

Sustainability Report 2024

Enhancing
the potential of **nature**

Sustainability Report

2024

CEO STATEMENT	3
ETEA GROUP	4
SEDAMYL	6
SUSTAINABILITY STRATEGY	8
LAND	11
Policies	12
Certified Sustainable Wheat	13
Regenerative Agriculture – Transitions Project	14
SEDAMYL PROCESS ACTIVITIES	16
Our Planet	18
Investments In Sedamyl Facilities	20
Carbon Emissions & Carbon Intensity	21
Renewable energy production – photovoltaic energy plant	22
Renewable energy production – green fire project	23
Water management	24
Our People	25
Welfare	26
Training	26
Safety	27
Road to zero accidents	29
Governance	30
Policies	30
Partnerships & Initiatives	31
Corporate sustainability reporting directive (CSRD)	32
METHODOLOGICAL NOTE	33



CEO STATEMENT

In times where business models change so rapidly, we are glad to open our sixth ESG Report by acknowledging the continuous improvements undergone by SEDAMYL in 2024.

Thanks to the completed expansion in our UK manufacturing facility, our Group has now further increased the production capacity and our portfolio! This achievement means greater opportunities for our business, but also larger environmental responsibilities and commitments for sustainable Governance.

We therefore remain fully committed to our Farm-to-Customer Sustainability strategy and we are proud to announce some important milestones:

Elena Frandino
Managing Director
SEDAMYL UK



Stefano Frandino
Managing Director
SEDAMYL ITALY



1

SEDAMYL has begun sourcing from the largest Regenerative Agriculture project in Europe, proactively working to provide low-carbon and sustainable ingredients to our customers

2

The bioenergy project GREEN FIRE is now fully authorised and it can be implemented in our Italian manufacturing site. We will use our production residues to produce renewable energy and replace part of the fossil fuel necessary for our process activities

3

A new Safety Journey, called Road to Zero Accidents, has then been set in place, with a plan to achieve zero accidents in three years

In the next sections, you will find details about our policies, actions and impacts. This process is a continuous challenge to improve the way we run our business, identifying the best approaches to deliver sustainable growth.

Enjoy the read!

ETEA GROUP

ETEA Group is a family-owned company rooted in the agribusiness since 1960s. It started its journey as a small fruit distillery, gradually diversifying its products portfolio and activities, thanks also to joint ventures with international partners. ETEA Group has now four business activities in five different countries:

STARCH & DERIVATIVES (SEDAMYL):

We use wheat as raw material to produce a wide portfolio of ingredients: starches, sweeteners, proteins, potable alcohol. See more details about SEDAMYL process and achievements in the following sections, as the scope of this Report is to cover the Sustainability commitments and impacts associated with SEDAMYL manufacturing activities.

ORIGIN & TRADE (ETEA GRAIN):

ETEA Grain connects farmers to food and feed processors, in both the conventional and organic sectors. Thanks to an extensive product portfolio (soft and durum wheat, corn, barley, soybeans, sunflower seeds, rapeseed, spelt, oats, peas) sourced in Eastern and Western Europe, ETEA Grain offers a comprehensive range of solutions to the market. Operation and commercial activities are managed through offices in Italy, Romania and Serbia.

RENEWABLE ENERGIES (ETEA RENEWABLES):

Our renewable energy business is built on the know-how and capabilities acquired over several decades of operating in energy production within wheat processing plants. At present, ETEA Group owns and operates 15 renewable energy plants across Europe, in Italy (6), Albania (4) and Romania (5). The total installed capacity is 57 MW with a corresponding average yearly production in excess of 200.000 MWh. Renewable energy production is a key element of our commitment to a sustainable and environmentally responsible approach to industry. We help to reduce greenhouse gas impacts by avoiding emissions of 130.000 tons of CO₂eq every year.

ENGINEERING (ETEA ENGINEERING):

ETEA Engineering, the technical arm of the Group, is at the centre of all our production businesses. It provides fundamental engineering support to all operations, from the plants design up to the final construction. Through the work done in ETEA Engineering, we are able to maintain the highest production standards within our own activities. This continual quest for innovation and improvement ensures that the competitiveness of our products in a continuously evolving market.

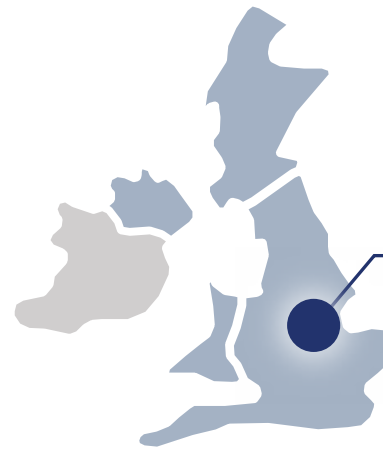
ETEA GROUP



SEDAMYL

SEDAMYL is one of the leading manufacturers of starches, sweeteners, proteins and alcohol in Europe, supplying ingredients for all major food, feed and industrial applications.

We have established ourselves as one of the most reliable partners on the market thanks to our state-of-the-art manufacturing facilities and our ability to turn each of our customer's needs into fast and effective solutions. SEDAMYL currently has two manufacturing facilities to produce starches & derivatives:



Selby, UK



173 Employees



20 Km from York



10 Ha plant area



Saluzzo, Italy



223 Employees



60 Km from Turin



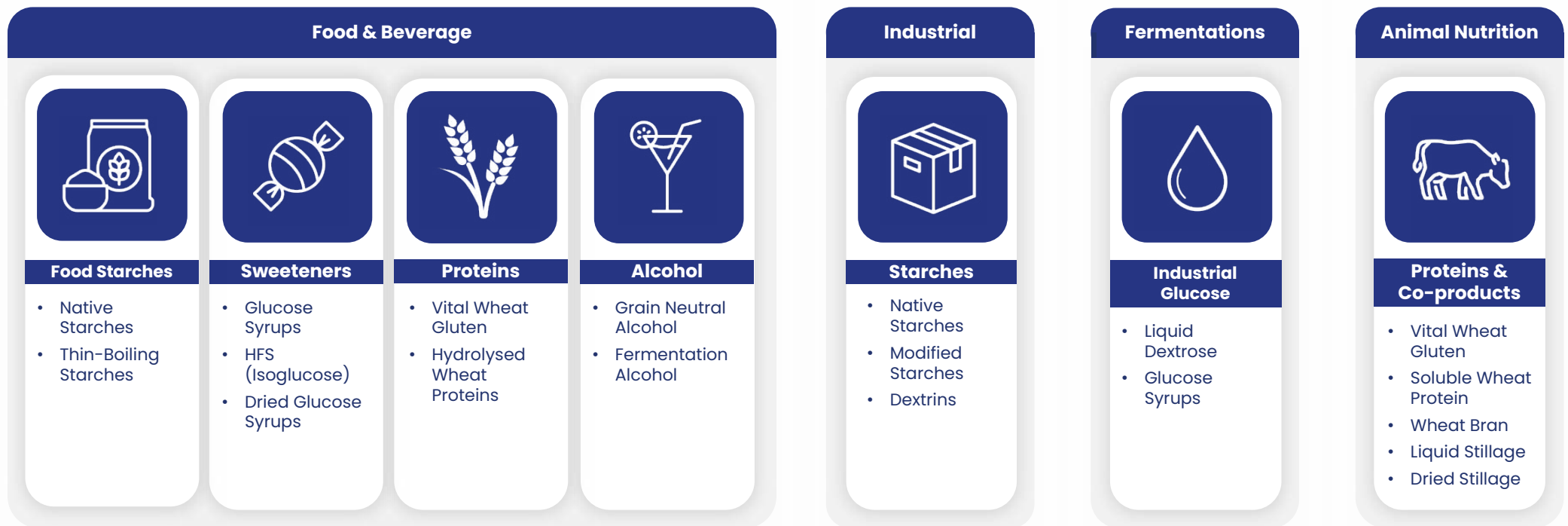
10 Ha plant area



SEDAMYL

PRODUCTS & MARKETS

Our wide product portfolio, 100% wheat based, is essential in a broad range of applications in the Food & Beverage, Industrial, Fermentations, Animal Nutrition and many other sectors.



SUSTAINABILITY STRATEGY

Ensuring sustainable business development in our manufacturing activities has always been a crucial point for our organization. The consequence of this philosophy was the formal publication of SEDAMYL Farm-to-Customer Sustainability Strategy back in 2021. In our Farm-to-Customer strategy we focus on the entirety of SEDAMYL value chain, from the cultivation of wheat down to the delivery of our ingredients to our customers.

By engaging and cooperating with different actors in our value chain, we believe we can deliver significant positive impacts, being able to offer sustainable and high-quality ingredients with full traceability. Thanks to the massive effort from our entire organization, SEDAMYL Sustainability strategy is now fully operational!

Through partnerships with key suppliers, we have begun sourcing relatively small volumes of wheat from the largest Regenerative Agriculture project in the European Union, with additional programs currently being developed both in the EU and in the UK.

WHEAT
CULTIVATION

WHEAT
TRANSPORTATION

SEDAMYL
ACTIVITIES

CUSTOMERS



SUSTAINABILITY STRATEGY

At the same time, we are committed to reducing carbon emissions and environmental impacts deriving from our production cycle. To achieve this goal, we are committing significant investment into renewable energy sources across our manufacturing activities:

These achievements will allow SEDAMYL to offer more and more sustainable high-quality ingredients to all our customers, ensuring that we develop our business the right way. For more information about our actions and commitments, please refer to the next sections of this ESG Report.

While implementing these efforts, we are continuously improving and refining our Sustainability Strategy. We are currently running a new Materiality Assessment to update the most relevant Sustainability topics for our organization. In this exercise, we are aligning with the concepts of Double Materiality as specified by the EU Corporate Sustainability Reporting Directive (CSRD).

1

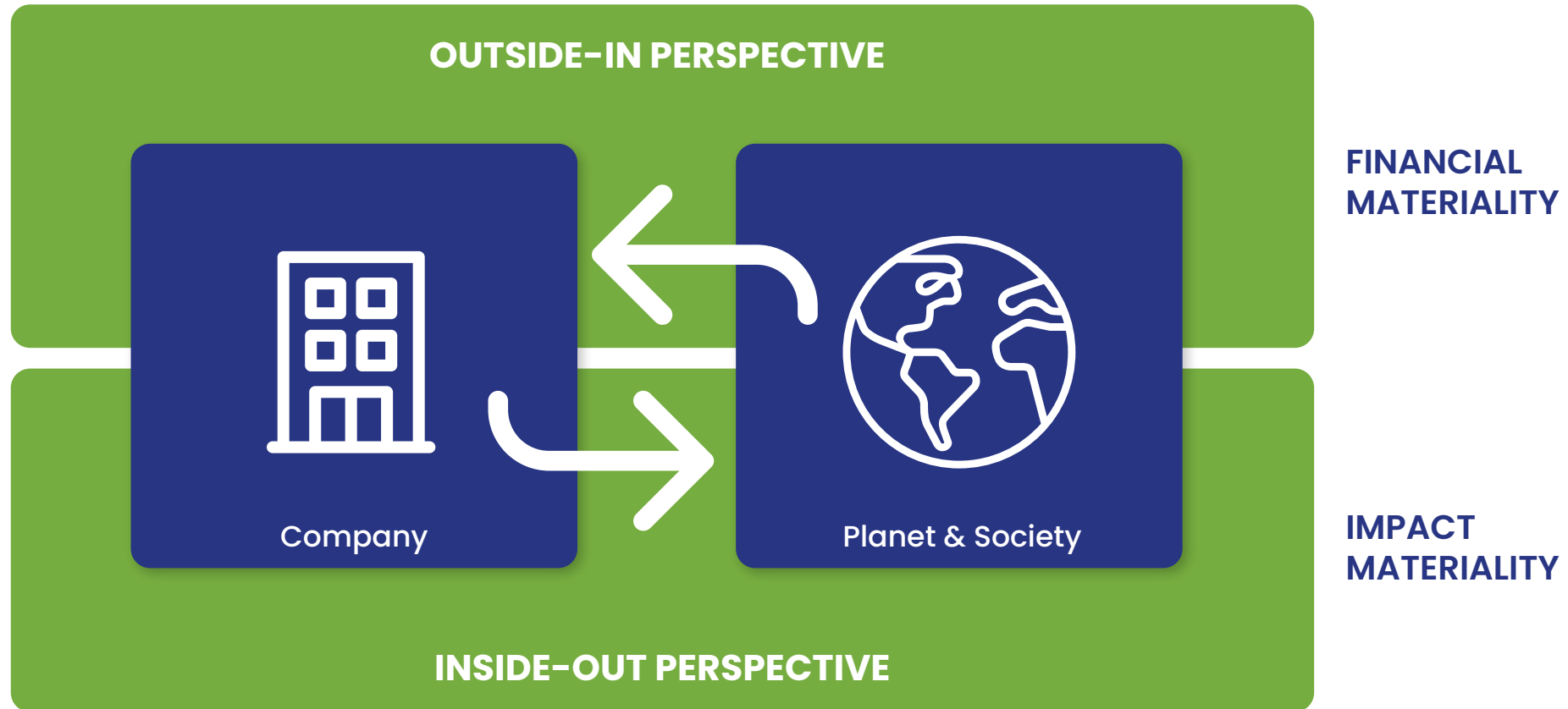
Photovoltaic plant to provide green electricity to our wheat mill in Italy

2

Biomethane plant to replace part of the natural gas currently used as energy source in Italy



SUSTAINABILITY STRATEGY



For each topic identified in the Double Materiality Assessment, SEDAMYL will evaluate Impacts, Risks and Opportunities in order to improve our commitments and ensuring compliance with every relevant European and national regulatory framework.



LAND

Wheat is the starting point for SEDAMYL manufacturing process. We process high-quality and sustainable raw material for our production cycle, engaging our key suppliers in shared projects and programs.

