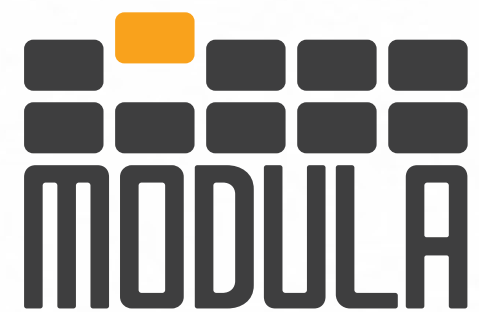


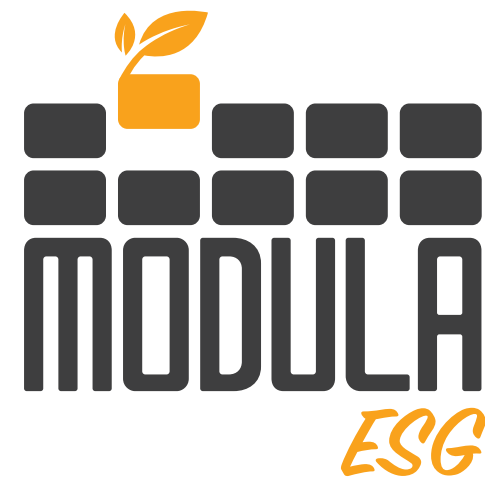


Sustainability Report



 2025





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Letter to Stakeholders

[GRI 2-22]

Dear Stakeholders,

Every year, when we pause to reflect on the journey we have made over the previous twelve months, there is a risk of reducing everything to figures, objectives achieved, indicators and new priorities.

Naturally, these are necessary elements: they allow us to measure our work, make it verifiable and bring structure to our choices.

On their own, however, they are not enough to truly describe what we have been, what we have learned and what we want to become.

A Sustainability Report tells us something more important. It tells us how a company chooses to grow. And for Modula, growth does not simply mean investing, innovating and competing in international markets; it also means deciding what mark we want to leave along the way, what responsibilities we are prepared to assume and, above all, what vision of the future we want to leave to the generations to come.

Following the significant step taken in 2024 - when we chose to move closer to the requirements of the CSRD (Corporate Sustainability Reporting Directive) by adopting the principle of Double Materiality as the criterion for identifying our sustainability-related impacts, risks and opportunities - in 2025 we found ourselves facing a European ESG reporting framework that had entered a phase of review and simplification.

In light of these developments, and given that Modula does not currently fall within the scope of the reporting obligations laid down by the European regulatory framework currently being updated, we could simply have taken note of this fact.

Instead, we chose a different path: to continue reporting on our sustainability journey on a voluntary basis, adopting an approach that is more proportionate to our organisation while remaining robust, clear and focused on transparency.

This is because transparency has value, above all, when embraced as a responsibility towards those who work with us, those who choose us, those who observe us and the communities and regions in which we operate.

To achieve this, we have prepared our Sustainability Report on the basis of the GRI (Global Reporting Initiative) guidelines, while also paying particular attention to EFRAG's new Voluntary Standard framework.

The GRI Standards are among the most widely recognised international references for reporting an organisation's economic, environmental and social impacts in a structured and comparable manner.

The Voluntary Standard, developed at European level, was instead designed to provide companies with a voluntary, more streamlined and proportionate model capable of highlighting genuinely relevant ESG information, without unnecessarily burdening the reporting process.

This choice has enabled us to reconcile two needs: on the one hand, our intention to maintain language that is recognisable and comparable internationally; on the other, the need to adopt a practical method aligned with our structure and day-to-day operations. In other words, we sought a balance: rigorous enough to be credible, yet close enough to our reality to be useful.

Through this methodological choice, we wanted to look more closely at what we do and at how our activities affect the environment, people, the supply chain and the communities with which we interact.

We do not believe that industrial competitiveness and attention to environmental, social and governance issues belong to two separate worlds.

On the contrary, we believe that a genuine industrial vision today must bring the two together: the ability to compete in the market and care for the context in which we operate.

For us, governing a company well means making responsible decisions, assessing and, as far as possible, preventing risks, as well as building clearer and more robust processes.

It means preparing for what lies ahead rather than merely managing the present.

It means keeping our sights set high while remaining firmly grounded in the reality of our factories, offices and everyday decisions.



Then there are our people, who remain central to Modula. A safe, inclusive working environment able to recognise and develop skills is built over time through daily attention, training, listening, opportunities for growth and respect for rights.

Throughout 2025, we continued to work in this direction, developing initiatives dedicated to the well-being, motivation and professional growth of the people who work, learn and improve with us and put all their energy into what they do. Ahead of technologies and processes, it is our people who give tangible form to our vision of the future. It is their hands, their decisions, their care and their everyday intelligence that make every achievement possible.

Alongside our corporate dimension, our connection with the local community remains strong. In 2025, we continued to support charitable projects and local initiatives in the fields of health, culture and sport. We do so because we believe that every company inhabits a place before it occupies it. And inhabiting a place means respecting it and contributing to its growth. Part of the value we create must flow back to the communities that host us, the places where we work and the people with whom we share part of our journey. Sustainability, as we understand it, requires seriousness, continuity and a willingness to improve. It is not a formula to be repeated, nor a promise

to be confined to the pages of a report. It is a way of remaining true to a simple idea: the value we build today must be able to endure tomorrow. That is why we continue to look to the future with confidence. Without rhetoric.

We know that the challenges will be complex and that there are no shortcuts. We will continue to play our part, with the ambition of contributing to development that is more innovative, more balanced and more responsible. We will do so with the pragmatism of those who understand day-to-day work, the ambition of those who refuse to stand still, and the responsibility of those who know that every choice, even the smallest one, can become part of something greater.

The Board of Directors





Methodological note

[GRI 2-2, 2-3, 3-1]



In 2025, Modula S.p.A. renewed its commitment to preparing the **Sustainability Report**, reporting all data and information relevant to the company and its stakeholders for the period from 1 January to 31 December 2025 (in line with the reporting period of the Financial Statements).

This reporting continues the journey begun in previous years and, although Modula remains exempt from regulatory reporting obligations, the decision to prepare this document annually, **on a voluntary basis**, reflects the company's intention to report transparently on its environmental, social and governance performance.

It should be noted that the data presented in this document refer exclusively to Modula S.p.A., based in Italy.

In line with previous years, the 2025 Sustainability Report has been prepared in accordance with the international **Global Reporting Initiative** (GRI) Standards. The Double Materiality Analysis, on the other hand, was prepared in accordance with the requirements of the **Corporate Sustainability Reporting Directive** (CSRD) and the **European Sustainability Reporting Standards** (ESRS).

Lastly, where necessary, EFRAG's new **Voluntary Standard framework** was also considered as a supplementary reference.

The topics addressed in the report and the related information presented were selected as material on the basis of the Double Materiality Analyses carried out. These analyses made it possible to identify the topics of greatest importance to Modula and its stakeholders, on which the company decided to provide all the information needed for a comprehensive and accurate understanding of the company.

The **"Double Materiality"** Analysis makes it possible to identify corporate priorities from two perspectives:

- **"Impact materiality"**, the inside-out perspective, assesses the importance of sustainability matters on the basis of the impacts generated (positive and negative, actual and potential) on the economy, the environment and people, including human rights, throughout the entire value chain.
- **"Financial materiality"**, the outside-in perspective, assesses sustainability matters that generate risks or opportunities for the company itself and that may materially influence its development, financial position, financial performance, cash flows, access to finance or cost of capital over the short, medium and long term.

The Double Materiality Analysis process comprised four main phases:

1. ANALYSIS OF THE INTERNAL AND EXTERNAL CONTEXT AND METHODOLOGICAL DEFINITION

The process began with an analysis of the **company's internal context**, aimed at identifying material topics through an in-depth review of business activities and the value chain.

This phase was accompanied by **an analysis of the external context**, which helped to understand Modula's positioning within its market and to identify any additional material topics, including in comparison with other industry operators. During this phase, economic, regulatory, technological and environmental aspects were examined in depth, together with stakeholder expectations.

Following the context analysis, a **methodological review** was carried out for the materiality analysis, involving the **updating and quantification of the assessment scales for IROs** (impacts, risks and opportunities) and the likelihood of their occurrence, as well as the identification and selection of stakeholders to be involved in the exercise and the methods for engaging them. Compared with previous years, the assessment scales were revised to make them more quantitative and consistent, in order to facilitate the exercise and ensure consistency across the assessment of impacts, risks and opportunities.



2. IDENTIFICATION AND ASSESSMENT OF IMPACTS

In continuity with the previous year's impact materiality analysis, Modula reviewed and expanded the topics potentially material to the company, resulting in an updated long list of impacts.

The identified impacts were mapped to the topics suggested by Application Requirement 16 of ESRS 1, which identifies sustainability matters that are significant for reporting purposes, structured into topical standards, sub-topics and sub-sub-topics.

The updated list was submitted for materiality assessment to a selected sample of **internal and external stakeholders**, ensuring a transparent and traceable process integrated with Modula's operational activities.

Internal stakeholders. An internal Working Group, comprising the main representatives of the various functions and operational areas, took part in an in-depth workshop aimed at assessing the perceived materiality of each impact.

The meeting was moderated by a team of external consultants to ensure consistent responses across all items, as well as the overall reliability and compliance of the assessment process. For each impact, its **nature** (positive or negative) and **type** (actual or potential) were defined, together with the area of the **value chain** in which the impact is generated, distinguishing between own operations and upstream and/or downstream stages. The impacts were subsequently assessed in

terms of **magnitude**, considering scale, scope and irremediable character, and in terms of the **likelihood of occurrence over the reference time horizon** (short, medium and long term).

Magnitude was measured using an average value that took into account the scores assigned by individual participants to the three dimensions of scale, scope and irremediable character, assessed on a scale from 1 to 5. Likelihood was also measured using scales from 1 to 5; however, actual impacts were always assigned a likelihood of 5, as these were events that occurred during the reporting year.

The final impact assessment, which determines whether or not an impact is material, was calculated by multiplying magnitude by likelihood of occurrence.

External stakeholders. The impacts were also submitted for assessment to a selected group of 129 external stakeholders through an on-line questionnaire, which achieved a response rate of 40% and therefore collected responses from 52 participants.

The questionnaire was accompanied by a brief guide setting out the voting procedure and the main definitions required for a correct interpretation of the questions.

Respondents to the questionnaire assessed the impacts in terms of both magnitude and likelihood.

Finally, the assessments made by the external stakeholders were consolidated with those of the Working Group to determine the overall perceived impact materiality.

EXTERNAL STAKEHOLDERS INVOLVED IN THE IMPACT ASSESSMENT





3. IDENTIFICATION AND ASSESSMENT OF RISKS AND OPPORTUNITIES

In parallel, Modula launched activities to review the list of key ESG risks and opportunities to be submitted to the financial materiality assessment.

The list of risks and opportunities was updated on the basis of the external context, developments in the regulatory landscape and the links with the list of impacts generated, in order to ensure the completeness of the analysis.

The identified list of risks and opportunities was subsequently submitted for assessment at an internal workshop, whose members comprised senior representatives of the corporate functions and management.

Here too, a scoring system (on a scale from 1 to 5) was applied to each risk and opportunity, based on magnitude (for risks) or benefit (for opportunities) and the likelihood of occurrence within the time horizon in which each risk/opportunity may arise.

For financial materiality, the risk and opportunity assessment scales were also updated to adopt a more quantitative approach, taking account of the economic-financial dimension and the related effects on revenue and EBITDA.

As with impact materiality, the final score was determined by multiplying magnitude/benefit by the likelihood of occurrence.

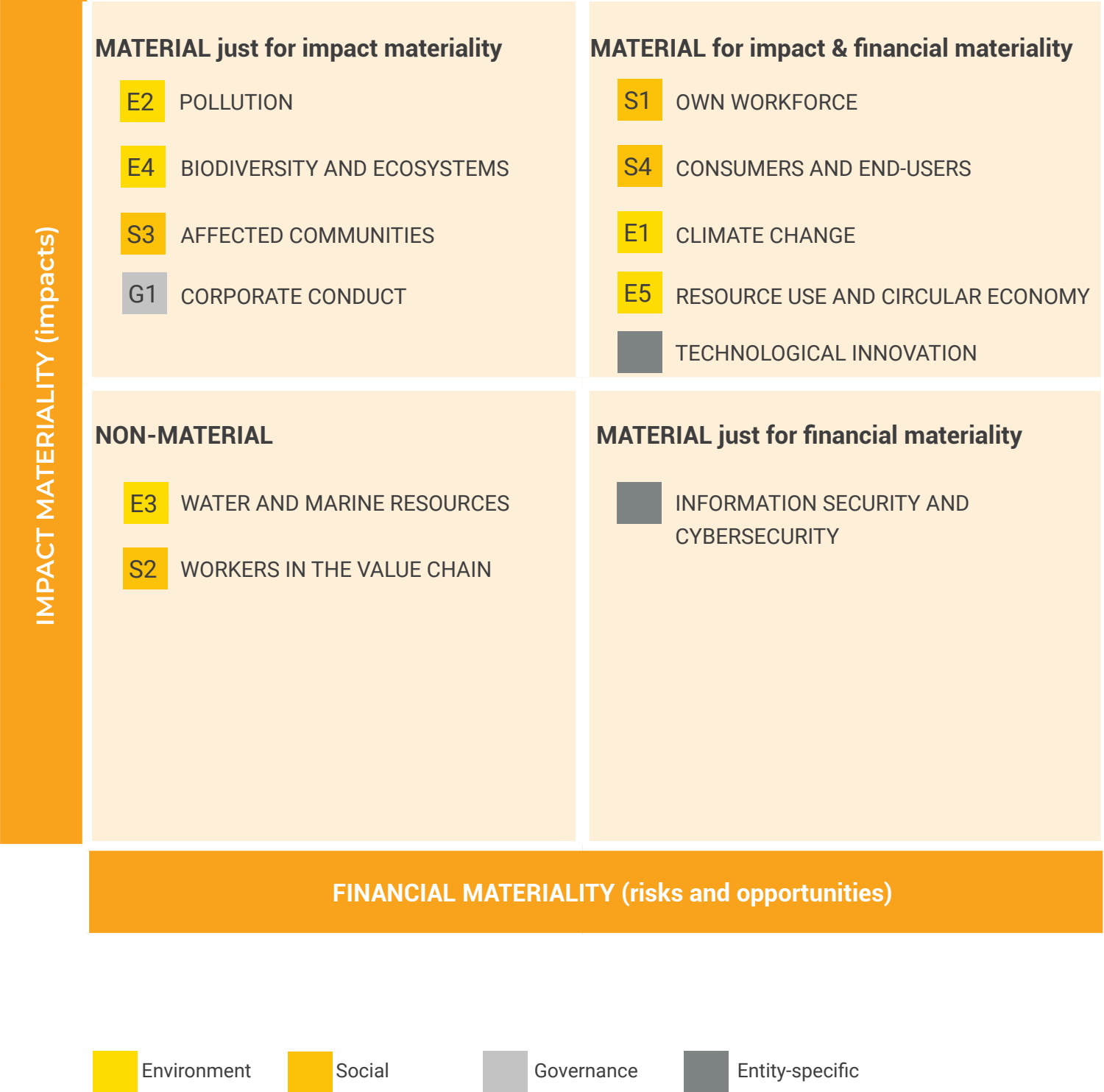
4. CONSOLIDATION OF RESULTS [GRI 3-2]

The assessments provided by internal and external stakeholders during the impact materiality and financial materiality analyses were consolidated in order to identify the IROs material to Modula.

A **materiality threshold** was defined to identify material matters; all IROs above the threshold, based on the score obtained by multiplying magnitude by likelihood, were considered material.

Based on these results, the **Double Materiality matrix** was then developed, providing a graphical representation that classifies the ESRS topical standards according to their importance from an impact materiality and financial materiality perspective.

Each topic may therefore be material just from an impact materiality perspective, just from a financial materiality perspective, from both perspectives, or may be non-material.





Following consolidation of the results, eight material ESRS topics and two entity-specific topics were identified, concerning Technological Innovation and Information Security and Cybersecurity. Compared with the 2024 results, the following differences emerged:

- **E2 - Pollution and E4 - Biodiversity and ecosystems** are new topics that emerged as material from an impact materiality perspective.
- **S3 - Affected communities and G1 - Business conduct**, which were material in 2024 from both perspectives, are only material this year from an impact materiality perspective.

Furthermore, in line with the previous reporting period, ESRS E3 - Water and marine resources and S2 - Workers in the value chain were not found to be material, since the analyses showed that Modula does not carry out activities capable of generating significant impacts, risks or opportunities in relation to these topics. To supplement the above, the impacts, risks and opportunities identified as material are listed below.

ESRS	TOPICAL STANDARD	SUB-TOPIC	TYPE	DESCRIPTION
E1	Climate change	Climate change mitigation and adaptation	Actual negative impact	GHG emissions (Scope 1 and 2) generated by the company's activities, with negative impacts on the environment and people.
			Risk	Increase in raw material and energy prices, resulting in higher costs for Modula's production activities.
			Opportunity	Increase the use of renewable energy to reduce exposure to energy price volatility while also ensuring a reduction in Scope 2 emissions.
		Energy	Actual negative impact	Consumption of energy (gas, electricity and fuel) from non-renewable sources, resulting in increased emissions and negative environmental impacts.
			Potential positive impact	Positive environmental impact through the adoption of systems for the self-generation of energy from renewable sources (e.g. photovoltaic systems).
E2	Pollution	Air pollution	Actual negative impact	Air pollution resulting from Modula's production activities (e.g. internal handling and mechanical processing, painting and surface treatment, industrial plants and machinery), which generate particulate matter (PM) emissions, with negative impacts on local communities, workers and ecosystems.
E4	Biodiversity and ecosystems	Impacts on the state of species	Actual positive impact	Contribution to biodiversity protection through Modula's innovative systems applicable to the agricultural sector, which support biodiversity conservation and the regeneration of key agricultural species, while also reducing transport-related emissions by enabling the consumption of local products.
E5	Circular economy	Resource outflows related to products and services	Potential positive impact	High product durability and the possibility of replacing every component, with positive impacts in terms of waste reduction, lower use of raw materials and extension of the product life cycle.
			Opportunity	Investment to strengthen the sustainable design of products, particularly with regard to their durability and replaceability (in line with Regulation (EU) 2024/1781 - Ecodesign (ESPR)), resulting in greater customer loyalty and a stronger competitive position for the company.
		Waste	Actual positive impact	Waste reduction through the development and use of materials designed according to circular economy principles.



ESRS	TOPICAL STANDARD	SUB-TOPIC	TYPE	DESCRIPTION
S1	Own workforce	Working conditions	Actual positive impact	Ensuring secure employment through company management practices that promote and support, for example, freedom of association, social dialogue, collective bargaining and participation in supplementary second-level collective bargaining.
				Employee well-being through numerous company measures (flexible working hours, smart working, in-house canteen, company gym), with positive impacts on quality of work and work-life balance.
				Promotion of safe working conditions and protection of employee health through safety management that goes beyond regulatory requirements and continuous occupational health and safety training.
		Equal treatment and opportunities for all	Opportunity	Enhancement of supplementary welfare schemes and employees' contractual conditions, helping to increase retention, the company's attractiveness and therefore productivity, with a resulting improvement in operational efficiency.
			Actual positive impact	Investment in employees' professional growth through structured training and development programmes based on needs assessment, with positive impacts on internal skills and the creation of an inclusive, discrimination-free working environment.
			Opportunity	Investment in continuous training and refresher programmes aimed at improving organisational efficiency and aligning employees' skills with market needs, resulting in increased corporate competitiveness.
S3	Affected communities	Economic, social and cultural rights of communities	Actual positive impact	Support and collaboration activities with the local area to contribute to the well-being of the local community, with positive impacts on social capital (e.g. donations, sponsorships, educational projects).



ESRS	TOPICAL STANDARD	SUB-TOPIC	TYPE	DESCRIPTION
S4	Consumers and end-users	Personal safety of consumers and/or end-users	Actual positive impact	Protection of the health and safety of consumers and end-users and reduction of potential incidents through the provision of operating and maintenance manuals (in physical and digital format), technical training for safe use, dedicated machinery safety checks, and particular attention to ergonomics during product design, with positive impacts on operators' health.
			Actual positive impact	Development and design of innovative technological solutions that help optimise processes and reduce customers' environmental impacts, strengthening their ESG performance.
			Opportunity	Implementation of product safety and ergonomics systems aimed at differentiating products from competitors and strengthening market position.
G1	Corporate conduct	Corporate culture	Actual positive impact	Promotion of a corporate culture based on integrity, transparency and responsibility through the adoption of a Code of Ethics, mandatory induction training and the availability of company policies on the Extranet and website, with positive impacts on internal conduct and stakeholder trust (e.g. partners, customers, suppliers).
	Entity-specific (Cross)	Technological innovation	Actual positive impact	Ongoing investment in research, development and advanced technologies to improve products and maintain competitiveness, with positive impacts on innovation and technology.
			Opportunity	Investment in R&D and innovative, sustainable products that may increase competitive advantage and generate new market share.
		Information Security and Cybersecurity	Risk	Inadequate safeguards for the protection of corporate IT systems, potentially exposing the company to cyberattacks, theft or compromise of sensitive data and operational disruptions, with effects on business continuity.
			Opportunity	Introduction of cybersecurity procedures and systems to strengthen the protection of corporate IT systems and machinery sold, improving the company's reliability and potentially attracting new customers.



