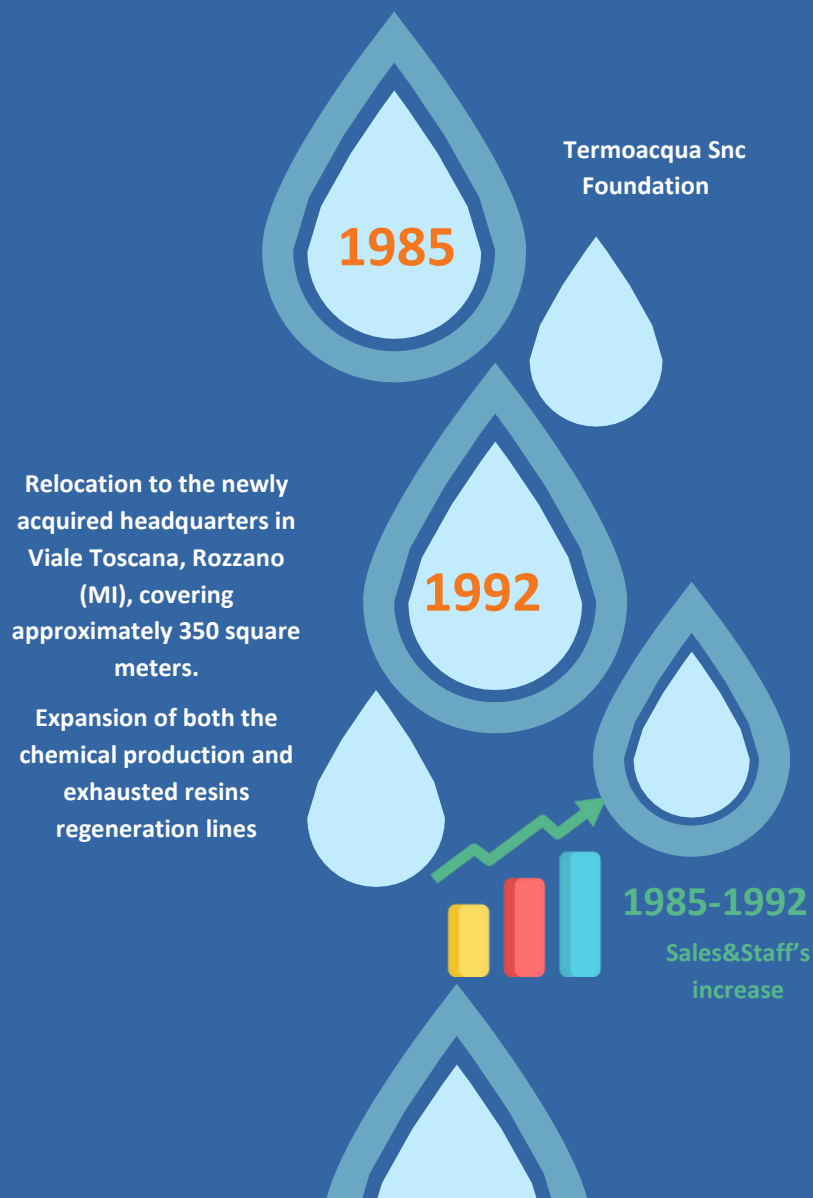
In 2019, following bold strategic decisions, the company embarked on a significant transformation and growth journey, which expanded its presence across Lombardy and other Italian regions. Today, Termoacqua stands as the parent company of the newly established Termoacqua Group, which includes its wholly-owned subsidiaries, Torino Acque Srl (operating in Piedmont, Liguria, and Valle d’Aosta) and Idrotecno Srl (active in Emilia-Romagna, Tuscany, and Marche). These developments have positioned Termoacqua among the leading players in the industry, thanks to its robust managerial, operational, and production structures that guarantee service quality alongside a forward-thinking vision and planning capability.

Its expanding Sales Network, active across the entire national territory, ensures continuous presence and daily support for all its collaborators and partners. Complementing this is a reorganized Service Department, featuring a growing number of in-house specialized technicians. The technical expertise of its personnel is predominantly developed through Termoacqua’s Academy Project, an ongoing training initiative designed to deliver sector-specific knowledge through direct experience in water treatment.

Termoacqua continues to prioritize strategic investments and actions to enhance its territorial presence, speed, and ability to meet client demands. These include services ranging from functional system checks to equipment delivery within just a few working days. This efficiency is enabled by a new logistics hub with over 800 pallet spaces, an automated vertical warehouse, a new bottling plant for its proprietary chemical products (equipped with an advanced robotic palletizing system with an anthropomorphic arm), and additional support warehouses throughout Northern Italy



Key achievements



COMPANY HISTORY



Relocation to the newly
acquired headquarters in
via Vico Veneto
Fizzonasco di P.E. (MI)
coverin 800 square meters



Sales&Staff's increase
Implementation of the Technical
Department and Legionella
prevention activities

Avvio Beginning of collaboration
with the professional
associations of Surveyors,
Architects, and Engineers, as well
as with academic institutions, to
organize training courses for
professionals and students,
focusing on the design of
treatment systems and relevant
regulatory updates



ISO 14001
certified



ISO 9001
certified

ISO 45001
certified



COMPANY HISTORY

[GRI 2-1 / GRI 2-6]



2012-2023

Sales & Staff's
increase

Relocation to the newly acquired
headquarters in via Monte Grappa
Fizzonasco di P.E. (MI) covering 2000
square meters

2012

Purchase of the
automated bottling and
palletizing line for
chemical products

2021

Acquisizione della sede di Via
Parenti in Fizzonascodi P.E.
(MI) adiacente alla sede di Via
Monte Grappa.
Estensione della sede a circa
3000 mq.
Riattivazione della sede di
Via Vico Veneto come
magazzino

Nomina del nuovo CdA con
Carmine Del Monaco come
Presidente e Claudio L. Giorla
in qualità di Amministratore
Delegato

2023

MISSION & VISION

MISSION

[GRI 2-22]

The Company aligns its conduct with the principles of motivation, competence, and fairness, addressing the following priorities

Centrality of the customer's needs as an individual.

Focus on innovation with an emphasis on environmental protection and sustainability.

Creation of a positive working environment where motivation and respect are the primary resources for promoting teamwork externally.

Protection and enhancement of the technical, professional, and ethical content provided to clients.

Offering internal growth and career opportunities, reinforcing the company's social value.

Involvement of all organizational levels in the realization of the Vision and Mission through the sharing of information and responsibilities

VISION

“Becoming the national leading reference point for water treatment technology”

SUSTAINABILITY DEVELOPMENT STATEMENT

At the beginning of 2023, Termoacqua Tecnologie made a significant investment in the training of its personnel, reflecting on the resilience of its objectives, particularly in the social and environmental spheres, as well as the solidity of the strategies aimed at enhancing the ethical and organizational aspects of its operations. As a result, Termoacqua has integrated respect for the fundamental principles of sustainable development into its corporate policy, with a focus on integrity and transparency. The company is committed to continuously raising awareness and engaging its stakeholders on environmental, economic, and social sustainability issues. Among its key objectives, the company emphasizes compliance with current regulations regarding the environment, health, and safety in the workplace, the enhancement of local territories, economy, and employment, the optimal management of natural resources, and the promotion of strategies aimed at reducing waste production.

