# Sustainability Report 2023



Sustainability is in Our DNA. Leading Our Innovation.



# **VISION**

Shape the microbiology of the future by creating unprecedented value and answering unasked questions.

# **MISSION**

If there's a way to do it better, let's find it: this is a motto we've made our own.

Our ideas drove 40 years of progress in the field of pre analytics, leading to more and more reliable diagnoses.

We are the first stepping stone in a process aimed at good health.

We build on the innate enthusiasm and commitment in our partners and us.

We live for the deep connection between the human beings behind the professionals.

Our hearts and minds band together to reach higher and newer goals.

COPAN GROUP

# Letter to stakeholders

#### Dear Stakeholders,

We are pleased to share with you our Sustainability Report for the year 2023, a document that marks the culmination of an ongoing process and is the foundation on which we build our future and our business plans, as well as reflecting our ongoing commitment to the environment and the community.

The report reflects our ongoing commitment to improving sustainability performance, further solidifying the values that guide our company through the adoption of increasingly rigorous ESG standards. Each step we take brings us closer to a responsible and resilient business model. The macroeconomic and geopolitical environment of 2023 brought a series of events that, like 2022, significantly impacted the market, and particularly its industrial activities. The continuing conflict between Russia and Ukraine, instability in the Middle East, and the climate emergency continue to affect supply chains, causing disruptions in both raw material availability and related costs. Despite these challenges, COPAN Group has managed to maintain a balance in management that has allowed it to contain the risks arising from this scenario, ensuring the achievement of its objectives.

The end of the pandemic phase marked a phase of market settling, with a contraction in health emergency-related transactions that continued through 2023. However, this phase also highlighted a growing awareness of the need to invest in prevention and sustainability, opening up opportunities for innovations and strategic consolidations. COPAN Group continued to invest in sustainable technologies and explore more resilient business models.

Sustainability is at the core of COPAN Group's vision and mission. COPAN's social responsibility and our sustainability strategy influence every aspect of our long-term business strategies. We want to be an active part of the change toward a sustainable business model, which is why we strive every day to reduce the environmental impact of our activities.

We believe that Corporate Social Responsibility is a strategic tool for our Business Plan. The ESG approach becomes fundamental in defining our strategies, guiding the decisions we make and the way we engage with stakeholders. Continuous dialogue with our stakeholders is essential to build trust and better understand expectations and concerns.

COPAN Group is committed to promoting an inclusive work environment, reducing the environmental impact of its operations, and contributing to the economic and social progress of the communities in which it operates. Our goal goes beyond high-quality production; we want to be a positive agent of change, adopting decarbonization strategies and actively participating in the transition to a circular economy.

We are grateful for your continued support and trust, together we will continue this journey toward a sustainable future.



Stefania Triva President / CEO



COPAN GROUF

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# Сорал

# About us





The 2023 one is the fourth edition of Copan Group's Sustainability Report, the public document through which the company shares the targets met in the previous year, highlights possible trends and identifies improvement strategies.



# Copan Group

Copan Group is a world leader in the industry of laboratory pre-analytics and has a widespread presence in several markets, including Italy, United States, China, Japan, Australia and soon in Vietnam.

The company was founded in Mantua in 1979 by the Triva family and was then relocated to Brescia, the current location of the company's headquarters. This sustainability report, the fourth one for the company, refers to the Business Units operating on the Italian territory, as shown in the diagram below.



CHAPTER 2 Impacts and materiality m 02/02.1/02.2/02.3

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# Our 2023 in numbers

CHAPTER 5 Governance Sphere

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acts and materiality matrix

CHAPTER 1 About us 01/01.1/01





# 01





energy consumed for Copan Italy, Wasp and NewLab

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CHAPTER 4 Social Sphere 04/04.1/04.2/04.3/04.4/04.5/04.6



01

Relocation of COPAN Diagnostics Inc. to a new facility in Murrieta (California, USA), covering approximately 1,500 m<sup>2</sup>.

2007

# 2009

COPAN opens the FUTURA Science Park in Brescia. FUTURA becomes an incubator of ideas that is constantly evolving, thanks also to the collaboration with the University of Brescia.

COPAN Diagnostics Inc. buys a plant (1,200 m<sup>2</sup>) to increase its production of inoculation loops and pipettes.



CHAPTER 5 Governance Sphere 05/05.1/05.2/05.3/05.4/05.5/0

**CHAPTER 4** Social Sphere 04/ 04,1/ 04,2/ 04,3 / 04,4 / 04,5 / 04,6



22

# 01

Copan Industries' production facility in Puerto Rico is expanded.

2021

2023

Project continuation for future realization of a new production plant in Vietnam.

SUSTAINABILITY REPORT year 2023

# 01 / 01.3 **Projects**

#### 01 / 01.3 / 01.3.1

### New production site in Castel Mella (BS)

Copan Italia S.p.A. conceived a project for a new establishment in the Municipality of Castel Mella (BS), in an expansion zone of the industrial and artisanal area along Via Renolda.

As part of the functional reorganization project for production assets, the initiative included the implementation of sustainable drainage systems to ensure the full "hydraulic responsibility" of the intervention. The project also involved an extensive architecture of green infrastructure, implementing best practices for optimal climate performance of the project.



#### New production site in Castel Mella (BS)

#### AS IS

The implementation of the planned interventions requires environmental and urban planning authorisations.

In 2023, the project passed the environmental checks, obtaining the decree of exclusion from the SEA procedure. During the procedure, the competent authority took into account the observations received from the involved stakeholders and issued a series of prescriptions that were implemented in the subsequent approval phase of the Implementation Plan.

In October, the draft Implementation Plan was in fact approved by the Regional Council.

For the part of the interventions along the state-owned area of the Mandolossa Canal, the project of forestation and extension of the wooded area was presented to the regional authorities. In November, the interventions involved the cutting of dead robinia specimens and the preliminary cleaning of the margins from the infesting species Sicyos angulatus.

Archaeological investigations brought to light interesting finds that are currently kept at the Brescia Archaeological Superintendency. It was also possible to conduct investigations into the original condition of the area, including the presence of some plant species typically found in the historical horizon investigated.

boundary of the lot.

separator.

#### TO BE

During the year, the **preverdissement** (preventive green) project will be filed to start the green mitigation works envisaged in the project along the Roggia Renolda and the southern

By the middle of the year, compatibly with obtaining regional authorisations, it will be possible to proceed with operations for the complete eradication of invasive species along the Roggia Mandolossa and, in the autumn season, to start the planned forestation works.

The objective of hydraulic responsibility already pursued in the initial phase of implementation planning is being further investigated in this phase with the aim of guaranteeing the result of full neutrality in the management of rainwater with respect to the water reticulum. In addition, an additional protection of the parking area of heavy vehicles for loading/unloading operations is being evaluated for the first phase of the project, consisting of a tank with a continuous coalescence oil

COPAN GROUP

### 01 / 01.3 / 01.3.2

## **Libera Offices**

Copan Wasp has planned a two-phase project for the expansion of the office building and the redevelopment of existing buildings in Via Grandi (Brescia).

The project includes two large internal light wells that serve as focal points for the surrounding workspace.

This design choice enhances the overall livability of the offices by maximizing the contribution of natural zenith light, which penetrates the building and complements the light from the perimeter windows.

### AS IS

Construction activities were started, specifically the excavation and construction of the bottom part of the underground structures and volumes.

The management of the excavated soil, thanks to compatible analytical characterisation, provided for reuse. To this end, a temporary storage site for the excavated material was authorised, and some of this material was reused for fills.

The excess material resulting from the creation of the underground volumes with suitable physical characteristics is reused for the creation of embankments at other sites.

Libera Offices





# 01

#### TO BE

The structures will be completed, and the prefabricated part assembled.

In the structural part, the construction of the lamination basin for the regulation of rainwater (a basin that has been built with a storage surplus that can be reused for irrigation purposes) is worth mentioning.

COPAN GROUP

### 01 / 01.3 / 01.3.3

## **Copan Park**

At the Copan Futura Science Park plant, where Copan's production departments are concentrated, the company is executing the Copan Park Implementation Plan. The Plan covers an area of the consolidated urban fabric, south-west of the city center in the Girelli industrial area, of over 6 hectares, 2 hectares of which belong to the Local Park of Supra-Municipal Interest (PLIS in Italian) of the Colline and Mella, which were heavily degraded.

The urban planning project, in addition to the objective of an internal logistical reorganization, provides for:

### the expansion of the company kindergarten

the strengthening of ecosystem services, the use of the park

the radical redevelopment of the two public roads in close proximity of the perimeter

AS IS	
In 2023, the maintenance work on the <b>ecological corridor</b> and preverdissement (preventive greening) continued.	In 2024 of the o out.

**Copan Park** 

In particular, some dead tree specimens (walnuts that did not survive the summer drought) were removed and new tree and shrub specimens were planted as provided for in the draft Implementation Plan.

In order to raise **environmental awareness** among the population of Copan as well as to make them aware of the potential of the green area so close to the farm, a tulip bulb planting day was organised in November.



CHAPTER 1 About us 01/01.1/01.2/01.3/01.4/0

# 01

#### TO BE

4, normal maintenance operations ecological corridor will be carried

In spring, the harvesting of tulips planted in the autumn by Copan employees will be organised.

> SUSTAINABILITY REPORT year 2023

### 01/01.4

# **Our products**

A biological sample must always be taken, always transported, and always processed in order to proceed to its analysis: Copan, with its portfolio and business units, covers the needs of laboratories that want the most from these three steps, whatever the area of competence.

The two lines of the matrix that identifies the areas covered by Copan are therefore these: on one hand, the processing steps and, on the other hand, the application areas.



The most intuitively understandable distinction sees Copan Italia dealing with the development and commercialisation of devices for sample collection and transport, while Copan Wasp and Copan Newlab focus on automations and software for their processing.

This is even more true if we consider the vertical that Copan has been covering since its foundation, that of in vitro diagnostics. In this case, the microbiological sample is taken, transported and processed for an analysis aimed at answering the diagnostic question: we are mainly talking about clinical microbiology, virology, and molecular biology.

In this set, progressively following the flow, we meet the flagship products that make up Copan Italia's best known and recognised brands. First and foremost, the FLOQSwabs<sup>®</sup> flocked pads, thanks to their particular conformation, have shown substantially greater performance than the previous standard in wound fibre, so much so as to become the driver for the creation of special liquid phase transport media working in perfect synergy with it.

These media are united by the brand name LBM<sup>®</sup>, i.e. Liquid-Based Microbiology, and each one responds in a different way to the application needs of laboratories: eSwab<sup>®</sup>, FecalSwab<sup>™</sup> and UTM<sup>®</sup> stand out among them, having had excellent scientific and commercial feedback over time.

**CHAPTER 1** About us 01/01.1/01.2/01.3/01.4/01.5/

# 01

SUSTAINABILITY REPORT /ear 2023

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### 01 / 01.4

The distinctive feature and fundamental innovation of WASPLab® is the ability to transpose growth phases into digital format by means of very high-resolution photographs.

Leaving Copan Italia and entering the competence of Copan Wasp, we meet WASP<sup>®</sup> and WASPLab<sup>®</sup>, **the ecosystem of automations that takes charge of the typical processing of clinical microbiology**: the inoculation and seeding of the sample on a Petri dish and its incubation. The distinctive feature and fundamental innovation of WASPLab<sup>®</sup> is the ability to transpose growth phases into digital format by means of very high-resolution photographs.

This feature, born for the visual analysis of the plates without handling them, became the key to the creation of PhenoMATRIX<sup>®</sup>: software based on proprietary A.I. that supports the microbiologist in the last and final stage of the sample's journey, the diagnosis.

In vitro diagnostics is certainly the most complex area, but it exemplifies the holistic approach taken by the Copan Group in addressing new business and product development. Placed in the Industry sector (be it Pharma, Cosmetics, or Food) we see the same approach: on one hand, Copan Italia's SRK<sup>®</sup> line covers the needs of surface sampling with different kits, while Copan Newlab is engaged in the development of processing automations such as Cyclone<sup>™</sup> and PharmaLab<sup>™</sup>. Similarly, in the forensic field, we see Copan Italia's devices such as the 4N6FLOQSwabs<sup>®</sup>, or the combination NucleicCard<sup>™</sup> and Newlab's CPA200<sup>™</sup> punching solution.