The Company



The Company

[GRI 2-1, 2-6]

Modula S.p.A. designs and manufactures **innovative solutions for internal logistics automation**: automatic vertical warehouses, picking systems and Warehouse Management System (WMS) software designed to make intra-logistical processes more efficient, safe and intelligent.

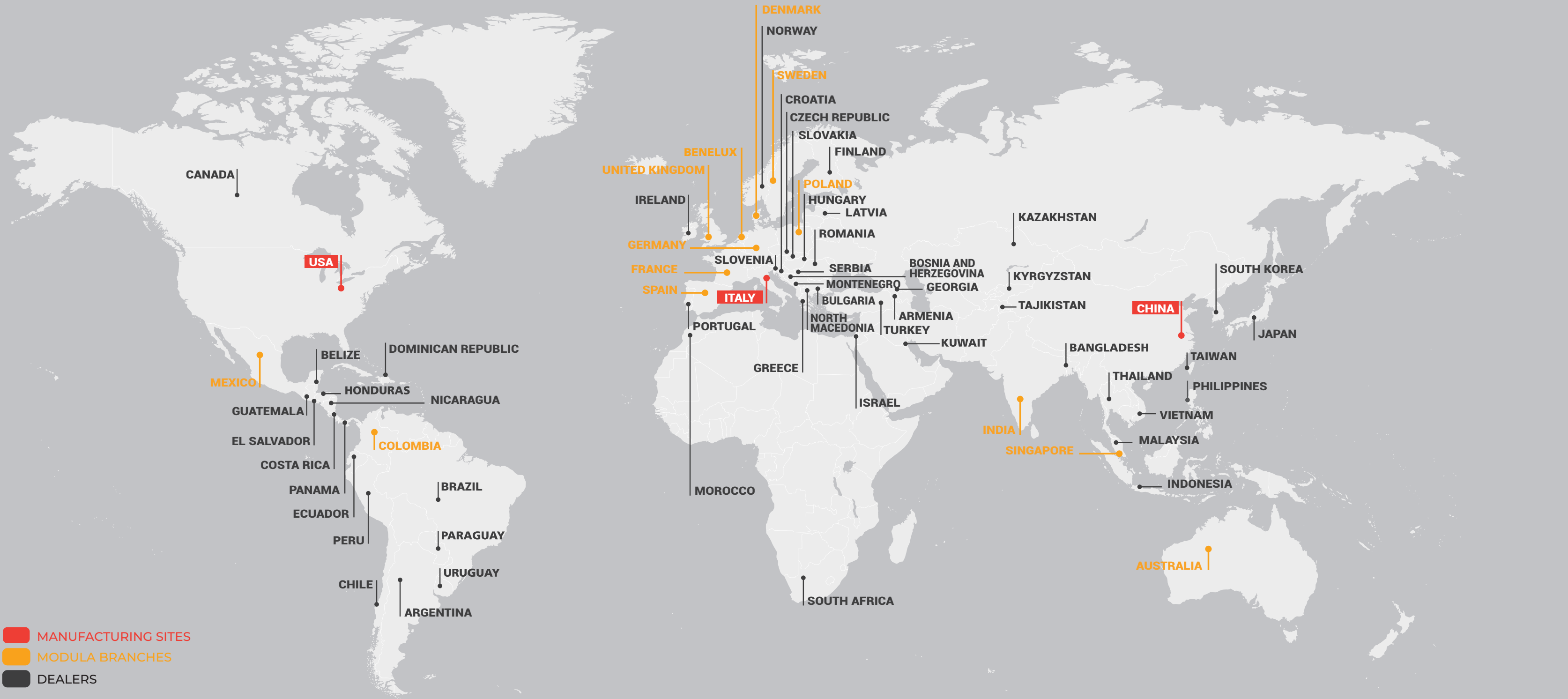
Headquartered in Salvaterra di Casalgrande, in the province of Reggio Emilia, Modula now has more than **1,000** employees and leads an international group comprising three manufacturing companies, located in Italy, the United States and China, and thirteen sales branches.

A direct presence in the main markets, combined with a global network of more than 100 dealers, enables Modula to remain **close to its customers at every stage**: from design to sales, from installation to after-sales service.

This solid and widespread international structure enables the Group to guarantee consistent quality standards, operational continuity and the ability to respond promptly to the needs of local markets.



Modula World: global presence (branches and dealers)





Modula history



+30

YEARS' EXPERIENCE

Modula was founded in 1987 with an idea conceived by engineer Franco Stefani, who remains the company's Chairman today. The idea originated within the System Ceramics plants, where machinery for the ceramics industry was designed and where the need emerged to develop a more efficient and innovative solution for storing electronic components.

This practical need led to the creation of the first automatic vertical warehouse. Stefani conceived and designed it himself, drawing inspiration from the rotating systems already available on the market while introducing a new concept: enabling operators to pick and store components quickly, safely and ergonomically, while improving space organisation and process efficiency. This is how Modula was born, a name that from the outset expressed the idea of **modularity, flexibility and adaptability**.



+20,000

CUSTOMERS

The first models were installed and used internally by System Ceramics at its Fiorano Modenese plants. Within a short time, however, the benefits offered by this solution also became clear to the wider market.

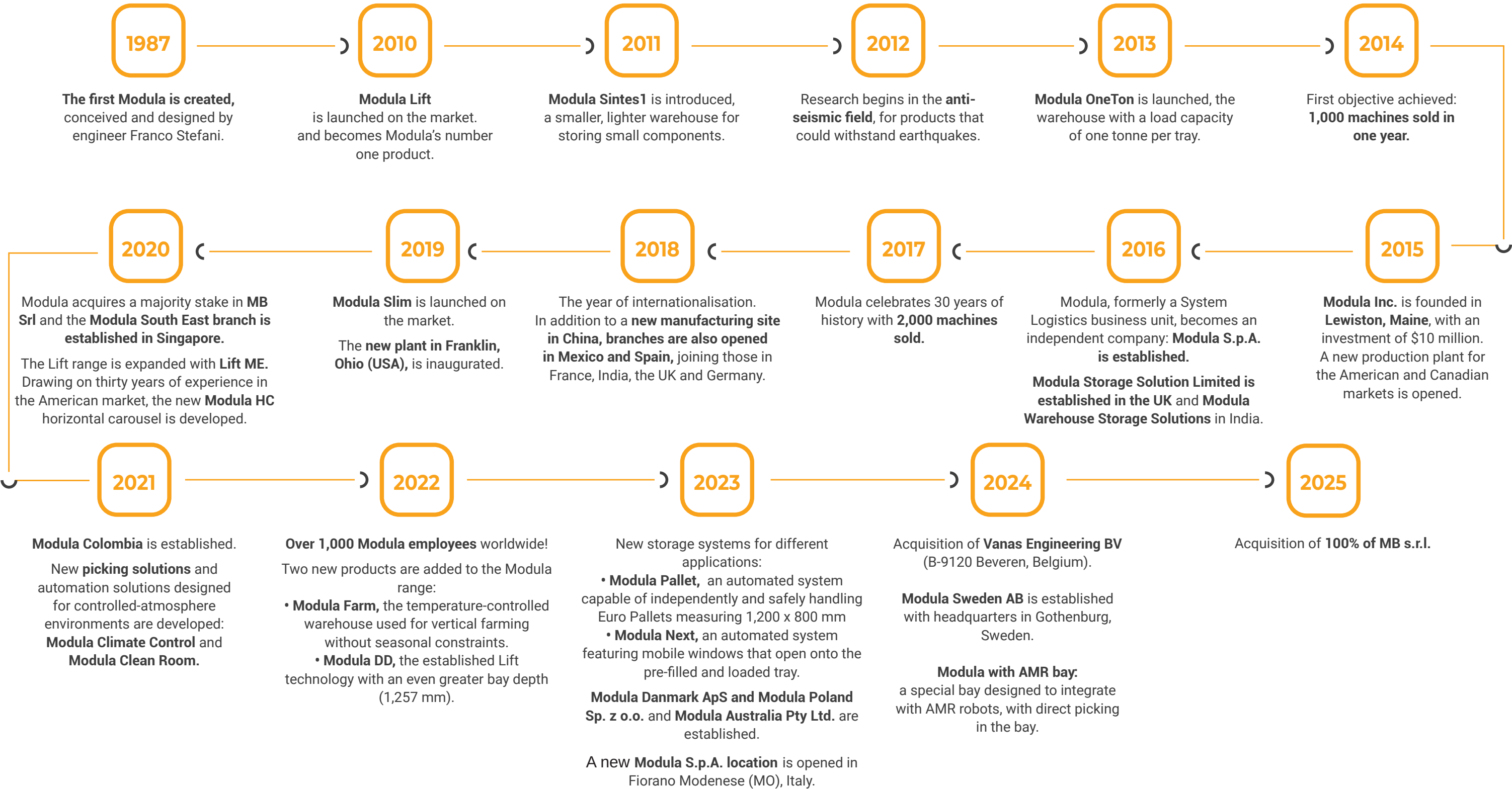
Interest grew first in the ceramics sector and then among mechanical engineering companies, driving Modula's rapid development, particularly within the industrial fabric of Emilia-Romagna. From the early 2000s, the company entered a phase of strong growth: its sales network expanded, its markets diversified and Modula automatic warehouses found applications across an increasingly wide range of sectors. At the same time, the company also integrated its solutions into production processes, progressively becoming an advanced, interconnected and digitalised factory, in line with the principles of Industry 4.0.



+40,000

INSTALLATIONS WORLDWIDE

As the number of products, customers and markets served increased, Modula also embarked on a path of industrial development. Following its beginnings in Fiorano Modenese, it became necessary to establish a new dedicated manufacturing hub capable of supporting the company's expansion and accompanying its technological development. Accordingly, in 2009 the **Casalgrande manufacturing site was inaugurated**, designed according to the principles of lean manufacturing and Industry 4.0, with integrated, interconnected processes and new ways for people, machines and technologies to work together. In 2023, Modula symbolically returned to its local roots with the opening of a **new 35,000 sq.m plant in Fiorano Modenese**. This investment strengthens the Group's industrial presence across the provinces of Modena and Reggio Emilia and confirms its connection with the area where the company was founded and established its growth path.





Vision & Mission



Our mission is to

“BRING AN AUTOMATIC WAREHOUSE TO EVERY COMPANY, REGARDLESS OF SIZE OR SECTOR, TO ENHANCE ITS INTRALOGISTICS”.



Our high-tech production processes embody Modula's commitment to innovation. They are designed to transform expertise, research, industrial experience and organisational capabilities into concrete, reliable solutions that create value for our customers all over the world.

Modula values

Agility, excellence, appeal and ethics are the values that best represent our identity and the way we operate. These words guide our decisions, shape our day-to-day conduct and define our relationships with everyone who is part of our journey: customers, employees, partners, suppliers and collaborators. Putting people before business means building strong relationships based on trust, respect and responsibility. This is a commitment that Modula embraced with even greater awareness as it grew into a large, international company operating in different markets, while remaining deeply rooted in the entrepreneurial culture from which the company originated. We believe that people perform at their best when they feel involved, valued and part of a shared project. For this reason, we have defined a system of values intended not merely as a statement of principle, but as a practical guide to the way we do business.



Modula has always been ready to embrace change and, often, to anticipate it. The ability to transform, innovate and adapt to constantly evolving scenarios is an integral part of our history and a key driver of our growth. Being agile means understanding market needs, responding promptly to customer expectations and developing solutions

capable of evolving alongside their requirements. It also means building an organisation that is more attentive to people and able to foster balance, responsibility and quality of working life. For us, flexibility is a value because we see it as the ability to improve, open up to new possibilities and approach change with energy. It is how we continue to move forward, grow and innovate. In other words, we never stop.



“WE ARE WHAT WE REPEATEDLY DO. EXCELLENCE, THEN, IS NOT AN ACT, BUT A HABIT”.

This quotation attributed to Aristotle aptly expresses what excellence means to Modula: a daily working method built on attention to detail, care for processes, responsibility in decision-making and a constant drive to improve.

The respect we have for our customers, our people and the market requires us to pursue consistently high quality, both in the products we manufacture and in the processes we adopt. For Modula, excellence stems from the determination to do things in the best possible way every day, with professionalism, expertise and a sense of responsibility.



For Modula, appeal means quality in products and processes, attention to occupational health and safety, care for our spaces, listening to people's needs and a commitment to creating a professional environment that is functional, accessible and pleasant to work in. We believe that a well-designed, safe, orderly and welcoming workplace contributes to the quality of work and to the well-being of the people who work there. For this reason, we continually invest in improvement initiatives, with the aim of making Modula an organisation capable of attracting, engaging and retaining expertise, energy and talent.



At Modula, ethics means doing our jobs well, in compliance with the rules and shared principles that guide our organisation. For us, the moral and managerial dimensions are closely connected: individual responsibilities are intertwined with those of the company, and people's conduct helps shape Modula's identity and reputation every day. Acting ethically means taking responsibility for one's decisions, respecting colleagues, customers, partners and communities, and operating with fairness, transparency and consistency. It is through these behaviours, repeated over time, that an organisation shapes its image and strengthens the trust of those who work with it.



STAKEHOLDER ENGAGEMENT

STAKEHOLDER	ENGAGEMENT METHODS	EXPECTATIONS AND NEEDS
Employees	Internal communications (company app, e-mail, noticeboards), company events and social occasions (barbecue, Christmas party, Family Day, Snow Weekend)	Business stability and continuity; balance between professional commitment and financial and non-financial recognition; attention to people's well-being and development.
Customers	Industry events and trade fairs, digital communications (e-mail, website, social media, video), articles in specialist magazines, satisfaction surveys and other surveys	Assurance of quality, reliability and innovation; the company's growing commitment to environmental protection and sustainability.
Suppliers	Direct communications (e-mail), meetings and in-house events	Long-term relationships based on trust and transparency; financial stability and continuity of orders; shared attention to the principles of environmental and social sustainability.
Financial community	Regular meetings with the relevant departments	Financial strength; timely payments; responsible and sustainable management of business growth; opportunities for reporting and the development of new services.
Trade associations	Participation in joint events, conferences and working groups, information exchanges by e-mail	Active collaboration in promoting industry best practices and disseminating sustainable models.
Local communities and territory	Sponsorships, social and cultural partnerships, projects with schools	Concrete commitment to local development, reducing environmental impact and supporting educational, cultural and social activities.
Media	Press releases, interviews and dedicated meetings, digital communications (e-mail)	Transparency and timeliness of information, access to verifiable data, consistency between actions and corporate statements/objectives



Stakeholders

[GRI 2-29]

As part of its sustainability journey, Modula has paid particular attention to **mapping its principal stakeholders**, with the aim of identifying ever more clearly the people, organisations and communities with which the company builds valuable relationships every day.

This work is a fundamental step in promoting open, transparent and ongoing communication with all internal and external stakeholders, strengthening dialogue based on trust, listening and integrity.

Stakeholder engagement is, in fact, one of the pillars of Modula's sustainability strategy. Through a structured engagement process, the company can better understand the expectations, needs and priorities of the parties with which it interacts, enabling it to assess more consciously whether its actions are consistent with the interests identified.

MEMBERSHIP OF ASSOCIATIONS [GRI 2-28]

Over time, Modula has joined various trade associations, including organisations specialising in the mechanical engineering sector, to promote technical discussion, foster collaboration and maintain an ongoing dialogue on regulatory, technological and social developments in the industry.



ANIMA

Federation of Italian mechanical engineering industry associations.

AISEM

Italian association of lifting, elevation and handling systems.

CONFINDUSTRIA

Confederation of Italian industry and the leading representative organisation for Italian manufacturing and service companies.

FEDERMECCANICA

Trade federation of the Italian metalworking industry that protects the interests of the Italian manufacturing and metalworking industry in employment matters, particularly industrial relations.

UNI - Italian Standards Body

A private association recognised by the Italian State and the European Union that develops, publishes and disseminates voluntary technical standards to improve products, services and processes.





General Information





Governance and corporate structure

[GRI 2-9, 2-10, 2-11, 2-15, 2-16, 405-1]

Modula S.p.A.'s governance structure is designed to ensure sound corporate management, rigorous oversight and continuous control of operations, always in compliance with the principles of legality, integrity and sustainability.



CHAIRMAN
Franco Stefani

NUMBER OF MEMBERS HOLDING EXECUTIVE POSITIONS	4
NUMBER OF MEMBERS HOLDING NON-EXECUTIVE POSITIONS	3
% OF WOMEN ON THE BOD	0%
% OF INDEPENDENT BOD MEMBERS	14%

This organisational model is designed to promote transparency and accountability, ensuring that all activities are carried out in accordance with ethical principles and applicable regulations.

ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The company's strategic leadership is entrusted to the **Board of Directors** (BoD), appointed at the Shareholders' Meeting, which is responsible for defining the long-term vision and supervising overall management of the company.

The Board of Directors defines strategic guidelines and approves corporate policies, paying particular attention to compliance with ethical principles, risk prevention and the company's administrative responsibilities.

Its members are selected on the basis of proven technical and managerial expertise and significant experience in sectors relevant to the company.

The Chairman of the BoD is Franco Stefani, founder of Modula and also Chairman of the Board of Directors of SFH S.p.A., the company that holds 100% of the share capital of Modula S.p.A.

This ownership structure ensures full strategic alignment between the two entities and the absence of conflicts of interest, guaranteeing consistency and impartiality in the exercise of decision-making functions.

COMPOSITION OF THE BOD

FIRST AND LAST NAME	POSITION	AGE	GENDER	EXECUTIVE/ NON-EXECUTIVE	INDEPENDENCE
Franco Stefani	Chairman and Chief Executive Officer	> 50 years	Male	Executive	
Giovanni Cariani	Executive Director	Between 30 and 50 years old	Male	Executive	
Massimiliano Gigli	Executive Director	> 50 years	Male	Executive	
Marco Pellesi	Executive Director	> 50 years	Male	Executive	
Bernardo Cassia	Director and Special Attorney	> 50 years	Male	Non-executive	
Luigi Panzetti	Director	> 50 years	Male	Non-executive	Independent
Vittorio Pincelli	Director	> 50 years	Male	Non-executive	



COMPOSITION OF THE BOARD OF STATUTORY AUDITORS

FIRST AND LAST NAME	POSITION	AGE	GENDER	PROFESSIONAL QUALIFICATION
Gian Luigi Fiacchi	Chairman	> 50 years	Male	Public accountant
Maurizio Tostati	Standing Auditor	> 50 years	Male	Public accountant
Lorenzo Leone	Standing Auditor	> 50 years	Male	Public accountant
Stefano Munari	Alternate Auditor	> 50 years	Male	Public accountant
Anna Rosa Girondini	Alternate Auditor	> 50 years	Female	Public accountant

The control bodies include the Board of Statutory Auditors and the Supervisory Body.

The Board of Statutory Auditors is responsible for continuously monitoring the work of the directors, ensuring compliance with all applicable regulations and the provisions of the Articles of Association. It also assesses whether the organisational, administrative and accounting structure adopted by the company is appropriate and effective, promptly reporting any anomalies or irregularities identified.

The Supervisory Body (SB), established pursuant to Legislative Decree 231/2001, is responsible for overseeing the proper implementation

and continuous updating of the Organisation, Management and Control Model. Its role is to ensure that the entire corporate structure operates in compliance with the principles and guidelines established by the Model, carrying out regular compliance checks.

Taken together, the control bodies are responsible for monitoring effective compliance with internal rules and the effectiveness of the control mechanisms adopted. They are tasked with promptly identifying any critical issues and promoting the implementation of the necessary corrective measures for the continuous improvement of the system.

Employees are not directly represented on the company’s administrative or control bodies; however a **Unitary Trade Union Committee (RSU)** collectively represents employees.

The RSU, consisting of three members elected directly by employees, is committed to protecting the rights and interests of all personnel. It actively monitors the application of the current National Collective Labour Agreement and, where necessary, intervenes in the management and resolution of employment-related issues.

By fostering continuous and open dialogue with company management, the RSU helps create a constructive environment for discussion, promoting fair working conditions and ensuring compliance with labour and industrial relations regulations.



COLLECTIVE KNOWLEDGE OF
GOVERNANCE BODIES
[GRI 2-17]

The members of Modula’s Management, Administrative and Control Bodies have a **diverse and multidisciplinary professional background**, combining regulatory, economic-financial and technical-industrial expertise.

In relation to the sectors in which the company operates, its reference geographical areas and the specific characteristics of its products, each member brings significant experience gained in senior roles in both entrepreneurship and management. These individuals have demonstrated strong capabilities in developing corporate strategies, managing complex production structures and monitoring industrial performance.

The collective knowledge characterising the members of the Governance Bodies includes:

- a strong command of industrial production processes, with a particular focus on automation technologies and internal logistics management;
- extensive experience in supply chain management, encompassing both procurement planning and the optimisation of production resources;

- expertise in the international distribution dynamics of finished products and the ability to develop commercial initiatives aimed at increasing penetration in foreign markets;
- a thorough understanding of competitive dynamics and the regulatory environments typical of international industrial markets, with specific attention to the geographical areas of greatest relevance to Modula.

To ensure the progressive strengthening of sustainability expertise and awareness, the company adopts specific training and professional development initiatives to support its Administrative, Management and Control Bodies.

In particular, Modula regularly draws on the support of qualified external consultants through dedicated training programmes and technical support activities.

This approach ensures a high level of awareness of developments in the regulatory framework and relevant best practices, providing corporate governance with appropriate tools to assess and oversee material impacts, risks and opportunities in an informed and conscious manner.

