CARBON REDUCTION PLAN

Company: GPI SpA

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1. INTRODUCTION

At a time when the urgent need to address climate change is driving the choices and actions of many organisations, the commitment to energy transition and carbon reduction stands as an ethical and strategic imperative. Gpi embraces this challenge with determination, recognising its responsibility to contribute to a sustainable future for generations to come.

At the heart of our vision is the realisation of carbon neutrality by 2050. This ambitious goal requires a profound transformation in processes, technologies and relationships with natural resources. We recognise that our journey towards carbon neutrality is not only an act of social responsibility, but also a cornerstone of our corporate strategy to ensure the long-term sustainability of our business.

To achieve this, Gpi is committed to investing in renewable energy sources, gradually reducing its dependence on fossil fuels. We intend to adopt innovative technologies and sustainable practices to optimise production processes, improving energy efficiency and minimising the environmental impact of our activities.

We actively collaborate with partners and suppliers who share our vision to promote a sustainable supply chain. By sharing know-how, jointly developing green solutions and adopting responsible practices, we aim to transform the entire ecosystem in which we operate, contributing to a global transition to a low-carbon economy.

Transparency and accountability are cornerstones of our mission to reduce emissions. We are committed to monitoring and publicising our progress towards carbon neutrality, inviting the community, stakeholders and our customers to actively participate in this journey. The challenge of climate change requires a collective effort, and we are committed to being a catalyst for positive action in our industry and beyond.

Gpi is determined to curb its environmental footprint by taking an ambitious and concrete approach towards carbon neutrality by 2050. We are aware of the challenges, but see these challenges as opportunities for innovation, sustainable growth and responsible leadership. We are ready to drive change and build together a future where the economy and the environment thrive together.

2. THE COMPANY

Sustainability and social impact will become the guiding principles and an integral part of the Group's strategic and investment assessments, as well as constant references in the transition towards a new corporate identity. Being able to make explicit the issues of social impact and sustainability, which are actually intrinsic in the nature and mission of the business, but not simple in their interpretation, represents a great challenge for the organisation, first and foremost a cultural one.

Below is a summary of the activities carried out by Gpi.

Software

Advanced systems for the optimal management of healthcare and public administration:

- Clinical diagnostic and administrative-accounting processes within hospital facilities, including the transfusion department
- Socio-assistance processes of healthcare structures in the territory, including the prevention department.
- Processes characteristic of public administrations, for good management of bodies and to simplify relations between citizens and businesses.

Care

Services and technologies for receiving, taking charge of, caring for and empowering patients (potential user pool in Italy of around 30 million citizens):

- Business Process Outsourcing (BPO) for the multi-channel management of CUP services (Contact Centre, Counter Services, Digital Solutions). Telemedicine, telemonitoring and home care services.
- Health and integrated care services provided through Policura's own outpatient clinics.
- Design and manufacture of customised prostheses with 3D printers.

Ict

Efficiency of hardware and software components to ensure business continuity:

- Analysis, consulting and systems for IT security and defence.
- System support services, data centre administration, networking and database administration.
- Desktop management services, servicing, maintenance and support of user workstations.

Automation

Automation of the entire drug logistics process for pharmacies and hospitals:

- Computerised therapy management from drug purchase to patient administration, reducing clinical risk and costs.
- Automation for pharmacies through robotised warehouses for drug logistics.

Pay

Innovative e-payment technologies and integrated services for Retail, Healthcare and Public Administration:

- Products and services for managing electronic payments (at the till, online and from mobile phones).
- Certified document dematerialisation and electronic storage systems.

2.1.THE GOVERNANCE OF SUSTAINABILITY

The Chief Executive Officer, as head of the company, and collectively the Board of Directors, are ultimately responsible for defining sustainability guidelines and indirectly the impacts related to material issues.
In exercising these duties, the Board is supported in particular by the Control, Risk and Sustainable Development Committee, composed entirely of independent, non-executive directors, to which the ESG analysis and assessment functions are delegated, as well as the supervision of non-financial reporting processes.
On the other hand, the responsibility for the operational declination of guidelines, and therefore also the management of impacts, is entrusted to the heads of each corporate function or ASA, to the extent of their competence, following the reporting lines of the organisational model and without specific formal delegations. In order to give greater impetus

and ensure the coordination of action, where responsibility for issues or impacts is shared between several corporate functions, the ESG Committee was set up in 2022, comprising the Group General Manager, the Director of Organisation-Human Resources-Management Systems, a non-executive director and the ESG manager, who also performs the functions of coordinating the Committee.

3. IDENTIFICATION AND ANALYSIS OF SIGNIFICANT ENVIRONMENTAL ASPECTS

Gpi has identified and analysed the significant environmental impacts that are generated by the organisation's activities.

Similarly, it has identified the environmental regulations that insist on the activities and implements a procedure to keep the list updated according to any changes.