02

FRAMEWORK

FRAMEWORK

[GRI 201-1]

NUMBERS

	2023	2022
Subsidiary Companies	2	0
Territory	8	5
Products Sold	92.184	79.837
Projects Completed	4.760	4.595
Clients Served	939	946
Employees	38	33
Sales Volume	10 mln	7,9 mln
Gross operating revenues	18,4%	18%
Net Profit	929 mila	828 mila
ROI	19,9%	17,9%
ROS	16,5%	16%

Completed Certifications



2015 management system



2018 environmental managing system



2015 occupational health and safety management systems

FRAMEWORK BRANCH

Plant Division

Design and in-house production

- Mass filtration for aqueduct systems, suitable for civil, industrial, and hospital applications
- Water softening for residential use
- Industrial and hospital-grade softening systems with structural framing
- Primary water specific filtration
- Filtration and sludge removal for technological water
- Rainwater filtration
- Sewage management and conditioning of evaporative cooling towers
- Conditioning of primary and circuit water
- Deaeration systems
- Legionella prevention treatments
- Reverse osmosis systems

Chemical Division

Formulation and in-house production of chemical products

- Heating circuits
- Sanitary circuits
- Steam circuits
- Cooling circuits
- Superheated water circuits
- Humidification circuits
- Reverse osmosis systems
- Water-side boiler cleaning
- Desludging agents for closed circuits
- Descaling agents
- Solar panels

Service Division

Plant Service

- Water treatment systems Maintenance
- Water circuits decontamination
- Legionella control – risk assessment and decontamination
- Boiler flushing
- Exhausted resin replacement for demineralizers

FRAMEWORK

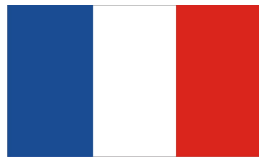
COUNTRIES WHERE TERMOACQUA WORKS IN:



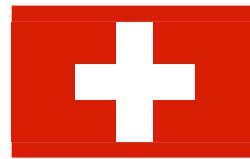
ITALY



FRANCE



SWITZERLAND



ALGERIA

SUPPLY COUNTRIES:



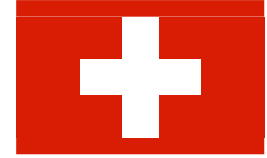
POLAND



GERMANY



TURKEY



SWITZERLAND

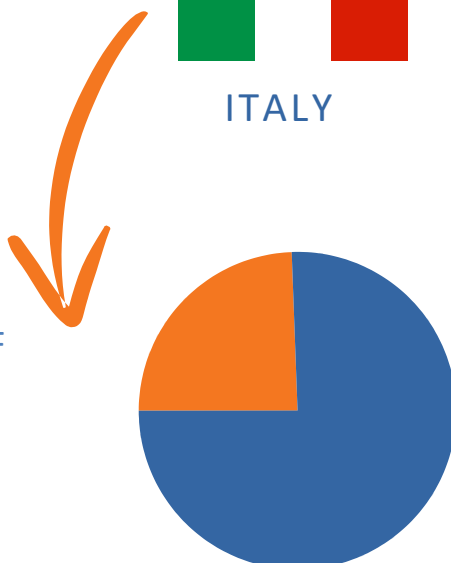


ITALY



CHINA

REST OF
ITALY
24,4%



LOCALS
SUPPLIERS
75,6%

03

STAKEHOLDER

LISTENING TO OUR STAKEHOLDERS

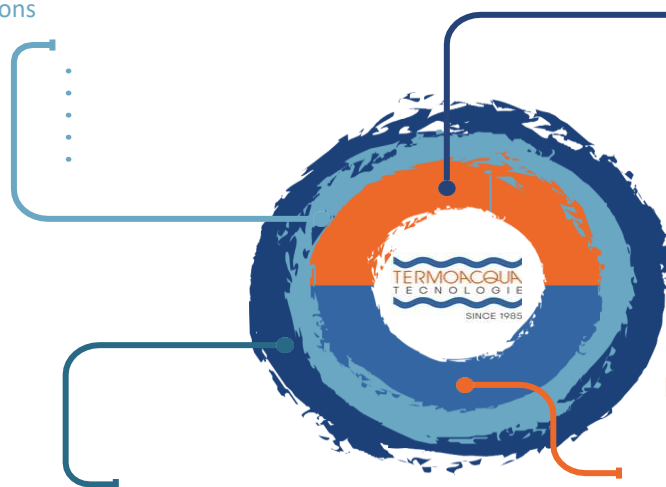
In order to prepare Termoaqua's first Sustainability Report, we identified the main stakeholders involved in the company's activities. Stakeholders, or interested parties, are those entities with which an organization interacts, possessing varying degrees of interest and influence, and which directly or indirectly form a part of its ecosystem. In the context of a Sustainability Report, it is crucial to analyze and categorize stakeholders, identifying the connections and dynamics that affect activities and performance, with the aim of managing relationships effectively and generating a positive impact on both individuals and the surrounding environment. Stakeholders can be classified into several key categories: direct internal, indirect internal, direct external, and indirect external. Direct internal stakeholders are those who are part of the organization and directly contribute to the development and success of the company. Indirect internal stakeholders, although not involved in daily operations, hold significant interest in the organization and may be influenced by its actions. Direct external stakeholders, while not engaged in the activities and decision-making processes, maintain a direct relationship with the company and possess an interest and influence in its outcomes. Finally, indirect external stakeholders are those who operate outside the organization but are nonetheless affected by its activities.

Direct External Stakeholders

Suppliers
Clients
Design Studios
Auditors
Associations

Direct Internal Stakeholders

- Employees
- Shareholders
- Agents



Indirect Internal Stakeholders

- ♦ Employees' Families
- ♦ Consultants

Indirect External Stakeholders

- Local Communities,
- Family Communities,
- Public Administration,
- Associations, Schools/Universities,
- Non-profits

MATERIALITY ASSESSMENT

In 2023, Termoacqua embarked on its first-ever materiality assessment, engaging key stakeholders throughout the process.

A materiality assessment serves as a valuable tool for organisations to evaluate and prioritise the most significant topics for their operations. Specifically, it helps identify and understand the issues that hold the greatest impact on both the company and its stakeholders. The primary goal is to direct resources and efforts towards matters that are most relevant, enabling companies to make informed decisions, manage risks more effectively, enhance their reputation, and meet stakeholder expectations.