Sustainability
governance

[GRI 2-12, 2-13, 2-14]

Modula S.p.A. has developed a structured system involving multiple levels of responsibility and control, ensuring robust sustainability governance.

The Board of Directors plays a central role in **providing strategic direction and oversight of impacts, risks and opportunities** related to environmental, social and governance (ESG) matters, ensuring that these aspects are integrated into corporate strategies and operational decisions.

To support this process, the **Sustainability Committee – ESG Team** has been established, bringing together representatives of the main corporate functions.

The Committee is responsible for **monitoring and managing ESG impacts** and assessing business-related risks.

The ESG Team’s considerations and decisions are shared with the operational functions, which are responsible for translating strategic guidelines into concrete initiatives within business processes.

The **Committee reports to the executive members of the Board of Directors**, who oversee its activities and verify that they remain aligned with the company’s strategic priorities.

This two-tier governance system, combining operational and strategic dimensions, enables structured and continuous management of sustainability matters while ensuring traceability, transparency and consistency with corporate objectives.

Sustainability-related objectives are defined and monitored jointly by the Board of Directors, the Sustainability Committee and company management.

While the BoD sets strategic priorities, the Committee oversees their day-to-day implementation and monitors progress, ensuring a constant flow of feedback to senior management, which performs second-level oversight and may adopt corrective actions where necessary.



INFORMATION PROVIDED TO GOVERNANCE BODIES

The Board of Directors and the Control Bodies receive periodic updates on the main ESG impacts, risks and opportunities, at least annually in connection with the **preparation of the Sustainability Report**, and promptly whenever significant events occur. The main topics addressed include energy management, occupational health and safety, employee well-being, compliance with environmental and social regulations, as well as opportunities related to improving environmental performance and adopting sustainable finance instruments.

The reporting process is operationally coordinated by the Sustainability Committee, which supports the Board of Directors in collecting, analysing and verifying the information to be included in the Report.

The Committee involves the corporate functions responsible for each subject area in order to collect data, indicators and qualitative information relating to the organisation’s economic, environmental and social impacts.

The information collected undergoes an internal verification and validation process by the responsible functions, with the aim of ensuring consistency, completeness and reliability.

At this stage, the main material topics are also reviewed in light of the outcomes of stakeholder engagement, developments in the regulatory context and the company’s strategic priorities.

Once preparation of the document has been completed, the Sustainability Report is submitted to the Sustainability Committee for an overall review of its content and subsequently forwarded to the Board of Directors and the Control Bodies.

The Board of Directors reviews the reported information, including material topics, assesses the consistency of the document with the corporate strategy and the sustainability journey undertaken, and proceeds with final approval in accordance with the ordinary operating procedures of the administrative body.

The presence of three BoD members on the Sustainability Committee ensures direct and ongoing dialogue between the strategic and operational components, fostering the effective integration of ESG matters into decision-making processes, risk management and the definition of corporate strategies.

INTEGRATION OF SUSTAINABILITY INTO INCENTIVE SYSTEMS

The incentive systems adopted by Modula are structured to reward the achievement of clearly defined, measurable objectives aligned with the company’s strategic direction, with particular attention to both short- and long-term results.

Individual objectives, assigned primarily to managerial roles, cover areas such as economic growth, productivity, quality and innovation.

At present, however, variable remuneration systems do not incorporate sustainability-related metrics, and there are no incentives directly linked to the achievement of ESG targets.



Strategies, policies and practices

[GRI 2-23, 2-24]

Modula adopts a structured system of policies and procedures aimed at ensuring effective and transparent management of impacts, risks and opportunities, in compliance with high standards relating to quality, safety, environmental protection and innovation.

This approach is reflected in the adoption of formalised policies and management tools geared towards the continuous improvement of corporate performance, the reduction of environmental impacts and the protection of worker and customer safety. In this context, the company has adopted specific corporate policies – including the **Integrated Quality, Health, Safety, Environment and Sustainability Policy** – which define roles, responsibilities and operational safeguards in support of sustainability.

Corporate policies are prepared with the involvement of the relevant functions, subject to internal review and approved in accordance with the decision-making and authorisation processes established by the organisation.

They are periodically updated, also in light of regulatory, organisational and operational developments, as well as improvement needs

identified over time. The policies adopted guide the company’s internal operations and, where applicable, also shape relationships with business partners, suppliers and other parties with which Modula has business relationships. From this perspective, the company promotes the sharing of its principles of quality, safety, environmental protection, fairness and responsibility throughout its value chain.

Oversight of the policies is assigned to the BoD and the ESG Committee, while all corporate functions have day-to-day responsibility for ensuring conduct consistent with their provisions.

Modula applies **management practices** inspired by ESG (environmental, social and governance) criteria, promoting a corporate culture focused on quality while also being sustainable and responsible. In particular, this translates into:

- the adoption of management systems certified by independent third parties;
- periodic risk assessments and the definition of measurable improvement plans;
- the active involvement of personnel and stakeholders in the review and update of procedures;
- the research and development of innovative technological solutions focused on energy efficiency and safe use.

To give concrete expression to the values that have always guided the way Modula does business, the company has adopted a **Code of Ethics** and, since 2014, its own **Organisation, Management and Control Model**, consisting of a set of control procedures and rules with which corporate functions must comply when carrying out their activities. For further information on the Code of Ethics and Model 231, please refer to the chapter on Corporate Conduct.

The company also operates in full compliance with **the principles protecting human freedom and dignity** established by the UN (United

Nations) Universal Declaration of Human Rights and by the fundamental Conventions of the ILO (International Labour Organization).

These commitments, formalised in the policies adopted to support responsible business conduct, are communicated to employees through specific induction training sessions. Corporate policies are also made available on the internal Extranet platform, while partners, customers and suppliers can consult them directly on the homepage of the Modula website (www.modula.com).





Corporate certifications and continuous improvement

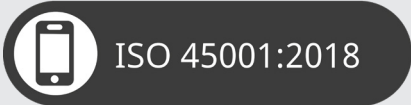
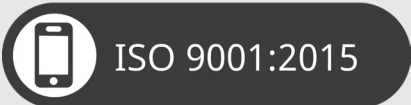
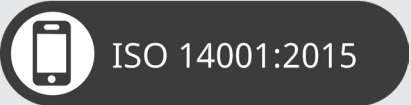
For Modula, corporate certifications are fundamental tools for ensuring process quality, environmental protection and people’s safety, in line with the main internationally recognised regulatory and technical standards.

Modula is certified according to the following standards:

- **ISO 9001:2015** – Quality Management System, which ensures constant control of production processes and customer satisfaction;
- **ISO 14001:2015** – Environmental Management System, which demonstrates the commitment to monitoring and reducing the environmental impacts arising from corporate activities.

- **ISO 45001:2018** – Occupational Health and Safety Management System, which certifies the company’s ability to proactively manage risks to workers’ health and safety.

The certifications obtained are practical tools supporting responsible and sustainable management of the company and demonstrate Modula’s commitment to complying with the principles of transparency and accountability promoted at European level.





PRODUCT CERTIFICATIONS

All Modula storage systems bear the **CE marking**; in addition, some models are also **certified by independent bodies**, guaranteeing safety, reliability and technical compliance:

TÜV MODULA LIFT

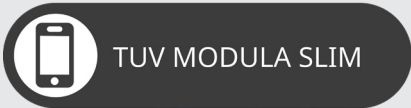
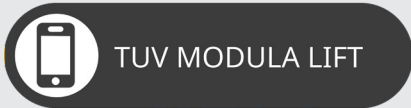
TÜV MODULA SLIM

These recognitions certify that Modula products meet stringent mechanical, electrical and functional safety requirements, providing customers with a level of quality that is verified and recognised internationally.

In line with the principles underpinning its certified management systems, Modula adopts a structured **Continuous Improvement** approach aimed at continuously updating processes and

progressively strengthening its performance.

The company implements systematic monitoring activities, internal and external audits, and analyses of non-conformities. The results of these processes are used as a basis for defining new sustainability objectives, in line with the strategic priorities of the business plan and European reporting frameworks.





Cybersecurity

For Modula, **protecting data, systems and digital infrastructure** is an essential strategic element for ensuring business continuity, safeguarding corporate know-how and maintaining the trust of customers and partners.

Since 2024, Modula has embarked on a structured programme to strengthen its information security management system, with the aim of aligning with the main international standards and responding to developments in the European regulatory landscape.

A **Cyber Maturity Assessment** was carried out in 2024, based on the main international reference frameworks for information security and management (ISO/IEC 27001). The objectives were to assess the level of cyber-security maturity at the Italian sites and define an improvement roadmap, identifying the actions to be implemented to align Modula's IT/OT infrastructure with the relevant security standards.

In the same year, a dedicated **cybersecurity specialist** was also added to the workforce to manage information security, with responsibility for coordinating prevention, monitoring and incident response activities in close collaboration with the IT Department and Top Management.

This organisational strengthening has helped consolidate internal governance and increase the effectiveness of cyber-risk oversight, which is increasingly important in global and highly digitalised business environments.

In 2025, the company's commitment was further strengthened on the inclusion of Modula within the regulatory scope of the **NIS2 Directive** as an "important entity", and launch of the related compliance activities that include, as required by the regulatory framework, the management of information-sharing activities.

At the same time, a gap analysis commenced in order to compare Modula software products against the **IEC 62443 standard** (with reference to sub-parts 3-3, 4-1 and 4-2), assessing both the product development lifecycle and the components, mapped by type. This analysis is intended to define the actions needed to align the products placed on the market with internationally recognised security standards.

Further activities concern the strengthening of cyber-risk management processes.

Ongoing projects concern:

- the development of solutions for **vulnerability management**;
- more careful sourcing of suppliers, with increased attention paid to their real level of maturity using template-based tools, such as **Cyber Maturity Assessments, Site Acceptance Tests and Factory Acceptance Tests**;





- the profiling and management of risks (Risk Management) relating to IT matters via a risk matrix integrated within the company’s project management application.

With regard to products, the company has launched a programme to comply with the requirements of the **Cyber Resilience Act**, a European Regulation that entered into force in December 2024 and whose obligations will become fully applicable from September 2027.

For now, production departments have begun to submit software and hardware components to specific checks on their compliance with the security requirements typically listed in the frameworks concerned.

In addition, software applications, such as the WMS, undergo Web Application **Penetration Testing**; alongside product control activities, Penetration Testing will also be carried out on the VLM in 2026.

Two further activities are planned for 2026:

- the identification of critical, non-fungible suppliers for IT purposes, i.e. strategic suppliers that cannot be replaced in the short term without significant impacts;
- the performance of a simplified **Business Impact Analysis** aimed at categorising activities and services and identifying those services that bring Modula within the scope of the NIS2 legislation. This analysis

will make it possible to map and explicitly identify the flows monitored and assessed by the company. It will also identify critical systems, such as those relating to Business Continuity and Disaster Recovery, for which corrective actions can be implemented through technical projects.

The compliance programme also involves an ongoing commitment to align with the technical requirements of the main international certification frameworks (including **ISO 27001, TISAX and IEC 62443**), by taking additional technological and organisational corrective actions.

The main initiatives include the implementation of a **Security Operation Center** (SOC) for continuous infrastructure monitoring with a specific focus on Cyber Defence, the development of **Conditional Access**, the preparation of a set of policies for establishing an **Information Security Management System** (ISMS) and defining the related operating and organisational model, and the definition of **detailed policies and procedures** based on the criteria required by the NIS2 Directive and other relevant frameworks.

Finally, Modula promotes the dissemination of a **cybersecurity culture** throughout the organisation via structured training and awareness programmes.

Starting in 2026, these initiatives will include mandatory courses for the entire corporate workforce, phishing tests for employees and steps to monitor their level of awareness about cyber risks.

The standards compliance programme, launched in Italy because the parent company falls within the scope of NIS2 and manages the global IT infrastructure, will continue progressively and functionally towards global scalability.

This extension will initially cover manufacturing sites and the more structured branches, and will then be rolled out systematically – in line with the maturity level of the managed infrastructure – in the other geographical areas.

Thanks to these initiatives, Modula is progressively consolidating an organisational model based on **security by design**, in which technologies, people and processes work together in an integrated manner to ensure the Group’s cyber resilience from the product design stage onwards.





Product



+3,422

Units sold
worldwide in 2025

Since 1987, Modula has been designing and manufacturing **automatic vertical warehouses**, with a view to optimising space and making storage processes smoother and more efficient. These systems make it possible to reduce the floor area occupied by up to 90%, making the most of the vertical space available in the warehouse and ensuring orderly storage, with benefits in terms of safety and ergonomics during material picking operations.

Production takes place mainly at the **Salvaterra di Casalgrande (RE)** plant, a site based on automation, lean manufacturing principles and a high level of digitalisation.

At this site, finished components are produced from sheet-metal coils through a highly automated and interconnected process.

More specifically, the production flow is managed by the **Modula Production System (MPS)**. This internally developed software supports just-in-time planning, order traceability and real-time monitoring through barcodes and robotic handling systems.

Modula also operates **two additional production sites in the United States and China**, strengthening the company’s presence in their respective markets. These are complemented by an international network comprising 13 branches and more than 100 dealers, making the products accessible to customers worldwide. The offering is completed by installation services, technical training and ongoing support throughout the product life cycle.

Modula warehouses are managed by **Warehouse Management System (WMS) software**, which controls access, handling and storage operations. Developed entirely in-house, the solution is designed to integrate with systems already used by the customer, such as ERPs (Enterprise Resource Planning) and other automation technologies, including anthropomorphic robots, AMRs (Autonomous Mobile Robots) and conveyors. This integration capability is a distinctive feature, transforming Modula warehouses into intelligent nodes within the company’s digital ecosystem, in line with the Logistics 4.0 paradigm.





Product quality

INNOVATION, EFFICIENCY AND SUSTAINABILITY

Modula offers a broad range of products and services designed to comprehensively meet customer needs, supporting every stage of their growth and digitalisation journey.

At the heart of the offering are **automatic vertical warehouses**, technologically advanced solutions that ensure quality, efficiency and reliability. In addition, Modula offers advanced software solutions and continuous customer care, providing support throughout the product life cycle.

The Research and Development department plays a crucial role, continuously working to introduce new solutions focused on **automation and productivity optimisation**. In recent years, this activity has led to an expansion of the product and service portfolio, **with increasingly high-performance and sustainable models**.

Particular attention has been paid to reducing environmental impact and energy consumption, for example by making structures lighter through the use of less heavy, more efficient components and by introducing standby systems during periods of inactivity. These can also be applied to machines that have already been installed, to improve performance and reduce energy waste.

Solutions such as these respond to the needs of sustainability-conscious customers, particularly in connection with European projects and funding programmes such as the NRRP and Next Generation EU.

Compared with traditional storage systems, Modula warehouses significantly reduce the floor area occupied, minimising the need for new construction and thereby helping to reduce environmental impact. Structural strength, efficiency and low consumption are combined with improved working conditions for operators, thanks to **safer and more comfortable ergonomic conditions**.

By supporting the growth and digitalisation of companies of different sizes, from smaller businesses to large enterprises, Modula positions itself as a strategic partner capable of ensuring a rapid return on investment, greater traceability of operations, fewer errors and more effective service for the benefit of the entire value chain.





SAFETY, CUSTOMER INFORMATION AND REGULATIONS [GRI 416-1, 416-2, 417-1]

Modula places great importance on the **safe use of its products** and on **transparency** towards customers. For this reason, when the product is delivered and installed, the company provides all the documentation required to ensure the product's **compliance and traceability**. The documentation shared with customers includes, among other items, CE marking and the related declaration of conformity.

Upon request, Modula also issues certificates of origin and information on the production batches of the structural materials used, enabling **supply chain traceability**.

Lastly, the product technical file contains certifications for electrical and mechanical components, confirming compliance with European and international standards and supporting technical verification of safety and performance requirements.

The **user manual** is the main tool for guiding customers on proper use of the warehouses and contains information on:

- use and maintenance procedures;
- general warnings;
- mandatory and prohibited activities;
- installed safety devices.

The objective is to ensure the safe, responsible and sustainable use of Modula solutions, reducing risks for operators and preventing non-compliant behaviour.

In addition, a **compliance report** is prepared for each installed machine, describing the various product safety checks carried out.

These checks are repeated whenever routine or extraordinary maintenance is required.

In 2025, confirming the previous year's results, **Modula did not record any incidents of non-compliance** with regard to the health and safety impacts of products and services.

PRODUCT DURABILITY AND END OF LIFE

Modula warehouses are designed to allow individual components subject to wear to be replaced, thereby avoiding the need to replace the entire machine.

This principle of modularity, which has characterised the company since its origins, ensures a **useful life of more than 20 years**.

Product disposal remains the responsibility of the customer. To support this stage and facilitate its proper management, **Modula provides specific guidance** on the materials to be replaced.

Specifically:

- gearbox oils must be disposed of as hazardous waste (ADR);
- TPU belts (Desmopan 392 thermoplastic polyurethane + galvanised C78 cord) are 100% recyclable by separating the cord from the belt body, and can be regenerated several times;
- various components (e.g. polyethylene supports and chain guides) are already manufactured from regenerated material (PE 1000 R).

Through these choices, Modula helps reduce environmental impacts and promotes an **eco-design and circularity** approach, while

maintaining extremely durable and reliable products.





Production flow

Workflow

[GRI 2-6]

The manufacturing process for finished components begins with cutting sheets obtained from sheet-metal coils. The ability to produce individual parts, kits or batches depends closely on the order specifications. For this purpose, after an initial site survey at the customer’s premises, a **dedicated team** is assigned to each project to analyse **logistics requirements** and recommend the **most suitable product** and any available accessories.

Products are designed and engineered in-house, and production is fully automated using vertically integrated processes. At Modula, **robotic automation of many production processes** has reduced the workload on employees by limiting the heaviest and most repetitive tasks, while maintaining professional expertise and enabling people to focus on service and supervision activities.

As noted above, production follows a just-in-time approach and every stage is monitored via the MPS (**Modula Production System**), an internally developed software specifically designed to meet the company’s needs, including the management and planning of requirements relating to sales orders.

Software integration with barcode readers and handling equipment provides **complete control over the progress of each order**, while interconnection with production systems via robots helps reduce costs and increase productivity.

Installation is carried out on site by a team of expert technicians located throughout Italy and internationally.

Lastly, Modula provides customers with ongoing support through training, telephone assistance, prompt technical interventions and periodic maintenance.





Products and services

[GRI 2-6]

Modula automatic warehouses and management systems provide an effective solution for **storage** and picking¹ needs, adapting to different industries and a wide range of items to be stored.

The offering includes **automatic vertical and horizontal storage** solutions, configurations for temperature-controlled environments, picking systems designed to make order preparation more efficient, and integrations with automation technologies including anthropomorphic robots and AMRs (Autonomous Mobile Robots).

AUTOMATIC VERTICAL WAREHOUSES

Automatic vertical tray storage systems are the ideal solution for an orderly, clean, safe and fast warehouse, making it possible to **maximise the vertical space available in buildings while saving floor space**. They are extremely versatile products, suitable for any type of goods, industry and industrial environment, and can be customised with different load capacities, heights, dimensions and accessories. A vertical warehouse consists of a robust steel structure designed to house and support the trays used for storing materials. The trays are moved by a motorised central lift, which transfers them from the support shelves to the operator bays. The operator bays are used for picking and depositing materials and can be customised in different configurations according to the customer's specific requirements.

¹Logistics activity consisting of selecting and drawing products from warehouse shelves





AUTOMATIC HORIZONTAL WAREHOUSES

Automatic horizontal carousels are structures that, rather than extending upwards, are designed to develop horizontally. These structures are based on the same principle as vertical warehouses, namely “**goods-to-person**”: the items are brought to the picking area at operator height.

The horizontal carousel is **ideal for all intensive picking applications**, whether in distribution or production environments, or where vertical space cannot be used because of building height restrictions.

Horizontal carousels can be installed in environments with unusual geometries or at sites with architectural obstacles and have therefore been designed to ensure **maximum installation flexibility**.

ACCESSORIES FOR AUTOMATIC VERTICAL AND HORIZONTAL WAREHOUSES

Listening to the **voice of our customers** drives the development of solutions that enhance automatic vertical and horizontal warehouses, helping to further improve their productivity. Protecting the safety of goods and operators is a fundamental and essential principle underlying every product. Based on this premise, requirements may vary: in some cases it is necessary to monitor efficiency and reduce errors, while in others greater importance is placed on picking accuracy or the ability to accurately trace every stage and movement of items, facilitating tracking and inventory management operations.

Modula has a wide range of options that meet all these needs. Among the latest innovations implemented in 2025, a function was developed and made available at the request of some customers that enables **automatic machine shutdown when the copilot is unused** for a set period of time (which can be configured). This accessory makes it possible to **avoid wasting energy** during periods of inactivity, reducing the environmental impact associated with energy use while also generating savings in operating costs.





PICKING SOLUTIONS

The efficiency of picking procedures is a key factor in accelerating and optimising material flows. In this context, devices offering picking solutions are **designed to support and improve order preparation**, guiding the operator during material picking operations through dedicated technologies.

Put to Light enables large quantities of items to be sorted effectively, allowing multiple orders for different customers to be managed simultaneously with a high degree of accuracy. Integrated into the WMS software, the system uses illuminated displays to indicate to operators the container in which the picked material should be placed. Each display is positioned at an order-preparation station. With the introduction of the latest version of Modula WMS, order management using picking carts has become even simpler and more accurate thanks to a new feature: **Pick to Color**. This innovation enables orders to be managed simply and intuitively by associating each picking cart with a colour, reducing operating times and the margin for error.