4. ENVIRONMENTAL CERTIFICATIONS AND COMPLIANCE

In order to manage the identified impacts, following the guidelines established by the Group's Health, Safety and Environment Policy, Gpi has adopted and keeps up-to-date an Environmental Management System certified according to the international standard ISO 14001:2015, which guarantees a systemic approach to the continuous improvement of environmental performance, also thanks to the awareness and involvement of employees, collaborators and suppliers.

It has also started an ISO 50001 and ISO 14064 certification process that will be completed in early 2024, which will take into consideration some locations where call centre activities are present.

5. BASELINE

The emission baseline data is shown below

Greenhouse gas emissions			2022	2021(***)	2020(**)
Emissions Scope 1	305-1		1.855	1.459	1.308
Scope 2 emissions (location based)	305-2	ton. CO_2e	821	898	634
Scope 2 emissions (market based)			773	1023	544
Total greenhouse gas emissions (location based)		**ton. CO_2e**	**2.675**	**2.357**	**1.941**
Total greenhouse gas emissions (market based)			**2.628**	**2.482**	**1.852**
Greenhouse gas emission intensity (location based) (*****)	305-4	ton. CO_2e	0,42	0,30	0,30
Greenhouse gas emission intensity (market based) (*****)			0,41	0,31	0,29

(*) Data are complete for the Italy perimeter, while for the foreign perimeter only actual data are reported.
(**) From 2020 onwards, the energy supply for all locations, whose energy is supplied by Dolomiti Energia, is shown as coming from renewable sources.
The consumption of natural gas and electricity was calculated from the invoices received or estimated on the basis of the consumption of similar sites in terms of facilities, size and personnel present. With regard to data centres, a consumption of 5 KWh was estimated for each equivalent rack (20 racks in 2020, 10 in 2019 and 2018). The consumption data of the company fleet was taken from the data summarised on the portal of the external fuel supplier. In order to convert all consumption data into GJ and to calculate the CO2 emissions - scope 1 - the national standard parameters published on the website of the Ministry of the Environment and covering the years 2018-2020 were used. For the calculation of CO2 emissions - scope 2 (location based) - the most recent gross electricity production emission factor was used (source ISPRA on Terna data). For the calculation of CO2 emissions - scope 2 (market based), the most recent national 'residual mix' factor was used (source AIB 2019). As far as self-produced energy from renewable sources is concerned, it comes from the photovoltaic panels at the Trento registered office, but the energy produced is not used by GPI, but rather fed into the national market.
(***) The figures for 2021 have been changed from those reported in the 2021 Non-Financial Statement, because the refinement of the calculation methods during 2022 revealed errors in the presentation of the data. In the interests of maximum transparency and correct reporting of environmental data, the table has been revised to provide the correct historical figure.
(****) Calculated as total energy consumption in GJ / thousand hours worked.
(*****) Calculated as total greenhouse gas emissions in tonnes / thousands of hours worked.

The calculation of scope 3 emissions has not yet been addressed in 2023, however, Gpi started some pilot processes to calculate emissions related to:

- employee home-work journeys
- business-related travel (planes, trains, vehicles outside the company fleet)
- emissions related to the disposal of municipal and special waste

6. EXISTING CARBON FOOTPRINT REDUCTION MEASURES

At the time of writing, an environmental policy on the procurement of hybrid vehicles within the company fleet has been approved.
In Italy, the largest share of CO2 emissions comes from the combustion of motor fuels. In Italy, the vehicle fleet numbers 478 vehicles, with 63 Hybrid and 4 Plug-in vehicles. 464 cars are classified as Euro 6 and of these as many as 209 are classified as 6B,6C or 6D.
The fleet mainly consists of rental vehicles with a very small number of owned cars, inherited from company acquisitions and being phased out for replacement. Vehicles are mostly fuelled by diesel, followed by petrol and only to a small extent by LPG. Lease agreements typically last 48 months: this allows for a more frequent rotation geared towards the inclusion of cars with particulate and CO2 emission technologies that are as low as possible. In the last two years, however, the rental contracts have been extended to 60 months because, due to the lockdown and staff working from home, the mileage has decreased; in addition, supply difficulties in the automotive market have forced us to further extend the existing contracts until the arrival of new vehicles.
Given the diversity of the configuration of the territories in which Gpi is present, all-electric cars appear unlikely to be compatible with users' mileage. In light of this, after an internal evaluation that involved the entire management, also with the aim of raising awareness of environmental topics, the company has oriented its choices towards the replacement of the company fleet with full-hybrid vehicles. The project started in 2021 with the replacement of four vehicles and will see full implementation in 2022.
The project to renew the company's fleet with full-hybrid vehicles, which started in 2021 and will be fully implemented in 2022, saw the introduction of 10 TOYOTA YARIS 1.5 116 hp HYBRID (Bracket 4) and 42 TOYOTA Corolla 1.8 122 Hybrid (Bracket 3) cars41.
The results of the analysis of fuel consumption and emissions for 2022 shows that the green policy adopted has brought benefits to the environment; for every hybrid car in Bracket 4 introduced to the fleet, CO2 emissions are reduced by 40kg per 10,000 km travelled and fuel consumption is reduced by 80 litres.
The values are much more consistent when analysing the return figures for Bracket 3 vehicles, for which journeys of 10,000 km reduce CO2 emissions by 200 kg and fuel consumption by 70 litres.