The initial phase of this process focused on identifying material topics considered most relevant and impactful for Termoacqua. A total of 12 environmental topics, 11 social topics, and 7 governance and performance topics were identified.

This was followed by stakeholder mapping, which led to the analysis of key groups to involve in the survey, including employees, clients, suppliers, and agents.

In the third phase, the survey was designed and distributed to the identified key stakeholders. The survey achieved strong engagement, with 50 responses collected. Feedback regarding the survey's clarity and its usefulness in conveying stakeholders' perspectives to Termoacqua was positive, with an average score of 8.4 out of 10.

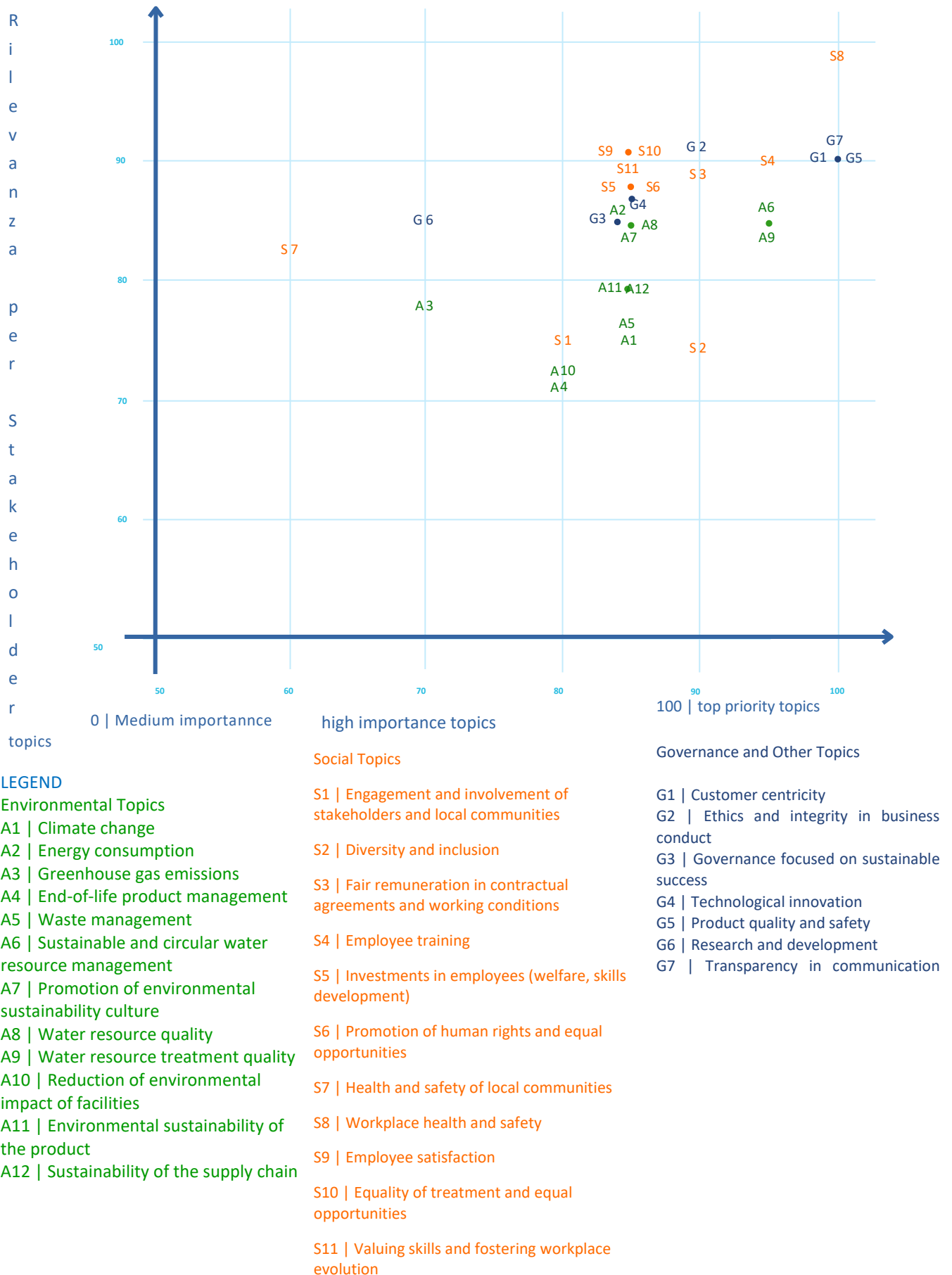
This process culminated in the creation of the materiality assessment, as depicted on the following page. For clarity, the graph highlights only the top-right quadrant, where the topics deemed most significant by both Termoacqua and its stakeholders are shown. The closer a topic appears to the top-right corner, the greater its perceived importance.

The importance of this exercise lies in identifying the most critical issues, which will act as a "compass" for the company's future strategic decisions.

Thanks to this thorough engagement and analysis, Termoacqua has established the strategic priorities that will shape its future actions. Ongoing dialogue with stakeholders will remain vital to ensure alignment with their expectations and to collectively address emerging challenges.

The materiality assessment is not the final destination but the beginning of a journey towards greater sustainability and transparency.

MATERIALITY PROCESS



04

SUSTAINABILITY INDEX CATEGORIES & IMPROVING OPERATIONS

ENVIRONMENT

ENVIRONMENT

Termoacqua has structured its services and products to preserve and protect the environment and natural resources. The company actively promotes sustainable practices within its facilities, implementing significant improvements in energy and water efficiency, alongside waste reduction programmes that include recycling. These efforts are part of an ongoing commitment to modernising and maintaining eco-sustainable infrastructure.

Additionally, Termoacqua operates under an Environmental Management System (EMS) and holds ISO 14001 certification. This international standard defines an EMS as part of an organisation's system, reflecting its commitment to responsible and sustainable management of activities. By adopting a structured EMS, Termoacqua identifies, monitors, and manages waste production, energy consumption, water usage, and carbon dioxide emissions. The system also encompasses critical elements such as drafting a policy outlining the company's environmental commitments, allocating resources to achieve specific objectives, and conducting periodic compliance reviews and audits to assess and improve ongoing programmes.

The implementation of an EMS further ensures maximum transparency with the organisation's stakeholders, including customers, suppliers, employees, citizens, and public administrations.

In the past 24 months, Termoacqua has taken several measures to reduce the environmental impact of its manufactured and marketed products. Specifically, the company has introduced processes to lower the toxicity of materials used, reviewed product design and materials to assess potential for reuse or recycling, and implemented programmes to recover used products or components, thereby promoting a more sustainable product lifecycle.

These initiatives demonstrate the company's strong commitment to promoting environmental sustainability through technological and managerial innovations, solidifying its position as a responsible organisation attentive to environmental issues.