Copan Italia's portfolio is complemented by a baseline of laboratory consumables that has accompanied the company since its foundation and includes a variety of pipettes, tubes, and loops.



APTER 4 cial Sphere ^^/ 04.3 / 04.4 / 04.5 / 0

# 01 / 01.5 **Values and principles**

Copan attributes its achievements and success to its organization based on the strong principles that guide every business decision:



# 01

Over the years, Copan has been growing to become a reliable international company with great operational freedom. Today's goal is to limit the environmental and social impacts of the organization, promoting initiatives to enrich the community from an environmental, social, and cultural point of view.

Copan believes that business growth is the natural outcome of pursuing the right goals,. Indeed, the company is constantly growing, thanks to its scientific reliability, its honest attitude and the human touch that has always

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HAPTER 5 overnance Sphere

### 01 / 01.5

### These values can be summarized in 4 pillars.



### Innovation

Copan's standards of excellence derive from a deep passion for innovation, which translates into a avant-garde, high-quality market offering.



### Managed growth

Copan aims to grow by continuing to respond to the market with high quality and innovative products. Therefore, growth must be 'managed', ensuring a balance between the group's established competencies and the ability to introduce significant innovations.



### Organizational well-being

Copan's strength lies in its people, and the company's success depends on their development. To achieve this, Copan aims for a safe and welcoming working environment with a positive company climate that allows each individual to develop their talents.



### Economic Sustainability and Financial Independence

Economic viability is essential to enable the company to pursue its principles and ensure job stability for employees. Therefore, every business decision is guided by the principles of transparency and foresight.



### 01 / 01.6

# **Copan for sustainability**

Sustainability is the cornerstone on which Copan has chosen to build its business. Having achieved solid financial stability, the company now aims at strengthening its role in the global market, focusing not only on economic success, but also on a positive impact on environment and society.

In 2022 Copan Italia had analyzed its sustainability performance with an **ESG rating tool**, and in 2023 it extended this activity to Copan Wasp as well. Conducting the ESG assessment, combined with the rating calculation, enabled the company to identify its strengths and areas for improvement where to focus its sustainability efforts.

The commitment to sustainability was concretely translated into the development of a Sustainability Action Plan drawn up by Copan Italia. This has a time horizon of 2023 to 2026 and touches all spheres of sustainability, with the aim of improving the organisation's impact on the environment, people and the community. A sustainability plan is also being drafted for Copan Wasp, which will be completed in 2024 and will have the same time horizon as Copan Italia's plan.



In this report, for each sustainability topic (environmental, social or governance), the relevant SDGs are listed, with a focus on the actions taken and initiatives adopted by Copan during 2023.

# The Sustainable Development Goals (SDGs) form the core of the United Nations 2030 Agenda.

These goals, that are 17 in total, represent the common plan for sustainable development signed in 2015 by the governments of the 193 UN member countries.

Copan's goal is to integrate projects with the Sustainable Development Goals so as to manage their impacts and track contributions.



# 01



# Copan

Impacts and materiality matrix

02

40





# Materiality assessment and analysis of impacts

In line with the GRI 2021 (Global **Reporting Initiative) international** standards, the Copan Group carried out an impact analysis with the aim of identifying those issues on which the organisation has the greatest influence in the course of its activities.

In order to carry out this analysis, interviews were conducted with key roles in each department and various documents were consulted, including the Enterprise Risk Management (ERM) risk assessment that is conducted annually by the company.

The Group's impacts were then classified into positive and negative, actual and potential impacts.

With regard to potential impacts, they were assessed according to their degree of severity (damage/benefit scale) and likelihood, while only severity was taken into account in the case of actual impacts. A rating scale of 1 to 3 was used for the levels of **severity** and **likelihood**. Severity levels, in particular, were obtained by considering scale (seriousness), scope (extent) and, for negative impacts only, the irremediable character of the impact (possibility of restoring the previous situation), as required by the new CSRD<sup>1</sup> and related reporting standards<sup>2</sup>. These standards, which came into force in 2024 for the first companies subject to them, and which envisage a phase of gradual extension also to listed SMEs and large companies, require as a basis for reporting the analysis of dual materiality, understood as impact materiality (inside-out perspective) and financial materiality (outside-in perspective).

Therefore, impacts were further classified according to whether the Copan Group generated them (on the planet or on stakeholders), insideout impacts, or whether it suffers them from outside, outside-in impacts. The latter have financial implications for the business and are referred to as risks or opportunities.

For negative impacts, where present, the mitigation strategies adopted by the Group, or some of its Business Units, for the purpose of minimising effects, have been indicated.

The maximum value of the severity scale (3) implies that the impact, due to its scale, scope or irremediable character, is particularly significant: the highest value is the optimal one in the case of positive impacts, while it is a strategic driver of relevance to guide mitigation choices when associated with negative impacts. In the context of potential impacts, a level 3 likelihood indicates a strong probability of the event occurring.

In order to effectively compare the significance of each impact to the Copan Group's business, the numerical values assigned to the different components of the analysis were subsequently normalised on the basis of maximum severity for actual impacts and the product of maximum severity and maximum likelihood for potential impacts. The conducted study is presented below, through the representation of already manifest impacts, followed by that of potential ones.

For the details of each impact, we refer to the relevant chapter, while a summary, in tabular form, of the impacts and related numerical values used to generate each impact's weight is given in the final appendix.

COPAN GROUP

<sup>&</sup>lt;sup>1</sup> CSRD Corporate Sustainability Reporting Directive (2022/2464) <sup>2</sup> ESRS European Sustainability Reporting Standard, included in the European Commission's delegated act of July 31, 2023

### 02 / 02.1 / 02.1.1

## **Inside-out impacts**

Inside-out impacts are all those effects that the Copan Group has, or could have, on the world and/or society around it, including the value chain related to its business, as required by the recent non-financial reporting directive (CSRD).





Calculating Scope 1 and Scope 2 emissions

Project to calculate Scope 3

Implementation of projects to reduce and optimise waste production and the interal re-use of production waste

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077		

Potential impacts of	f Copan on the world	Mitigation strategies				
Renewable energy						
		Customer satisfaction survey				
Negative turnover		Presence of Double You welfare platform				
		Organising team building events				
		Monitoring customer satisfaction, with defined goals				
Increase of customer complaints		ISO 9001 certified quality management system				
		13485 certified management system for the quality of medical appliances				
Volatility of prices		Sales price adjustement				
Lack of		Monitoring of customer satisfaction, with targets set				
environmental requirements		Communication to customers regarding the composition of products and the related supply chain				
Delays in technological innovation		Investments in R&D				
ESG training						
Sustainability performance of suppliers						
Increase in		Energy efficiency interventions				
emissions		Drafting sustainability plan that considers emissions reduction				
Occupational accidents and illnesses						
Spillage of substances						
Lack of transparency		Publishing the sustainabilityreport, with assurance from 2023 onwards				
Corruption and unfair competition		Organisational and Management System according to the legislative decree 231/2016 and correlated whistleblowing channel for irregularities and systems to manage them				
Workplace Health Promotion (WHP)						

Negative potential impact

### 02 / 02.1 / 02.1.2

# **Outside-in impacts**

Outside-in impacts refer to all those impacts to which the Copan Group is subject as a company acting in a structured manner and society.

The Copan Group has no direct influence on these types of impacts, which could occur independently of the organisation's activities. In some cases these are opportunities for Copan, in others they are financial risks to which the Group responds with mitigation strategies.



02

**Mitigation strategies** 

Training and cybersecurity

Access control policy

ISO 27001 certified management system for data security

Insurance coverage

Investment plan to mitigate potential damages

Revamping of photovoltaic system

Monitoring consumption and good practices of energy savings among employees

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02/02.2

# Materiality analysis and stakeholder engagement

During the drafting of its 2022 Sustainability Report, Copan Group carried out a materiality assessment adopting the GRI 2021 international standards that came into force in January 2023 (Global Reporting Initiative).

Through the developed stakeholder engagement activities, the company has identified the sustainability topics that are most influential at the corporate level. These so-called material topics.

Material topics represent all the aspects that reflect significant economic, environmental and social impacts for the organisation or that profoundly influence stakeholder assessments and decisions.





2

# of ethics)

functions of Copan

# **Definition of** the materiality matrix

The results have been approved by the Management, which has defined the company's material topics

# **Identification of** potentially relevant **ESG** topics for

Document analysis (Risk analysis, previous sustainability reports, code

# Assessment and evaluation of materiality levels

The identified topics have been evaluated both by external and internal stakeholders (employees) and by the strategic internal

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HAPTER 1

### 02 / 02.2

Maintaining a constant, solid and transparent relationship with all stakeholders is fundamental to the correct development of the company's activities and reflects the level of responsibility the Group assumes towards the environmental, social and economic context with which it interacts.

Copan recognises as stakeholders all those who can, more or less directly and to varying degrees, influence or be influenced by its activities. A list of the Group's stakeholders can be found in the following infographic.

Stakeholder engagement to define potentially material issues took place through the administration of questionnaires focusing on the potentially material issues, chosen from a thorough analysis of Copan's activities, previous Sustainability Reports and interviews with dedicated functions.



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# Copan Group's material topics

The following are the **material issues** identified by the Group, i.e., the priority sustainability issues on which the organization generates economic, environmental and social **impacts** externally and, at the same time, on which the company experiences impacts from outside that may give rise to financial **risks** and **opportunities**.

e Co

# ENVIRONMENT

Responsible energy management Circular Economy Emission reduction Materials Waste management

Water resources

# GOVERNANCE

**SOCIAL** 

52

# 02



Employee health and safety Employee well-being Diversity, Inclusion & Equal Opportunities Creating value within the community Training & Education Staff satisfaction and retention



Customer satisfaction Strategic Direction & ESG Economic performance Product innovation Cybersecurity and digitization Supply chain management



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### 02 / 02.3

The visual representation of the prioritisation of material issues was achieved through a **MATERIALITY MATRIX**.

In this matrix, each topic is positioned within the space according to its strategic importance for both the Copan Group and its stakeholders.

The more an issue is in the upper right-hand corner, the more strategically important it is for the Group.

The topics on the bottom left were still found to be relevant, even if they require less urgency than the others, according to the stakeholders.



# 02

Environment Sphere

Copan

ົ<sub>ເ</sub> ເຊັດ ວັເຊັ້າ





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As stated in its Code of Ethics, Copan guarantees to operate in compliance with all regulations on safeguarding and protecting the environment.

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## Highlights 2023



- 20% of water consumption on production in 2023

<sup>1</sup> With reference to categories 1 (direct emissions) and 2 (indirect emissions from imported energy, calculated in the location-based scenario)

### 03 / 03.1

# **Responsible energy** management

The Copan Group relies on two main energy carriers for its production: electricity and natural gas, while a smaller share is represented by the consumption of fuels (diesel and gasoline).

The graph below shows the trends in total consumption, broken down by the type of energy carrier. All values were converted into toe (tonnes of oil equivalent) to make them comparable. As it can be observed, the total energy consumption in 2023 was 3,823 toe, down by 6% compared to the previous year and by 12% compared to 2021, mainly due to a reduction in electricity consumption.



Besides observing the temporal trend of absolute consumption, Copan normalizes this value in relation to the worked hours, considered a representative measure of the Group's production.

# 03





03 / 03.1

The following graph shows that in 2023, specific consumption slightly increased compared to the previous year (+ 1.12 %), while they remained steady in comparison to 2021.

#### Total and specific energy consumption





Considering its dependence on electricity, Copan is committed to selfproducing (and then self-consuming) a portion of its needs through the **photovoltaic systems**. In 2023, 5.5% of the company's electricity needs was covered by these plants, for a total of 1,021,954 kWh.