Our sourcing approach is to establish long-term relationship with reliable partners, all located within the European Union and United Kingdom.

To ensure the application of the best agricultural practices, we developed a robust framework that involves supplier evaluation procedures and partnerships with key suppliers.

POLICIES

SEDAMYL supports sustainable development principles as developed by the UN and other equivalent initiatives. We therefore require our suppliers to commit to adhere to these principles. Our commitment is detailed by a framework of policies and standards to meet quality, environmental and social requirements. More details of our policies can be found on our website.

Suppliers code of conduct

For the purpose of this Code, “Supplier” means any legal entity that supplies goods or services to SEDAMYL, including the Supplier’s parent company, subsidiaries or other entities it controls. SEDAMYL’s commitment to a sustainable value chain lays its foundation on four pillars: Quality, Environment, Social Responsibility and Governance.

All suppliers shall comply with the labour regulations in force in the countries where it operates, and in particular those regarding child labour, undeclared labour, forced labour, fair remuneration and discrimination.

Moreover, each supplier must comply with safety regulations by providing its workers with a safe, secure working environment and by implementing all corrective and/or preventive measures necessary to avoid all risk of working accidents. Finally, all suppliers shall contribute to reduce the environmental impact related to their activities, in particular by reducing consumption of energy, water and raw materials, emissions and waste, and any other environmental impact related to the activity that may be considered significant, in accordance with the principle of continuous improvement.

Anti-slavery statement

SEDAMYL is committed to ensuring that there is no modern slavery or human trafficking in its supply chains or in any part of its business, working closely with its suppliers to ensure that slavery and human trafficking risks are identified and managed proactively.

We are accordingly committed to eliminate forced labour and compulsory labour and to effectively abolish child labour. This includes International Labour Organisation (ILO) conventions 138 & 182 on the prohibition of child labour and 29 & 105 on the elimination of forced or mandatory labour. SEDAMYL expects the same standards from all those we work with, including business partners and suppliers.

No child labour policy

Our child labour policy is based on the ILO Minimum Age Convention 138 (1973). SEDAMYL does not employ any person below the age of eighteen years at the workplace.

SEDAMYL prohibits the use of child labour and forced or compulsory labour at all its production facilities.

Ethical Trading Initiative (ETI)

SEDAMYL supports in its actions the principles of the Ethical Trading Initiative Base Code in the areas of human and labour rights, environment and anti-corruption, and perceives the principles as a powerful platform for our activities within sustainability. SEDAMYL already integrated social and environmental concerns into its business operations and in its interactions with its stakeholders.

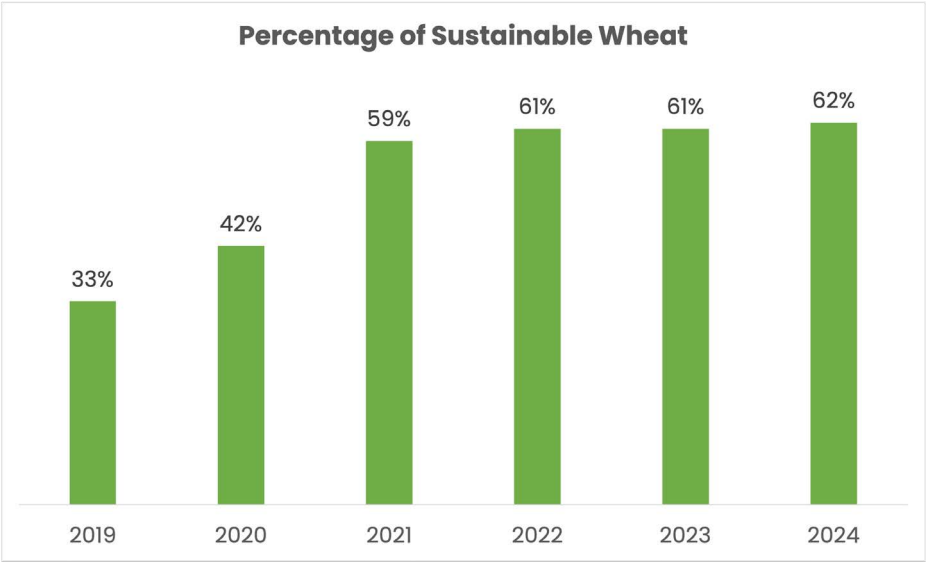
CERTIFIED SUSTAINABLE WHEAT

The sourcing of certified sustainable wheat is one of the key tasks of our procurement teams, both in Italy and in the UK. According to the wheat origin, we can rely on several certification schemes to offer our customers high-quality ingredients derived from sustainable raw materials.

To compare different certification schemes, we use the FSA-SAI benchmark exercise:

Certification scheme	Geography	SAI Platform equivalence	SEDAMYL plant
ISCC EU	Global	GOLD Level	both
ISCC PLUS	Global	GOLD Level	both
2BSVS	France	SILVER Level	Italy
Red Tractor Assurance	UK	SILVER Level	UK

In 2024, 62% of the wheat sourced at Group level was certified as sustainable:



REGENERATIVE AGRICULTURE – TRANSITIONS PROJECT

As announced last year, SEDAMYL is officially part of the TRANSITIONS PROJECT, the largest Regenerative Agriculture project in European Union with an objective of 100.000 ha involved. This project has been developed by the French Agro-food Group VIVESCIA (cooperative + industries).

The programme de-risks farmers from a financial and technical standpoint to accelerate their transition at the level of the whole farm, for every crop. To guide their progress and measure their farm's environmental performance, the TRANSITIONS consortium has defined an agronomic framework based on three factors: carbon, soil and biodiversity. The information collected by farmers forms a robust data chain whose pioneering methodology is unanimously recognised. TRANSITIONS thus unites crops value chains through a unique cooperative approach between upstream and downstream stakeholders.

A holistic agronomic framework and suitable KPIs have been developed to evaluate and quantify outcomes for each pillar of the programme:

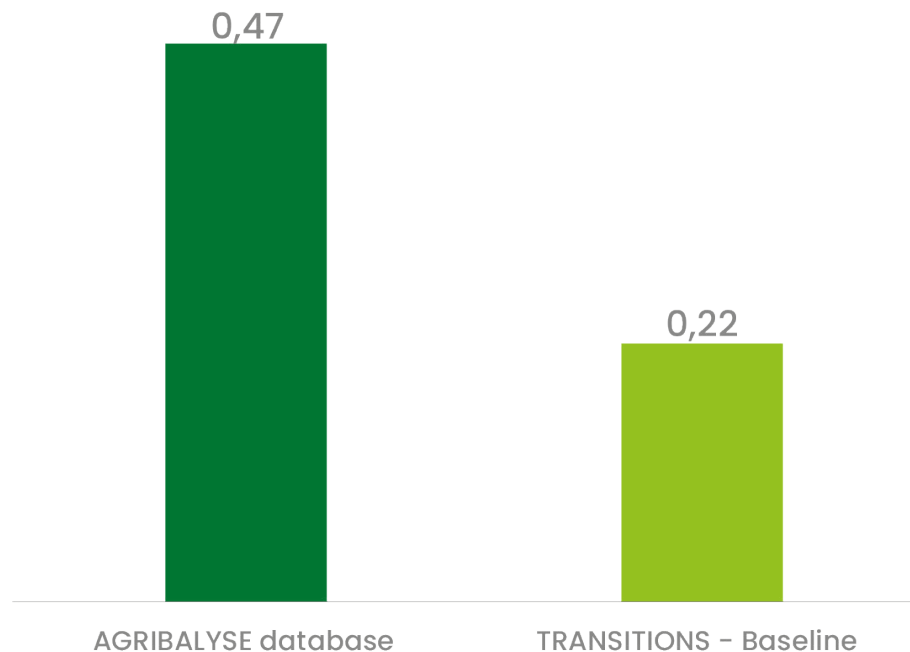
Pillar	Axes of progress	KPI
Soil	Maintaining and restoring soil resilience and fertility	Duration of soil coverage
		Quantity of humified carbon returned to the soil
Climate	Reducing farms' carbon footprint	GHG emissions (ton CO ₂ eq/ha) (ton CO ₂ eq/ton crop)
Biodiversity	Preserving and restoring farms' ecosystems	Environmental certification (CE2, CE2+, HVE)



The project entails a 3-years commitment for farmers and for offtakers paying a premium, with primary data enhancing the value chain and developing a new approach between upstream and downstream stakeholders. First year data established a baseline and a robust data chain methodology will monitor progress in the subsequent years.

We strongly believe in this approach as a way to reduce carbon emissions along the value chain, and the results from the baseline year confirm our assumption: the emission factor for wheat calculated using the baseline primary data already shows a very low carbon footprint compared to data-base values. Although this emission factor may fluctuate quite significantly year on year depending on yields mainly, this is very encouraging.

Wheat emission factor Ton CO_{2eq}/ton wheat



The emission factor for TRANSITIONS wheat

(calculated with Cool Farm Tool methodology)

**is roughly 50% lower than
the average emission factor
for French wheat as reported
by the AGRIBALYSE database
developed by the French
public authorities.**

(ADEME, *Agence de la transition écologique*).

With the Regenerative practices set in place for the next years, we plan to considerably reduce the carbon footprint of our products and to offer low-carbon ingredients to our customers. For more information about the TRANSITIONS project, get in touch with your SEDAMYL contact.

SEDAMYL PROCESS ACTIVITIES

SEDAMYL is constantly committed to a path of sustainable growth, capable of bringing together respect for the environment and business development. This path leads to the identification of improvement areas in several Sustainability topics, enabling SEDAMYL to evolve in line with increasingly strict regulations, stakeholder points of attention and market demands. A Materiality Assessment was conducted to identify the most relevant Sustainability topics and to set in place actions for each topic.

The monitoring of our performances against our targets is annually carried out using appropriate Key Performance Indicators (KPIs):

TOPIC	ACTION	RELATED SDG
Carbon emissions	Continuous improvement compared to baseline (2016)	
Water management	Continuous improvement compared to baseline (2019)	
Energy efficiency	Continuous improvement compared to baseline (2016)	
Safety at work	Increase training hours and update training courses	
Good governance	Employee evaluation through SMART goals	
Training	Annually increase the training hours per employee	
Quality of Sedamyl products	Reduce customer complaints	
Relations with stakeholders	Timely responses to customer and stakeholder requests	

Our Planet

TOPIC	ACTION	UNIT OF MEASURE (KPI)	TARGET DATE
Carbon emissions	Continuous improvement compared to baseline (2016)	Kg CO2eq/ton of wheat	Yearly
Water Management	Continuous improvement compared to baseline (2019)	m3/ton of wheat	Yearly
Energy efficiency	Continuous improvement compared to baseline (2016)	GJ/ton of wheat	Yearly

Our People

TOPIC	ACTION	UNIT OF MEASURE (KPI)	TARGET DATE
Safety at work	Increase training hours	Number of accidents	Yearly
Good governance	Employee evaluation through SMART goals	Number of employees evaluated through SMART goals	Yearly
Training	Increase the training hours per employee	Hours of training/employee	Yearly

Our Value

TOPIC	ACTION	UNIT OF MEASURE (KPI)	TARGET DATE
Quality of Sedamyl products	Reduce customer complaints	Number of complaints	Yearly
Relations with stakeholders	Timely responses to customer and stakeholder requests	Average response time	Yearly

OUR PLANET

SEDAMYL is committed to producing sustainable products in a manner that protects the environment, conserves resources, and continuously improves our environmental and energy performance. Managing all aspects of business and operations, we maximise efficiency and minimise impacts on the natural environment by using state-of-the-art production and control methods. We ensure compliance to all applicable legal requirements with a specific focus on environmental compliance, including the prevention of pollution and the continuous improvement of environmental and energy performance. SEDAMYL has a clear commitment to maintain and strengthen the trust of stakeholders such as staff, local communities, customers and relevant authorities. This policy aligns with the requirements of ISO 14001 and ISO 50001, forming the foundation of our Integrated Environmental and Energy Management System (EEMS), embedded in SEDAMYL internal Integrated Management System (IMS).

13

CLIMATE
ACTION



6

CLEAN WATER
AND SANITATION



7

AFFORDABLE AND
CLEAN ENERGY



OUR PLANET

The SEDAMYL environment and energy commitments are:

1

The prevention, where possible, of environmental impacts associated with activities, products and services

2

The satisfaction of all compliance obligations, from an environmental and energy point of view

3

The efficient use of energy, verified through a periodic monitoring program and increase in efficiency with regard to specific consumption, per tonne of the finished product

4

The control of water discharges, emissions into the atmosphere and nuisances such as odours and noises

5

The minimisation of waste generation, promoting recovery, reuse and recycling

6

The maximisation of reuse and recycling of water, raw material, energy and heat

7

The support of the procurement of energy efficient products and services that positively impact energy performances

8

The maintenance and updating of the IMS and any related certifications

9

The training and engagement of employees and contractors to increase awareness and competence in environmental and energy management

INVESTMENTS IN SEDAMYL FACILITIES

Over the last decade, SEDAMYL has steadily expanded the production capacity. Our technical departments are constantly modernizing and expanding our manufacturing facilities, leading to a steady improvement of our products' portfolio.

Thanks to the investments realized in the last few years, new and updated manufacturing plants are fully operational:

- a. *Second alcohol distillery in UK*
- b. *Liquid sweeteners plant in UK*
- c. *Wheat gluten derivatives plant in Italy*

In addition to Capital Expenditures for widening our product portfolio, SEDAMYL is investing into Renewable Energy production to reduce fossil fuel consumption in its production operations. Two Renewable Energy plants were recently approved, with a total outlay above 20 M Euros in the next couple of years. Find more information about these projects in the next sections of this Report.



CARBON EMISSIONS & CARBON INTENSITY

Monitoring and reporting carbon emissions is the first step to evaluate performances of our production cycle. Both SEDAMYL manufacturing sites are covered by the Emissions Trading System (ETS), which requires detailed reporting on carbon emissions and external verification.