ENERGY



EMISSIONS



WATER



WASTE

ENVIRONMENT

ENERGY

Termoacqua has implemented various energy efficiency and conservation measures across most of its facilities. For lighting, the company has introduced natural light systems, compact fluorescent lamps, motion sensors, dimmers, and direct lighting tailored to specific activities. For climate control, programmable thermostats, timers, motion sensors, sun-shaded walls, and double-glazed windows have been adopted.

Termoacqua monitors, records, and discloses its energy consumption, including electricity and energy used for heating and fuel. However, it has not yet been possible to determine energy consumption related to cooling. For 2024, the company has set an energy consumption reduction target of 10%.

Additionally, Termoacqua operates its own photovoltaic system, further demonstrating its commitment to adopting renewable energy sources and reducing the environmental impact of its operations.

ENERGY CONSUMPTION RATIO

Total internal energy consumption within the organisation: 2.65 TJ

Total electricity consumption: 0.17 TJ

Heating energy consumption - natural gas: 1.27 TJ

Electricity sold: 0.07 TJ

Total fuel consumption within the organisation from non-renewable sources:
2.54 TJ

Petrol: 3,906.85 L

Diesel: 34,724.73 L

Natural gas (CH₄ - N₂O): 36,902.00 Sm³

Total fuel consumption within the organisation from renewable sources: 0.05 TJ

Photovoltaic system (owned): 33,106.00 kWh

GRI

[GRI 302-1]

Source: <https://energia.regione.emilia-romagna.it/come-fare-per/allegati-banche-dati/nota-metodologica-e-i-fattori-di-conversione>

SDG



31

ENVIRONMENT

ENERGY

Energy intensity ratio for the organisation

(Includes all types of energy) (kWh/Sales volume): 1706.02

Use of energy from renewable sources

(Total internal energy consumption / Renewable energy use): 2%

IMPROVING OPERATIONS ENERGY 2024

01 Reduction in energy consumption

10%

02 Increase in renewable energy usage

5%

GRI

[GRI 302-1 / 302-3]

The conversion factors and data sources are listed in the methodological note

SDG

ENVIRONMENT

EMISSIONS

Termoacqua monitors and records Scope 1 and Scope 2 emissions, but currently does not track Scope 3 emissions. Moreover, the company has introduced targeted policies to reduce its emissions.

A written policy has also been implemented to limit business travel, promoting a more sustainable approach by encouraging employees to utilise virtual meeting technologies to minimise the need for traditional in-person meetings.

To reduce fuel consumption and the environmental footprint of shipments, Termoacqua uses strategic planning software. Operators and company managers receive regular updates on fuel efficiency techniques. Additionally, the company employs low-impact transportation and shipping methods, avoiding air freight whenever possible to further minimise the environmental impact of its operations.

SCOPE 1 AND 2 EMISSIONS INTENSITY VERSUS PRODUCTION

Scope 1 CO2 emissions	24,83	tCO2eq
Petrol	3.906,85	L
Diesel	34.724,73	L
Natural Gas	36.902,00	Sm ³
Scope 2 CO2 emissions	24,83	tCO2eq Kwh
Purchased electricity	32.559	
Total CO2 emissions (Scope 1 & 2)	42,09	tCO2eq
GHG emissions intensity ratio	0,10	tCO2eq/ per unit of sales

ENVIRONMENT

IMPROVING OPERATIONS EMISSIONS

2024

01 Greenhouse gas emissions reduction

2
0
%

Offsetting greenhouse gas emissions from suppliers

02

At the moment, the focus is on offsetting directly produced greenhouse gas emissions, excluding those resulting from third-party material procurement activities

1-24%

Supply chain GHG emissions improvement

03

Collect and report GHG emission data by distributing questionnaires to suppliers

04

Scope 1 offset through carbon credits

05

Evaluation of more eco-friendly transport options

2025 goals:

01

Mapping employee transport to explore car-sharing or other sustainable options

SDG diriferimento



ENVIRONMENT

WATER

Termoacqua monitors and records its water consumption, committing to a 10% reduction by 2024.

To conserve water resources, the company has implemented effective methods in most offices and facilities, such as low-volume irrigation systems that reduce waste and enhance water efficiency.

However, Termoacqua does not currently monitor the water footprint of its supply chain, presenting an opportunity for future improvements in sustainable resource management

WATER CONSUMPTION RATIO

4,691 ML

Total water consumption (2023)

IMPROVING OPERATIONS WATER 2024

- 01 Reduce water footprint by monitoring supply chain consumption
- 02 Reduce water consumption by 10%

2025 GOALS:

- 01 Monitor toxic wastewater and set specific reduction targets
- 01 Design a closed-loop system to recover greywater from drum washing in the chemical production line di un circuito chiuso per il recupero delle acque grigie derivanti dal lavaggio dei fusti nella linea di produzione dei prodotti chimici
- 02 Develop processes to conserve or minimise water usage
- Implement a reverse osmosis process to reuse wastewater

GRI

[GRI 303-5]

SDG



ENVIRONMENT

WASTE

Termoacqua regularly monitors and records waste generation. For 2024, the company has set targets to reduce non-hazardous waste by 15% and hazardous waste by 10%.

The company has implemented a general recovery and recycling programme for materials such as paper, cardboard, and plastic. Additionally, it has a formal programme to evaluate and reduce hazardous, generic, and non-hazardous waste production.

In the last fiscal year, Termoacqua reduced material consumption for its operations, including packaging, and internally recycled 600 kg of plastic for reuse.

The company also operates a product and component recovery programme to extend their lifecycle. Over the past two years, Termoacqua has significantly reduced waste at the source, particularly related to product packaging.

Regarding chemical management in the supply chain, the company requires suppliers to declare the composition of all intentionally added chemical additives and any potentially harmful residues. However, Termoacqua does not actively monitor toxins or hazardous waste within its supply chain, nor does it analyse the biodiversity impacts of these activities.

WASTE PRODUCTION RATIO

Total waste generated: 37.79 TON

Non-hazardous waste: 22.81 TON

Paper and cardboard packaging (CER 15.01.01): 7.20 TON

Plastic packaging (CER 15.01.02): 2.23 TON

Mixed material packaging (CER 15.01.06 – R13): 4.94 TON

Ion exchange resins (CER 19.09.05 – saturated/exhausted – R13): 8.17 TON

Paper and cardboard (CER 20.01.01): 0.27 TON

Hazardous waste: 14.98 TON

Eluates (CER 10.11.5* – D15): 9.24 TON

Hazardous resin (CER 11.01.16* – D14): 5.74 TON

Recycled or reused plastic waste (last 12 months): 600 KG

GRI diriferimento

[GRI 306]

SDG diriferimento



ENVIRONMENT

WASTE

Waste not sent to landfill (tonnes) and a breakdown of the total by waste composition 14.64 TON