ROBOTIC INTEGRATIONS

Automatic warehouses integrate seamlessly with advanced robotic solutions, significantly improving operational efficiency by reducing downtime and delivering unprecedented levels of safety, accuracy and speed. Robotic technology is an invaluable resource for managing picking, depositing, refill or automated handling operations: robots are increasingly widespread across all types of industry, and industrial robotics is rapidly expanding into a wide range of applications, becoming increasingly accessible and useful for businesses of all kinds.

In particular, Modula warehouses can be integrated with **autonomous mobile robots** (AMRs) and **robotic cells**. The former are devices capable of moving freely thanks to advanced sensors, artificial intelligence software and digital warehouse mapping. Robotic cells are dedicated areas where bay picking is carried out automatically, safely and efficiently by a robot or cobot that communicates with the Modula warehouse through an electrical and software interface known as a robot kit.

SPECIAL SOLUTIONS

Fulfilling Modula's mission of bringing an automatic warehouse to every company, regardless of industry, requires a high degree of flexibility and the ability to adapt solutions to unconventional environments and highly specific requirements. For this reason, over the years "special applications" have been developed and designed for industrial activities requiring the **storage of sensitive goods**, such as electronic components, chemicals, pharmaceuticals or food products, ensuring compliance with stringent standards, including temperature and humidity control inside the warehouses. In addition, **fire-protection and anti-seismic safety devices** have been integrated to minimise potential damage caused by fires or earthquakes, safeguarding goods, warehouse integrity and people while enabling operations to resume quickly.





SOFTWARE

Modula WMS (**Warehouse Management System**) is the warehouse management software created and developed by Modula to manage warehouse flows across multiple configurable usage scenarios.

It is the core element of the system, moving beyond the concept of a simple automated shelving unit and enabling the integrated management of complex information relating to access, movements (picking and depositing), as well as the management of locations and stock levels.

WMS software makes it possible to track everything that happens within the warehouse in detail, ensuring a high level of traceability for products and operational flows. At any time, the system makes it possible to identify the location of items, analyse their movement frequency and manage associated data in a structured manner, such as batches, serial numbers, production dates and expiry dates.

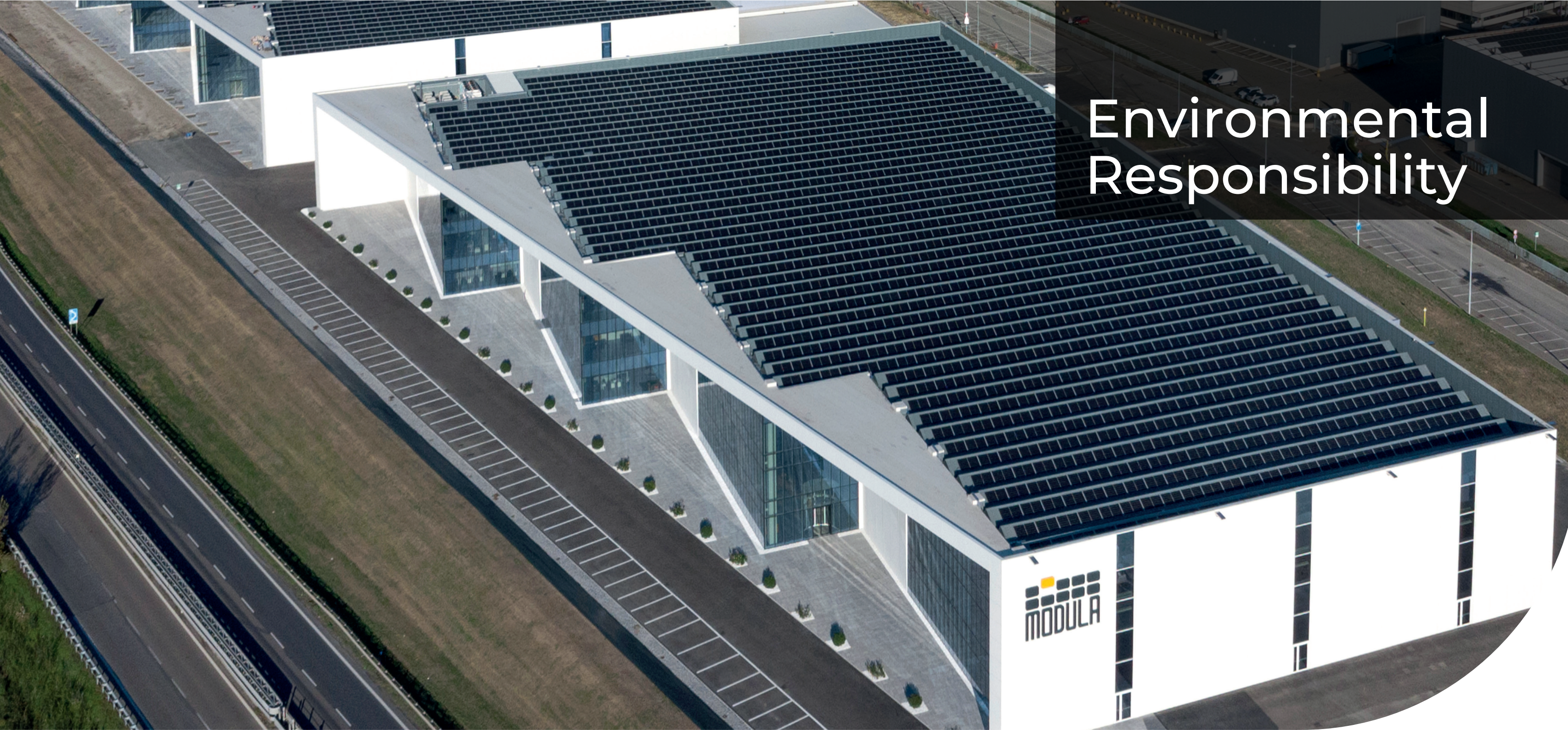
The software also makes it possible to monitor operator access to trays, manage the subdivision of trays into different storage compartments (slotting), and track operational indicators such as occupied volume and warehouse saturation levels.

Taken together, these data provide a valuable source of information for managing any company's supply chain: analysing them makes it possible to gain a more effective understanding

of logistics flows throughout the warehouse (of which Modula systems are only one component) and identify optimisation opportunities, thereby reducing waste and management costs.

Integration with WMS management software transforms Modula automatic warehouses into an active node within **the company's digital ecosystem**, enabling information to be exchanged with the company management system and interfaces to be established with other technologies such as anthropomorphic robots, autonomous mobile robots (AMRs), automated conveyors and more.

Lastly, the software is designed not only as the ideal complement to Modula warehouses to support their management, but can also be used to manage traditional warehouses or manual storage areas where greater control of data and logistics flows is required.



Environmental Responsibility

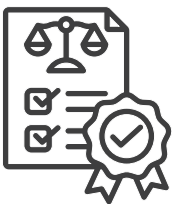


Modula considers environmental protection an essential pillar of its sustainable development strategy.

Responsible management of the environmental impacts arising from business activities goes beyond compliance with regulatory obligations, translating into a concrete commitment to the community, customers, partners and future generations.

In line with this vision, Modula has implemented an **Integrated Quality, Occupational Health and Safety and Environmental Protection Management System**, certified according to the international ISO 9001, ISO 45001 and ISO 14001 standards and subject to continuous updating.

Adopting this system enables the organisation to operate according to a coherent, structured and verifiable model for risk prevention, the protection of people’s health and safety, and the reduction of environmental impacts.



ISO environment 14001



INTEGRATED Policy

Modula’s commitment, formalised in its **Integrated Quality, Health, Safety, Environment and Sustainability Policy**, is reflected in a set of initiatives and safeguards aimed at progressively improving company performance, including:

- systematic monitoring of environmental performance and the consumption of resources used;
- continuous alignment with the applicable legislative and regulatory framework, ensuring full compliance;
- investment in technological innovation, with the aim of reducing emissions, optimising energy consumption and limiting waste generation;
- developing a sustainability culture through the active involvement of all internal and external stakeholders, fostering widespread awareness of environmental issues;
- giving preference, in the supplier selection process, to operators that demonstrate attention to environmental issues and to protecting the health and safety of their workers.

This approach demonstrates Modula’s determination to go beyond mere regulatory compliance, pursuing the creation of a positive and lasting impact on the environment and the community.



Energy

[GRI 3-3, 302-1, 302-2, 302-3]

For Modula, optimising energy consumption is a key element of its corporate strategy, aimed at reducing the environmental impact of its activities and limiting emissions of CO₂ and other pollutants. In this context, the organisation is constantly committed to **improving energy efficiency** and progressively increasing the share of **energy from renewable sources**. This commitment translates into the identification of specific objectives, pursued through the implementation of monitoring systems, the introduction of innovative technological solutions and the improvement of production processes.

With regard to self-generated energy from renewable sources, the first positive results were achieved in 2024, when the photovoltaic systems at the Salvaterra di Casalgrande site and the Fiorano offices were completed, with a total installed capacity of approximately 1,000 kW and 500 kW respectively. This commitment was further strengthened in 2025 with **the expansion of photovoltaic capacity** at the Fiorano site, increasing the number of panels installed at the offices and extending the installation to the shared areas and warehouse, for an additional total capacity of 930 kW. The construction of these new systems has helped increase energy self-sufficiency, reducing

dependence on fossil sources: in 2025, it was in fact possible to **double the amount of self-generated renewable energy**, covering 20% of total energy requirements.

Modula periodically monitors the energy consumption of its main machinery and systems as part of an ongoing analysis and continuous improvement process aimed at identifying potential areas for efficiency gains and assessing, year by year, targeted measures to optimise the energy performance of production processes.



ELECTRICITY CONSUMPTION

The analysis of electricity consumption, based on data reported in utility bills and the output of the company-owned photovoltaic systems, shows a **slight decrease in consumption**, from 5.7 million kWh in 2024 to just over 5.5 million in 2025.

Furthermore, expansion of the photovoltaic system at the Fiorano site has reduced dependence on the grid and, consequently, the associated indirect emissions. The current external electricity supplier does not provide Guarantees of Origin; however, the bills state that 17% of the energy supplied comes from renewable sources.

Electricity consumption				
		2025	2024	2023
Electricity purchased from the grid	kWh	4,459,958	5,223,419	4,951,169
Self-generated and consumed electricity	kWh	1,131,083	554,702	-
Total electricity consumption	kWh	5,591,041	5,778,121	4,951,169

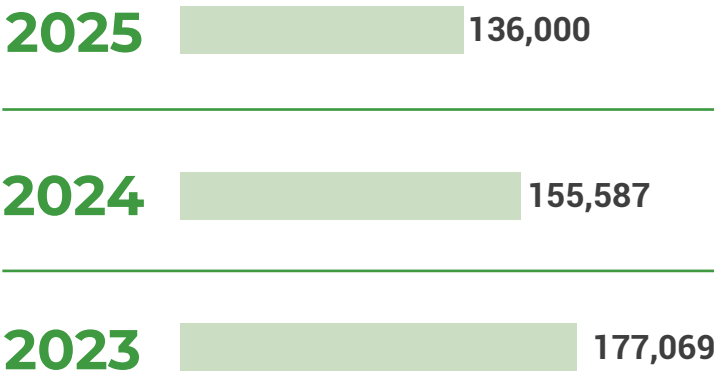


NATURAL GAS CONSUMPTION

Natural gas is used exclusively at the Casalgrande site for space heating and the production of domestic hot water. The analysis of consumption, based on data reported in utility bills, shows a progressive reduction over the last three years.

The reduction in consumption recorded in 2024 was mainly attributable to lower production volumes, which led to a reduction in the number of work shifts from 4 to 3 and, consequently, a lower need for space heating. The 2025 figure, on the other hand, reflects the effects of the **energy-efficiency measures** adopted, particularly the installation of a heat pump that partially replaced the boiler, helping to reduce natural gas consumption.

NATURAL GAS CONSUMPTION [Smc]



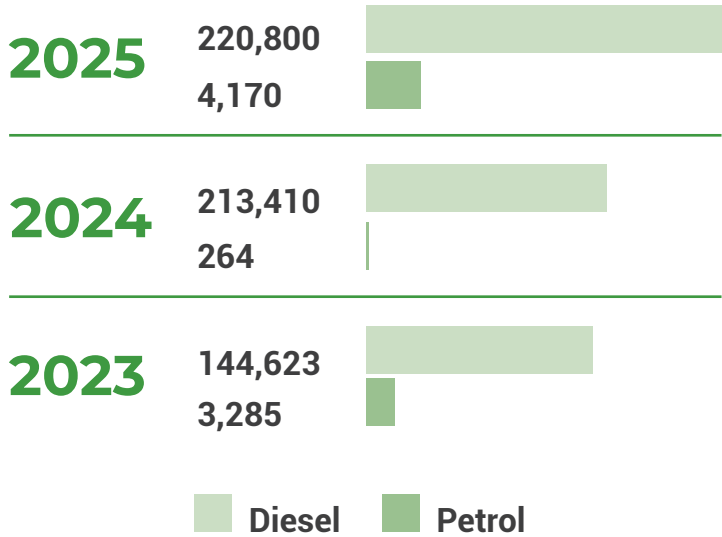
FUEL CONSUMPTION

In 2025, Modula's company fleet comprised a total of 126 vehicles, including 26 vans used for operational activities, with the remainder consisting of company cars.

In 2024, almost all vehicles were diesel-powered (with the exception of a single plug-in hybrid car); during 2025, the fleet progressively evolved, with a significant increase in the number of hybrid vehicles, which helps explain the slight increase in petrol consumption. In 2025, the company updated its car list, introducing the option of choosing hybrid and electric models, with the aim of **progressively reducing dependence on fossil fuels** and cutting CO₂ emissions associated with company mobility. In the same year, electric vehicle charging infrastructure was also installed, **with 4 charging points at the Salvaterra site and 4 at Fiorano**.

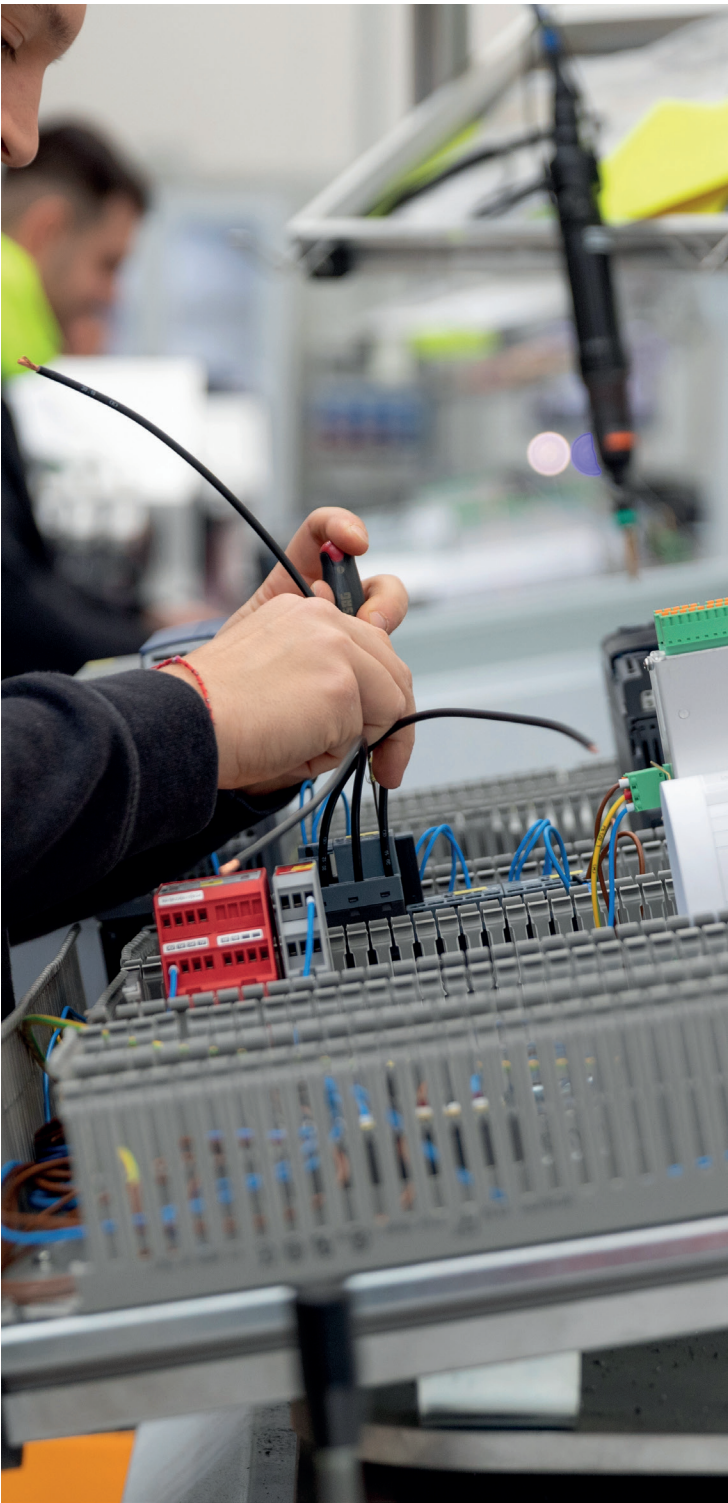
Monitoring of fuel consumption, based on an analysis of fuel cards and consumption associated with generator sets, shows an upward trend in recent years. This trend is mainly attributable to increased travel between the two plants, more frequent audits at customer sites, and installation and service activities.

Fuel consumption (diesel) for generator sets is marginal compared with consumption by the company fleet: in 2025 it amounted to just 50 litres, in line with the 2024 figure².



Total consumption in 2025 amounted to **224 thousand litres of fuel**, of which 98% was diesel used by the fleet, with the remainder consisting of petrol (2%) and fuel for generator sets (0.02%).

²The fuel consumption reported in the chart also includes the share of diesel used to power generator sets, although the amount is negligible. To ensure data comparability, the 2024 figure has consequently been updated compared with the previous reporting period to include this consumption, which had not previously been reported.

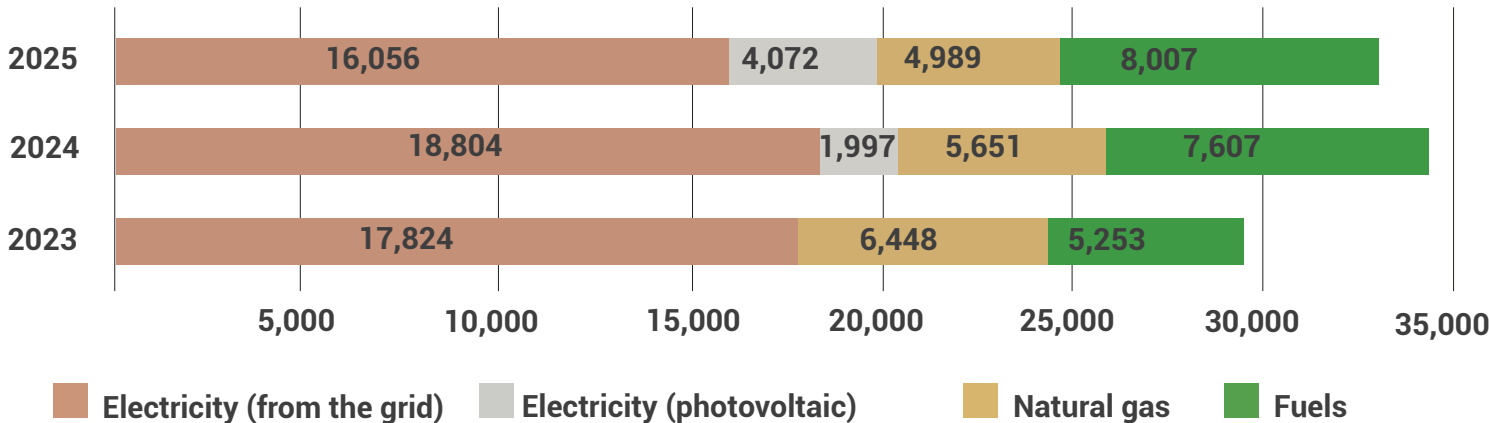




TOTAL ENERGY CONSUMPTION AND ENERGY INTENSITY

Total energy consumption within the organisation, considering all sources, shows a **slightly downward trend**: the increase in fuel consumption is offset by the substantial reduction in electricity and natural gas consumption, resulting overall in a decrease in total consumption from 34 thousand GJ in 2024 to 33 thousand GJ in 2025.

Energy consumption within the organisation [GJ] - GRI 302-1



Energy intensity is a key indicator for assessing how efficiently the organisation uses energy in relation to production volumes and the economic value generated. This parameter makes it possible to monitor changes in energy performance over time and identify potential areas for improvement.

In 2025, total energy consumed internally amounted to approximately 9.2 thousand MWh, against the production of 2,426 machines at the Italian plants and revenues of €164.8 million. The ratio of energy consumed to units produced, as well as the ratio calculated against the economic value generated, remained **substantially stable** compared with the previous year, when 2,487 machines were produced and revenues amounted to €162 million.

³Please note that the 2024 figure has been corrected compared with the previous reporting period due to a typographical error.

ENERGY INTENSITY - GRI 302-3	Unit	2025	2024	2023
Energy intensity per unit of product	MWh/products sold	3.8	3.8 ³	2.6
Energy intensity per value generated	MWh/€ thousand	0.06	0.06	0.04



ENERGY CONSUMPTION OUTSIDE THE ORGANISATION

Energy consumption outside the organisation was estimated by considering **the energy required to operate the machines installed by Modula at Italian customer sites**. Specifically, the calculation is based on average consumption per machine and standardised usage assumptions of 8 hours per day, for 21 working days per month. The figure also takes into account the actual month in which each system was installed, assuming that it became operational on the first working day of the month.