Our strategy to reduce carbon emissions in our manufacturing activities follows a double timeline:

1

On the short term, we are focusing on maximizing process and energy efficiency in our activities in order to reduce the carbon emissions per unit of raw material processed

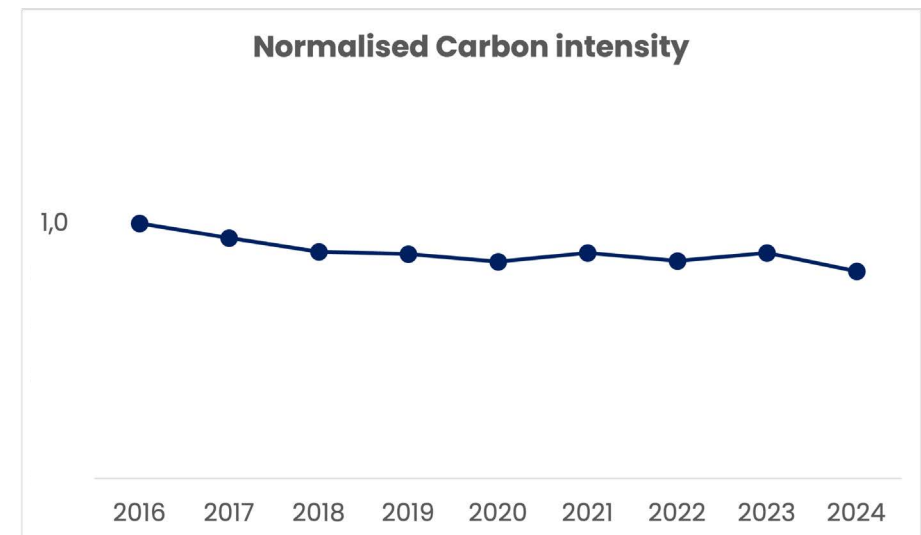
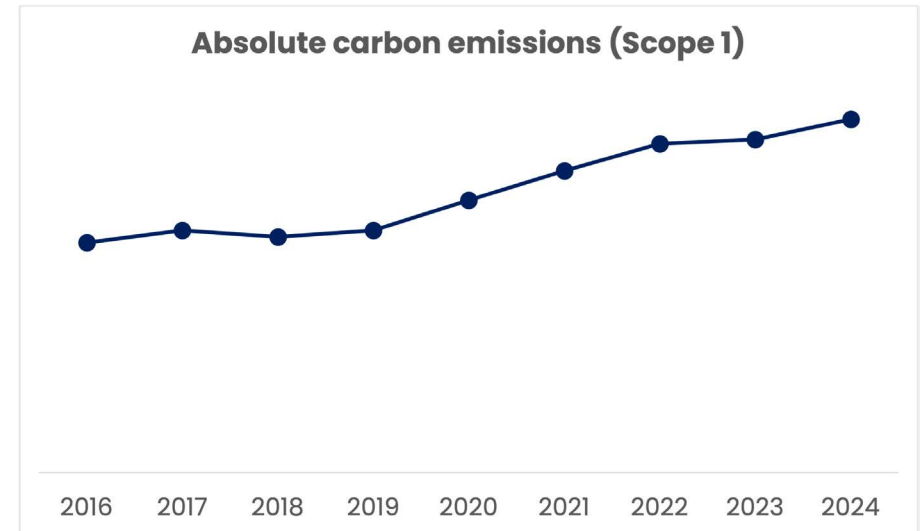
2

On the medium-long term, we will target absolute emissions reduction in line with European and UK commitments

Only Scope 1 emissions are reported, as Scope 2 emissions are set to zero for both our factories since 2021 by acquiring only GO-certified green electricity from national grids.

On the contrary, investments in energy-efficient processes resulted in a significant decrease in our carbon intensity, defined as the emissions per unit of raw material.

In spite of having substantially increased the production capacity, our absolute Scope 1 carbon emissions are only slightly increasing:



In 2024, we achieved a 19% overall reduction in carbon intensity compared to our 2016 baseline.

RENEWABLE ENERGY PRODUCTION – PHOTOVOLTAIC ENERGY PLANT

Achieving absolute carbon reduction on the long term is one of the pillars of SEDAMYL Sustainability Strategy, in order to comply with EU and UK ambitious Net Zero targets. The practical consequence of this endeavour is the design and development of Renewable Energy plants, which will become operational in the next couple of years.

A good example is the Photovoltaic Energy plant currently being developed in Italy.

The plant has now received all necessary authorizations from public authorities and should be operational by the end of 2026. The green electricity obtained from solar energy will be used for energy self-consumption in our wheat mill, having a substantial impact on the energy purchased from the grid. The photovoltaic plant will have a 3 MW peak capacity and will increase the amount of Renewable Energy generated every year by SEDAMYL.



RENEWABLE ENERGY PRODUCTION – GREEN FIRE PROJECT

As SEDAMYL, we are very excited to present a new, extremely ambitious project to tackle absolute carbon emissions reduction and the production of Renewable Energy in our Italian manufacturing site.

Our GREEN FIRE Project will produce 10M cubic meters of renewable biomethane per year using production residues as input materials, combining both circular economy and Renewable Energy production. Biomethane is a biological and renewable fuel, that will help us replace part of the natural gas we are currently using for energy generation in our process activities.

This biomethane is going to be the central pillar of our “local circular economy” approach: every step of the process, from biomethane production to consumption, will take place within our perimeter. Biomethane will be produced through anaerobic digestion, using our liquid stillage (residue from potable alcohol production) as input material. Auto-production and self-consumption of renewable fuel will enable SEDAMYL to reduce environmental impacts associated with stillage transportation.