Non-hazardous waste

CER 15.01.01 - Paper and cardboard packaging (R13) 7.20 TON

CER 15.01.02 - Plastic packaging (R13) 2.23 TON

CER 15.01.06 - Mixed material packaging (R13) 4.94 TON

CER 20.01.01 - Paper and cardboard (R13) 0.27 TON

Waste sent to landfill (tonnes) and a breakdown of the total by waste composition 23.14 TON

Non-hazardous waste

CER 19.09.05 - Saturated or exhausted ion exchange resins (D15) 8.17 TON

Hazardous waste

CER 10.11.5* - Eluates (D15) 9.24 TON

CER 11.01.16* - Hazardous resin (D14) 5.74 TON

GRI

[GRI 306]

SDG



ENVIRONMENT WASTE

IMPROVING OPERATIONS ON WASTE

2024

01

Minimise the environmental impact of product packaging

Use recyclable packaging with clear recycling instructions, including QR codes on product labels for disposal guidance

Reduce chemical use

02

Increase purchases from environmentally conscious suppliers, use non-toxic cleaning products, unbleached chlorine-free paper, and soy-based or low-VOC inks

03

Target reduction in non-hazardous waste production

15%

04

Target reduction in hazardous waste production

10%

2025 GOALS:

01

Monitor and analyse landfill waste disposal by suppliers

GRI

[GRI 306]

SDG



SOCIAL

SOCIAL

EMPLOYEES

At the heart of Termoacqua's corporate approach lies a strong focus on its employees, regarded not merely as resources but as individuals deserving respect, support, and opportunities for growth. Through targeted policies, specific practices, and certifications such as ISO 45001, Termoacqua is committed to fostering a balanced, safe, and sustainable working environment for all its employees.

A key element of this approach is the promotion of employee engagement and participation through bonuses and incentives. In 2023, 8% of the company's profits were redistributed as bonuses to all non-executive employees, each receiving a reward of €500.

The safety and well-being of employees are top priorities for Termoacqua. Through tailored programmes, the company ensures coverage in case of disability or accidents. Clearly defined policies and continuous monitoring guarantee that the health and safety of workers remain at the forefront of the company's operations.

Termoacqua is deeply committed to investing in the professional development of its employees, offering a wide range of training and growth opportunities. From initial onboarding programmes to ongoing refresher courses, the company actively promotes internal growth and the enhancement of professional skills, focusing on workplace health and safety as well as the development of cross-functional personal competencies.

Termoacqua's corporate culture is built on inclusive and sustainable principles. With anti-discrimination policies and grievance resolution processes, the company strives to create a fair and respectful working environment. Additionally, Termoacqua promotes workplace flexibility by offering options such as flexible hours, remote working, and part-time shifts upon request. These measures aim to help employees achieve a better work-life balance, reinforcing Termoacqua's commitment to creating a workplace that supports not only corporate success but also the well-being and individual development of its employees.

SOCIAL

Employee Metrics

	TOT	%	 Women
Total Number of Full-Time Employees 2023	38		18%
Total Number of Full-Time Employees 2022	32		21%
Workforce Composition 2023 by Generations		8%	Baby boomers (1946-1964)
		44%	Generazione X (1965-1979)
		38%	Millennials (1980-1994)
		10%	Generazione Z (1995-oggi)
Geographical Areas of Employees	ITA 	100%	
Workforce Composition by Employment Contract 2023	Permanent	100%	18%
Workforce Composition by Employment Type 2023	Full-Time	35	92% 11%
	Part-Time	3	8% 100%
Total Number of New Employees Hired in 2023	8	21%	18%
Workforce Composition by Employment Contract 2023		25%	Generazione X (1965-1979)
		62%	Millennials (1980-1994)
		13%	Generazione Z (1995-oggi)
Employee Turnover Rate	8,45%		

GRI

[GRI 2-7 / 401-1 / 405-1]

SDG



SOCIAL

Employee Metrics

	TOT	%	 Women
Percentage of Workers who Received Training:	21	55%	9%
Average Training Hours per Worker	48 H	6% Managers	58%
Paid Professional Development Days		39% White-collar's	
		55% Workers	
	133		
Total Employees Eligible for Parental Leave	2		
Total Employees who Took Parental Leave	0		
Total Employees Who Returned to Work after Parental Leave	0		
Lowest Salary Paid in the Company	11,84	€/H	
Ratio of Highest to Lowest Remuneration	1 - 5 X		

GRI

[GRI 2-7 / GRI 404-1 /]

SDG

SOCIALE IMPROVEMENT OPERATIONS EMPLOYEES

2024

- 01** **Strengthen the Feedback Process and Employee Satisfaction**
Administer the internal employee satisfaction survey, anonymously, at least once a year
- 02** **Increase Employee Participation in Training Courses**

2025 goals

- 01** **Improve Employee Wellbeing**
Implement benefits by introducing private dental insurance and supplementary private health insurance.
- 02** **Implement the Internship and Apprenticeship Recruitment Process**
Collaborate with educational institutions to offer at least one internship or trainee opportunity per year.
- 03** **Develop an Employee Handbook with Policies on Payments and Performance**
Introduce information regarding payment methods, timing, overtime provisions, promotion criteria, evaluation processes, performance objectives, etc.

SOCIAL COMMUNITY

In a constantly evolving world, where diversity and inclusion are increasingly recognised as essential to corporate success and societal well-being, Termoacqua stands out for its tangible commitment to promoting and supporting the values of diversity, equity, and inclusion within the community in which it operates.

Fully aware of the critical role corporate policies play in shaping a fair and respectful working and social environment, Termoacqua has set itself the goal of adopting practices that fully reflect its vision of an inclusive and sustainable world.

In terms of recruitment and selection, Termoacqua takes a thoughtful and inclusive approach, carefully reviewing job descriptions and requirements to ensure they are accessible and welcoming to all candidates. This approach not only enables the company to draw from a more diverse talent pool but also fosters a sense of equity and respect among potential applicants.

Termoacqua's commitment to the local community is evident in various ways. For instance, the company is entirely locally owned, and the majority of its employees reside within the same community. Furthermore, through its local hiring and contracting policies, the company prioritises the selection of local suppliers and distributors whenever possible.

Termoacqua's dedication to social sustainability extends beyond its employees and suppliers to include broader humanitarian and community projects. Notably, the company collaborates with UNICEF as a "Corporate Friend," supporting projects in Africa through donations and actively participating in the "Casa della Collina" project, which provides a safe haven for disabled children without families.

Through concrete policies and continuous commitment, Termoacqua strives to create an environment where every individual is valued, respected, and included, thereby contributing to a more equitable, diverse, and sustainable society.