In 2025, based on estimated average consumption of 1.2 kWh per machine and a total of 1,113 machines installed in Italy, total consumption was calculated at 1.3 thousand MWh (equivalent to 4.8 thousand GJ). By comparison, 1,080 machines were installed in 2024 and energy consumption at customer sites was estimated at 5.3 thousand GJ. Despite the slight increase in installations in 2025, overall consumption decreased because it depends directly on the number of months the machines are in operation.

ENERGY CONSUMPTION OUTSIDE THE ORGANISATION - GRI 302-2	Unit	2025	2024	2023
Average consumption per machine	kWh	1.2	1.2	1.2
Machines installed in Italy	no.	1,113	1,080	1,678
Total electricity consumption	MWh	1,333.79	1.474,70	2,193.00
Total electricity consumption	GJ	4,801.63	5,308.93	7,894.81

Furthermore, in 2025 Modula studied the possibility of introducing a **standby module** for its machines, a feature designed to reduce energy consumption during periods of inactivity.

This solution, which can be implemented at the customer's request and is not yet available on all models, enables the machine to switch off automatically after a user-defined period of inactivity. For further information, please refer to the Product chapter, Products and Services section.



Greenhouse gas emissions

[GRI 3-3, 305-1, 305-2, 305-3, 305-4, 305-5]

Modula attaches great importance to the contribution that companies can make to combating climate change and considers it essential to continuously monitor and gradually reduce its environmental footprint. For this purpose, the company prepares an annual greenhouse gas emissions inventory in accordance with the **Greenhouse Gas Protocol** (GHG Protocol) guidelines. This mapping considers direct emissions (Scope 1), indirect emissions from purchased energy (Scope 2) and part of the indirect emissions generated along the value chain (Scope 3).

It should be noted that for 2025 data, the **emissions calculation methodology was updated** compared with that used in 2024. Consequently, all data have been recalculated using the new methodology and differ from those reported in the previous Sustainability Report.



SCOPE 1

Scope 1 emissions arise from activities directly controlled by Modula, such as **the use of fossil fuels for heating and powering company vehicles.**

DIRECT SCOPE 1 EMISSIONS - GRI 305-1	Unit	2025	2024	2023
Natural gas	tCO ₂ eq	281.07	318.24	360.94
Diesel		587.67	568.00	384.61
Petrol		9.76	0.62	7.7
Total Scope 1 emissions	tCO ₂ eq	878.50	886.86	753.25

In 2025, total Scope 1 emissions (calculated using emission factors provided by DEFRA) amounted to 878 tonnes of CO₂ equivalent, a slight decrease compared with the previous year. This reduction in emissions reflects lower gas consumption for building heating, despite the increase associated with the use of fossil fuels to power company vehicles.



SCOPE 2

Scope 2 emissions are associated with the **consumption of electricity purchased from the grid**. Since 2024, Modula has calculated these emissions using both methodologies established by the GHG Protocol: **Location based**, based on the national energy mix and calculated using the national emission factor provided by ISPRA, and **Market based**, which takes into account the company’s specific energy procurement methods, such as any Guarantees of Origin, and is calculated using the emission factor for the Italian residual mix provided by AIB.

In 2025, emissions calculated using the Location based method amounted to 962 tonnes of CO₂ equivalent; under the Market based approach, they amounted to 1,874 tonnes of CO₂ equivalent, a higher figure because Modula does not currently purchase electricity covered by Guarantees of Origin certificates.

INDIRECT SCOPE 2 EMISSIONS - GRI 305-2	Unit	2025	2024	2023
Scope 2 emissions - Location Based	tCO ₂ eq	962.90	1,127.74	1,268.98
Scope 2 emissions - Market Based	tCO ₂ eq	1,874.07	2,304.55	2,478.39

Indirect emissions decreased compared with previous years due to the reduction in electricity purchased from the grid: in 2025, the company purchased approximately 4.5 million kWh, compared with 5.2 million in 2024. This decrease was made possible by the strong growth in self-generated energy from the photovoltaic system, which partially replaced electricity purchased from the grid.



SCOPE 3

Scope 3 emissions include all indirect greenhouse gas emissions generated along the value chain, both upstream and downstream, from sources not directly controlled by the company. In particular, Modula chose to analyse downstream emissions related to the use of its products sold to customers (**Category 11 - Use of sold products**) and, from 2025, also calculated emissions generated by the treatment and disposal of waste produced at company plants (**Category 5 - Waste generated in operations**).

Emissions associated with waste were calculated by grouping waste streams by type and distinguishing between those sent for recovery and those sent for disposal, so that the correct emission factor could be assigned to each category according to its destination, as identified in the DEFRA 2025 database. This addition improves the representation of indirect emissions along the value chain, providing a more complete and accurate estimate of the company’s overall impact. In 2025, these emissions amounted to approximately 40 tonnes of CO₂ equivalent, corresponding to 12% of the total Scope 3 emissions calculated, while the remainder was associated with emissions from the use of sold products (88%).

For this second category of Scope 3 emissions, emissions from the energy consumption of automatic warehouses installed in Italy during the year were estimated based on the number of machines in operation, the month of installation and the average annual hours of use at customer sites. The estimates were developed on the basis of average electricity consumption per machine and converted into equivalent emissions using ISPRA 2023 - Location Based emission factors (Italy). This analysis enables Modula to quantify the climate impact of its products throughout their life cycle, providing useful information to guide research and development towards increasingly efficient solutions with a lower environmental impact.

In 2025, these emissions are estimated at approximately 288 tonnes of CO₂ equivalent, down from 317 tonnes in 2024 and 471 tonnes in 2023⁴.

DIRECT SCOPE 3 EMISSIONS - GRI 305-3	Unit	2025	2024	2023
Category 5 - Waste generated in operations	tCO ₂ eq	40.80	-	-
Category 11 - Use of sold products	tCO ₂ eq	288.10	316.87	471.21
Total Scope 3 emissions	tCO ₂ eq	328.89	316.87	471.21

⁴Please note that the 2024 and 2023 data have been corrected compared with the figures reported previously due to an error in the units of measurement.



GREENHOUSE GAS (GHG) EMISSIONS INTENSITY

Emissions intensity represents the **ratio between total greenhouse gas emissions (Scope 1, Scope 2 Location based and Scope 3) and the economic value generated by the company**, and is expressed in tonnes of CO₂ equivalent per thousand euros of revenue.

This indicator makes it possible to assess Modula’s climate impact in relation to its economic growth, highlighting the organisation’s ability to reduce emissions relative to its production and commercial activities.

Emissions intensity remained substantially stable over the three-year period analysed, although it decreased slightly between 2025 and 2024 due to a reduction in total emissions (mainly related to the change in Scope 2 emissions) alongside a slight increase in revenue⁵.

EMISSIONS INTENSITY - GRI 305-4	UNIT	2025	2024	2023
Emissions intensity by value generated	tCO ₂ eq/ thousand €	0.013	0.014	0.012

⁵Please note that the 2024 and 2023 data have been corrected compared with the figures reported previously following the revision of Scope 3 emissions data.



REDUCTION OF GREENHOUSE GAS (GHG) EMISSIONS

Modula’s initiatives to reduce greenhouse gas emissions have mainly focused on the progressive **expansion of photovoltaic systems, which enable the company to self-generate part of the electricity it consumes from renewable sources**.

In 2025, the photovoltaic system at the F1 and F3 buildings in Fiorano Modenese became operational, adding to the systems already installed at the F2 building (also in Fiorano) and at the Salvaterra di Casalgrande site. These measures already enabled Modula to cover part of its energy requirements from renewable sources in 2024, a share that subsequently **doubled in 2025**, helping to reduce Scope 2 emissions and improve overall environmental performance.

Unlike electricity purchased from the grid, **energy generated from renewable sources does not result in greenhouse gas emissions**: generating 1.1 million kWh of energy through the photovoltaic system in 2025 avoided 245 tonnes of CO₂ equivalent emissions (using the Location based method, 477 tonnes using the Market Based method) compared with the emissions that would have been generated if the same amount of energy had been purchased from the grid.

The reduction achieved each year thanks to photovoltaic generation is shown in the following table:

GHG EMISSIONS REDUCTION - GRI 305-5	UNIT	2025	2024	2023
Reduction in Scope 2 Location based emissions due to self-generation of renewable energy	tCO ₂ eq	244.89	119.76	-
Reduction in Scope 2 Market based emissions due to self-generation of renewable energy	tCO ₂ eq	477.62	233.09	-



Atmospheric emissions of other pollutants

[GRI 3-3, 305-7]

Modula’s production plants do not generate direct emissions of nitrogen oxides (NO_x) or sulphur oxides (SO_x); the only significant pollutant emitted into the atmosphere is **particulate matter generated by welding and laser cutting activities**.
To ensure compliance with environmental requirements, the company carries out annual self-monitoring of its emissions, verifying compliance with the limits authorised by ARPAE. In particular, self-monitoring is carried out at the Salvaterra site, as required by the competent authority, since all plants subject to this procedure are production facilities.
Self-monitoring is not required at the Fiorano site, which is exempt because it falls under the authorisation derogation for plants used for research and development.

A total of 11 emission points are monitored: a new emission point was authorised during 2024, although its first sampling was carried out in 2025.
Compared with 2024, there was a slight increase in total particulate emissions, attributable to the fact that sampling was carried out close to the time when the filters were changed.
Despite this variation, in 2025 the values recorded at each emission point remained well below the prescribed limit of 10 mg/Nm³, as in previous years.

AIR POLLUTANT EMISSIONS - GRI 305-7	UNIT	2025	2024	2023
Particulate matter (PM) (total for all emission points)	mg/Nm ³	11.36	5.42	n.a.





Management and use of water resources

[GRI 3-3, 303-1, 303-2, 303-3, 303-4, 303-5]

Although water is not an essential resource for the company’s activities, it is managed carefully to ensure responsible use and compliance with applicable legislation. At Modula’s plants, water is not directly involved in production processes but is used mainly for sanitary purposes and, to a lesser extent, for irrigation and fire-safety requirements.

Industrial wastewater discharges, all of which are conveyed to the sewerage system, derive mainly from the use of compressors and water softeners at the Salvaterra di Casalgrande site and from condensate generated by the operation of climate-controlled Modula machines at the Fiorano Modenese site. At the latter site, there is also a discharge associated with the attenuation tank, which collects run-off water from the yard beneath the waste collection area and conveys it to surface waters. Water used by floor-cleaning machines, on the other hand, is not discharged but is managed as waste in accordance with the company’s environmental procedures; the same applies to condensate water from compressors at the Fiorano Modenese buildings.

To monitor and contain potential environmental impacts, industrial wastewater discharges are sampled and analysed annually to verify compliance with the parameters established by the Integrated Environmental Authorisation (AUA), which governs wastewater quality aspects in line with the requirements of Legislative Decree 152/06. The checks cover parameters such as pH (at 25°C), COD, BOD₅, total suspended solids, chlorides, phosphorus and ammoniacal nitrogen; the analysis results are included annually in the “Environmental Aspects and Impacts” document. The water bodies potentially affected by discharges are the Secchia River for the Salvaterra di Casalgrande site and the Corlo stream for Fiorano Modenese.

The analysis of water withdrawals, based on consumption reported in utility bills and withdrawals from wells, shows that in 2025 the **overall volume of water withdrawn remained substantially stable compared with 2024**, a year in which withdrawals had increased significantly compared with the previous year. In particular, this increase was attributable both to greater use of the resource, partly due to a leak at the Salvaterra site, and to the extension of the reporting scope, which since 2024 has also included data relating to the Fiorano Modenese site. The increase in volumes observed therefore does not reflect a deterioration in resource efficiency or management performance.

Water withdrawals		21,829	20,279	5,385
	Of which from wells	11,514	40	-
	Of which from mains water supply	10,315	20,239	5,385
Water discharges		1,746	818	-
Water consumption		20,083	19,461	5,385

m³

With regard to water discharges, monitoring is currently carried out exclusively for the Salvaterra plant; the Fiorano site generates limited discharge volumes attributable to condensate produced by the climate-controlled machines installed there.

ARPAE requirements include the obligation to report annually the volumes discharged at Salvaterra, as well as periodic checks by the managing authority on the accuracy of the data and the quality of the discharges. In 2025, discharge volumes increased significantly compared with the previous year due to the malfunction of one of the meters, which was promptly repaired.

Finally, Modula’s activities are not located in areas subject to water stress, confirming that water

resource management does not place significant pressure on local resources, while the company continues to pay close attention to ongoing consumption monitoring and compliance with applicable requirements concerning discharge quality.

⁶The 2024 water consumption figure has been corrected compared with the previous Report, in which the calculation of water consumed did not take account of discharges.



Waste management

[GRI 3-3, 306-1, 306-2, 306-3, 306-4, 306-5]

Waste generated by Modula’s activities comes from various sources, relating both to **production processes** and to the **value chain**. In particular, some of the waste generated at the plants is directly related to processing scrap, arising for example from laser cutting and bending of steel sheets, while another portion derives from the use of greases and chemicals. Additional waste streams arise from procurement activities, mainly in the form of pallets, plastic film and paper and cardboard packaging used to transport raw materials.

To reduce waste generation, including at customer sites, the company has adopted specific solutions for **optimising logistics and packaging**. These include reducing the use of packaging made from virgin materials, preferring recycled materials and rationalising the number of cardboard packages used.

Waste is managed through a **structured temporary collection and storage system** in designated areas, after which it is entrusted to authorised carriers that deliver it to the most appropriate recovery or disposal facilities, selected according to the chemical and physical characteristics of the materials.

WASTE GENERATED - GRI 306-3, 306-4, 306-5	UNIT	2025	2024	2023
Waste sent for recovery	t	2,969.27	3,130.76	3,516.30
<i>of which hazardous</i>		5.18	5.89	6.58
<i>of which non-hazardous</i>		2,964.09	3,124.87	3,509.71
Waste sent for disposal		55.86	56.99	33.19
<i>of which hazardous</i>		0	0	0
<i>of which non-hazardous</i>		55.86	56.99	33.19
TOTAL WASTE GENERATED	t	3,025.13	3,187.75	3,549.48

Over the three-year period, there was a **progressive reduction in total waste generated**, despite the expansion of the company perimeter and the start of operations at the new Fiorano Modenese sites in 2024. In particular, 89% of the waste produced by the company consists of iron and steel scrap, all of which is sent for recycling. This decreased slightly over the last year, from 2.8 thousand tonnes in 2024 to 2.7 thousand tonnes in 2025. Other significant waste consists of packaging (paper and cardboard, plastic, wood or mixed materials) and aqueous liquid waste, which together account for approximately 10% of total waste generated.

In 2025, there was an **increase in paper and cardboard packaging waste**, while other types of packaging waste decreased. The construction site at the Fiorano site in fact resulted in a greater quantity of packaging waste being generated. The implementation of a project aimed at eliminating plastic packaging for guards should also be noted; this has enabled it to be replaced with single-material cardboard solutions. Finally, the possibility of replacing the protective plastic film used to package the trays was assessed; however, to date it has not been possible to identify an alternative material capable of providing equivalent performance.

With regard to **aqueous liquid waste**, which accounts for approximately 92% of all waste sent for disposal, the 2025 figure remained substantially stable compared with the previous year. In 2024, by contrast, there was a significant increase compared with 2023 (from 32.7 tonnes to 50.7 tonnes), a change consistent with the organisation’s structural and production development. This increase was in fact a direct consequence of the expansion of the company’s premises at the Fiorano Modenese plant: water used for floor-cleaning operations is managed as liquid waste, and the increase observed is related to the extensive uncovered areas at the site.



CIRCULAR ECONOMY AND WASTE REDUCTION PROJECTS

During 2024, Modula began analysis and design activities aimed at introducing, from 2025, a **programme for the recovery of used Personal Protective Equipment (PPE)**. The project provides for the separate collection of end-of-life PPE such as gloves and shoes - potentially extendable in the future to other PPE such as masks, helmets, safety glasses and workwear - which in the past was mainly disposed of as unsorted waste. The initiative therefore aims to turn an unavoidable waste stream into a recoverable resource, through collaboration with partners specialising in the recovery of plastic, textile and composite materials. The PPE collected is sent for regeneration or mechanical and chemical recycling processes, with the aim of obtaining secondary raw materials that can be reused in other production

cycles. The project, launched in July 2025, enabled 110 kg of waste to be disposed of and sent for recycling in the second half of the year, thereby avoiding the emission of 461 kg of CO₂ into the atmosphere.

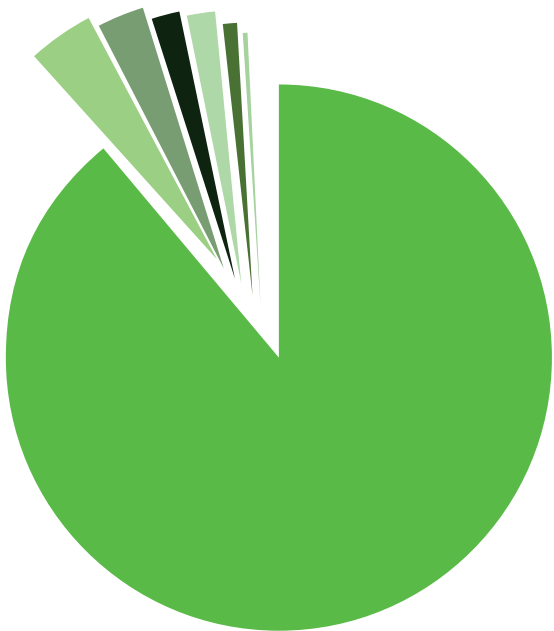
During 2025, Modula began a study and design project for **an experimental production line for manufacturing uprights** from sheet-metal coils. The initiative, which involves installing a prototype at the Fiorano site during 2026, is intended to optimise the use of raw materials by reducing waste generated during the production process. In particular, processing from coils makes it possible to adapt the length of the material to specific production requirements, eliminating offcuts from cutting and minimising sheet-metal losses. In addition to reducing waste, the solution currently being tested also makes it possible to **simplify the production process and reduce internal logistics activities**.

This also brings benefits in terms of safety and working conditions, thanks to the reduction in strenuous manual operations and in the risk of injury associated with materials handling. The project, currently undergoing technical validation, represents a **significant investment in research and development** and forms part of a broader effort to make production processes more efficient, thus reducing waste and improving environmental performance. Any implementation on an industrial scale will be assessed on the basis of the results of the trial, which are expected during 2026.

Both projects form part of Modula's broader commitment to promoting circular economy models and reducing the amount of waste sent for disposal, contributing to the spread of increasingly sustainable and responsible business practices. However, this approach is not limited to the development of specific projects, but is also structurally embedded in product design.

Indeed, a distinctive feature of Modula products is their high **durability**: many warehouses installed more than thirty years ago are still fully operational and, if necessary, can be transferred to new companies and reused in different contexts, further extending their life cycle.

At the end of their useful life, the warehouses are also readily recyclable, as approximately 90% of their composition is metal and steel that can be recovered, thereby helping to reduce environmental impacts throughout the product life cycle.



- Iron and steel - 88.79%
- Wooden packaging - 3.75%
- Mixed-material packaging - 2.71%
- Paper and cardboard packaging - 1.71%
- Aqueous liquid waste - 1.70%
- Other non-hazardous waste - 0.75%
- Plastic packaging - 0.41%
- Hazardous waste - 0.17%



Commitment to biodiversity

[GRI 3-3, 304-1, 304-2]

Modula’s two sites, located in Salvaterra di Casalgrande and Fiorano Modenese, are both less than 5 km from the nearest protected areas. The areas of the provinces of Modena and Reggio Emilia in which the company operates are in fact characterised by the presence of **numerous reserves and sites of high ecological value**, which represent an important biodiversity heritage.

In particular, the Salvaterra di Casalgrande site is located near the Secchia River, along which there are two protected areas: the Colombarone habitat of Community interest and Riserva Naturale Cassa di espansione del fiume Secchia. Colombarone, located in the municipality of Formigine, is classified as a Special Area of Conservation (SAC) under the Habitats Directive⁷ and is therefore included in the Natura 2000 Network⁸.

Riserva Naturale Cassa di espansione del fiume Secchia, located slightly further north, protects a 4.76 km² wetland created by a major hydraulic engineering project to mitigate flooding of the Secchia River, together with the floodplain woodland that develops along both sides of the river. Established in 1996 by the Emilia-Romagna Region, the area is also part of the Natura 2000 Network, designated both as an SAC under the

Habitats Directive and as a Special Protection Area (SPA) under the Birds Directive⁹.

The Fiorano Modenese site, meanwhile, is located near the Salse di Nirano Regional Nature Reserve, which covers approximately 2.09 km² and protects the largest and most distinctive complex of “salse” in the Region, as well as one of the most important at national level. The “salse” are clay formations that emit mud mixed with hydrocarbons which, as they rise to the surface, create characteristic cone-shaped formations. This site is also included in the Natura 2000 Network, as it is classified as an SAC under the Habitats Directive.

Despite the presence of these protected areas, Modula does not generate significant negative impacts on the biodiversity of the surrounding area.