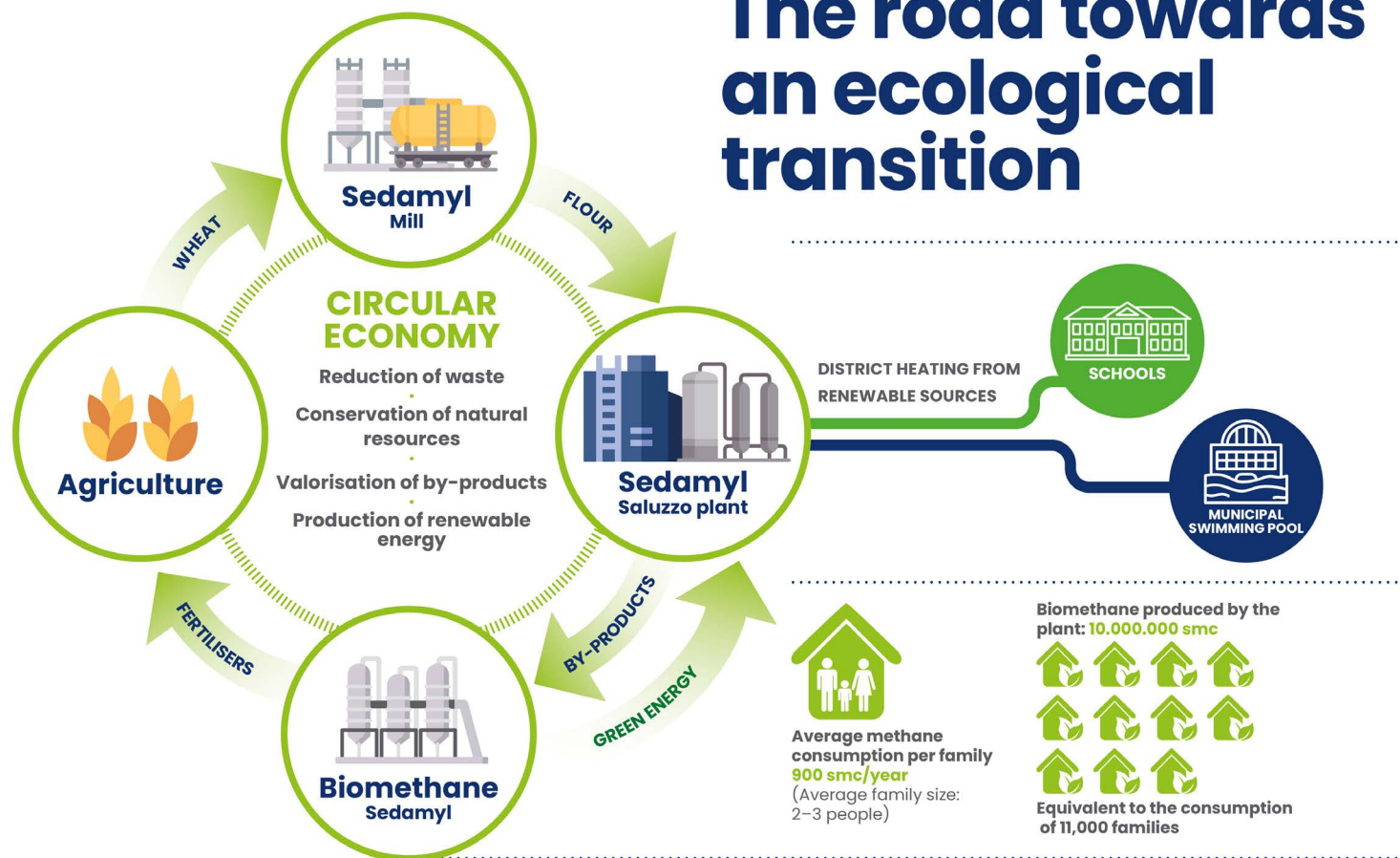
Producing and self-consuming an advanced biofuel obtained from residues will also result in zero consumption of raw

materials for biomethane production. Finally, responsible water management will allow for a reduction and optimization of water consumption and, through appropriate treatments, the possibility of internal reuse of process water.

The by-products generated from biomethane production will be applied for

the production of compost (solid digestate) and liquid fertilizer, which can amend soils, thus closing the loop by being used for crop cultivation.

The GREEN FIRE Project certainly is an important tangible step toward the virtuous goal of zero global emissions: an action set in place towards Net Zero targets.



WATER MANAGEMENT

Due to climate change, water availability and water quality are becoming a more and more relevant issues for manufacturing activities. For these reasons, properly managing water consumptions and water discharges plays central role in our Sustainability Strategy.

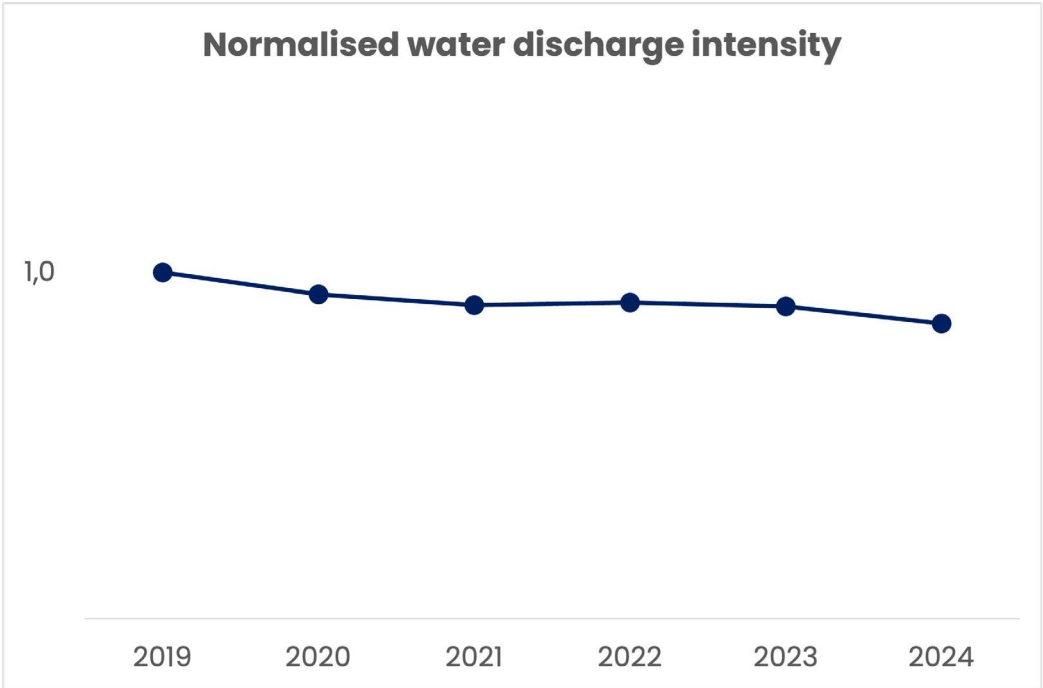
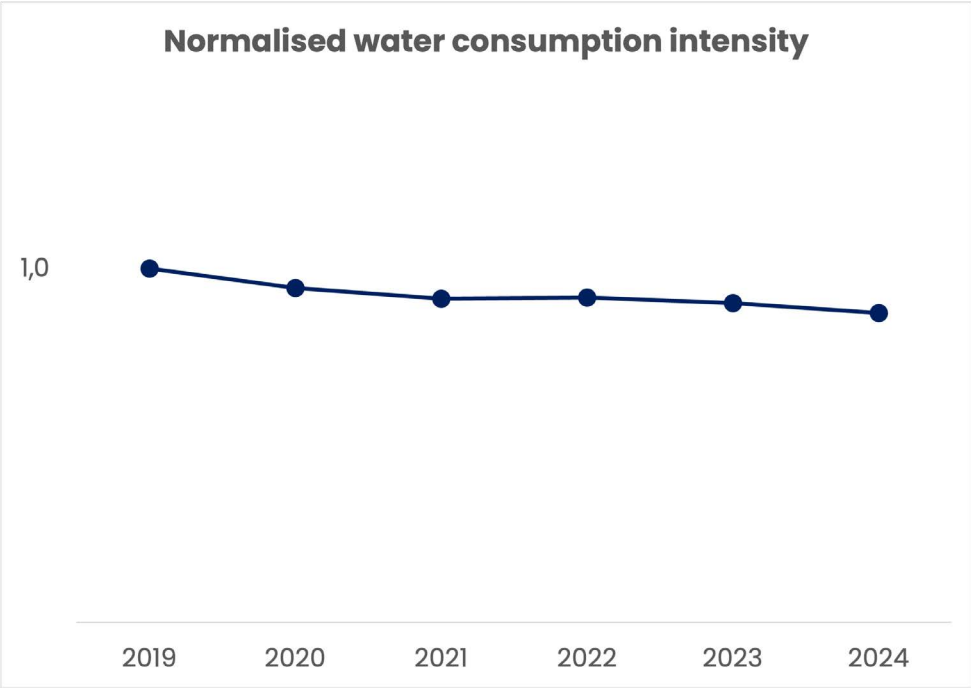
Two KPIs were developed to monitor our water management performances:

Water consumption intensity and Water discharges intensity, defined as the amount of water consumed/discharged per unit of raw material processed.