	BRACKET 4 TOYOTA YARIS 1.5 116 CV HYBRID		BRACKET 3 TOYOTA Corolla 1.8 CV 122 HYBRID	
Distance travelled (km/year)	Δ CO_2 (kg)	Δ consumption (litres)	Δ CO_2 (kg)	Δ consumption (litres)
10,000	40	80	200	70
20,000	80	160	400	140
30,000	120	240	600	210

Compared to the number and types of cars introduced and the distances travelled, the Gpi Italia Group was able to save the environment the emission of 8,48042 kg of CO2 and the consumption of 4,090 litres of fuel during 2022.
Continuing on from the previous year, the policy of using hybrid cars was reiterated in 2022, and a further 57 vehicles differentiated by Bracket (16 in Bracket 4, 41 in Bracket 3 and 6 in Bracket 2) were ordered for delivery in 2023.

7. OBJECTIVES

Title	Informatisation of processes for real-time monitoring of environmental KPI
Context	In the area of measuring and monitoring environmental impacts, GPI has determined that the current processes that generate the data do not respond in a timely manner to customers' requests for information and do not allow for the evidence required by the regulations to be met

	through real-time monitoring. For this reason, it is necessary to adopt an information tool.
Responsible	Maurizio Boschetti
Deadline	30/06/2024
Target value	100%
Resources	FTE: internal resources Economics: 50.000€ (estimation)
Objective achievement	

Title	**Calculation scope 3– Disposal – Italy's boundary**
Context	As part of the pilot project on the Italian perimeter to determine the share of emissions related to waste disposal, it is necessary to determine and monitor the figure related to the amount of municipal waste disposed of at the sites.
Responsible	Marco Di Domenico
Deadline	31/12/2024
Target value	100%
Resources	FTE: 1 Economics: NA
Objective achievement	

Title	**Calculation scope 3 – Business's travel – Italy's boundary**
Context	In the context of the pilot project to determine the share of emissions related to business travel with vehicles not belonging to the company fleet, it is necessary to analyse the information provided by GPI's Travel Office and that from short-term rental suppliers.
Responsible	Maurizio Boschetti
Deadline	31/12/2024
Target value	90%
Resources	FTE: 1/2 Economics: NA
Objective achievement	

Title	**Contracts 100% Green (entirely from renewable energy sources) for the electric energy into company's sites**

Context	In order to reduce the share of GHG emissions into the atmosphere from the supply of electricity produced from non-fully renewable sources, it is deemed necessary to map the energy mix used for existing supplies in the various locations. If supplies from non-renewable sources are found, scouting operations will be carried out among possible suppliers in the area.
Responsible	Maurizio Boschetti
Deadline	31/12/2025
Target value	100%
Resources	FTE: 1 Economics: NA
Objective achievement	

Title	**New GPI headquarters**
Context	Given the need for larger spaces than those available at the registered office in via Ragazzi del '99 - Trento, GPI has started a project to build a new headquarters in the municipality of Mori (TN), where a plot of land has been identified on which the new GPI district will be built. The project will feature design and construction techniques that will allow the building to be LEED® certified.
Responsible	Maurizio Boschetti
Deadline	31/12/2027
Target value	100%
Resources	FTE: internal + external (architect + design office) Economics: NA
Objective achievement	

Title	**Use of ISO 14001 and/or ISO 50001 certified Datacentres – Data Mine**
Context	For the management of corporate information and for activities related to the operation of SaaS-type software, Gpi makes use of cloud infrastructure providers. The suppliers with whom collaboration contracts are signed are qualified ISO 14001 and/or 50001 (or equivalent). Gpi, in collaboration with local companies, is involved in a project for the creation of a datacenter located at a disused mine; the "Trentino Data Mine" datacenter will be built according to energy saving policies and will offer high access control guarantees.
Responsible	Maurizio Boschetti
Deadline	31/12/2025
Target value	75%

Resources	FTE: NA Economics: ND
Objective achievement	

Title	**Drafting and adoption of a consumption reduction assessment plan for branches and reduction of scope 1 and 2 emissions**		
Context	Based on the results of the Energy Diagnosis, submitted in accordance with the requirements of Legislative Decree 102, and the processes required for ISO 50001 certification, GPI intends to extend the analyses to sites not yet subject to energy saving and scope 1 and 2 emission reduction assesment.		
Responsible	Maurizio Boschetti		
Deadline	31/12/2025		
Target value	90%		
Resources	FTE: 2 Economics: NA		
Objective achievement			

8. FINALS CONSIDERATIONS

The 2022 status-based plan will be updated based on 2023 evidence to be certified by April 2024.

On the basis of this evidence, any targets not yet fully met will be redefined and any further mitigation measures for achieving the 2050 net zero target will be identified.