⁷The Habitats Directive 92/43/EEC is aimed at the long-term conservation of natural habitats and species of flora and fauna that are threatened or rare at Community level, and enables Member States to identify Sites of Community Importance (SCIs), which may subsequently be designated as Special Areas of Conservation (SACs). <https://www.mase.gov.it/portale/direttiva-habitat>

⁸The Natura 2000 Network is the main instrument of European Union policy for biodiversity conservation; it consists of Sites of Community Importance (SCIs), Special Areas of Conservation (SACs) and Special Protection Areas (SPAs). <https://www.mase.gov.it/portale/rete-natura-2000>

⁹The Birds Directive 2009/147/EC concerns the conservation of wild birds and enables Member States to designate Special Protection Areas (SPAs). <https://www.mase.gov.it/portale/direttiva-uccelli>

ACTIVITY	OPERATING SITE	SITE AREA	DISTANCE FROM PROTECTED AREA	PROTECTED AREA	TYPE
Production	Salvaterra di Casalgrande	62,000 m²	approx. 3.5 km	Colombarone	Terrestrial and Inland Waters Protected Areas - Natura 2000 Network
			approx. 4.7 km	Cassa di espansione del Secchia	Terrestrial and Inland Waters Protected Areas - Regional Reserve, Natura 2000 Network
Offices	Fiorano Modenese	65,300 m²	approx. 3.5 km	Salse di Nirano	Terrestrial and Inland Waters Protected Areas - Regional Nature Reserve, Natura 2000 Network



SUSTAINABLE INNOVATION FOR THE AGRICULTURE OF THE FUTURE

Modula has also strengthened its commitment to sustainability by promoting **innovative models of technological and circular agriculture**, through the development of automated solutions applied to micropropagation and vertical farming, brought together under the **Modula Farm project**. These solutions combine industrial automation and agronomic research, with the aim of making agricultural processes more efficient, sustainable and resilient to global challenges related to climate change and food security.

Modula Farms are fully controlled cultivation environments in which temperature, humidity, lighting and irrigation are precisely managed. This makes it possible to recreate optimal conditions for crop development regardless of the external environment, reducing exposure to adverse climatic factors such as low rainfall, extreme events or desertification. Furthermore, within these protected environments, resource use can be optimised by limiting water waste through controlled irrigation systems and ensuring targeted use of nutrients, while limiting the use of pesticides and fertilisers.

Natural processes such as pollination can also be managed in a controlled manner, for example by introducing pollinating insects, reducing dependence on external factors, increasing production reliability and ensuring consistent quality.

In particular, the application of Modula technology in micropropagation systems enables healthy plants identical to the original parent plant to be reproduced, contributing to the **conservation of biodiversity and regeneration of valuable agricultural species**.

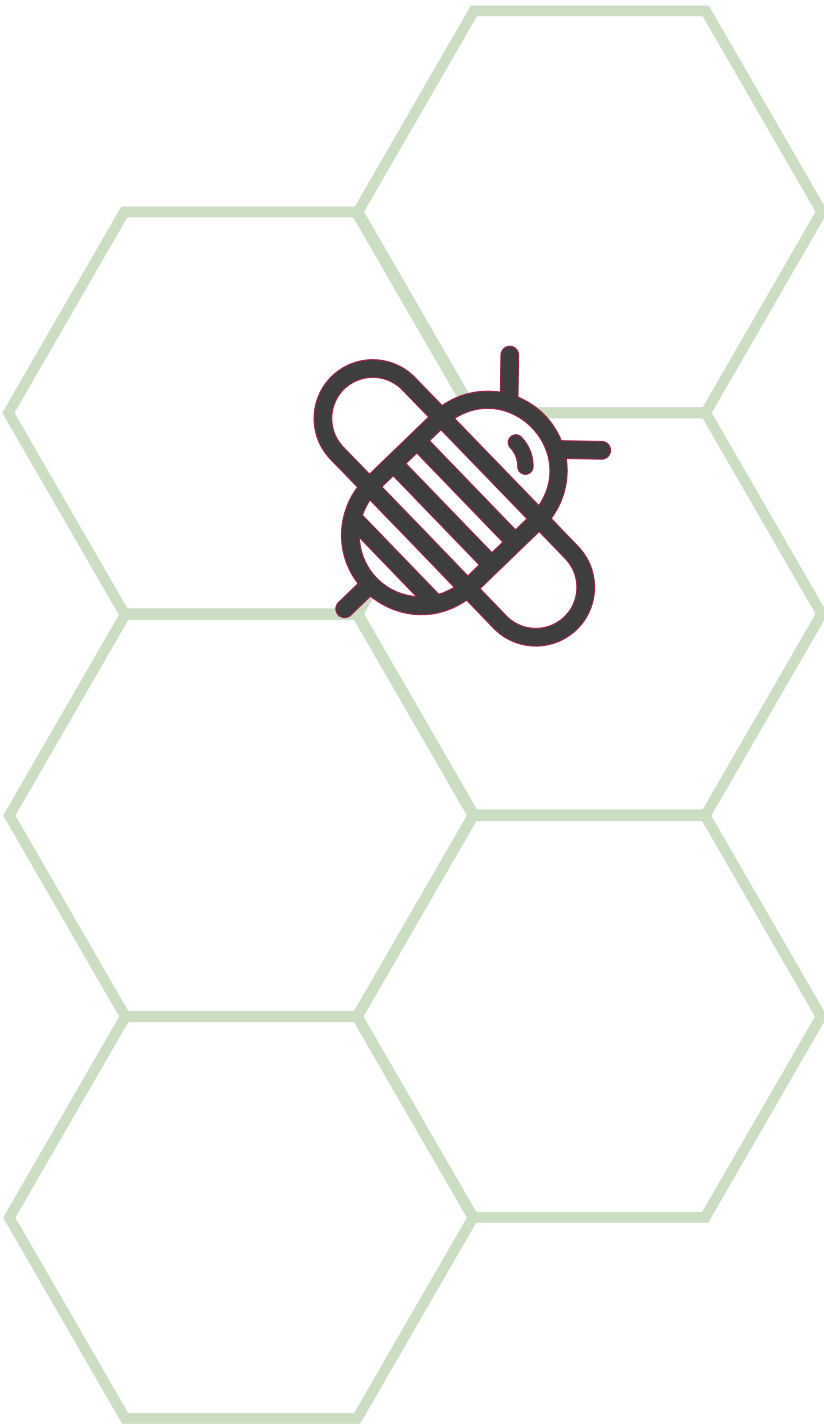
In addition to their positive impacts on environmental sustainability, these systems also help improve working conditions through ergonomic system design and optimised use of space within greenhouses and micropropagation laboratories. They can also reduce transport associated with importing certain agricultural products, encouraging the consumption of local products and reducing greenhouse gas emissions.

Overall, these projects make a tangible contribution to the development of an **Agriculture 4.0** model capable of combining automation, digitalisation and respect for the environment, supporting a more efficient and resilient agri-food supply chain in which technological innovation and sustainability work together to reduce waste and make better use of natural resources.

A TANGIBLE COMMITMENT TO BIODIVERSITY: THE MODULA BEEHIVE

In nature, every bee performs a specific role within an organised and efficient system, in which every action contributes to the overall balance of the hive. Efficiency, order and cooperation underpin this natural model, which represents a virtuous example of sustainability based on harmony between the different components of the system and the responsible use of resources, where nothing is wasted and every element finds its own value. This natural organisation is reflected in the principles that guide Modula: efficiency, precision and respect for the environment. These elements shape not only the company's production processes but, more broadly, the way the organisation operates, promoting efficiency and resource optimisation, waste reduction and the development of increasingly sustainable solutions.

Since 2024, Modula has entered into a **partnership with Beeing**, an organisation committed to protecting bees and promoting urban biodiversity, **by adopting a beehive**. This is a symbolic yet meaningful initiative that expresses the company's desire to make a tangible contribution to safeguarding natural ecosystems and the future of the planet. Adopting a beehive means taking care of the future: a small gesture that, as in a perfectly balanced natural system, generates a much greater positive impact.





Human Resources



Modula people

For Modula, people are a central factor in the company’s growth and sustainable development.

From this perspective, the company recognises the motivation, dedication and professionalism of its employees as a determining factor in achieving business objectives, strengthening competitiveness and creating value for all stakeholders.

Modula is therefore committed to promoting an inclusive, fair and safe working environment in which every person can feel valued and an integral part of the company community. People management is based on **respect for each individual's personality** and **professionalism**, in an environment focused on enhancing skills, aptitudes and potential, in full compliance with applicable legislation.

Modula considers diversity a value that enriches the organisation and supports the quality of internal dialogue. For this reason, it encourages listening to different perspectives and does not tolerate any form of discrimination or harassment.

Decisions concerning access, career progression and professional development are made on the basis of merit and competence, in the belief that equal opportunities and the enhancement of differences are essential conditions for sound and responsible organisational development.

Protecting psychological and physical integrity and personal dignity is a fundamental principle of Modula’s approach to managing its people.

This commitment translates into transparent, regular and respectful working conditions that also take individual needs into account. At the same time, the company promotes continuous training and participation in professional development programmes, recognising the development of individual skills and capabilities as a strategic lever for supporting the organisation’s evolution.

Through this approach, Modula aims to consolidate a working environment capable of fostering **professional growth, collaboration and innovation**, contributing to people’s well-being while also strengthening and developing the organisation.





PROTECTION OF HUMAN RIGHTS

Modula aligns its practices and procedures with the main international frameworks on corporate responsibility and human rights protection, with particular attention to the framework established by the International Labour Organization (ILO) and the OECD (Organisation for Economic Co-operation and Development) Guidelines for Multinational Enterprises.

In line with the principles set out in the ILO’s fundamental conventions, including freedom of association, the right to collective bargaining, and the prevention of forced labour and discrimination, the company promotes respect for fundamental labour rights and employment conditions based on dignity, fairness and non-discrimination.

Modula also draws on the OECD Guidelines, which require companies to prevent, mitigate and remedy any adverse human rights impacts through an approach proportionate to the nature, context and scale of their activities.

WORKFORCE

[GRI 2-7, 2-8, 2-30, 3-3, 405-1]

In 2025, **the workforce** at Modula S.p.A., including employees and non-employees, totalled **445**, a slight increase compared with 2024 (+3%) and also slightly above the 2023 figure (+1%).

The breakdown by age group shows that employees are predominantly concentrated in the 30-50 age group, which accounts for approximately 72% of employees, equal to 300 people, including 55 women. Employees over 50 account for 16% of the workforce, with 67 people, while employees under 30 total 51, corresponding to 12% of the total.

Over the 2023-2025 three-year period, the number of employees under 30 decreased and now represents 12% of the total, compared with 15% previously. By contrast, the 30-50 and over-50 age groups are increasing, reflecting the company’s retention capacity, with employees developing their careers within Modula.

EMPLOYEES BY AGE GROUP - GRI 2-7	2025			2024			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<30 years	40	11	51	44	11	55	42	12	54
30-50 years	245	55	300	241	54 ¹⁰	295	217	45	262
>50 years	59	8	67	50	7	57	44	7	51
Total	344	74	418*	335	72	407	303	64	367

EMPLOYEES BY CONTRACT TYPE - GRI 2-7	2025			2024			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Permanent	339	73	412	329	71	400	292	60	352
Fixed-term	5	1	6	6	1	7	11	4	15
Employees with non-guaranteed hours	0	0	0	0	0	0	0	0	0
Total	344	74	418	335	72	407	303	64	367

*Please note that the total number of employees includes 3 expatriate employees: 2 in the United States and 1 in China

¹⁰The 2024 data relating to the breakdown between men and women in the 30-50 age group have been updated following verification work and the refinement of information collection and consolidation processes, in line with Modula’s continuous improvement approach



The company’s workforce is made up of **99% employees with permanent contracts** (412 in 2025), while the use of fixed-term contracts has progressively decreased over the three-year period, falling from 15 in 2023 to 6 in 2025. This predominance of stable contracts highlights both the solidity of the workforce and the company’s tendency to establish long-term employment relationships, supporting operational continuity and the development of internal skills.

Modula’s organisational model is characterised by the high proportion of **full-time contracts**,

which account for 98% of the company workforce. This figure demonstrates the organisation’s commitment to offering stable and long-lasting employment relationships, promoting continuity of employment.

At the same time, the company recognises the need to adapt to different individual and professional requirements, providing the option of part-time contracts to offer its employees greater flexibility. In 2025, part-time contracts accounted for 2% of the company workforce, a slight increase compared with the previous year. This trend is

consistent with the expansion of the workforce and confirms the company’s focus on diversifying the employment solutions offered. In a sector historically characterised by a strong male presence, particularly in blue-collar positions, Modula is committed to encouraging the presence of women across different roles within the company. In 2025, women accounted for 17% of the total workforce, remaining broadly stable compared with 2024 (18%).

EMPLOYEES BY EMPLOYMENT TYPE - GRI 2-7	2025			2024			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Full-time	338	71	409	329	71	400	297	61	358
Part-time	6	3	9	6	1	7	6	3	9
Total	344	74	418	335	72	407	303	64	367



Compared with 2024, an increase can be observed among Executives, White-collar staff and Blue-collar staff, with a decrease only among Managers.

As regards the increase in White-collar staff, the positive trend already seen in 2024 is confirmed, despite a slight reduction in the number of women (from 68 to 66), who nevertheless account for 27% of White-collar staff.

Modula employees are covered by the National

Collective Labour Agreement (CCNL) for the Metalworking Industry, while Executives are covered by the National Collective Labour Agreement for Industrial Executives.

Overall, 100% of employees are covered by collective bargaining. This figure highlights the company's commitment to ensuring a clear and structured framework for managing employment relationships.

To carry out its activities, Modula also relies on

the support of **non-employee workers**, whose number stood at 27 in the most recent year. Compared with 2023, this number has fallen significantly.

This trend is attributable to an insourcing process that has favoured the direct integration of personnel into the organisation, helping to strengthen contractual stability and demonstrating, once again, the company's intention to promote solid and long-lasting employment relationships.

EMPLOYEES BY CATEGORY - GRI 405-1	2025			2024			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	8	0	8	7	0	7	7	0	7
Managers	25	4	29	26	4	30	27	4	31
White collar	173	70	243	166	68	234	152	60	212
Blue collar	138	0	138	136	0	136	117	0	117
Total	344	74	418	335	72	407	303	64	367

NON-EMPLOYEE WORKERS - GRI 2-8	2025			2024			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Total non-employees	26	1	27	24	1	25	71	1	72
<i>of which agents / VAT-registered professionals / collaborators</i>	0	0	0	0	0	0	0	0	0
<i>of which internships / traineeships</i>	0	1	1	1	0	1	0	0	0
<i>of which temporary workers</i>	26	0	26	23	1	24	71	1	72



RECRUITMENT AND TURNOVER

[GRI 3-3, 401-1]

In 2025, the company strengthened its workforce by hiring 26 new employees.

New hires were mainly in the 30-50 age group (54%), in line with the skills and professional profiles required by the organisation.

At the same time, employees under 30 continued to account for a significant share of total new hires (42%). This figure underlines the importance Modula places on generational renewal and the development of new talent.

Although Modula operates in a context traditionally characterised by a predominantly male workforce, the company promotes an **inclusive organisational culture** aimed at valuing diversity.

In 2025, 8 women were hired, representing 30% of total new hires and a significant increase compared with 2024, when women accounted for 19% of new hires, demonstrating Modula’s commitment to ensuring equal access and opportunities for all genders.

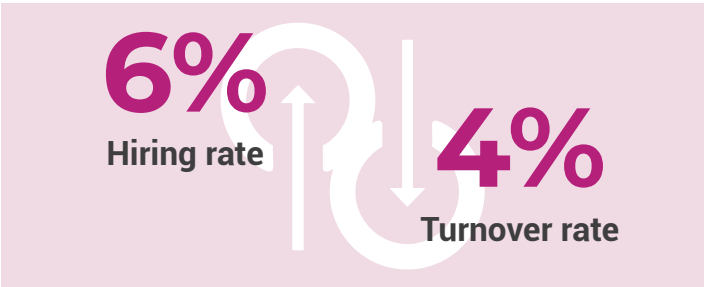
TURNOVER - GRI 401-1	2025			2024 ¹¹			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Total leavers	10	5	15	14	3	17	24	4	28
<30 years	1	0	1	5	0	5	7	2	9
30-50 years	7	5	12	8	3	11	14	1	15
>50 years	2	0	2	1	0	1	3	1	4
Total new hires	18	8	26	46	11	57	61	17	78
<30 years	8	3	11	10	4	14	20	4	24
30-50 years	9	5	14	32	7	39	39	12	51
>50 years	1	0	1	4	0	4	2	1	3
Total employees	344	74	418	335	72	407	303	64	367
Hiring rate	5%	11%	6%	15%	17%	16%	23%	33%	25%
Turnover rate	3%	7%	4%	5%	5%	5%	9%	8%	9%

The number of terminations recorded in 2025 remained broadly in line with the previous year (15 compared with 17 in 2024) and mainly involved employees in the 30-50 age group.

Both incoming and outgoing turnover rates remained low, highlighting the organisation’s ability to attract new professional skills while retaining and developing its existing workforce.

The positive employment balance confirms the soundness of the company’s people management policies and the strengthening of its workforce, supporting business continuity and development.

¹¹The 2024 data relating to terminations have been updated compared with those reported in the previous Sustainability Report following verification work and improvements to the information collection and consolidation processes, in line with Modula’s continuous improvement approach.





REMUNERATION

[GRI 3-3, 2-21, 405-2]

Modula’s remuneration policy is based on the principles of **fairness, transparency and equal opportunities**, with the aim of ensuring treatment consistent with each person’s role, professional level and length of service with the company. This approach supports career development and the enhancement of skills, including through a structured benefits system.

The remuneration analysis reflects the characteristics of the company workforce in terms of the distribution of roles, career paths and length of service. These factors contribute to determining the different remuneration levels observed within the organisation.

With regard to the gender pay ratio, the data demonstrate the results of Modula’s ongoing commitment to ensuring pay equity between men and women. For Managers, the ratio increases from 87% in 2024 to **97% in 2025**, while for White-collar staff, after remaining stable at 87% in 2023 and 2024, the ratio increases slightly to **89% in 2025**.

As regards the annual total remuneration ratio (between the highest-paid employee and the median value for all employees), the figure stands at 7.26 in 2025.

It should be noted that, compared with 2024, a methodological review was carried out to strengthen the calculation method and its alignment with the requirements of the standard. However, it was not possible to recalculate the 2024 figure; consequently, the data are not comparable.

The difference is due to the fact that, for 2025, bonuses linked to MBOs (Management by Objectives) were also included in the calculation of annual total remuneration and ii) the median remuneration of all employees was considered instead of the average remuneration.

In light of this review, for 2025 it was therefore not possible to calculate the ratio between the percentage increases in the two parameters referred to above: Modula is committed to reporting this ratio in the 2026 Sustainability Report.

REMUNERATION RATIO BETWEEN MEN AND WOMEN - GRI 405-2	2025	2024	2023
Executives	N/A	N/A	N/A
Managers	97%	87%	83%
White collar	89%	87%	87%
Blue collar	N/A	N/A	N/A

ANNUAL TOTAL REMUNERATION RATIO - GRI 2-21	2025	2024	2023
Ratio of the annual total remuneration for the organisation’s highest-paid individual to the median annual total remuneration for all employees	7.26	4.75	N/A



Employee benefits

[GRI 3-3, 401-2]

Employee and collaborator well-being and quality of life are fundamental values that guide the company’s choices. The company promotes an environment in which everyone can feel welcomed, respected and part of a community, fostering not only professional growth but also positive conditions for work-life balance, peace of mind and personal satisfaction.

From this perspective, Modula considers **corporate welfare** to be a very important tool for supporting its people.

For this reason, the company has developed a benefits system that goes beyond contractual provisions, aimed at promoting physical and psychological well-being, work-life balance and recognition of each individual’s uniqueness.

The main tools available to employees are listed below:

- **Health protection:** health insurance (for Managers and Executives), influenza vaccination, complete blood count tests, specialist medical examinations on company premises fully paid for by the company, and preventive screening programmes in collaboration with ANT and LILT.
- **Personal and professional well-being:** flexible working hours, smart working and a welfare platform (provided by Edenred) that allows employees to convert their performance bonus into services and reimbursements (training courses, sports and cultural activities), a free in-house canteen, a company Wellness area equipped with state-of-the-art Technogym equipment, and free medical examinations during working hours (dermatology, breast examinations and blood tests).
- **Recognition of work:** a performance bonus linked to company parameters, defined and renegotiated with the social partners every three years, payable in cash or in the form of welfare services
- **Culture, community and social interaction:** the company supports opportunities for people to come together through corporate events (Snow Weekend, Summer Party, Family Day and Christmas Party) and encourages social commitment by making 8 hours per year available for volunteering activities.

COMPANY CATERING - A SERVICE WITH SOCIAL VALUE

Modula’s in-house catering is entrusted to Ritmo Ristorazione, a partner specialising in contract catering. The canteen service, provided free of charge to Modula employees, is a significant corporate welfare measure aimed at promoting well-being, nutritional balance and opportunities for social interaction during the lunch break. The menu, prepared with the contribution of qualified nutritionists and updated weekly, offers balanced, seasonal dishes and, where possible, gives preference to locally sourced ingredients. The offering also includes vegetarian options and alternatives designed to meet specific dietary requirements. The food offering is based on selected and certified ingredients, in compliance with quality, food safety, environmental and occupational health and safety standards (UNI EN ISO 9001, 14001, 22000 and 45001), while also incorporating careful environmental sustainability management. Ritmo has also obtained the international Food Waste Management System (FWMS) certification. Procedures for monitoring and recovering food surpluses are applied within the Modula canteen, helping to reduce waste and optimise resources more efficiently.