In the last few years, considerable efforts were put in place in order to maximize the water efficiency of our manufacturing cycle, with the goal of reducing freshwater consumption and increasing

water recovery. More projects are on the pipeline, currently being tested by our technical and R&D departments.

In 2024, the performances of both Water consumption intensity and Water discharges intensity improved again, confirming that the actions undertaken are indeed helping SEDAMYL to improve in water management:



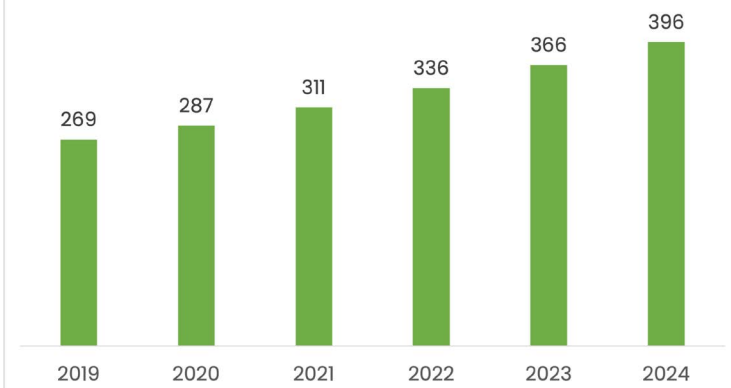
Compared to our 2019 baseline, we have reached 13% reduction in water consumption intensity and 15% reduction in water discharges intensity.



OUR PEOPLE

Our team continues to grow! Since 2019, our workforce almost doubled:

Number of employees



The number of employees is going to be a relevant parameter for Sustainability, as it could determine whether SEDAMYL Group will fall within the scope of the EU Corporate Sustainability Reporting Directive (CSRD).

WELFARE

Our goal is to guarantee a healthy, safe, stimulating and pleasant work environment, so that our collaborators can feel a sense of belonging in the company, thus boosting their motivation and satisfaction towards their work and self-fulfilment. In our previous ESG Reports we listed the welfare initiatives set in place for employees: supplementary insurance, loyalty bonus, assistance in completing tax return during working hours, work-life balance (part time and remote work).

Our HR department is constantly expanding the welfare provided to SEDAMYL people, and in 2024 new initiatives were launched:

- 1 **Agreements with local shops/ services for reduced prices**
- 2 **Weekly provision of fresh fruits in coffee rooms**
- 3 **Scholarships for employees' families**
- 4 **Scholarships for summer camps for employees' families**
- 5 **Meal vouchers for employees**

Continuous expansion of welfare and benefits is one of the main actions to maintain a pleasant and positive working environment.

TRAINING

Development and update of technical, soft and safety skills is one of the ingredients for our Company's success. Every person in SEDAMYL has access to specific training courses, according to their job tasks. Moreover, every employee is required to undergo cross-departmental training on crucial topics such as: safety, quality and food safety.

The hours of training per employee is the KPI we monitor to evaluate effective training engagement for our people:



In 2024, the trend of increasing working hours compared to previous years is confirmed, with 2023 acting as an outlier because of the sharp and sudden increase in training hours for SEDAMYL UK due to the sweeteners plant startup.

SAFETY

Safety is our top priority.

SEDAMYL is committed to ensuring, as its primary objectives, Health and Safety of personnel and accident-free operations. An effective Health and Safety Management System depends on co-operative efforts by all.

Safety is everyone's responsibility, regardless of function or position. SEDAMYL expects management, employees, visitors, suppliers and contractors to recognise that they have a clear duty to:

1

Take care of the Health and Safety of themselves and others

2

Co-operate fully with Health and Safety arrangements made by SEDAMYL

In our Health and Safety policy, the pillar of our Safety philosophy are outlined:

1

People's involvement and behaviour are the key elements for the success of the safety program. We will openly engage with our employees and contractors on matters affecting their health and safety

2

Safety-oriented behaviour is a condition of employment

3

Everyone has authority over safety: we are all responsible for prevention of injury to persons and avoiding damage to resources

4

Each department and each site will operate with an appropriate management organisation of safety and risks, by providing information, instruction, training and supervision, to ensure all employees are competent to carry out their duties

5

Achievable safety policies, instructions and work standards will be available, known, understood and where necessary made mandatory

6

Each level of the organisation will conduct effective safety inspections and audits in order to comply with all relevant statutory requirements and to maintain and ensure safe plants and equipment

7

Continuous training will be provided to maintain performance improvements

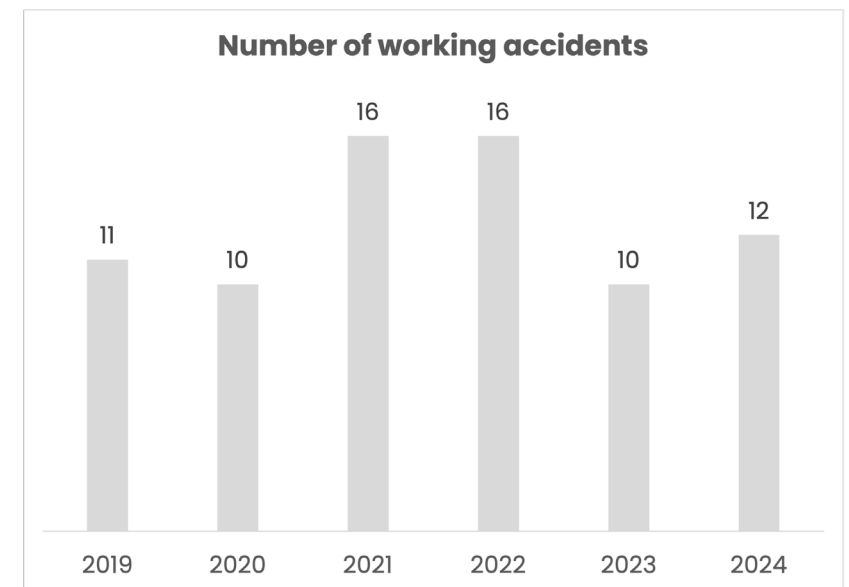
8

We will thoroughly investigate all accidents, incidents and near misses in order to identify and eliminate the root causes, to prevent future incidents

9

We will communicate safety performance, improvements in practices / standards and other corrective /preventive procedures related to accidents, incidents, inspections and audits

In 2024, the number of working accidents remained constant compared to previous years:



With the zero accidents goal in mind, we developed a new Health&Safety project that will engage both our manufacturing sites.