# 03



# 03/03.1/03.1.1 Efficiency measures

Copan monitors its consumption by location, grouping it according to the production department. This detailed analysis makes it easy to identify departments or lines that require efficiency interventions more than others. (0)

In 2023, the cutting and **insulation** of the pipes of the osmosis water distribution loop was completed, allowing significant savings in electricity consumption.

Still in progress, but nearing completion, is the installation of room **presence sensors** at Copan Futura, which enable the switching on and off of lights in both the department and warehouse.

Relamping (replacement of fluorescent lamps with LEDs) is in the final stages at both Copan Futura and Copan headquarter, as well as the efficiency upgrading of the compressed air stations both at the headquarters and at Copan Futura.

Responsible energy management				
AS IS	TO BE			
5.5% of electricity demand covered by PV systems	Revamping, repowering and upgrading of the PV plant control system			
Energy efficiency interventions: relamping, lighting switch-off, insulation	Conclusion / continuation of ongoing efficiency measures			
Carrying out an energy audit and identifying energy efficiency measures	Continuation of work on ISO 50001 certification (Energy Management System)			
-	Compressed air efficiency intervention			



## 03 / 03.2

# **Emission** reduction

Copan has calculated its emissions from Scope 1 and 2 also for the year 2023. Scope 1 refers to direct emissions, in Copan's case related to the combustion of natural gas, diesel and gasoline, as well as any fugitive emissions related to the leakage of refrigerant gases from plants. Scope 2 refers to indirect emissions from imported energy, i.e. related to the withdrawal of energy from the national electricity grid.

In the first category, Copan emitted a total of 1,104 tonnes of CO<sub>2</sub> equivalent, of which 47.3% from natural gas, 23.6% from diesel, 23.5% from F-gas leakage and the remainder from gasoline.







Overall, the Group's emissions in 2022 amounted to 6,322 tCO<sub>2</sub>eq<sup>2</sup>.,83% of which were attributable to electricity withdrawal. Compared to the previous year, overall emissions decreased in absolute terms (-3.44%), while they increased in specific terms in relation to worked hours (+3.8%).

For 2023, Copan also calculated the emissions saved through remote working, a practice that reduces the home-work commute of employees<sup>3</sup>. In 2023, remote working saved 266 tCO<sub>2</sub>e.



<sup>2</sup> From this Sustainability Report the emissions from Scope 2 were calculated using the emission factor as per the new release of Ecoinvent (3.10, 2023) 'Market for electricity, medium voltage (IT). This resulted in a revision of the figure of the same category for past years as well, for reasons of comparability. In particular, for 2023 the emission factor is 279 kgCO<sub>2</sub>e/MWh.

<sup>3</sup> Emission factor - natural gas: 56,518 tCO<sub>2</sub>/TJ - source: ISPRA (table "parametri standard nazionali 2023") Emission factor - diesel: 3,169 tCO<sub>2</sub>/t - source: ISPRA (table "parametri standard nazionali 2023") Emission factor - petrol: 3,152 tCO<sub>2</sub>/t - source: ISPRA (table "parametri standard nazionali 2023") Emission factor - electricity: 279 kgCO<sub>2</sub>e/MWh - source: EcoInvent 3.10 (2023), market for electricity (IT)

COPAN GROUP

### 03 / 03.2 / 03.2.1

0

-20

-40

-60

-80

-100

-120

tCO<sub>2</sub>eq

# 2026: Internalisation of the sterilisation process

Sterilisation is one of the key steps in Copan's business. At present, this activity is carried out externally, resulting in a considerable transport flow.

Starting in 2026, the Group plans to internalise the sterilisation process, also reducing the transport needed for this activity. Approximately 150,000 km/year are currently travelled for sterilisation, but thanks to this project, CO<sub>2</sub>eq./year emissions will be progressively reduced, reaching over 105 saved tonnes in 2028.

### 03 / 03.2

Starting this year, Copan also began calculating its Scope 2 emissions using a **market-based** approach, i.e. considering the mix of its supplier.

From 2021 until today, the electricity supplier has always changed from year to year, which is why the corresponding emission factor has varied considerably.'

In particular, in 2023, Scope 2 emissions calculated using the marketbased approach are higher (+29.1%) than those calculated using the national energy mix, as the Group's supplier is less virtuous than the Italian average.



Transport emission factor: 0.9064 kgCO<sub>2</sub>eq./km - source: DEFRA 2023 - Freighting goods - HGV (all diesel) - All Artics - Average Laden



# **CHAPTER 4** Social Sphere 04/04.1/04.2/04.3/04.4/04.5/

# 03/03.3 Mobility

Also in 2023, Copan Group has updated its Home-Work Commute Plan (PSCL)\*.

The organization is proactively addressing this regulatory obligation with the aim of increasingly **promoting** and contributing to the development of **sustainable mobility** within the corporate population.

In part, the lower value of avoided emissions in 2023 compared to 2022 was influenced by changes in the corporate workforce.



 $\bigcirc$ 



\* According to Law 77/2020.

\*\* Emission factor source: "Passenger cars", sito ISPRA/SINA (<u>https://fetransp.isprambiente.it/#/</u> (access date: 2 Dec., 2023)).

Fight against o	limate cha		
AS IS			
Location-based e market-based calcu- lation of scope 2 emissions	Keep com and ma		
-	Extensic of Orgar accord		
-	Cont opportun of electi		
Home-Work Commute Plan (PSCL)			
-	Internali I		
-	Adherence to achieve		

# 03

#### nge

#### TO BE

nparing the location-based arket-based calculation of scope 2 emissions

ion to Scope 3: Calculation nisation Carbon Footprint ding to ISO 14064-1:2018

ntinuous monitoring of nities to purchase a portion tricity from Guarantees of Origin (GO)

PSCL Update

lisation of the sterilisation process from 2026

erence to formalised programmes chieve climate goals and setting emission reduction targets

> SUSTAINABILITY REPORT year 2023
### 03 / 03.4

# Waste management

Waste management is a material issue for the Copan Group, felt by both internal and external stakeholders.



Copan is committed to limiting the fraction of hazardous waste it produces compared to the total. In 2023, they were only 2.2% of the total waste.





was non-hazardous

Internally, Copan raises awareness among its employees on a daily basis, providing all offices with special containers for the separate collection of paper/cardboard, plastic, dry waste (similar to urban waste), glass/cans and organic waste, and, in addition, bins for toner and alkaline batteries. Overall, the Group produced 1,018 tonnes of waste in 2023, 33% less than in the previous year. Relating the total waste stream to the number of worked hours, which is the measure of the Group's production, there was also an efficiency improvement in specific waste production, which fell by 28.1%.



98.5% 98.5% of Copan's waste is sent for recovery and/or reuse 1.5% 1.5% of Copan's waste is sent for disposal

Copan has activated a number of projects in relation to waste management. Their progress is monitored several times during the year, enabling continuous control over the projects.

## 97.8% of Copan's waste in 2023

Given the non-hazardous nature of the waste, Copan is able, every year,

### to send more than 98% of its waste to recovery and/or reuse operations.

### 03 / 03.4 / 03.4.1

### **Futura and Headquarters Sorting Centres**

The sorting centre for the Futura production site, which was introduced in July 2022 and completed in 2023, has enabled Copan to achieve excellent results in both the environmental and social spheres: on the one hand, waste management and treatment have improved, and on the other hand, the new sorting centre has led to the employment of people with disabilities, offering them an opportunity for personal and professional growth.

Similarly, the introduction of the sorting island at Copan Headquarters in mid-June 2023 has led to a strong decrease in the production trend of mixed packaging.



### 03 / 03.4 / 03.4.2

Widespread separate waste collection

### In 2022, a separate waste collection service was also introduced within the offices.

It reached a completion of 95% in 2023. The introduction of MSW and plastic bins for the TARI cycle in Copan Headquarters is planned for 2024.



In total, these projects result in a saving of 1/2 collection per month and 13 tonnes of waste per month.



03





# **APTER 5** wernance Sphere / 05.1 / 05.2 / 05.3 / 05.4 / 05.5 / 0

### 03 / 03.4 / 03.4.3

### New 2024 projects

Given the importance of the waste issue, improvement projects have already been identified for 2024.

Given the importance of the waste issue, improvement projects have already been identified for 2024.

They concern:

obtaining certification according to the ISO 14001 Environmental Management System for Copan Wasp and Copan NewLab

consolidating the waste sorting centre at Copan Headquarters (as already mentioned in the relevant section)

regulating the industrial water discharge at Copan Headquarters.

In terms of management, the centralisation of waste management in the H&S office is planned.

	Waste	management
	AS IS	
New so	rting centre at Copan Head quarters	Consolidat - in Copan F plastic bir separa
	-	Removal vending m pa
	-	Certificati 14001 Envi System f NewLab

# 03

### TO BE

ating waste sorting centre Headquarters: MSW and ins for the TARI cycle and rate collection system

al of plastic bottles from machines and adoption of paper coffee cups

ation according to the ISO wironmental Management n for Copan Wasp, Copan b (2024) and Copan Italia (following years)



# HAPTER 5 overnance Sphere 5/05.1/05.2/05.3/05.4/05.5/

HAPTER 4 ocial Sphere 4/ 04.1 / 04.2 / 04.3 / 04.4 / 04.5 /

### 03 / 03.5

# Water management



The Copan Group's production process necessarily requires the use of water, which is drawn entirely from the aqueduct.

Water is then used in the weighing/dispensing, filling and clean room departments. Given the scarcity of the resource, the company recognises its value and maps its consumption. In 2022, it also developed a flow chart with the aim of identifying which processes require the most use of this resource. This study showed that most of the water is used for cooling circuits, where it is softened and osmoticised.

### Water withdrawal



Overall, the Group's water consumption in 2023 was 23,066 m<sup>3</sup>, down 25.7% from the previous year. Specific consumption in relation to hours worked also dropped, which decreased by 20.2%.

These reductions also had an impact in terms of greenhouse gas emissions, which recorded a reduction of 2 tCO<sub>2</sub>eq.\* in 2023 compared to 2022.

There are also leaky wells in the open spaces of the Group's plants to facilitate the disposal of rainwater, especially during periods of heavy rainfall. In fact, all Copan's urban interventions are carried out according to the principle of **hydraulic responsibility**.

Thanks to the detailed mapping of water flows, the Group carried out a specific study on the possibility of implementing a closed loop for cooling water. This made it possible to avoid the dispersion of water, saving approximately 50 m<sup>3</sup> per cycle, 21,000 kWh/year (between pumps and heat losses), corresponding to 7.5 tCO<sub>2</sub>/year<sup>4</sup>.

Water ma	nagement
AS IS	
Closed loop for cooling water	Asses
	Libera cons of a lamina a 500 m <sup>3</sup>



\* Emission factor source: Ecoinvent 3.10 - market for tap water {Europe without Switzerland}

<sup>4</sup> Value calculated using the Group's supplier energy mix for 2023 (market-based approach)

03

### TO BE

sment of water equality opportunities

struction site with the creation ation basin that will guarantee <sup>3</sup> reservoir (the obligation is only 350 m<sup>3</sup>)

er {Europe without Switzerland} 2023 (market-based approach) SUSTAINABILITY REPORT year 2023

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### 03 / 03.6

# **Materials** sustainability and circular economy

Given the different nature of the production processes of the legal entities seen in this report, material flows are considered separately for Copan Italia and Copan Wasp (and NewLab).



### Materials for FINISHED PRODUCTS (2023)



### 03 / 03.6 / 03.6.1

### **Copan Italia**

For Copan Italia, the material streams consist of 88% plastic, with the remainder consisting of paper mainly used for the leaflets accompanying the finished product. Overall, the amount of materials (by weight) processed by Copan in 2023 was about 2,000 tons, down 37.1% from the previous year and 55.2% from 2021.

In 2023, Copan's product packaging (by weight) consisted of 50% cardboard, 36% plastic and the remainder, paper. This proportion has remained constant over the years, with the exception of 2020 which, due to the Covid-19 health emergency, was an anomalous year.