Ritmo’s expertise in food recovery and redistribution is further enhanced through its collaboration with Last Minute Market, a social enterprise established by the University of Bologna that focuses on food waste. This partnership is a concrete example of how collaboration between organisations can generate initiatives with social value and tangible benefits for the community.





Events for our people

In 2025, Modula continued to promote **opportunities for employees to meet and socialise**, with the aim of strengthening their sense of belonging, reinforcing internal cohesion and supporting people’s well-being through opportunities to spend time together outside their everyday working environment.

FAMILY DAY: A COMPANY WOODLAND TO CELEBRATE PEOPLE

In 2025, Modula once again held its Family Day, the initiative dedicated to employees and their families that provides an important opportunity to come together and strengthen the sense

of belonging and corporate culture. The event involved more than 180 participants, including employees, family members and friends, offering them the opportunity to experience the company premises in an informal, community-oriented setting.

The 2025 edition was developed around the “**Vintage Park**” concept, an educational games programme designed to raise awareness among children and adults of recycling, reuse and waste reduction. The activity area consisted of games and attractions made from **recovered and recycled materials**, powered exclusively by the users themselves, without the use of electricity. The event installations also prioritised sustainable and plastic-free materials, such as wood and paper, helping to limit the event’s environmental impact.

Participants were able to try a range of activities combining creativity, fun and sustainability, with

a particular focus on the circular economy and the responsible use of resources.

In keeping with the principles of the event, particular attention was paid to the catering service, which focused on promoting people’s well-being. The offering focused on balanced nutrition, with fresh seasonal fruit and freshly prepared juices.

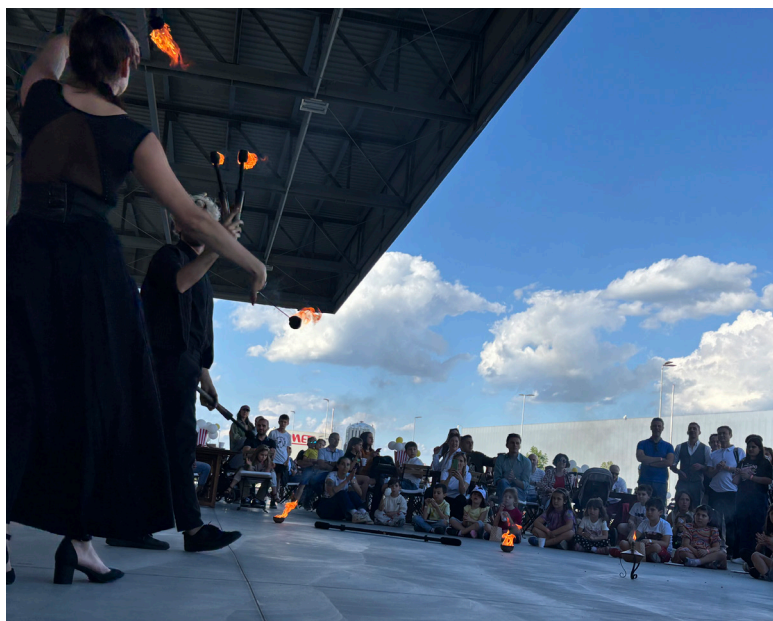
In addition to Family Day, in 2025 Modula once again organised a series of initiatives designed to create opportunities for sharing, enjoyment and team development:

- Snow Weekend, two days of sport, relaxation and team spirit in the Dolomites, an experience that enabled employees to enjoy the mountains together and strengthen relationships outside the workplace;
- Summer company barbecue, now a traditional event bringing together staff from the various plants for an informal day dedicated to

socialising and teamwork;

- The internally organised padel tournament provided an opportunity to meet and participate, fostering positive relationships between colleagues and helping to strengthen the sense of belonging and cohesion within the company.
- Modula Christmas Party, an opportunity to celebrate and thank all employees for their commitment, culminating in the traditional company dinner and live music.

Together with welfare policies and continuous training, these initiatives express Modula’s commitment to putting people at the centre by creating a positive, participatory working environment focused on shared growth.





INITIATIVE	DESCRIPTION	PARTICIPANTS	GADGETS
Family Day 2025	A day dedicated to employees’ families, with a programme of activities for both adults and children aimed at raising awareness of recycling, reuse and waste reduction.	188 people	At events organised by Modula, the gadgets and giveaways distributed were carefully selected for their environmental profile, giving preference to recycled materials or materials from sustainable sources. During Family Day, participants received reusable camping cups, a green compass, a bag made from recycled fabric, as well as wooden games and pastimes. Through these items, Modula aimed to promote responsible behaviour and raise participants’ awareness of the importance of reuse and more conscious consumption of resources. Attention to sustainability is also part of everyday company life and the onboarding process for new employees. During onboarding, each new employee receives a water bottle made from eco-friendly material, designed to encourage the use of refillable water and reduce the use of single-use plastic bottles, helping to limit the environmental impact of everyday activities.
Snow Weekend 2025	Two days in the mountains combining sport and leisure, designed to encourage social interaction and strengthen team spirit among colleagues from the company’s different locations.	184 people	
Christmas Party 2025	Traditional end-of-year event with dinner, music and opportunities to spend time together, dedicated to celebrating the results achieved and recognising the commitment of all staff.	approximately 390 people	
Summer company barbecue 2025	An informal mid-summer event organised as an opportunity for colleagues and family members to socialise, relax and celebrate achievements together.	230 people	



Parental leave

[GRI 3-3, 401-3]

All Modula employees are entitled to take **parental leave**. In 2025, **16 people benefited from this measure, including 6 women and 10 men**. The figure shows growing participation by men, further confirming the importance Modula places on gender equality and equal access to this measure. This trend reflects greater awareness of work-life balance measures, also thanks to the awareness-raising activities carried out by Modula. The full reintegration of employees at the end of their leave period is confirmed by a return-to-work rate of 100%. This is accompanied by a high retention rate (89%), demonstrating the company’s ability to provide continuous support throughout parental leave and facilitate the transition between private life and work.

PARENTAL LEAVE - GRI 401-3	2025			2024			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Entitled to parental leave during the reporting period ¹²	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Who took parental leave during the reporting period.	10	6	16	4	5	9	N/A	N/A	N/A
Returned to work during the reporting period after parental leave ended	10	6	16	4	4	8	N/A	N/A	N/A
Due to return to work during the reporting period after parental leave ended	10	6	16	4	5	9	N/A	N/A	N/A
Still employed by the organisation 12 months after returning to work following parental leave	1	2	3	1	0	1	N/A	N/A	N/A
Returned from parental leave	10	6	16	4	5	9	N/A	N/A	N/A
Return-to-work rate	100%	100%	100%	100%	80%	89%	N/A	N/A	N/A
Retention rate	100%	80%	89%	N/A	N/A	N/A	N/A	N/A	N/A

¹²Data not monitored as at the reporting date



Training

[GRI 3-3, 404-1, 404-2, 404-3]

8,248

Training hours

Modula’s growth is closely linked to the development of its people’s skills. From this perspective, training is a strategic element for strengthening both technical-professional and soft skills, supporting the organisation in responding to changes in the market and operating environment. Each year, through interviews with area managers and an analysis of training needs, the HR department defines a **Training Plan** whose quality and effectiveness are continuously monitored.

The training programme aims, on the one hand, to consolidate and update the skills of people already working in the company and, on the other, to support the gradual onboarding of new colleagues in line with organisational needs. Specific courses and e-learning modules are provided for new hires, with particular attention to inclusion, occupational health and safety, and corporate culture. In 2025, **more than 8,000 hours of training** were delivered in total, equivalent to an average of

approximately 20 hours per employee. Compared with the hours delivered in 2024, there was a decrease, mainly due to the timing of the launch of training programmes linked to the New Skills Fund (NSF) call for applications. The lengthy preparation process delayed the start of the training courses, whose effects will be more visible in 2026.

TOTAL TRAINING HOURS DELIVERED - GRI 404-1 ¹³	2025			2024			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	83	0	83	144	0	144	162	0	162
Managers	429	41	470	2,543	222	2,765	977	353	1,330
White collar	4,372	2,030	6,402	7,370	3,415	10,785	6,889	3,117	10,006
Blue collar	1,293	0	1,293	1,346	0	1,346	772	0	772
Total	6,177	2,071	8,248	11,403	3,637	15,040	8,800	3,470	12,270

AVERAGE TRAINING HOURS DELIVERED - GRI 404-1	2025			2024			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	10.4	0	10.4	20.6	0	20.6	23.1	0	23.1
Managers	17.2	10.3	16.2	97.8	55.5	92.2	36.2	88.3	42.9
White collar	24.7	30.8	26.3	44.4	50.2	46.1	45.3	52	47.2
Blue collar	9.4	0	9.4	9.9	0	9.9	6.6	0	6.6
Total	17.8	29.6	19.7	34	50.5	37	29	54.2	33.4

¹³For the purposes of interpreting the data, it should be noted that the total training hours delivered include only voluntary training and exclude mandatory occupational health and safety training, which is reported in detail in the relevant chapter.



The analysis by professional level shows that white-collar staff received an average of 26.3 training hours per employee, a higher figure than that recorded for the other professional categories. This highlights the particular attention paid to developing the skills of this employee group, in line with the objective of strengthening its contribution to organisational processes and business support activities.

Training covered a range of areas to ensure well-rounded skills development:

- Management training: 1,460 hours, aimed at strengthening leadership skills and soft skills.
- Technical training: 1,509 hours, dedicated to updating specialist and operational skills relating to company technologies, tools and processes.
- Modula Academy: 454 hours aimed at enhancing internal know-how and disseminating the company's distinctive skills.
- Language courses: 315 hours, supporting the organisation's international growth and strengthening communication skills in multicultural contexts.
- Other (on-boarding, welfare, OTJ, ESG, etc.): 4,510 hours, dedicated to cross-functional initiatives involving integration, well-being, organisational development and support for people throughout their company journey, including on sustainability topics. (e.g. "Waste Challenge" with Proleven, gamification activities).

- Occupational health and safety courses: 2,988 hours, structured according to job roles and the related training needs.
- For more information on courses dedicated to health and safety, please refer to the chapter on "Occupational health and safety".

PERFORMANCE ASSESSMENT [GRI 404-3]

Modula has a **structured performance assessment system** covering the entire workforce and supporting professional growth and skills development. In 2025, the process once again involved 100% of employees.

The assessment, carried out by the direct manager with reference to an annual observation period, considers several areas of competence:

- 3 core competencies, common to the entire company and considered an integral part of Modula's values;
- 3 function-specific competencies, linked to the activities of the relevant department;
- Up to 3 additional team-management competencies, reserved for those in coordination roles.

The assessment process goes beyond simple monitoring, making a tangible contribution to the **planning of human capital development initiatives**. The results are used to guide the definition of professional development programmes and the training plan for the following year, with a view to continuous improvement and enhancing the skills available within the company.

To ensure consistently high-quality processes, production operators follow a specific skills assessment and development process. Technical competencies (hard skills) are periodically assessed by managers and recorded through the Vittoria RMS management system (Skills section) or, alternatively, using Excel spreadsheets. Process results and performance

are reviewed annually by Management, including an analysis of the extent to which objectives have been achieved and the definition of new improvement priorities.

TOTAL TRAINING HOURS, BY COURSE TYPE - GRI 404-1	2025	2024	2023
Management training	1,460	2,350	N/A
Technical training	1,509	1,540	N/A
Modula Academy	454	1,751	N/A
Language courses	315	1,820	N/A
Other training (welfare, OTJ, ESG, etc.)	4,510	7,579	N/A
Total voluntary training	8,248	15,040	N/A
Occupational health and safety	2,988	3,047	N/A
Total	11,236	18,087	N/A

EMPLOYEES RECEIVING REGULAR PERFORMANCE ASSESSMENTS - GRI 404-3	2025			2024			2023		
	Men	Women	Total	Men	Women	Total	Men	Wom-en	Total
Executives	8	0	8	7	0	7	7	0	7
Managers	25	4	29	26	4	30	27	4	31
White collar	173	70	243	166	68	234	152	60	212
Blue collar	138	0	138	136	0	136	117	0	117
Total	344	74	418	335	72	407	303	64	367



Inclusion

[GRI 405-1]

Modula promotes an inclusive working environment that is attentive to the needs of its people, with particular regard to those in situations of greater vulnerability, including people with disabilities.

The company recognises **the value of diversity** as an element that enriches the organisation and considers inclusion a fundamental prerequisite for fostering equal opportunities, organisational well-being and a corporate culture based on respect for and appreciation of every individual. In 2025, the workforce included 21 people with disabilities or belonging to other protected categories, representing 5% of the total number of employees.

To support their full integration, Modula promotes inclusive career paths and adopts flexible working arrangements that make it possible to respond specifically to individual needs.

The company's commitment translates into promoting a working environment that goes beyond compliance with regulatory requirements, with the aim of enhancing each employee's potential, supporting skills development and encouraging active participation in the organisation's growth.

Modula also promotes a path aimed at fostering internal cultural development towards an

increasingly aware and shared understanding of inclusion.

In this context, the company continued the "Fighting gender stereotypes" series of meetings, launched in 2024 and dedicated to raising awareness of diversity, inclusion and gender equality, with the aim of strengthening awareness about stereotypes, language and behaviours that can influence relationships in organisational and social contexts, as well as promoting the prevention of gender-based violence and people's well-being.

Initiatives carried out included:

- On 25 November, for the International Day for the Elimination of Violence against Women, Modula promoted a free women's self-defence course at Shotokan Karate Club, Formigine (MO), 25 November 2025.
- Around that time, in collaboration with **Mas Mediamo, Modula presented "Words, gestures, relationships: affective education against gender-based violence"**, 4 December 2025.
- To mark International Women's Day on 8 March, a staged reading from Michela Murgia's essay **"Stai Zitta"** focused on the role of women's voices in society, 13 March 2025.

Occupational health and safety

[GRI 3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10]

Modula has adopted an occupational health and safety management system compliant with **UNI EN ISO 45001:2018**, which is applied to all company-owned plants and customer work sites.

Within this system, roles with a higher risk profile have been identified in relation to the various company positions, including office staff, technical staff, customer care technicians, installation, service, testing and prototyping personnel, machine operators, electrical and mechanical personnel, warehouse staff and maintenance personnel.

The **occupational health and safety management system** covers 100% of the organisation's employees and non-employees.

HAZARD ANALYSIS AND RISK ASSESSMENT

Risk assessment is carried out using an analytical approach that separately considers

the characteristics of workplaces, equipment, machinery, systems, substances used and company processes, and then brings them together in an overview of the hazards and risks associated with the various roles. The procedure adopted by Modula first identifies all internal work activities, including secondary activities carried out by external workers, whether on an ongoing or occasional basis.

Assessments are carried out through workplace inspections and with the involvement of the relevant internal roles and workers, including interviews aimed at examining ordinary and extraordinary conditions of use of machinery, systems and equipment.

The physical risk assessment is updated every 4 years or whenever processes are modified, while the work-related stress risk assessment is updated every 2 years. The hierarchy of controls is applied in accordance with ISO 45001 and in line with Legislative Decree 81/08 as amended.

SAFETY INSPECTIONS

Safety inspections are a practical tool for operational oversight and prevention across company activities. Introduced by Modula in 2023 and carried out daily in the production department through safety walks, these activities have taken on a key role in monitoring safety conditions. Between 2023 and 2024, inspections



relating to installation activities increased by 77.5%, while those relating to service activities more than doubled, increasing by 114.5%. The growth trend continued in 2025, when a total of 417 safety audits were carried out, including 253 during installation activities and 164 during maintenance activities, representing an overall increase of 36.3% compared with 2024. This trend reflects the consolidation of the company's approach to safety, with increasingly extensive and systematic oversight of field activities. In 2026, audits are also expected to be launched abroad, further extending the scope of these practices.

ROLES AND RESPONSIBILITIES

The Prevention and Protection Service (PPS) and the Occupational Physician work with employers and delegated managers to prepare the Risk Assessment Document (RAD) and Specific Risk Assessments, contributing to the correct identification and management of the main risk factors.

Workers' Safety Representatives (WSR) have access to the documentation provided for consultation and may submit observations and opinions on the assessments carried out and the related preventive measures adopted.

For each activity, whether routine, non-routine or emergency, potential hazardous situations that might result in incidents, injuries, occupational

diseases or other events with possible consequences for workers' health and safety are identified.

The analysis includes verification of workplace conditions, organisational processes, documentation and available information in order to ensure regulatory compliance and maintain adequate safety standards.

REPORTING MECHANISMS

Modula provides workers with various tools and channels for reporting injuries, near misses and potentially hazardous situations.

The forms dedicated to managing injuries, subsequent corrective actions, near misses and the related corrective measures form an integral part of the internal procedure for managing injury events.

Near misses are reported using a dedicated form completed by the worker with support from the supervisor.

Reports are subsequently analysed by the Prevention and Protection Service (PPS), which assesses their root causes and defines any preventive and corrective measures aimed at preventing similar situations from recurring.

In addition to the forms, workers can report hazardous situations through various channels:

- through the Workers' Safety Representatives (WSR);
- via dedicated e-mail addresses;

- through the safety chat;
 - during monthly department meetings, which are also attended by the PPS;
 - during daily auditing activities (safety walks) carried out by the PPS.
- Workers are also required to follow the instructions contained in procedures and operating instructions relating to the activities performed and the specific risks to which they are exposed.
- These instructions also include how to use Personal Protective Equipment (PPE), which is supplied through dispensing machines.
- To strengthen the prevention system, the company:
- prepares and updates operating instructions containing preventive measures for each role;
 - conducts periodic internal audits to collect reports and feedback from the field;
 - organises, at least once a year, the periodic meeting required by Legislative Decree 81/08, involving all parties required by the legislation;
 - conducts daily production audits to collect suggestions for improvement to be shared with Management during the four-monthly Safety Committee meetings;
 - promotes weekly department meetings, during which supervisors collect feedback from workers and share it with the PPS, which in turn reports it to management.

To complete the prevention system, Modula has adopted a dedicated worker consultation and participation procedure, which provides a structured framework for how each person can contribute to the continuous improvement of occupational health and safety within the company.

WORK-RELATED INJURIES

Protecting health and preventing injuries and occupational diseases are fundamental principles for Modula.

The company aims to **prevent incidents** through a continuous improvement approach.

In 2025, injury indicators improved further compared with the previous year.

Work-related injuries involving employees decreased from 8 to 6, while those involving non-employees fell from 3 to 2. Furthermore, there were no serious injuries or fatalities during the year.

The main hazards that might cause serious injury comprise falling from height during installation and maintenance activities, being struck by vehicles or equipment, and being crushed during operational activities.

With regard to installation activities, Modula uses qualified partners, as these activities are fully outsourced, and promotes training in the use of Category III PPE (Personal Protective Equipment),



awareness-raising activities and additional training beyond mandatory requirements, as well as safety walks and opportunities for discussion during department meetings.

In 2025, recorded injuries involved cuts during sheet-metal handling and crushing incidents during the handling or falling of materials. At the same time, no occupational diseases were reported in 2025, confirming the figure recorded in previous years.

Every event, regardless of its severity, is analysed using a structured approach.

First, the factors that caused the event are identified in order to understand where action is needed. Second, targeted corrective actions are defined to eliminate or reduce the risk of the event recurring in the future.

Finally, preventive measures are implemented to safeguard the health and safety of the individuals involved in the relevant activity.

WORK-RELATED INJURIES FOR EMPLOYEES - GRI 403-9		2025	2024	2023
Injuries		6	8	8
	At work	5	8	8
	Commuting	1	0	0
Injuries with serious consequences (excluding fatalities)		0	0	0
	At work	0	0	0
	Commuting	0	0	0
Fatalities (as a result of work-related injuries)		0	0	0
	At work	0	0	0
	Commuting	0	0	0
Total number of hours worked		700,397	669,818	603,111
Rate of recordable work-related injuries		7.14	11.94	13.26
Rate of work-related injuries with serious consequences (excluding fatalities)		N/A	N/A	N/A
Rate of fatalities as a result of work-related injuries		N/A	N/A	N/A



The rate of recordable work-related injuries makes it possible to go beyond the absolute number of injuries by relating it to the total number of hours worked, thus providing a more representative measure of injury trends.

This ratio decreased significantly, from 11.94 in 2024 to 7.14 in 2025 for employees, and from 102.11 (2024) to 51.27 (2025) for non-employees¹⁴.

The trend observed indicates continuous improvement in health and safety conditions over the three-year period, demonstrating the effectiveness of Modula’s initiatives in this area and its ongoing commitment to ensuring safe working environments and preventing injuries.

WORK-RELATED INJURIES FOR NON-EMPLOYEES - GRI 403-9		2025	2024	2023
Injuries		2	3	0
	At work	2	3	0
	Commuting	0	0	0
Injuries with serious consequences (excluding fatalities)		0	0	0
	At work	0	0	0
	Commuting	0	0	0
Fatalities (as a result of work-related injuries)		0	0	0
	At work	0	0	0
	Commuting	0	0	0
Total number of hours worked		39,008	29,380	121,740
Rate of recordable work-related injuries		51.27	102.11	0
Rate of work-related injuries with serious consequences (excluding fatalities)		N/A	N/A	N/A
Rate of fatalities as a result of work-related injuries		N/A	N/A	N/A

¹⁴These rates were calculated based on 1 million hours worked.