ROAD TO ZERO ACCIDENTS

In order to identify strengths and weaknesses in our Health and Safety culture, Safety Maturity Assessments were carried out at the beginning of 2024 in both manufacturing facilities.

A new Safety Journey, called *Road to Zero Accidents*, has then been set in place, with the ambitious target to fully implement a pro-active mindset when it comes to workplace safety.

Building on all our current good practices whilst strengthening key areas requiring improvement, this programme targets zero accidents at Group level based on a three-years plan.

Starting in 2024, Ad-hoc training will be rolled out to support this work and to improve our understanding of risks, hazards, and root cause analysis, enabling a more systematic approach. We aim to improve both the safety integration in relation to the design of infrastructure and the Management-Of-Change approach for existing installations and processes, as well as the task risk assessment process.

Annual updates will be provided in the next ESG Reports about the achievements of our programme.



GOVERNANCE

SEDAMYL supplies the food industry, pharmaceutical sector, industrial applications and chemicals, and feed industry with high quality wheat-derived products, in compliance with legal standards (environmental, safety, quality and hygiene and food safety) and customer requirements.

Good industrial practice is reinforced by the principles of fairness, legality, honesty, integrity, transparency, social responsibility and ethics, with which SEDAMYL identifies. Respect for our core values and the continuous improvement of our performance generate satisfaction in our customers, motivation in our employees and create value for our stakeholders, thus ensuring a future of growth.

For these reasons, SEDAMYL has developed and applies the Code of Ethics, a fundamental tool in the process of disseminating and clarifying the following Corporate principles:

- 1. Fairness, legality, honesty, integrity and transparency**
- 2. Corporate social responsibility**
- 3. Occupational safety**
- 4. Code of conduct**
- 5. Responsible business**
- 6. Environmental protection**
- 7. Regulatory compliance**

POLICIES

In addition to our code of Ethics, SEDAMYL has implemented specific policies and procedures for every Governance topic considered as material:

HR POLICY

HEALTH
& SAFETY
POLICY

CHILD LABOUR
& ANTISLAVERY
POLICIES

HYGIENE AND
FOOD SAFETY
POLICY

QUALITY
POLICY

ENVIRONMENT
& ENERGY
POLICY

ANTI-BRIBERY
POLICY

GDPR AND DATA
PROTECTION

WHISTLEBLOWING
POLICY

CYBERSECURITY

Detailed policies are available on our website.

PARTNERSHIPS & INITIATIVES

The success of SEDAMYL also comes from the ability to create and develop effective partnerships with other industrial actors, external stakeholders and various research institutes.

These alliances allow us to continue developing new production processes and increase the efficiency of the existing ones; furthermore, the continuous comparison with other entities in our same territory creates new business opportunities and the implementation of the highest production standards.

SEDAMYL every year participates to different projects or programmes in cooperation with public research institutes and industrial partners: these

projects focus on different themes, from the development of new products from scratch to research on possible byproducts valorisation for the production of materials with high added value. Finally, SEDAMYL is a member of several frameworks dedicated to sustainability, both from the environmental point of view and

from the point of view of ethics and human rights in the working environment.

These frameworks allow us to share information with our customers quickly and effectively.

SEDAMYL is currently a member of the following associations and frameworks:

PARTNERS	
Starch Europe	www.starch.eu
Wheat Protein Association	www.wheatproteinassociation.com
European Industrial & Beverage Ethanol Association	www.iethanol.eu
European Federation of Corrugated Board Manufacturers (FEFCO)	www.fefco.org
Confindustria	www.confindustria.it
Associazione Distillatori Italiani	www.assodistil.it
Gruppo Italiano Fabbricanti Cartone Ondulato (GIFCO)	www.gifco.it
Food and Drink Federation UK	www.fdf.org.uk
Confederation of Paper Industries (CPI)	www.paper.org.uk
Polo AgriFood	www.poloagrifood.it
EcoVadis	www.ecovadis.com
Supplier Leadership on Climate Transition (LOCT)	www.supplierloct.com
Sedex	www.sedex.com
Carbon Disclosure Project (CDP)	www.cdp.net

CORPORATE SUSTAINABILITY REPORTING DIRECTIVE (CSRD)

As every manufacturing company located in the EU, SEDAMYL and all other subsidiaries of ETEA Group are following closely the evolution of the regulatory framework on Sustainability reporting. The recent EU Corporate Sustainability Reporting Directive is set to update and redefine Sustainability reporting activities. New standards, European Sustainability Reporting Standards (ESRS), will pave the way for more homogeneous and comparable reporting between different companies.

The CSRD scope of application is currently being revised, and it is still unclear whether SEDAMYL will be required to follow the directive. Nevertheless, SEDAMYL Sustainability disclosure will be adapted according to new standards requirements.

If SEDAMYL will be excluded from the direct application of the CSRD, the new Voluntary reporting Standard for SMEs (VSME) will be used for future ESG disclosure.

SEDAMYL is carefully monitoring the evolution of the CSRD Directive and will implement the most suitable reporting standards accordingly in the future.

ESRS Large companies	VSME SMEs
E1 Climate change	B3 Energy and GHG emissions
E2 Pollution	B4 Air, Water and soil pollution
E3 Water resources	B6 Water
E4 Biodiversity	B5 Biodiversity
E5 Circular economy	B7 Circular economy
S1–S4 Social standards	B8–B10 Workforce-related standards
G1 Business ethics	B11 Corruption & bribery

METHODOLOGICAL NOTE

This Report is the sixth ESG Report of SEDAMYL, which includes SEDAMYL Italy and SEDAMYL UK. The goal of this Report is to describe the current commitment and actions undertaken by SEDAMYL within the continuous improvement of its business model.

The information and data presented in this Report refer to the production plants of Busca and Saluzzo in Italy and Selby in the UK over the period spanning from January 1st and December 31st, 2024. This Sustainability Report was drawn up using the most up-to-date version of the Sustainability Reporting Standards GRI as a reference.

The contents and structure of the Report were decided based on the materiality assessment carried out in 2021, which enabled us to identify the most relevant Sustainability issues for SEDAMYL Group and its stakeholders. In order to describe progress against targets set in previous Sustainability Reports, a comparison between data from 2024 and from reference year is presented where applicable.

During the preparation of this Report, efforts were made to limit estimates and extrapolations in order to ensure the reliability of the data. In each of part of the present Report, it is clearly stated the nature of the data presented.

**This ESG Report
was drawn up
by transversally
engaging the whole
organizational
structure of
SEDAMYL.**

**We would like
to thank each
one for their help
and support.**



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