SOCIAL COMMUNITY

COMMUNITY METRICS

Percentage of Suppliers at National level **+80%**

Percentage of Suppliers at Local Level **75,6%**

Average Supplier Relationship Duration **>60 mesi**

Percentage of Company Ownership Located Locally (where at least two-thirds of the workforce resides) **100%**

Total Amount (in currency) Donated to Charitable Entities **1200€**

SDG



SOCIAL IMPROVING OPERATIONS COMMUNITY

2024

- 01** **Monitoring Workforce Diversity**
Begin measuring and monitoring employees' age and educational qualifications. monitorare la diversità della forza lavoro
- 02** **Increase civic engagement and donations through financial or in-kind donations (excluding political causes)**
- 03** **Increase the number of female workers** **20%**

2025 goals:

Implement Diversity, Equity, and Inclusion (DEI) Policies

Build the DEI framework and provide training for all employees on these topics.

- Define specific, measurable diversity improvement goals.
- Conduct a gender, race/ethnicity, or other demographic factors pay equity analysis to implement policies or plans to improve this metric.

Apply social or environmental criteria in procurement practices

Monitor the percentage of materials or products purchased that possess third-party social or environmental certification, or are certified by an independent body, or come from purpose-driven suppliers / Benefit Corporations.

SDG



GOVERNANCE

GOVERNANCE

Governance assesses a company's overall mission, its commitment to social and environmental impact, its ethics, and its transparency.

This section also evaluates the company's ability to safeguard its mission and formally consider stakeholders in decision-making processes through its corporate structure or governance documents.

Termoacqua stands out for its robust corporate governance, which focuses on the continuous improvement of the company, the quality of its services, and its employees, recognising them as a key asset for the organisation.

The company believes it is essential to clearly define the values it acknowledges, accepts, and shares, as well as the responsibilities it assumes. For this reason, it adopts a Code of Ethics (last updated in 2023), which represents a document outlining the principles of conduct that each director, employee, and collaborator must adhere to in the course of their activities. This document is shared with all employees and collaborators, displayed in company premises, and published on the corporate website in the interest of transparency.

Currently, Termoacqua is not legally required to implement an Organisational and Management Model pursuant to Legislative Decree 231/2001 and has yet to adopt one. However, the company has established a written worker protection policy for whistleblowing, with dedicated reporting channels shared with employees and outlined in the Code of Ethics.

The company ownership is composed of Carmine Del Monaco, holding 95%, and Serena Del Monaco, holding the remaining 5%.

GRI

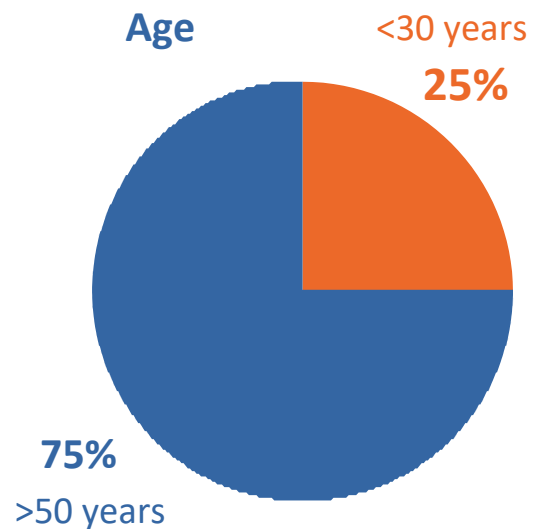
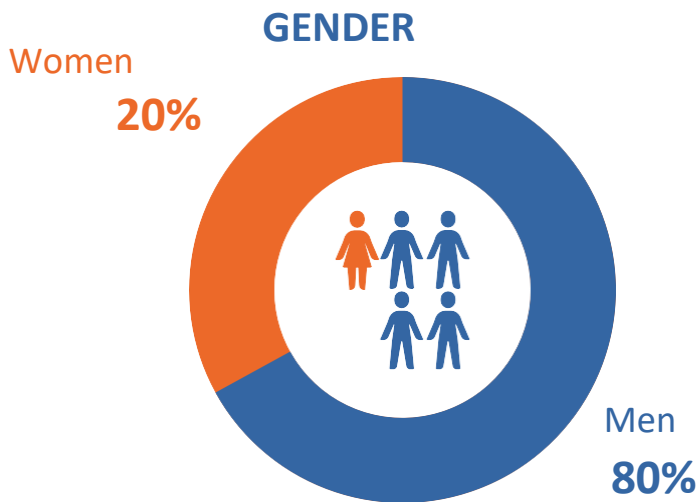
SDG

[GRI 2-9 /]

GOVERNANCE

At the strategic management level, Termoaqua is governed by a Board of Directors consisting of five members, including a Chairman and a CEO. The composition is as follows:

Carmine Del Monaco, Chairman
Claudio Giorla, Chief Executive Officer
Serena Del Monaco, Board Member
Federico Serù, Board Member
Marco Franzoso, Board Member



The Board of Directors meets regularly throughout the year, at least once every three months, and includes two independent members, two executives, and one non-executive employee.

The Board has actively supported the creation and drafting of this Sustainability Report, which has been overseen during the drafting and development process by the CEO, Claudio Giorla, alongside Project Manager, Davide Fucci, with the involvement of various department heads as required.

Over the years, Termoaqua has obtained three key certifications:

ISO 9001 – Quality Management System
ISO 14001 – Environmental Management System
ISO 45001 – Occupational Health and Safety Management System

[GRI 2-9 / GRI 405-1 (a.)]

GOVERNANCE

The company also maintains a formal organisational chart, which defines the hierarchical structure of the organisation. This chart is crucial for ensuring a clear delineation of authority and responsibility within the company, thereby facilitating effective communication and transparent decision-making.



IMMAGINE

President: Carmine Del Monaco

Chief Executive Officer (CEO): Claudio L. Giorla

IT Services: Maria Branca

Project Manager: Davide Fucci

GOVERNANCE

Chief Operating Officer (COO): Luca Vignola

External IT Service Providers

Head of Administration and Human Resources: Serena Del Monaco

Administration Department

Head of Warehouse/Production: Pieralberto Malacarne

Warehouse and Production Department

Technical Director: Gian Pietro Bergamelli

Technical Department

Sales Director and Marketing Manager: Daniele Pezza

Sales Department

[GRI 2-9]

GOVERNANCE

Economic growth is a common objective for every business. For Termoacqua, such growth is inextricably linked to its values, professionalism, commitment, and ethics that have always defined the company. The company has analysed its economic data over the past three years in terms of economic value generated and distributed.