**PACKAGING materials (2023)** 



12% Paper

88% Resin and plastic

14% Paper 36% Plastic **50%** Cardboard

STAINABILITY PORT

### 03 / 03.6 / 03.6.1

In 2023, guantities of raw material and packaging used decreased significantly compared to 2022 (-37% and -36% respectively). In part, this decrease can be explained by a drop in production (-12.1% in worked hours), however, specific material flows relative to production also decreased, indicating an increase in efficiency in raw material utilisation.

Optimising the use of raw material and packaging material has always been one of Copan's objectives. For safety reasons and to guarantee the high-quality standards of its products, the company must use 100% virgin materials. Since it cannot choose recycled materials, the company is committed to reducing its material consumption.









### Copan NewLab materials (2023)



### 03 / 03.6 / 03.6.2

### **Copan Wasp and NewLab**

In the case of Copan Wasp and NewLab, purchased materials are not mapped in kilograms due to the different composition of the machinery. Therefore, the flows of semi-finished goods and materials have been derived from the costs incurred by the two legal entities.

More than 90% of Copan Wasp and NewLab's expenditure is on the purchase of semi-finished electrical and electronic products as well as aluminium, steel or structural materials, while the remainder is on materials such as rubber, plastic, ceramics, wood and paper.

The percentage shown in the graphs is the percentage of costs

1% Other (glass and ceramics)

4% Rubber and plastic semi-finished products

32% Aluminum, steel and structural semi-finished products

63% Electric / electronic semi-finished products

8% Plastic / Rubber

1% Other (ceramics, wood, paper, labels)

39% Aluminum / Steel / Structural

52% Electric / Electronic AINABILITY

COPAN GROUP

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The materials used for packaging are instead monitored in terms of kg. In 2023, Copan Wasp and New Lab used 2,690 kg between plastic and paper, an increase of 63% over the previous year. Although the increase was considerable, it should be emphasised that the order of magnitude is 1/1000 compared to the consumption of Copan Italia, at which, on the other hand, there were larger reductions in material consumption.

### Comparison of packaging used in Copan Wasp and NewLab



### 03 / 03.6 / 03.6.3

### Circular economy projects in Copan Wasp

Among the main services offered to customers by Copan Wasp is **refurbishment**, i.e. the possibility for all machines to be remanufactured once their first life cycle is over, replacing their most critical components and giving them a second life. This **extends their useful life** and is one of the principles underpinning **circular economy**.

Refurbishment can be done either on the entire machine or on some individual components. Once the critical and/or obsolete parts have been replaced and the machine has been refurbished, it is resold with a oneyear warranty.



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Copan

Social Sphere





CHAPTER 1 About us

# The uniqueness of people is Copan's purpose





Hours dedicated to training 2023

Copan believes that people are a company's strength, therefore, it is a company 'close' to its employees. That is why its corporate policy is geared towards improving employees' quality of life and work-life balance.





Women in the workforce





Employees hired on permanent contracts

**K**indergarten



Company kindergarten





Corporate welfare platform

# 04

SUSTAINABILITY REPORT year 2023

### Employees by role - 2023

### 04 / 04.1

# **Staff satisfaction** and retention

As of 31 December 2023, the Copan Group had 896 employees, 623 of whom were direct employees (the remainder were temporary employees).

Since January 2023, Copan applies the chemicalpharmaceutical industry sector collective agreement, this has allowed, compared to the previous contract, to improve some aspects of the employment relationship, including the economic one through the already negotiated contractual renewals and has led to the possibility of enrolling in the Supplementary Health Care Fund.

# 8 DECENT WORK ANI ECONOMIC GROWT M 10 REDUCED INEQUALITIES (Ê)

3 GOOD HEALTH

\_⁄\/`∳





The graph on the following page shows the evolution of the number of employees over the three-year period 2021-2023. Given the type of employees, it was decided to calculate the turnover rate (obtained as the ratio between the sum of the number of entries and exits and the total number of employees) by referring only to direct employees. This has remained at low levels over the last three years, with a slight decrease in 2023, indicating a good retention capacity on the part of the company.

### 2022





- 3% Middle managers
- 39.7% White-collar workers
- 56.9% Blue-collar workers

JSTAINABILITY EPORT

### 04 / 04.1

### Employees and turnover rate



and exits. Again, the calculation was carried out for direct employees only Ensuring job stability is crucial for Copan: 86.3% of employees are employed on a permanent basis and this percentage reaches 98% if only direct employees are considered. Furthermore, 98.4% of the employees have a full-



<sup>1</sup> Data revised from the 2022 Sustainability Report

Copan also monitors the trend of young people (under 30 years old) entries and returned a youth turnover value of 19.8%<sup>1</sup>, higher than in 2022. time employment contract.



CHAPTER 1 About us

## Employee well-being



As indicated in the company's Code of Ethics, people's well-being is a precious asset for Copan, which works to create a working environment in which each person's professional aptitudes, creativity and commitment are valued.

With a view to work-life balance, a structured corporate welfare system has been created, allowing people to have some flexibility thanks to initiatives to optimise their time. Some of these time-saving initiatives are doing tax returns in-house and some medical check-ups.

Copan employees also have access to fresh seasonal fruit during their breaks, as well as the possibility to prepare their own orange juice. The creation of relaxation areas allows employees to socialise and relax.

With a view to flexible working, Copan allows its employees - compatibly with their role - to partially work from home. In 2023, a total of 70,000 hours (over 4.5% of total working hours) were worked from home.

A counselling and psychological support centre has been in operation since 2013. All Copan employees can benefit from professional support, offered by the company, to manage and overcome moments of fragility and stress.

Since 2018, there is also a Welfare platform through which Copan pays an on top bonus that can be used by its employees.

According to the welfare accrual rules governed in Dedicated Plans, the employees who had access to the welfare platform in 2023 were 98% of the total, as shown in the graph below.



Corporate welfare is a tool that can positively affect the corporate climate, improving the quality of workers' life, thanks to the possibility of accessing dedicated conventions that can be used from the platform to purchase goods and services.

Active since 2018, in 2023, more than € 1,480,000 was distributed between welfare and benefits, to both direct and temporary employees.

- 2% workers without access to the welfare platform (amount not yet accrued)
- 98% workers with access to the welfare platform





### 04 / 04.2



In order to foster greater sense of community, in 2023 Copan also organised a series of events for employees, including a summer party, a murder mystery dinner, and a number of trips, such as one to the Sigurtà Park, with families.

As for the community outside the company, several company visits were organised with schools, universities, local companies and institutional bodies such as Confindustria Brescia.

### 04 / 04.2 / 04.2.1

### Peter Pan Kindergarten

In order to meet the needs of new parents, who often work in two daily shifts, Copan supported the opening of a childcare facility, the **Peter Pan Kindergarten**, which, in addition to the children of employees, also takes care of children of users from other companies. The facility offers a continuous service from 6 a.m. to 10 p.m. and is accessible from the age of 7 months to 3 years for all Copan employees.

# During 2023, an average of 30 children attended the kindergarten.









Copan also monitors return-to-work rates following parental leaves. In 2023, there were 25 births at Copan, a number that increased compared to both 2022 and 2021. From 2021 to date, 100% of both male and female employees have returned to work after **parental leave**, a sign that the company ensures a good work-life balance and parenting support initiatives such as a company-supported kindergarten.





Employee well-being		
AS IS TO BE		
Coroporate socialising moments	Diversification of corporate initiatives	
No company climate survey	Pilot climate survey on two departments	



**CHAPTER 4** Social Sphere 04/04.1/04.2/04.3/04.4/





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CHAPTER 4 Social Sphere 04/04.1/04.2/04.3/04.4/04.5 04 / 04.3

# Employee health and safety

Guaranteeing the right to health is one of the key drivers for the Copan Group's business, which has always developed products that, once placed on the market, contribute to promoting the health of the final consumer.

At the same time, the company complies with current workplace health and safety regulations to guarantee the same safety for its staff. Accident prevention is one of the main material topics for the company. In 2023 there were 7 accidents<sup>2</sup> (+5 compared to 2022) for a total of 148 days of absence: this led to an increase in the frequency index but a decrease in the severity index (-57%) compared to the previous year, as these were minor accidents.













HAPTER 5 Sovernance Sphere

### 04 / 04.3

Company workforce is trained and instructed, according to their role, in health and safety.

In 2023, more than 1,400 hours of health and safety training were provided, an average of 1.6 per employee. The specific number of hours per employee is down 51% compared to 2022, partly justified by the decrease in the number of blue-collar workers, who usually receive more training on this subject.



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# 04



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# Training and education



Training is of fundamental importance to Copan, which tries to enhance the professional aptitudes of its employees in order to provide them with appropriate training. Creating a stimulating environment fosters greater collaboration between people, improves their productivity and, above all, personal satisfaction.

In total, more than **31,000 hours of training** were provided in 2023, for an average of 34.9 hours of training per employee, increasing by 11.7% over the previous year. Copan analysed the distribution of training hours in order to map the main recipients. The following graph shows the total training hours per job role. These are almost entirely (98.5%) provided to white- and blue-collar workers.

As far as average hours are concerned, they decreased for the middle management and white-collar categories compared to 2022 (-70.7% and -50.1% respectively), while they increased by 30.3% for blue collar workers.

Copan wants to guarantee continuous training for its workers and among its objectives it sees the creation of a context in which people are not only the recipients of training, but also, and above all, active subjects in the development and sharing of skills and abilities, in the dissemination of corporate culture and in the continuous innovation of processes, to contribute to the pursuit of the corporate mission.



### Average hours of training per employee category



# 04





### 04 / 04.5

# Diversity, Inclusion and Equal Opportunities

Copan believes in creating a positive working environment and corporate climate, where each person can feel welcomed, protected and valued.

Copan stands out from the main Italian production realities with a **predominantly** (55.3%) **female population** of 546 women and 350 men as of 31/12/2023 (direct employees and temporary workers). The percentage of women is high, especially among blue-collar workers, while it is lower among middle management, although still above 40%.

Employees by gender





For the future, the Copan Group is working on a survey, with the aim of verifying the market positioning of the roles. The Group is starting to develop an appropriate and market-competitive remuneration strategy also with the intention of monitoring the principle of equality for equal work or work of equal value between men and women.

There are 27% of employees under the age of 30, while only 9% are over the age of 50.





Diversity, Inclusion an	d Equal Op
AS IS	
High percentage of women and young people among the workforce	Surve

81 s 01.2/01.3/01.4/01.5/01.6

CHAPTER 4 Social Sphere 04 / 04.1 / 04.2 / 04.3 / 04.4 / 04.5 /

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# 04

over 50 years of age

under the age of 30

between 30 and 50 years of age

portunities

TO BE

ey on equal treatment

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IAPTER 1

### 04 / 04.6

30

25

20

15

10

2021

— Total

interns

of internships

Number 5 0

# **Initiatives for** the community

In 2023 Copan welcomed 22 interns. Among these, 11 were curricular intenships, 2 extra-curricular internships and 9 were school-to-work projects. 9% of the interns was subsequently employed by the company.



AND CO H,

> **17** PARTNERSHIPS FOR THE GOALS 8

In 2023, Copan donated to organisations and associations in the educational, medical-scientific, sporting and cultural fields; it also continued its collaboration with social cooperatives such as Alborea and Ideajob.

In the same year, the company also remained close to the territory through charitable initiatives such as collections for Caritas, kennels, and blood donations for AVIS.



2022

Hired

interns

2023

Copan for the	e community
AS IS	
Presence on the local territory through several initiatives	Continui

# 04

TO BE

ing to promote various iniziatives



<u>-110</u>

Copan

Governance Sphere

05



HAPTER 4 ocial Sphe

CHAPTER 1 About us

Copan is a family-owned and operated business. The governing body of the holding is the Board of Directors, composed of 5 members: the president and CEO Stefania Triva and 4 directors, two of whom are company employees.