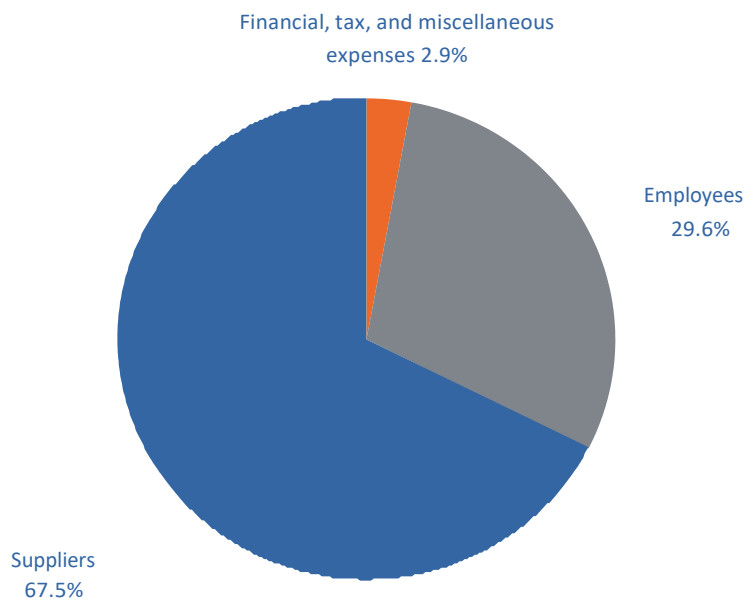
According to the GRI Standards used as the basis for this analysis:

"Economic value generated" corresponds to revenues (e.g., sales of goods or services, changes in inventories, financial income).

"Economic value distributed" includes operating costs for the purchase of raw materials, services, and third-party assets, employee wages and benefits, interest expenses, taxes, and charitable donations.

In 2023, Termoacqua generated a total economic value of just over €10 million, marking a 12.75% increase compared to 2022 and confirming the growth trend observed in previous years. Of this €10 million, €8.46 million was redistributed among suppliers (67.5%), employees (29.6%), financial, tax, and other obligations (2.9%).

DISTRIBUTION OF VALUE GENERATED – 2023



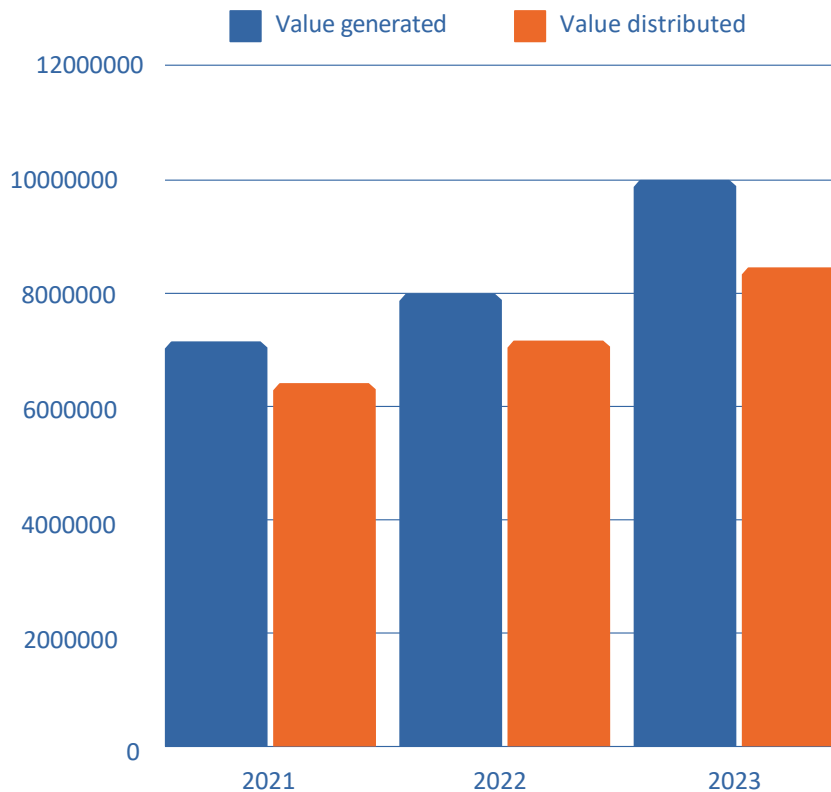
GRI

SDG

GOVERNANCE

The portion of the value retained by the company in 2023 amounts to 15.4%, as highlighted in the histogram below.

VALUE GENERATED AND DISTRIBUTED 2021 - 2023



Con Supply Chain

While Termoacqua does not exclusively source from "purpose-driven" suppliers with explicit social or environmental criteria, it prioritises local procurement. Over 60% of its supplies (excluding labour) are attributed to independent local suppliers located in the same area where the company operates. These relationships are typically long-term, averaging over 60 months. Additionally, given its industry, Termoacqua continuously monitors the intentional use of chemical additives by its suppliers.

GRI

SDG

GOVERNANCE

IMPROVEMENT OPERATIONS GOVERNANCE

For 2024, Termoacqua has identified governance improvement actions aimed at integrating social and environmental performance into Board decision-making processes. These include:

2024

- 01 Integrating Social and Environmental Performance in Decision-Making**
 The Board of Directors will review social and environmental performance through the Sustainability Report.
 - Enhanced Stakeholder Engagement**
- 02**
 - Establish a consultative committee representing stakeholders.
 - Communicate stakeholder engagement results in social and environmental performance at the highest supervisory level (Board).
- 03 Social and Environmental Performance Training**
 Incorporate formal training on environmental and social principles and practices into ongoing training for employees and management. ntare la formazione sulla performance sociale e ambientale
 - Establishment of Safety Committee (Legislative Decree 81/08)**
- 04** Form a dedicated committee to oversee workplace safety compliance.

METHODOLOGICAL NOTE

The Sustainability Report of Termoacqua Tecnologie Srl, in its first edition, was voluntarily prepared for the year 2023 to monitor and accurately report the company's ESG (Environmental, Social, and Governance) performance.

Following principles such as relevance, completeness, transparency, neutrality, comparability, clarity, reliability, and third-party autonomy, this document offers stakeholders a detailed overview of key goals and results achieved in social and environmental fields, aiming to create long-term value.

The report adheres to GRI Standards, the most recognized international non-financial reporting framework, and refers to the "GRI 1 Fundamental Principles 2021" for content and quality, including :

- Stakeholder Inclusivity
- Sustainability Context
- Materiality Completeness

Additionally, Termoacqua adopted the B Impact Assessment (BIA), an internationally recognized evaluation tool used by over 150,000 companies globally. The BIA assesses business models' ability to address major social and environmental challenges and measures the impact of services offered. Through this tool, Termoacqua generated a B Impact Report assessing its impact across five main categories: Governance, Community, Environment, Employees, and Customers.

The evaluation process, conducted with ImpactGate, included a comprehensive analysis of the company's current status and focused on 2023 performance. Termoacqua scored 69.3 points on the BIA scale (ranging from 0 to 200), indicating performance in line with or above peers in the same sector, country, and size. Although below the 80-point threshold for a "virtuous process," the result highlights the company's progress and ongoing commitment to sustainable improvement.