### Composition of the Board of Directors (number of members)

### **Copan Italia**

All members	5
Of which women	1
Of which employees	2

### **Copan Wasp**

All members	3	
Of which women	2	
Of which employees	0	

## Copan Newlab

lanaging director	1	
Of which women	1	
Of which employees	0	





HAPTER 5 Sovernance Sphere

HAPTER 4 Social Sphere

is and materiality matrix







# 05

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> CHAPTER 2 Impacts and materiality m 02/02.1/02.2/02.3





### 05 / 05.1

# Strategic management and ESG



### 05 / 05.1 / 05.1.1

### **Organization**, Management and Control Model

Copan Italia and Copan Wasp have adopted an Organisational, Management and Control Model, consistent with the provisions of Legislative Decree 231/2001 (MOG231/01) and supported by a Supervisory Body (SB). The model contains a series of rules and procedures adopted by the company, aimed at preventing crimes in relation to the company's activity.

The first company of the Group to certify a MOG231 was Copan Italia S.p.A., in 2017, followed by Copan Wasp S.r.l., in 2021. Annually, ad-hoc audits are conducted by an external company in order to verify the Model's compliance and adherence to legal provisions.

On the other hand, to communicate the presence and implementation of MOG231 within the organization, periodic training courses are conducted, during which the features and functioning of the Model are explained.

Finally, both aforementioned companies have established an internal reporting channel, via e-mail, to which any violations of the Code of Ethics can also be indicated.

### 05 / 05.1 / 05.1.2

### **Code of Ethics**

Copan's Code of Ethics sets out the principles that lead the organization, which were presented at the beginning of this document. The Group's Code of Ethics, as a fundamental document of the employment relationship, must be adhered to by those who work for Copan and/or its subsidiaries. Specifically, it is addressed to:

Administrators	
Auditors	
Employees	
Collaborators or consultants	
Suppliers	
Customers	

Due to the significance of this document, the Board of Directors conducts a periodic review to assess its relevance, implement any necessary changes, and ensure its dissemination and communication. Continuation of work on updating the Code of Ethics; it will be translated into English and integrated and made applicable to the Group's foreign offices as well.

The principles set out in the Code of Ethics concern:



The correct management of activities









Relationship with customers and suppliers

**Relations with** the public administration

COPAN GROUP

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### 05 / 05.1 / 05.1.2



### The correct management of activities

Transparency and legality in business

Enhancement of human resources

Welfare as a culture of business organization

Non-discrimination 

Health and safety of working spaces

Environmental protection

Privacy policy e of personal data

Accounting and budgeting 

Quality system management

Fair competition 

Compliance with laws and regulations





# 05

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### 05 / 05.1 / 05.1.3

### Whistleblowing

Starting from July 5, 2023, Copan Italia S.p.A. and Copan Wasp S.r.l. have equipped themselves with a digital "Whistleblowing" platform - in compliance with the Italian Legislative Decree 24/2023 - which allows for effective and anonymous reporting. The platform for making reports can be reached through the link on the **copangroup.com** website.

### 05 / 05.1 / 05.1.4

### **Management systems**

Copan's activity is part of a sector where quality is fundamental. The company considers obtaining certifications as an act of responsibility towards its stakeholders.

Certification	Business Unit	Description
150 13/85-2016	Copan Italia S.p.A.	Quality Management
130-2010	Copan Wasp s.r.l.	Devices
ISO 13485:2016	Copan Italia S.p.A.	Quality Management System for Medical
MDSAP	Copan Wasp s.r.l.	Devices in MDSAP countries
	Copan Italia S.p.A.	
ISO 9001:2015	Copan Wasp s.r.l.	Quality Management System
	Copan NewLab s.r.l.	
	Copan Italia S.p.A.	_
ISO 27001:2024	Copan Wasp s.r.l.	Information Security Management System
	Copan NewLab s.r.l.	
EC/ EU Certifications	Copan Italia S.p.A.	Certificate of
	Copan Wasp s.r.l.	companies' products

### 05 / 05.2

# **Product and Process** Innovation

Innovation is the beating heart of Copan, which consistently and passionately invests in research and development to refine its products and discover new cutting-edge work processes. Thanks to this forward-looking business strategy, the company has accumulated a valuable body of knowledge that has given it a significant competitive advantage in the market.

05 / 05.2 / 05.2.

### UriSponge

The project presented, in the current year, the relaunch of the UriSponge line, a device intended for the collection, transport and storage of urine samples. The design aims at **anticipating** potential changes in current **regulations** regarding the presence in devices of boric acid, an element harmful to human health, and to meet the level of performance required by the market. In detail, the new version of the UriSponge has brought elements of innovation in the materials used, such as sponge and sample preservation solution, which, combined, allow a significant improvement in product performance and greater safety in use and collection.

UriSponge and its composition also allow for a reduction in the use of plastic compared to the main competing products on the market. This generates a positive impact in both production and disposal.







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### **Copan Italia's projects**

### **OPTIMIZATION OF THE FLOCKING PROCESS**

The study is aimed at developing innovative approaches for some stages of the flocking process to maximize production yields, including significant savings in energy consumption.



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Reduction in energy consumption for the flocking production process.

Possibility of creating a production line that includes multiple processes: flocking + packaging.

Possibility of developing automation for the assembly of tube pads.

### **RELEASE CAPS** (devices for taking, transporting and storing samples)

Copan is investigating a methodology to move the storage and transport medium, usually contained in the tube, inside the cap.



The goal is to create a safe trigger for its release, preventing inadvertent spillage of the medium and increasing patient safety in the case of self-withdrawal.







By moving withdrawal operations to the patient's home, (1) there may be less demand for services from qualified health care workers (especially in the case of pandemics).

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Possibility to safely reach users with additional methods of sampling in the environment (home self-collection).

### PIERCEABLE AND RESEALABLE CAP

The 'pierceable' and 'resealable' cap has a metal film at the top that allows the tube to be pierced as needed by a (manual or automatic) pipettor.

The 'resealable' cap variant, by means of a resealable membrane, prevents spillage of sample from the tube in case of accidental fall.



Reduced exposure to potential biohazard by the laboratory technician who, in the case of molecular analysis, will load the tubes directly into the machine, without the need to open them

The sample processing operation in the laboratory can take place without the need to open the tube, optimizing analysis time



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Copan is continuing its collaboration with external entities such as research centres and universities of excellence at international level.

As mentioned in the 2022 Sustainability Report, the organization has an active Green Project in collaboration with the Department of Industrial Engineering of the University of Trento (UNITN), aimed at reducing the environmental impact of the life cycles of two key product categories for Copan Italia's production:

### Individually bagged rods and Kit, peel pouch containing a rod and a tube with medium

The project includes an initial phase of Life Cycle Assessment (LCA) of the products, followed by a detailed analysis of the results and the identification of critical points within the life cycle with consequent definition of all the production and raw material selection solutions that will allow to decrease the environmental impact of the products themselves.

The goal of the project is to use studying as a strategic tool to support business decisions. The product life cycle assessment was done following the ISO 14040 standard.

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# 05

### Copan Italia

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ent in LCA study oriented to egic tool for deciding what nizations to undertake

tion design for flocking of vidually bagged pads

strialization and marketing of release caps

ne P&R cap on the largest of mediums for a major er in the diagnostic field

ation of Copan Next within with more and more ideas uation funnel, valuing them rtunity identification and ubsequent projects

mentation of the Open on system on at least 25% of the projects

COPAN GROUP

### **Copan Next**

Copan Next aims to support the development of an "ambidextrous" organization: on the one hand the core business, on the other hand everything that requires the initiation of new ideas and projects to: recognize, care for, and secure tomorrow's innovations and business.

An "ambidextrous" organization is able to simultaneously exploit existing capabilities (exploitation of business as usual) and explore new opportunities (exploration), the "ambidextrous" organization is a company-wide effort.

Copan Next is the Group's business unit (covers all companies in the COPAN Group) that manages resources and competencies to lay the groundwork for future success, taking care of the exploration part of innovation up to the realization of innovative products or processes.



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### **Copan NewLab's projects**

### **INTEGRATION OF SPIRAL PLATING TECHNIQUE**

The main objective of the development is to incorporate the spiral plating methodology into the automated Cyclone system.

This specific methodology accelerates the surface inoculation process used in microbiological contamination testing in food and beverages. It also provides significant savings in consumables by eliminating the need to make three serial dilutions and use three different plates, reducing them to a single plate and eliminating the use of tips.



Reduction in consumables needed to perform the analysis.

Reduction of 70% in plate reading time, resulting in 2 reduced operator effort.

Possibility of developing an automated plate reading system.

### **IMPROVING THE QUALITY AND SAFETY OF** PHARMACEUTICAL PRODUCTION PROCESSES THANKS TO THE PHARMALAB PROJECT

Copan NewLab is developing an automated system that can monitor - in real time - critical parameters such as the presence of microbiological agents in production lines and environments in the pharmaceutical industry. Research activities focus on integrating innovative sensors, artificial intelligence algorithms and intuitive user interfaces to facilitate data monitoring. The challenge is to create a technologically advanced environmental monitoring system that is easy to integrate into existing processes, increasing efficiency and reducing risks in the pharmaceutical industry.



The ability to recognize contamination in the early sta-1 ges of incubation allows the implementation of early cleaning measures in production environments, reducing the risk of generating nonconforming products and thus production waste.

The automated reading system reduces the effort of laboratory operators.

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Subsequent developments include further refinement of analysis, leading to the recognition of colony morphology.

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**3** GOOD HEALTH AND WELL-BEING

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an NewLab

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of spiral plating variants

nuing research and ent activities regarding b: Industrialization and mmercialization

ents analysis of a plate ect in food&beverage field

COPAN GROUP

### **Copan Wasp's projects**

### **MicroHub**<sup>®</sup>

In Microbiology laboratories and specifically in Bacteriology ones, there are currently no management systems specialized in implementing specific workflows. Copan Wasp is implementing MicroHub®, a laboratory middleware to simplify, streamline and centralize the management of data exchange up to clinical validation of the analytical result. During 2023, the development team focused on rebuilding the structure of the data collection database with the goal of rationalizing the information MicroHub® receives.





Through data rationalization, the software aspires to 1 reduce unnecessary tests, to refine the final results also with the optimization of the drugs to be proposed. In addition, MicroHub® is made to be used through any device (even portable ones) thus reducing the need for the laboratory technician, microbiologist or clinician, to move to the workplace.

The software aims to be "used as little as possible." 2 Features such as "mass validation" (by which the software can validate clinically in complete autonomy, based on human-painted rules) are proposed to not reduce but remove the need for the clinical microbiologist to spend hours working in front of the terminal.

MicroHub® and its data structure have been designed (and 3 the 2023 work has been pursued for this very purpose) to be ready to interact with internally developed AI systems capable of making decisions in complete autonomy.



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To date, in Bacteriology laboratories, the management of positive blood culture samples is particularly critical. Awareness of the phenomenon of antibiotic resistance coupled with the increasing cases of sepsis have led Copan Wasp to study a fully automated process for handling Hemoculture bottles from positive to rapid antibiogram management.



The project aims at completely removing the need for presence and manual labour. When HemoPlus is offered in the laboratory without MicroCosMo, the operator will only have to load the positive blood culture bottles, with the benefit of not risking contamination and contact with definitely infected material. The device, in 2023, is set up to have a laminar flow hood that prevents, removes any risk of possible contamination (both cross sample and towards operators and the outside environment).

HemoPlus was created to be offered in combination with MicroCosmo's Wallabee, in order to handle positive blood cultures as soon as they become positive, with the obvious advantage of anticipating reporting by at least 24 h (up to 48 h advantage in terms of reduced Time To Result (TTR)).





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### **Radian® Expert System**

Antibiogram management using antibiotic diskettes has been a technique in use since the early 20th century. Copan Wasp has automated the process through automatic dispensing and the creation of a system of expert rules to determine the sensitivity or resistance of a pathogen to a given antibiotic molecule.

In 2022 we incorporated into the system the ability to manage epidemiology by graphs. In 2023, the system was enriched with more flexibility (simultaneous management of multiple brands of discs), the ability to integrate results from eTest, and the functionality to compare with other antibiogram systems.