METHODOLOGICAL NOTE

GRI INDEX

STANDARD GRI	DISCLOSURE	CHAPTER
GRI 2: General Disclosures 2021	Disclosure 2-1: Organisational details	01
	Disclosure 2-6 (a): Activities, value chain, and other business relationships	02
	Disclosure 2-7 (a,b): Employees	04
	Disclosure 2-9: Governance structure and composition	
	Disclosure 2-22: Statement on sustainable development strategy	01
	Disclosure 2-29: Approach to stakeholder engagement	03
GRI 201		
Economic Performance 2016	Disclosure 201-1: Direct economic value generated and distributed (A.i.)	04
GRI 302: Energy 2016	Disclosure 302-1 (a,b,c,e,g): Internal energy consumption within the organisation	04

METHODOLOGICAL NOTE

GRI INDEX

STANDARD GRI	DISCLOSURE	CHAPTER
GRI 302: Energy 2016	Disclosure 302-3 (a,b): Energy Intensity	04
GRI 305: Emissions 2016	Disclosure 305-1 (a): Direct Greenhouse Gas (GHG) emissions (Scope 1)	04
	Disclosure 305-2 (a): Indirect Greenhouse Gas (GHG) emissions from energy consumption (Scope 2)	
	Disclosure 305-4 (a,b): Greenhouse Gas (GHG) emission intensity	
GRI 306: Waste 2020	Disclosure 306-3 (a): Waste Generated	04
	Disclosure 306-4 (a.) Waste Generated	
	Disclosure 306-5 (a.) Waste Generated	
GRI 303: Water and Effluents 2018 2018	Disclosure 303-5 (a.) Water Consumption	04

METHODOLOGICAL NOTE

INDICE CONTENUTI GRI

STANDARD GRI	DISCLOSURE	CHAPTER
GRI 401: Employment 2016	Disclosure 401-1: New employee hires and employee turnover (a.)	04
	Disclosure 401-3 (a,b,c): Parental leave	04
GRI 404: Training and Education 2016	Disclosure 404-1 (a): Average number of training hours per employee per year	04
GRI 405: Diversity and Equal Opportunity 2016	Disclosure 405-1: Diversity in governance bodies and among employees (a, b, i, ii)	04

METHODOLOGICAL NOTE

A IMPACT ASSESSMENT 2023

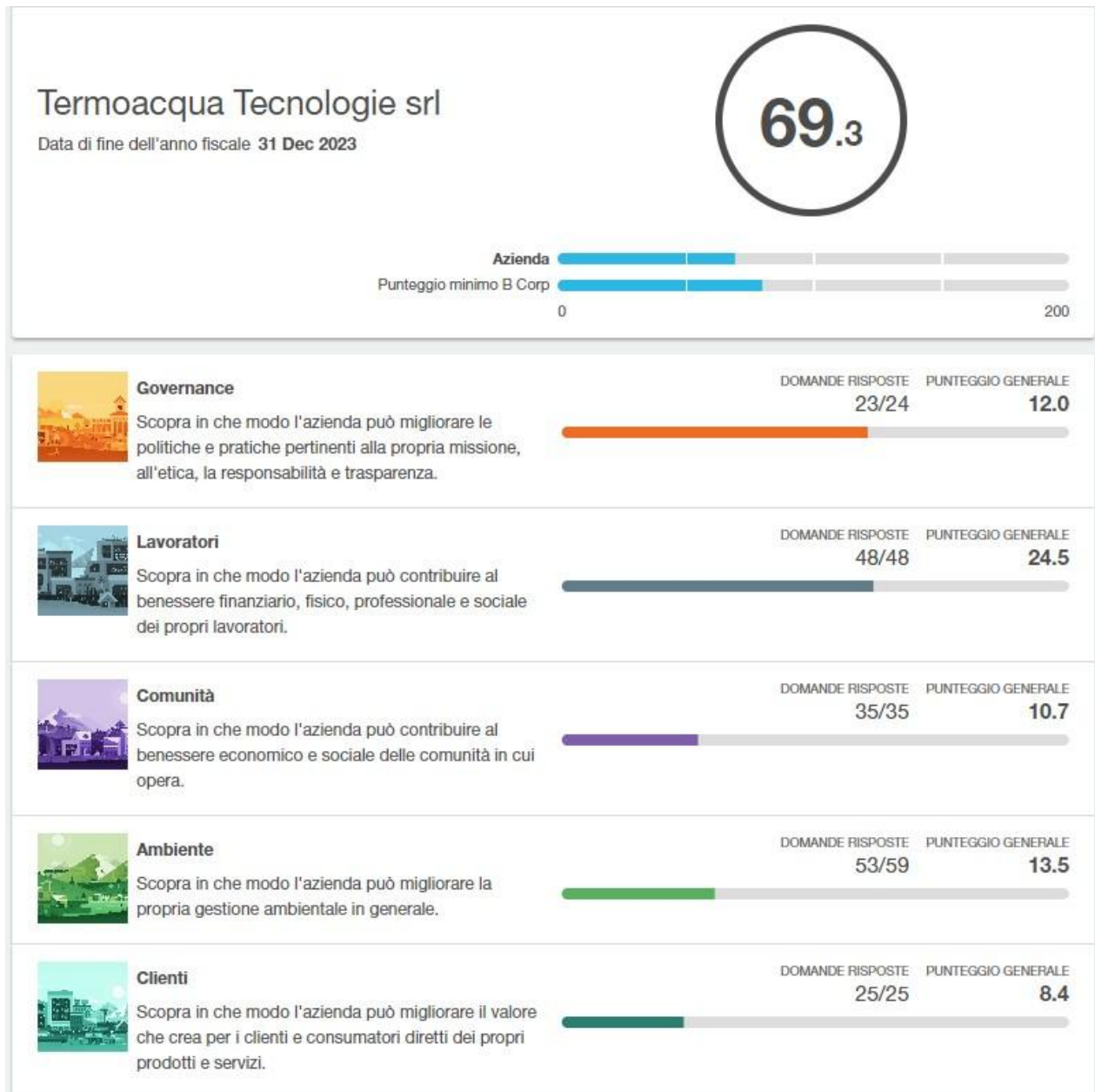


IMMAGINE:

Fiscal Year-End Date: December 31, 2023

Minimum score for B Corp certification

Governance

Discover how the company can improve policies and practices related to its mission, ethics, responsibility, and transparency.

Questions Answered: 23/24

Overall Score: 12.0

METHODOLOGICAL NOTE

Workers

Discover how the company can contribute to the financial, physical, professional, and social well-being of its employees.

Questions Answered: 48/48

Overall Score: 24.5

Community

Discover how the company can contribute to the economic and social well-being of the communities where it operates.

Questions Answered: 35/35

Overall Score: 10.7

Environment

Discover how the company can improve its overall environmental performance.

Questions Answered: 53/59

Overall Score: 13.5

Customers

Discover how the company can improve the value it creates for customers and direct beneficiaries of its products and services.

Questions Answered: 25/25

Overall Score: 8.4

TERMOACQUA TECNOLOGIE

www.termoacqua.com



SINCE 1985