1 The Radian<sup>®</sup> system is based on the concept of **automated antibiotic diskette deposition**, a method that has been in use for more than a century. Alternative automated antibiogram systems make use of many consumables (plastic panels, cards, reagents, stylus tips, and many others) that become obsolete with the Radian<sup>®</sup> system. With the introduction of Radian<sup>®</sup> there is a reduction in both consumables and test waste.

Radian<sup>®</sup> is a system that **completely automates the process of preparing**, performing and analyzing the antibiogram test, so it completely simplifies the operator's work and above all **removes the risks related to the exposure of the biological sample** (remember that samples intended for antibiogram are always samples with a high bacterial load) to the operator and improves the patient's condition by drastically reducing the TTR (Time To Result which shifts from 18-24h to 4h).



3 The introduction of Radian<sup>®</sup> within Copan's product portfolio adds an additional Expert Rules management system (EUCAST, CLSI, Custom Rules) that will most likely enrich the MicroHUb<sup>®</sup> and MicroBia system in the future. In addition, the management of automated diskette deposition helps to reason about the complete automation of many direct samples (skipping the subculture of positives only but starting directly from all samples): blood culture samples are already a reality, in 2023 and future years we will also work on samples such as Urine and Respiratory samples.

### **PhenoMATRIX® PLUS**

1

After 12 years of study and at least 8 years of neural network development, in 2022 we finally were able to achieve the ability to fully automate the interpretation of the analytical sample by implementing the "Automatic Release" functionality of the result. This turns into two simultaneous workflows: the automatic movement of the plate(s) and the technical result to the LIS (Laboratory Information System, laboratory management system).

The system provides for the **complete automation of the sample analytical reporting process** by reducing (now) and removing (in the future) the need to have the laboratory technician engaged in the management of Petri dish analysis. The software will reduce the need for the technician to be in the laboratory physically, thus reducing the need for travel to the laboratory/hospital. Recall also that this type of Artificial Intelligence product radically improves the patient's condition: PhenoMatrix® PLUS **reduces for all samples the average time of analysis** (AI works 24h continuously VS the operator's time) going to anticipate in some cases even by 24h the possibility of "release" of the hospitalized patient.

2 The automated referral release system has a clear impact of future development in combination with the MicroHub<sup>®</sup> project that could in the future play the managerial role for all Copan Wasp automated platforms.

# 05



SUSTAINABILITY REPORT year 2023

### **PhenoMATRIX TAG**

In the sample interpretation stage, image analysis plays a key role. With PhenoMatrix TAG, an Artificial Intelligence system developed by Copan Wasp, we enter the management of individual bacterial colonies growing on the culture plates.

Indeed, the system is able to identify and select the "best" colonies for subsequent Identification and Antibiogram Preparation (ID/AST) processing.



The system, exploiting AI, determines in complete (1) autonomy which bacterial colonies are deputed for further investigation in terms of "Bacterial Identification" and "Bacterial Suspension Preparation" for AST. Indeed, comparing it to a completely manual workflow, this system removes the need to open the plates, select and pick up the colonies needed for "ID &AST," reseal the plates and sort them for subsequent incubation and/or handling. Certainly, with PhenoMatrix TAG, working conditions are simplified (1 click confirmation for multiple tests automatically calculated by the AI); moreover, from an operator safety point of view, the possibility of biohazard exposure related to manual plate processing is removed.

In 2023, automatic release (removal of operator-side 2 confirmation) for fully automated colony selection has begun to be planned.



### New features - Colibri®

In 2023, work on implementing new features on Colibri® continued:

MANAGEMENT OF THE GLASS TUBE FOR DILUTION ON THE **MICROSCAN (AST, BECKMAN)** 

ADDITION OF TARGET/SLIDE PREPARATION FUNCTIONALITY FOR YEAST

ADDITION OF FORMIC ACID AMONG THE REAGENTS MANAGEABLE BY AUTOMATION

**CREATION OF THE COLIBRÌ® MANAGEMENT REPORT** 

PHYSICAL CONNECTION OF COLIBRÌ® TO THE WASPLAB® LINE



Thanks to the new features, complex flow management in which some tasks were automated and others were manual is avoided. With the implementation of these new features Colibri® is able to process all entered samples in complete autonomy.

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The system, once physically connected to the WaspLab® system, and to the MicroCosMo system would allow a complete automation of the test from the arrival of the sample in the laboratory until the final report with any type of result (from Negative to the management of the various investigations).

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### **URIVerse**

In 2023 Copan Wasp started working on and succeeded in implementing and commercializing the URIVerse system. For its structure it inherits the concepts of UniVerse® but focuses on solving the problem of standardization of incoming counters (Urine Beakers) in Toxicology laboratories.

The system deals with the handling of containers of different shapes and caps to standardize the aliquot(s) to containers that will then be analyzed in the Toxicology laboratory. The system is equipped with:

VISION SYSTEM (AI TO DYNAMICALLY UNDERSTAND THE SHAPE OF THE CONTAINER AND CAP)

**BARCODE READERS** 

PRINTER

DECAPPER

**EXTERNAL CAP FEEDER (POSSIBILITY OF HANDLING** SECONDARY CONTAINERS WITHOUT CAPS TO BE RECAPPED WITH EXTERNAL CAPS IN COMPLETE AUTONOMY)





Possibility to connect several automa-2 tions to this flow.





The Wasp<sup>®</sup> system, an instrument that has been commercialized since 2008, has always relied for sample seeding on plate, on specially designed metal loops that are designed to be reusable and able to replicate the seeding pattern that has always been used in bacteriology.

With this new study, we seek to add to the Wasp® instrument the ability to "feel" when the loop comes in contact with agar, removing the residual risk of not properly "seeding" the sample.



The use of a reusable loop as opposed to the manual (1) process using disposable plastic loops clearly provides an advantage in terms of reduced consumption and biological waste per sample.

The specific development of this type of "capacitive" loop allows the Wasp<sup>®</sup> system to recognize exactly the moment when it comes into contact with the Petri dish thus ensuring complete security of sample seeding appropriateness, security that is in addition to that generated by the vision systems and robotics used on the instrument.

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This innovation could tie in with the **future development** of a new generation of Wasp<sup>®</sup> (Wasp 3.0).

**3** GOOD HEALTH AND WELL-BEING

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# CHAPTER 4 Social Sphere 04 / 04 1 / 04 2 / 04 3 / 04 4 / 04 5

### 05 / 05.2 / 05.2.5

### **RILC MultiBrand**

The automated antibiotic diskette deposition system, RILC (Radian In Line Carousel), has been from the beginning of its market launch (2019) a crucial innovation to revitalize a "historical" technique in bacteriology. With this new study and implementation, the diskette carousel can handle several brands of antibiotic diskette manufacturers simultaneously.







**Optimization of consumption**: typically, the customer is forced for non-supply reasons to validate multiple brands of diskettes.

2 **Complete automation of processes** resulting in the removal of the need to perform repetitive actions such as the deposition of diskettes on Agar plates. Linkage with MicroCoSMo system for antibiogram management where preparation is handled by Colibri<sup>®</sup>.

	AS IS	
	MicroHub® (Middleware di Laboratorio): MicroBia: Artificial intelligence system for early sample reporting	In 2024, th appropria finalized to be able
	HemoPlus: Early reporting for increasingly better treatment of sepsis	Market lau (hood, m external l
	Radian <sup>®</sup> Expert System: Management of epidemiology in order to provide data for antimicrobial resistance management	Also wor Urine a
	PhenoMatrix <sup>®</sup> Plus: Official entry into the field of clinical diagnostics	Expected w to market start of r
	PhenoMatrix Tag: Speeding up the commercialization of Colibrì® product through automated colony s election	A comme in
	URIVerse	Automate and esp samples

Ansa Capacitiva: Achieving 95% of the target market

# 05

### Product and Process Innovation - Copan Wasp

### TO BE

he database structure with ate labeling of data will be d. In addition, it is planned e to install the system in at least 2 beta labs

unch, pricing, optional extras nultibrand bottle handling, loader for manual loading) are planned

rking on samples such as and Respiratory samples

wide development of centers t the system, as well as the registration of the system with the FDA

ercial launch of the product a Europe is planned

ed linking of input samples becially output secondary with automated chains of analysis

Wasp 3.0



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CHAPTER 2 Impacts and materiality matrix 02/02.1/02.2/02.3

CHAPTER 3 Environment Sphere 03 / 03:1 / 03:2 / 03:3 / 03:4 / 03:5 / 03:06

CHAPTER 4 Social Sphere 04/04.1/04.2/04.3/04.4/0

**CHAPTER 5** Governance Sphere 05/05.1/05.2/05.3/05.4/05.5

**CHAPTER 6** GRI Content Index


## 05 / 05.3

Turnover trend

# **Economic** performance





For Copan, economic sustainability means implementing practices and strategies that ensure long-term growth, balancing efficiency and innovation.

The drop in demand volumes continued in 2023, with demand returning to pre-pandemic levels.

In fact, during the health crisis, the Group's business had increased significantly, as its production had been essential to cope with the Covid-19 emergency. Increased investments in the 2020-2021 biennium, increased depreciation and amortisation and higher structural costs were the main reasons why, after the peak reached in 2021, there was a contraction in financial margins and turnover, which stood at 262 M€ in 2023, still remaining above pre-Covid levels.



Of the 272 M€ generated by Copan's activities in 2023, 93% (the same percentage as the previous year) was redistributed, partly as operating costs, as wages and benefits to employees, as payments to the public administration, as interest expenses and other forms of debt, and finally as investments in the community.

Although there was a drop in turnover in 2023, attributable to the exit from the pandemic, wages and benefits paid to employees increased (+2.8%) and investments in the community remained steady. The breakdown of the economic value distributed in the items described above is shown in the graph below.



Economic p	Economic performance	
AS IS		
93% of generated value distributed	> 93% of ge	

**Operational costs** 

Employee's wage and

Interest on loans and other forms of debt

Investments in the community

TO BE

enerated value distributed



05 / 05.4

# **Gestione della** catena di fornitura



**Copan assigns paramount importance** to the supplier selection phase, as it is crucial for the proper execution of activities.

Therefore, a dedicated company procedure is in place, wherein suppliers are selected based on the skills and professionalism. In the sensitive medical field, product quality and safety are the primary requirements that determine the customer's choice in favor of one supplier over another.

In addition to this, the adoption of ethical and/or sustainability criteria will also be taken into account in the selection of suppliers.

Since 2019, Copan Italia has been tracking the spendings towards its suppliers, categorizing them between material suppliers and service providers. In 2023, 97.9% of the expenditures was directed towards material suppliers, while 2.1% was allocated to service providers.









# 05

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COPAN GROUP

CHAPTER 1 About us

## 05 / 05.4

For this Sustainability Report, Copan Wasp and NewLab also collected data on spending towards suppliers. 92.8% of Copan Wasp's spending is allocated to material suppliers, 43% of which are considered local (Lombardy). 99.97% of Copan NewLab's spending is directed to material suppliers, 79% of which are local.







As noticeable from the previous paragraphs, Copan currently prefers the use of local suppliers for materials and services.

## Supply chain management AS IS Supplier selection procedure



# 05

TO BE

Introduction of sustainability/ethical criteria in supplier selection



CHAPTER 1 About us 01/01.1/01.2/01.3/01.4/01.5/ 05 / 05.5

# Cybersecurity and digitalization



As mentioned at the beginning of this chapter, IT security is of fundamental importance for the Group.

The potential loss, modification or appropriation of sensitive data is a financial risk for any company in our time. Copan Group defends itself against this risk through a proposal of continuous training in information security and through the adoption of an **access control policy**. Thanks in part to these measures, there has been no loss of data in the years reported.

Moreover, Copan Italia S.p.A., Copan Wasp srl and Copan NewLab srl have been certified according to the ISO 27001 standard, a management system that allows for the management and safekeeping of digital data.

Through a privacy policy (compliant with Legislative Decree 196/2003 and EU Reg. 2016/679), Copan Group ensures the protection of customers' and suppliers' personal data, operating in full compliance with current privacy and personal data protection regulations.

Cybersecurity and digitalization				
AS IS TO BE				
-	Portal dedicated to basic cybersecurity training			



## 05 / 05.6

## **Customer** satisfaction



## The Group's goal is to create a relationship of trust and cooperation with its customers.

To do so, it implements market strategies inspired by the principle of fair competition and guarantees the highest standards of safety and quality, as well as compliance with and adherence to applicable regulations. The increase in complaints is a potential negative impact for the company, which counteracts it through continuous monitoring of customer satisfaction, with set targets.

To pursuit these goals, Copan has a guality management system certified in accordance with ISO 9001, ISO 13485 and MDSAP standards.

As manufacturers and suppliers of items subject to the REACH Regulation, Copan Italia, Copan Wasp and Copan NewLab are also required to report the possible presence of "substances of very high concern" (SVHC) in their products and to disseminate (e.g., through fact sheets and labels) all necessary information to ensure that the stages of use and final disposal are handled safely and properly.

Copan Wasp and Copan NewLab, being manufacturers of electrical and electronic equipment, are also subject to compliance with the requirements imposed by the EU RoHS regulation, which was also established to restrict the use of certain substances considered hazardous.

Finally, Copan Wasp's automations require certain product certifications in the areas of electrical safety (IEC 61010-1, IEC 61010-2-101 and MET), electromagnetic safety (IEC 61326-1 and IEC 61326-2) and laser safety (IEC 60825-1) for their release to the market.

Customer feedback is a strategic tool for Copan. In particular, Copan Italy conducted customer satisfaction surveys in 2021 and 2022, investigating their degree of satisfaction with the products offered. The company's selfimposed target is high and equal to a score of 4/5. This was achieved and in 2023 it reached a value of 4.54, higher than both the two previous years.



Lastly, Copan Italy monitors the progress of complaints over time, to ensure the highest degree of quality of its products. In 2023, the number of sold pieces that were considered defective was 0.0004%, and the company still resolved 100% of the complaints received.



As for Copan Wasp, complaints are handled through a system of notifications that can go directly to a mailing list, or, in the case of an "automation" product, to the technical support department. In 2023, out of a total of 1,419 installed automations, 6 complaints (0.42%) were received, down 47% from the previous year.



COPAN GROUP

COPON GRI Content Index

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**APTER 1** out us '01.1/01.2/01.3/01.4/01.5/01.6

# Methodological note

Copan Group has drafted the 2023 Sustainability Report following the "with reference to" option of the GRI (Global Reporting Initiative) international standards, with reference to the latest update that came into effect at the beginning of 2023.

The objective of the report is to communicate to its (internal and external) stakeholders the virtuous initiatives put in place by the company regarding environmental, social and governance sustainability issues.

The principles of materiality, inclusiveness, sustainability context, completeness, accuracy, balance, clarity, comparability, reliability, and timeliness were adopted in drafting the document.

In terms of defining the content of the sustainability report, the concept of materiality analysis was adhered to, through which the company involved its stakeholders to identify the organization's material topics.

For each reported topic, the link to the Sustainable Development Goals is also included.

In this Report, the specific topics are presented with reference to the business reality of Copan Italia S.p.A., Copan Wasp s.r.l. and Copan Newlab s.r.l.; limiting to the Italian perimeter, they do not include Copan Diagnostics Inc., Copan Medical Shanghai Ltd., Copan Japan Co. Ltd., Copan Industries and Copan Australia Pty Ltd. In future and starting from next year, the company will commit to extending the reporting scope to the other Companies, conforming itself to the requirements of the EU Corporate Sustainability Reporting Directive (CSRD).

The disclosed information refers to the reporting period from January 1, 2023, to December 31, 2023. Information on the previous three-year period (2021-2023) can be found within the document.

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# 06

**SUSTAINABILITY** REPORT Pear 2023

The correlation between each material topic identified and the main international reference standards for sustainability reporting, the GRI (*Global Reporting Initiative*), is presented below.

There are no GRI sector standards relevant to the Copan Group's business.

			Governan	ce
DECLARATION Copan Group has s dards for the period	<b>OF USE</b> submitted a report "with refe d 01/01/2023 – 31/12/2023.	erence to" the GRI Stan-		2-9 Governance structure
USED GRI 1 GRI 1 – Fundament GRI 2 – GENER	tal Principles – 2021 version <b>AL DISCLOSURES 202</b> 1	L		<b>2-10</b> Nomination and selection of the highe governing body
GRI standard	Disclosure	Reference paragraph		<b>2-11</b> Chair of the highest
The organization a	and its reporting practices			governing body
	<b>2-1</b> Organizational Details	Methodological Note		<b>2-12</b> Role of the highest governance body in overseeing the
	<b>2-2</b> Entities included in the organization's sustainability reporting	Methodological Note		2-13 Delegation of Responsibility for
	<b>2-3</b> Reporting period, frequency and contact point	Methodological Note		2-14 Role of the highest governance body in
	2-4 Restatement of Information	Any variations are indicated in the text		sustainability reporti 2-16 Communication of
GRI standard	Disclosure	Reference paragraph		critical concerns
Activities and worl	kers 2-7 Employees	Staff satisfaction and retention		<b>2-17</b> Collective knowledge of the highest governance body
	2-8 Workers who are not employees	Staff satisfaction and retention		<b>2-18</b> Evaluation of the performance of the highest governance body

GRI standard

Disclosure

# 06



Governance





GRI standard	Disclosure	Reference paragraph
Strategies, Policies and	Practices	
	<b>2-25</b> Processes to remediate negative impacts	Materiality and impact analysis. Each impact is analysed in the relevant chapter.
	<b>2-27</b> Compliance with laws and regulations	Strategic management & ESG
GRI standard	Disclosure	Reference paragraph
Stakeholder engageme	nt	
	2-29 Approach to stakeholder engagement	Materiality assessment and impact analysis

## **GRI 3 - MATERIAL TOPICS - 2021 VERSION**

GRI standard	Disclosure	Reference paragraph
<b>GRI 3</b> Temi materiali Versione 2021	<b>3-1</b> Process to determine material topics	Materiality assessment and impact analysis
	<b>3-2</b> List of material topics	Materiality assessment and impact analysis
	3-3 Management of material topics	Materiality assessment and impact analysis

Disclosure	Reference
TOPIC STANDARD – ECONO	MIC PERF
<b>201-1</b> Direct economic value generated and distributed	Economic (
<b>203-1</b> Infrastructure investments and services supported	Responsibl efficiency r
<b>204-1</b> Proportion of spending on local suppliers	Supply Cha
Disclosure TOPIC STANDARD – ENVIRO	Reference ONMENT
301-1	Matorials

<b>301-1</b> Materials used by weight or volume	Materials Circular Ec
<b>301-3</b> Reclaimed products and their packaging materials	Materials Circular Ec
<b>302-1</b> Energy consumption within the organization	Responsib
<b>302-3</b> Energy intensity	Responsit
<b>302-4</b> Reduction of energy consumption	Responsit efficiency

# 06

## e paragraph

FORMANCE

performance

ble energy management, measures

ain Management

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Sustainability and conomy

Sustainability and conomy

ole energy management

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ble energy management, measures SUSTAINABILITY REPORT year 2023

# CHAPTER 6 GRI Content Index

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CHAPTER 4 Social Sphere 04.04.04.2704.3704.4704.5

303-3 Water withdrawal	Water management
303-4 Water discharge	Water management
<b>303-5</b> Water consumption	Water management
<b>305-1</b> Direct GHG emissions (Scope 1)	Emission reduction
<b>305-2</b> Energy indirect (Scope 2) GHG emissions	Emission reduction
<b>305-4</b> GHG emissions intensity	Emission reduction
<b>305-5</b> Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Emission reduction, efficiency measures
<b>305-7</b> Reduction of GHG emissions	Emission reduction
<b>306-1</b> Waste generation and significant waste-related impacts	Waste management
<b>306-2</b> Management of significant waste- related impacts	Waste management
<b>306-3</b> Waste generated	Waste management
<b>306-4</b> Waste diverted from disposal	Waste management
<b>306-5</b> Waste directed to disposal	Waste management

employee turnover 401-2 Benefits provided to full-time Employee well-being employees that are not provided to temporary or part-time employees 401-3 Employee well-being Parental leave 403-1 Employee health and safety Occupational health and safety management system 403-2 Hazard identification, risk Employee health and safety assessment and incident investigation 403-5 Worker training on occupational Employee health and safety health and safety 403-6 Employee health and safety Promotion of worker health 403-8 Workers covered by an Employee health and safety occupational health and safety management system 403-9 Employee health and safety Work-related injuries

Disclosure

401-1

**TOPIC STANDARD – SOCIAL** 

New employee hires and

**404-1** Average hours of training per year Trainin per employee

# 06

### Reference paragraph

Staff satisfaction and retention

Training & Education

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# CHAPTER 5 Governance Sphere

## 405-1

Diversity, Inclusion & Equal Diversity of governance bodies and Opportunities, Governance employees

### 406-1

Incidents of discrimination and corrective actions taken

Strategic Direction & ESG

Copan for the community

### 413-1

Operations with local community engagement, impact assessments, and development programs

### 413-2

Operations with significant actual and potential negative impacts on local communities

Copan for the community



# COPON. Appendix



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ENERGY CONSUMPTION					
GRI 302-1	M.U.	YEAR 2021	YEAR 2022	YEAR 2023	
Electricity	kWh	21,267,375	20,035,401	18,724,899	
Natural gas	Sm³	321,887	276,251	260,427	
Diesel oil	I	73,922	84,595	97,413	
Gasoline	I.	16,074	17,864	26,035	
Overall energy consumption	toe	4,322	4,064	3,823	
Self-produced and self-consumed electricity	kWh	1,122,487	1,043,697	1,021,954	

EMISSIONS IN THE ATMOSPHERE					
GRI 305-1	M.U.	YEAR 2021	YEAR 2022	YEAR 2023	
Direct emissions (Scope 1)	tCO <sub>2</sub> e	962	1,032	1,104	
Of which natural gas	tCO₂e	641	552	522	
Of which diesel oil	tCO <sub>2</sub> e	198	227	261	
Of which gasoline	tCO₂e	37,8	41,7	61	
Of which F-Gas	tCO <sub>2</sub> e	85	211	260	
Indirect emissions from imported energy (Scope 2)	tCO₂e	5,854	5,515	5,218	
Total emissions (cat.1 and 2)	tCO <sub>2</sub> e	6,816	6,547	6,322	

OTHER SIGNIFICANT EMISSIONS				
GRI 305-7	M.U.	YEAR 2021	YEAR 2022	YEAR 2023
Volatile organic compounds	mg/Nm³	5.4	6.2	26.6
Hazardous Air Pollutants (HAP)	mg/Nm³	0.2	1.5	0.4
Particulate matter (PM)	mg/Nm³	0.1	0.4	0.2
Other standard emission categories identified in applicable legislation	mg/Nm³	0.7	0.8	0.7

(\*) The data only refers to Copan Italia

WATER CONSUMPTION					
GRI 303-3,5 M.U. YEAR 2021 YEAR 2022 YEAR 2023					
Total water withdrawal	m <sup>3</sup>	19,795	31,788	23,606	

MATERIALS - Copan Italia				
GRI 301-1, 2	M.U.	YEAR 2021	YEAR 2022	YEAR 2023
Plastic	ton	4,288.93	3,017.79	1,788.00
Of which recovered or reused plastic	ton	0	0	0
Paper	ton	270.00	226.00	253.00
Of which recovered or reused paper	ton	0	0	0
Raw material on production	ton/worked hours	0.003206	0.002503	0.001792

PACKAGING - Copan Italia					
GRI 301-1, 2	M.U.	YEAR 2021	YEAR 2022	YEAR 2023	
Paper for packaging	ton	423.19	269.18	221.96	
Plastic	ton	1432.74	839.26	586.21	
Cardboard for packaging	ton	1982.36	1416	821.18	
tot entering packaging	ton	3.838.29	2,524.44	1,629.34	

MATERIALS - Copan Wasp						
GRI 301-1, 2	M.U.	YEAR 2021	YEAR 2022	YEAR 2023		
Electrical / electronic semi-finished products	€	18,243,385.72	18,043,128.99	27,968,417.19		
Semi-finished products in aluminum / steel / structural	€	9,275,293.65	8,921,255.61	14,177,629.56		
Rubber/plastic semi-finished products	€	1,455,944.50	1,416,604.81	1,663,648.29		
Semi-finished glass products	€	173,346.87	197,753.55	195,713.65		
Semi-finished ceramic products	€	61,448.00	105,959.00	214,807.10		
Other (glass or ceramics)	€	234,794.87	303,712.55	410,520.75		
Total raw material	€	29,209,418.74	28,684,701.96	44,220,215.79		

MATERIALS - Copan NewLab						
GRI 301-1, 2	M.U.	YEAR 2021	YEAR 2022	YEAR 2023		
Electrical-electronic	€	NA	553,975.37	589,016.83		
Aluminum-Steel-Structural	€	NA	468,908.81	448,368.30		
Plastic-Rubber	€	NA	124,010.68	86,813.69		
Ceramics	€	NA	3,003.00	240.00		
Labels/Paper	€	NA	5,455.97	8,598.04		
Wood	€	NA	2,484.80	3,137.00		
Stationery	€	NA	861.47	1,284.93		
Glass	€	NA	30.00	-		

PACKAGING - Copan Wasp e Copan NewLab						
GRI 306-1,3,4         M.U.         YEAR 2021         YEAR 2022         YEAR 2023						
Paper	kg	640	688	1280		
Plastic	kg	944	960	1280		

	WASTE			
GRI 301-1, 2	M.U.	YEAR 2021	YEAR 2022	YEAR 2023
Produced waste	kg	1,720,506	1,522,788	1,017,688
Of which hazardous	kg	21,419	19,726	21,932
Of which non-hazardous	kg	1,699,087	1,503,062	995,756
Of which sent for recovery or recycling	kg	1,712,998	1,514,648	1,002,654
Of which sent for disposal or incineration	kg	7,508	8,140	15,034

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TREND IN THE NUMBER OF WORKERS				
GRI 401-1	YEAR 2021	YEAR 2022	YEAR 2023	
Total number of employees	987	933	896	
Of which direct	536	603	623	
Of which temporary	451	330	273	
Number of entries (direct only)	33	29	23	
Number of exits (direct only)	17	27	23	
Inbound turnover (direct only)	6.2%	4.8%	3.7%	
Overall turnover	9.3%	9.3%	7.4%	
Number of entries under 30 (direct only)	11	13	12	
Number of exits under-30 (direct only)	4	4	5	
Turnover under 30 (*)	23.1%	20.5%	19.8%	

(\*) Data revised from the previous Sustainability Report

WORKERS BY TYPE OF CONTRACT				
GRI 2-7	YEAR 2021	YEAR 2022	YEAR 2023	
Permanent contracts	672	805	819	
Fixed-term contracts	315	128	77	
Full-time contracts	972	921	882	
Part-time contracts	15	12	14	

WORKERS BY AGE				
GRI 401-1	YEAR 2021	YEAR 2022	YEAR 2023	
≤ 30 years old	344	289	240	
31-50 years old	509	496	578	
≥ 50 years old	134	148	78	

WORKERS BY GENDER				
GRI 2-7, 401-1	YEAR 2021	YEAR 2022	YEAR 2023	
Women	659	587	546	
%	66.8%	59.5%	55.3%	
Men	328	346	350	
%	33.2%	35.1%	35.5%	

WORKERS BY JOB ROLE					
	YEAR 2021	YEAR 2022	YEAR 2023		
Executive and middle managers	24	25	30		
Of which women	12	13	12		
White-collar workers	299	341	356		
Of which women	152	170	181		
Blue-collar workers	664	567	510		
Of which women	495	470	353		

TRAINING HOURS					
GRI 404-1	YEAR 2021	YEAR 2022	YEAR 2023		
Hours of training for executive and middle managers	395	1,299	457		
Hours of training for white-collar workers	11,025	14,931	20,313		
Hours of training for blue-collar workers	10,460	12,901	10,473		
Total hours of training	21,880	29,132	31,243		

ACCIDENT TRENDS					
GRI 403-5,9	YEAR 2021	YEAR 2022	YEAR 2023		
Worked hours	1,750,154	1,663,533	1,547,533		
Number of work accidents	8	2	0		
Days of absence from work	236	367	0		
Frequency Index (Fi= Na x 100.000/H)	4.57	1.20	0.00		
Severity Index (Gi = Da x 1.000/H)	0.13	0.22	0.00		
Hours of training in health and safety	4,219	3,058	1,429		

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CDA COMPOSITION - Copan Italia							
GRI 2-9 YEAR 2021 YEAR 2022 YEAR 2023							
Number of total members	5	5	5				
Of which women	1	1	1				
Of which employees	2	2	2				

CDA COMPOSITION - Copan NewLab					
GRI 2-9	YEAR 2021	YEAR 2022	YEAR 2023		
Number of total members (*)	1	1	1		
Of which women	1	1	1		
Of which employees	0	0	0		

CDA COMPOSITION - Copan Wasp							
GRI 2-9 YEAR 2021 YEAR 2022 YEAR 2023							
Number of total members (*)	3	3	3				
Of which women	2	2	2				
Of which employees	0	0	0				

(\*) Data revised from the previous Sustainability Report

SUPPLY CHAIN - Copan Italia					
GRI 204-1	YEAR 2021	YEAR 2022	YEAR 2023		
Total spending towards suppliers of materials [€]	163,384,569	128,683,636	114,064,098		
Of which towards local suppliers (Lombardy) [€]	90,273,522	74,205,022	58,420,625		
Total spending towards service providers (sterilisation) [€]	3,673,217	2,961,071	2,412,084		
Of which towards local suppliers (Lombardy) [€]	995,338	995,160	606,483		

SUPPLY CHAIN - Copan Wasp					
	M.U.	ANNO 2023			
Total spending towards suppliers of materials	€	44,789,420.55			
Of which towards local suppliers (Lombardy)	€	19,110,546.15			
Total spending towards service providers (sterilisation)	€	3,490,817.00			
Of which towards local suppliers (Lombardy)	€	2,209,378.00			

SUPPLY CHAIN - Copan New Lab					
	M.U.	ANNO 2023			
Total spending towards suppliers of materials	€	1,185,149.57			
Of which towards local suppliers (Lombardy)	€	938,128.37			
Total spending towards service providers (sterilisation)	€	389.10			
Of which towards local suppliers (Lombardy)	€	195.10			

GENERATED AND DISTRIBUTED VALUE						
GRI 201-1	M.U.	YEAR 2021	YEAR 2022	YEAR 2023		
Generated economic value	€	423,863,793	350,419,000	271,819,472		
Distributed economic value	€	267,589,595	295,264,434	253,673,290		
Operational costs (purchasing of raw materials, auxiliaries, consumables, goods, services and use of third-party assets)	€	146,641,703	197,276,582	168,496,027		
Employees' salaries and benefits, including social security contributions, severance pay and other costs	€	77,374,888	78,966,117	81,156,640		
Interest on loans and other forms of debt	€	498,420	1,877,209	3,970,623		
Remuneration of capital (dividends)	€	8,040,000	9,900,000	-		
Payments to P.A. (taxes and fees)	€	42,504,380	7,192,840	-		
Investments in the Community (donations and charities)	€	71,784	51,686	50,000		
Economic value retained	€	148,732,618	55,154,566	18,146,182		



## IRO TABLES (Impacts, Risks, Opportunities)

## POSITIVE ACTUAL IMPACTS

## NEGATIVE ACTUAL IMPACTS

Topic Description	Severity					Severity	Severity		
		Scale (1-3)	Scope (1-3)	Торіс	Торіс	Description	Scale (1-3)	Scope (1-3)	Irremediable character
Women's protection	in the company and gender protection through continuous improvement projects	2	2	Waste	Waste	Copan's activity involves the			(1-3)
Lifelong learning	Training projects aimed at creating a corporate culture of continuous learning	2	2	including hazardous waste	including hazardous waste	waste. some of which. although to a lesser extent. is hazardous	2	2	2
Work from home and flexible hours	Smart-working policies and hourly flexibility (for jobs that allow it) with benefits for employees'	2	1	Fossil fuels as main energy sour- ces	Fossil fuels as main energy sour- ces	More than 60% of Copan's energy needs are from non-renewable sources	3	2	2
Corporate kindergarten	work-life balance Presence of a corporate kindergarten adjacent to the facility	2	2	Contribution to global emissions	Contribution to global emissions	Any company. including the Copan Group. makes a contribution to global emissions	2	2	2
Psychological support service	Presence of a psychological support service for employees with a psychologist from	2	2	Virgin raw material	Virgin raw material	Use of virgin raw material for its products and for the packaging used	3	2	2
Products for healthcare	Development of products that. when placed on the market. contribute to the promotion of the health of the end consumer	3	3	High water consumption	High water consumption	Poor control of water consumption and increase in withdrawals even considering the specific value compared to production	3	2	2
Partnerships with schools and universities	Activation of projects in collaboration with universities	1	2			Presence of a high number of temporary			
Local suppliers	Preference toward local suppliers when choosing new suppliers	2	2	Fixed-term contracts	Fixed-term contracts	employees. out of total resources. many of whom are hired on a permanent basis. also due to the nature of the business	2	2	3

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NEGATIVE	ACTUAL	IMPACTS

		Severity				
Торіс	Description	Scale (1-3)	Scope (1-3)	Irremediable character (1-3) 2		
Non- sustainable supply chain	Lack of a respon- sible procurement policy or supplier selection policy	3	3	2		

## POSITIVE POTENTIAL IMPACTS

		Severity		Likelihood
Торіс	Description	Scale (1-3)	Scope (1-3)	(1-3)

Renewable energy	Increasing the proportion of energy from renewable sources by upgrading the existing photovoltaic system	3	3	2
ESG training	Conducting specific courses on sustainability issues	2	2	2
Workplace Health Promotion (WHP)	Adherence to the program Workplace Health Promotion (WHP)	1	2	1
Sustainabi- lity perfor- mance of suppliers	Growing attention to the sustainability performance of suppliers and tracking its supply chain	2	2	2

		Severity
Торіс	Description	Scale (1-3)
Increase in emissions	Increased emissions as a function of higher production volumes and failure to meet reduction targets	2
Delays in technological innovation	Delays in technological innovation and transition to the use of more sustainable materials	3
Spillage of substances	Exceeding the limits prescribed by current legislation in first and second rain waters that are purified and/or released back into the environment	2
	Difficulty	

NEGATIVE POTENTIAL IMPACTS

Negative turnover	Difficulty in retaining employees. including strategic ones. resulting in increased outgoing turnover	2
Occupational accidents and illnesses	Risk of occupational accidents due to the work activity performed or risks related to the handling of chemical - biological substances	3

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		Likelihood
Scope (1-3)	Irremediable character (1-3)	(1-3)
2	2	2
2	2	2
2	3	1
2	3	3
3	3	1





NEGATIVE POTENTIAL IMPACTS
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## **RISKS AND OPPORTUNITIES**

		Severity			Likelihood (1-3)
Торіс	Description	Scale (1-3)	Scope (1-3)	Irremediable character (1-3)	
Volatility of prices	Increase in supply prices (e.g raw material)	3	3	2	2
Lack of environmental requirements	Failure to provide for minimum environmental criteria and deterioration	3	2	2	2
	in market positioning				
Increase in customer complaints	Increase in complaints and subsequent decline in customer satisfaction index	3	3	2	2
Corruption and unfair competition	Cases of corruption and/or unfair competition	2	2	2	1
Lack of transparency	Willingness to emphasize aspects not yet developed by the company with possible reputational consequences or loss of market share/sanctions referring to upcoming European diractives	3	2	1	1





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