OCCUPATIONAL HEALTH SERVICES

Depending on the duties performed, a personalised health surveillance protocol is defined for each worker, in **collaboration with the occupational physician**, identifying the required health surveillance activities and their frequency. The results of medical examinations are communicated exclusively to the worker concerned, while the company receives only the assessment of fitness for the job, in compliance with the confidentiality of health information. Health surveillance activities are entrusted to Sassuolo Hospital, ensuring high standards of service quality and reliability. To protect workers, specialist preventive check-ups are also organised, such as mole mapping and breast examinations, carried out by qualified professionals. The results remain anonymous and are not shared with the company. In addition to the provisions of the National Collective Labour Agreement (CCNL), each year Modula promotes voluntary screening activities in collaboration with certified associations, including ANT and LILT, organising examinations directly at the company during working hours. In 2025, prevention initiatives focusing on melanoma and breast cancer were carried out; in addition, all employees were offered a complete blood test, accompanied by a training session on preventing chronic diseases, such as hypertension and diabetes, through proper nutrition and healthy lifestyles. During the

autumn, the influenza vaccine was also made available on a voluntary basis. As further support for health protection, the company has introduced supplementary health insurance policies for certain categories of employees, covering personal medical expenses. Workers maintain a direct relationship with the associations and healthcare professionals providing these services, and no documentation or examination results are transmitted to the company, in full respect for confidentiality and the protection of sensitive data.

OCCUPATIONAL HEALTH AND SAFETY TRAINING AND HEALTH PROMOTION

At the beginning of each year, Modula analyses occupational health and safety training requirements through the company management system. Based on the identified needs, an annual training programme is defined, including mandatory refresher training and specific courses related to the various job roles. In this context, Modula also adopts innovative teaching methods, including gamification tools, such as the “Safety Games” workshop held this year with Proleven, aimed at encouraging active worker engagement and strengthening the learning of correct health and safety behaviours. Supervisors are periodically asked to identify any workers who should undertake additional training, including in relation to specific roles

such as first-aid officer or fire safety officer. For new hires, a dedicated training plan is prepared from the time they join the company, taking due account of the specific risks associated with their jobs.

In 2025, approximately 3,000 hours of **health and safety training** were provided, averaging 7.1 hours per employee. The figures are substantially in line with those recorded in 2024, when 3,047 training hours were provided, with an average of 7.5 hours per employee, confirming the company’s commitment to ensuring continuous awareness-raising and refresher training for all workers.

2,988
Safety training hours 2025

COURSE TYPE	PEOPLE INVOLVED	TOTAL HOURS
General training and specific risk training	64	382
Supervisors	30	188
Lifting and handling equipment	28	168
MEWPs (Mobile Elevating Work Platforms)	18	114
PES/PAV	30	272
Working at height	18	122
First aid and emergency management	115	829
RSPP/ASPP	6	287
Other (Gamification, lithium batteries, etc.)	323	626



Corporate Conduct

[GRI 2-25, 2-26, 3-3, 205-1, 205-2]



Modula S.p.A. adopts a structured approach to preventing and combating corruption and unlawful conduct, in compliance with the legislation on the administrative responsibility of entities pursuant to Italian Legislative Decree 231/2001 and based on a robust governance and control system.

The company has adopted an **Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001** (so-called “Model 231”), an instrument that identifies the areas of company activity exposed to potential “231 risk” (including: Relations with the Public Administration, Administration and Finance, Human Resources Management, Procurement Management, Business Activities, Information Systems Management and Health, Safety and Environmental Management).

The Special Sections of Model 231 regulate, for each identified area of company activity, the types of offences specified in Italian Legislative Decree 231/2001, defining the principles of conduct to be observed and the control measures to be complied with in order to prevent the risk of such offences being committed.

Model 231 is subject to **periodic updates**¹⁵ following: (i) changes to the company’s organisational structure and/or the manner in which business activities are carried out; (ii) regulatory changes; (iii) findings from controls; (iv) significant breaches of the provisions of the Model.

Supervision of the implementation of the Model

is entrusted to the **Supervisory Body (SB)**, composed of three members appointed by the company’s Board of Directors, which operates with full autonomy from the management chain. In the event of reports, including anonymous reports, received through dedicated reporting channels (so-called whistleblowing), the SB may initiate confidential internal investigations. The SB subsequently shares a detailed report with the Administration, Management and Control Bodies to support any request for sanctions or corrective measures to be adopted.

Model 231 is also supported by a disciplinary system applicable in the event of breaches of the Model itself.

The **Whistleblowing Procedure**, adopted by Modula pursuant to Italian Legislative Decree 24/2023, governs the process for receiving, analysing and managing reports (i.e. any communication of information concerning Modula personnel or third parties regarding breaches of national or European Union regulatory provisions that harm the public interest or the integrity of the company, breaches of the Code of Ethics and the adopted Model 231, as well as of the system of rules and procedures in force) and protects whistleblowers against any form of retaliation, ensuring confidentiality and the protection of personal data.

Reports are managed through a **dedicated digital platform**, which is independent of and additional to the normal company reporting channels (correspondence by ordinary mail and e-mail).

The platform is accessible to all internal and external stakeholders. The report management process includes a preliminary verification phase and an investigation phase, at the end of which the SB classifies the report as “Substantiated” or “Unsubstantiated”.

In the former case, the SB delegates the definition of any necessary measures to the functions responsible for the matter concerned and in accordance with the system of mandates in force; in all cases, regardless of the outcome, the SB may request the implementation of improvements where deemed necessary following the investigation.

The control system is completed by the **Code of Ethics** that, as an integral and essential part of the “231” compliance framework, defines and promotes the general ethical values and principles guiding the conduct of company activities. The objectives are to prevent unlawful conduct and strengthen the reliability, reputation and continuous improvement of the company’s operating environment.

These principles guide the actions of the corporate bodies and their members, company personnel, collaborators, external consultants and other contractual counterparties, who are required to act in compliance with the applicable legislation and in accordance with criteria governing loyalty, honesty, integrity, fairness, good faith, transparency, efficiency and openness to the market, safeguarding the legitimate interests of all stakeholders.

To strengthen awareness of these issues and promote a corporate culture based on the principles and values set out in the **Code of Ethics** and Model 231, Modula organises **mandatory training programmes**, for 100% of company functions, starting from the time employees join the company. These are updated periodically, in line with revisions to Model 231.

CASES OF ACTIVE AND PASSIVE CORRUPTION
[GRI 205-3]

In 2025, Modula S.p.A. recorded no cases of active or passive corruption, nor any confirmed breaches of anti-corruption procedures and regulations by employees or business partners. No convictions or fines relating to corruption were imposed during the reporting period.

Consistent with this evidence, no disciplinary actions, dismissals or sanctions attributable to corruption incidents were applied, nor were any contracts terminated or not renewed for the same reasons.

Lastly, the company was not involved in any legal proceedings relating to corruption.

¹⁵Model 231 was most recently updated to incorporate regulatory developments introduced up to January 2026 (including introduction of the new category of specified offences relating to breaches of European Union restrictive measures, pursuant to Article 25-octies.2 of Italian Legislative Decree 231/2001). The amended Model 231 will be approved by the Board of Directors at the first available meeting.



Directly generated and distributed economic value

[GRI 3-3, 201-1]

The creation and distribution of the economic value generated by Modula is an indicator of the company's ability to produce economic results and share their benefits with its main stakeholders: employees, suppliers, shareholders, the Public Administration and local communities.

During the 2023-2025 three-year period, Modula continued its growth and consolidation path, confirming its positioning as an innovative industrial player in a macroeconomic context still characterised by volatility in international markets and evolving supply-chain dynamics.

In 2025, Modula recorded economic value generated of approximately €165 million, a slight recovery compared with 2024, a year affected by slowing demand and a challenging international macroeconomic environment. Although the figure remains below the exceptionally high levels of 2023, the 2025 result confirms a phase of gradual stabilisation and consolidation, highlighting the company's ability to preserve its financial strength in a still-complex market environment.

DIRECTLY GENERATED AND DISTRIBUTED ECONOMIC VALUE GRI 201-1	2025	2024	2023
Economic value generated	164,768,442 €	161,976,687 €	200,010,979 €
Revenues	164,768,442 €	161,976,687 €	200,100,940 €
Adjustments to value of financial assets: Impairment of equity investments	-	-	- 89,961 €
Economic value distributed	149,991,514 €	149,638,678 €	180,225,402 €
Operating costs	118,031,872 €	118,252,193 €	147,124,355 €
Employee salaries and benefits	31,718,161 €	30,082,311 €	28,493,830 €
Payments to capital providers/Shareholder remuneration	-3,868,218 €	-2,020,712 €	-1,512,100 €
Taxes and fees/Payments to the government	4,005,699 €	3,290,786 €	5,893,317 €
Value distributed to the community	104,000 €	34,100 €	226,000 €
Donations	15,000 €	-	-
Sponsorships	89,000 €	-	-
Membership contributions	-	-	-
Economic value retained	14,776,928 €	12,338,009 €	19,785,577 €



In 2025, Modula distributed approximately €150 million to its stakeholders, equal to 91% of the economic value generated, confirming a high capacity to redistribute the value produced. This result highlights the company’s contribution to supporting its operating activities, supply chain, people and the local areas in which it operates:

- **Operating costs:** more than €118 million, supporting the supply chain and production activities;
- **Employee wages and benefits:** more than €31 million, continuing to grow over the three-year period, demonstrating the focus on people’s well-being and development;
- **Remuneration of shareholders and providers of capital:** approximately €4 million;
- **Taxes:** €4 million paid to the Public Administration, supporting the community;
- **Community investments:** €104 thousand allocated to social, cultural and environmental initiatives in the areas where the company operates. This item increased significantly compared with 2024.

The economic value retained, equal to approximately 9% of the value generated and corresponding to €14.8 million, represents the share allocated to supporting the company’s operational continuity and investments in innovation, technological development and future adaptability. The management of tax obligations and approval of the company’s financial statements are overseen as part of ordinary corporate procedures, with validation by the Board of Directors and under the supervision of the control bodies, such as

the Board of Statutory Auditors and the Independent Auditors.

Social commitment

[GRI 3-3, 413-1]

Modula recognises the importance of contributing to the **economic, social and cultural development** of the areas in which it operates, promoting initiatives consistent with its responsibility towards local communities, the planet and its resources.

In line with the **United Nations Sustainable Development Goals**, the company supports projects in the cultural, healthcare, environmental, sports and educational fields, dedicating particular attention to the growth of younger generations.

In 2025, Modula also reaffirmed its social commitment through a series of **donations to organisations and associations active in the social, cultural and healthcare fields**. In particular, support was provided to:

- Fiorano Modenese Parish, which organises educational and training activities for children and young people;
- AVAP (Public Assistance Volunteers Association) of Maranello, which carries out volunteer activities with a tangible social and healthcare impact in the local area;
- Casa delle Donne Association, which mainly

works to protect women’s rights, prevent and combat gender-based violence, and provide psychological, legal and social support to women;

- ANT Foundation, committed to providing home care for cancer patients;
- LILT Reggio Emilia, active in cancer prevention and the fight against cancer.

Through these initiatives, Modula contributes to the well-being of local communities and strengthens its ties with the local area. This commitment is complemented by support for **cultural and sporting initiatives**, considered opportunities for participation, education and growth, as well as tools for strengthening people’s sense of belonging. The **sponsorships** carried out in 2025 include:

- Fondazione Teatro Carani, supporting the enhancement of local cultural heritage;
- AVIS (Italian Blood Donor Associations), a voluntary association that promotes blood and plasma donation to help those in need;
- A.C. Casalgrande Sports Association, P.G.S. Smile A.S.D. Formigine, G.S.D. Pallamano Spallanzani, Hockey Valdagno S.r.l., A.S.D Ruzzolone, Modena Golf, Modena Rugby 1965 and Società Agricola Riola Volley, amateur sports clubs that contribute to young people’s growth and education through sport. Modula’s focus on young people and their physical health remains a central pillar of its social activities.





SUPPORT FOR SCHOOLS AND EDUCATION

In 2025, **collaborations with educational institutions** continued through the promotion of training programmes and meetings with students from local schools and institutes, with the aim of bringing them closer to the world of work and supporting them in shaping their professional path. Examples of collaborations pursued in 2025 include:

- Enrico Fermi Technical Industrial Institute, a technical institute in the Modena area offering programmes focused on technological and industrial disciplines; the educational experience was carried out in collaboration with Modula to provide career guidance and introduce students to the corporate environment.
- Enaip Veneto Impresa Sociale - Cittadella site, a vocational training school focused on developing practical, job-ready skills. Visits to Modula’s facilities enabled students to connect theory with practice, gain exposure to a production environment and receive support in making future career choices.

MODULA, ART AND CULTURE

Modula’s connection with local art and culture is expressed through an ongoing commitment to dialogue with the local community. The company frequently supports the promotion of cultural initiatives and opportunities for engagement with the community. To mark the 80th birthday of Franco Stefani, founder and Chairman of Modula, Modena-based artist Andrea Chiesi paid tribute to the company and its founder by creating **Modula Tre, viaggio in uno spazio verticale**. The canvas depicts the company’s vertical automated systems as reinterpreted by the artist. The work combines creativity and innovation, perfectly reflecting Modula’s style, and is now housed at the Fiorano Modenese plant. Modula’s connection with the local area is also demonstrated by its support for cultural organisations that form part of the community’s social heritage. In particular, the relationship with **Teatro Carani in Sassuolo** was renewed once again in 2025 to promote local art and entertainment. The company’s commitment involves supporting the 2025/2026 Cultural Season, delivering a rich and diverse programme capable of engaging the entire community. In addition, during 2025 Modula hosted the **Architecture Festival**, in collaboration with Archilinea. The initiative, dedicated to dialogue between architecture, industry and innovation, included a stop at the Fiorano Modenese plant, which was opened to the public for one day, providing an opportunity to discuss the use of production spaces and the technological innovation represented by Modula’s solutions.

ITS MAKER ACADEMY

ITS MAKER Academy is Emilia-Romagna’s Higher Technological Institute specialising in post-secondary education in mechanics, mechatronics, automotive engineering, automation, packaging and Industry 4.0. Created through collaboration among companies, local authorities, schools and universities, the project is part of the **ITS Academy** system, offering advanced technological specialisation programmes designed to create a direct link between education and the world of work. The two-year courses, with a strongly practical approach, are designed together with local companies to meet the professional needs of the region’s industrial districts and include laboratory activities, internships and opportunities for engagement with companies. In this context, collaboration with ITS MAKER Academy provides Modula with a tangible opportunity to contribute to the development of young people’s technical skills and guide them towards careers in industry.

THE FESTO PROGRAMME

During the year, Modula opened its doors to participants in the Operations and Supply Chain Management programme promoted by Festo Academy, a specialist training programme for operators, technicians and young managers in the industrial sector, aimed at developing technical and organisational skills. The programme, offered as part of the advanced professional, technical and managerial training activities provided by **FESTO** through **Festo Academy and Festo Didactic**, includes continuing education activities and the acquisition of training credits, with particular focus on production processes, industrialisation and product development. The initiative was developed with the support of BPR Group, a Festo partner that helps organise training activities and provides consulting support for industrialisation and business process improvement programmes. As part of the programme, the visit to Modula was an integral part of the learning experience, enabling participants to observe directly the application of the industrial methodologies and best practices adopted by the company, particularly in processes related to automation, production organisation and supply chain management.

The aim of the programme is to foster the **professional growth of participants** through a practical, integrated approach closely aligned with the needs of modern industrial organisations. The initiative forms part of Modula’s broader commitment to supporting skills development and promoting learning experiences that strengthen dialogue among companies, professionals and industry experts.



the same spirit of openness to the local community, in 2025 Modula hosted a stage of the **28th Fiorano Modenese Historic Car Rally** at its Experience Center. This event attracts enthusiasts and historic vehicles from outside the local area every year.

In a province where motoring culture is a distinctive feature of the local identity, this initiative provided an opportunity to promote a tradition deeply rooted in the Motor Valley, capable of generating connections and visibility for the area. Opening the company’s premises to an event of local significance confirms Modula’s role as an active participant in the life of the Modena district, committed to creating meeting places and supporting networking opportunities linked to the area’s motoring and manufacturing culture.

DIALOGUE AND NETWORKING FOR LOCAL INNOVATION

Engagement with companies, professionals and local associations provides Modula with an opportunity to share expertise, showcase industrial experience and contribute to the growth of the local ecosystem.

This approach includes the **Confindustria Emilia Factory Tour**, a project created to showcase the area’s manufacturing excellence and encourage the exchange of ideas and best practices among companies.

In 2025 Modula opened its doors to the initiative, presenting its production model and its ongoing investment in advanced automation solutions.

Also as part of initiatives promoting participation and dialogue with the local community, in 2025 Modula supported **Tade Week**, an event organised in Sassuolo and hosted in Piazzale della Rosa, featuring meetings, round tables, discussions and participatory initiatives dedicated to current issues concerning young people and the world of work.

The company’s contribution is part of a networking approach involving businesses, professionals, young managers and local organisations, with the aim of fostering dialogue, sharing experiences and strengthening the area’s potential.

FIGHTING POVERTY AND SOCIAL EXCLUSION

Modula’s commitment to the community is also expressed through initiatives aimed at combating **poverty** and **social exclusion**, with the objective of supporting vulnerable people and communities.

In this area, the company promotes and supports projects capable of generating a tangible impact locally and, more broadly, contributing to the protection of human dignity. For years, Modula has collaborated with **Il**

Melograno – Emporio della Solidarietà in Reggio Emilia, a social project created to support individuals and families facing financial hardship and to promote a culture of reducing food waste. During internal events and company initiatives involving catering or food distribution, all surplus food is entrusted to the experienced team at **Il Melograno** so that it can be recovered.

Through this collaboration, the company provides tangible support to local communities while encouraging more responsible consumption practices.

In addition, in 2025 Modula continued its relationship with **Rock No War**, an organisation engaged in international solidarity and cooperation projects supporting the most vulnerable communities.

The relationship with this organisation forms part of the company’s broader social responsibility journey, aimed at promoting initiatives capable of generating shared value beyond national borders.

This includes the **“Water is Life”** project, promoted by Rock No War to improve access to drinking water in areas of the world most severely affected by water scarcity.

Launched in 2023 and also supported by Modula in 2024, the initiative has contributed to the construction of more than 90 wells and irrigation systems in 28 countries, improving living conditions for thousands of people, with particular attention to children and communities lacking access to this essential resource.

The project directly supports the UN Sustainable Development Goals, particularly SDG 6 – Clean Water and Sanitation, and represents a tangible example of commitment to protecting resources, human dignity and international cooperation. Through dialogue and close relationships with organisations such as Rock No War, Modula confirms its focus on initiatives with high social and environmental value, consistent with a vision of responsible business and a commitment to helping build a fairer, more inclusive and sustainable future.



Social commitment at a glance

AREA	INITIATIVE / PROJECT	PARTICIPANTS / BENEFICIARIES	TYPE OF CONTRIBUTION
Social inclusion	Donation to Concesco Cooperativa Sociale (Sassuolo) – projects for young people with disabilities.	20 young people involved in the “Lab&Art” and “A Capo” workshops	Financial donation supporting inclusion and training activities
Environmental sustainability and international cooperation	Support for Rock No War’s “Water is Life” project.	More than 90 wells built in 28 countries, thousands of beneficiaries	Donation and participation in an international solidarity project
Education and young people	Collaboration with BPR Group – training day on Lean Thinking and Industry 4.0	20 professionals and students	Training session and guided tour of Modula facilities
	Educational visits by “Spallanzani” School in Casalgrande.	2 classes (approximately 40 students)	Career guidance and experiential learning activities
	Participation in the CNOS-FAP Masterpieces Exhibition.	More than 100 students from across Italy	Sponsorship and provision of promotional items
	Open Factory 2024 – Open Day & Academy.	Approximately 150 visitors and 60 university / ITS students	Opening to the public and training activities
Culture and community	Support for Fondazione Teatro Carani and Galleria Estense in Sassuolo.	Local community	Donation to promote the local cultural heritage
Sport and shared values	Sponsorship of local sports clubs (Pallamano Casalgrande, U.S. Sassuolo Calcio, Riola Volley, Hockey Valdagno, etc.).	Hundreds of athletes and young people	Sponsorships and support for sporting events
Well-being and health	Donations to Fondazione ANT and LILT Reggio Emilia.	Beneficiaries of care and prevention services	Donations to healthcare organisations



The automatic vertical warehouse sector is characterised by a strong propensity for technological innovation and an ability to adapt to continuously evolving needs.

Requirements are increasingly diverse and include better space optimisation, greater efficiency and process rationalisation, and increasingly advanced digitalisation in terms of digital integration with company systems.

In such a dynamic and competitive environment, the excellence of the products and services offered is not solely the result of the design and production stages: it is also closely linked to the strength and reliability of the supplier network on which the entire supply chain depends.

Supply Chain





Modula's supply chain

[GRI 2-6, 3-3, 204-1, 308-1, 414-1]

Managing the supply chain in a structured and effective manner is a key factor in ensuring both **operational continuity** and **security of supply**, as well as ensuring that products placed on the market meet **high quality standards**.

At the same time, the supply chain plays a crucial role in Modula's competitive positioning and in maintaining the company's reputation. In this context, Modula's main suppliers are steel product distributors, selected on the basis of their ability to guarantee the required volumes, consistent quality and on-time delivery.

The raw materials used in production can be grouped into four main types:

- galvanised steel coils;
- pre-coated steel coils;
- pickled steel sheets;
- steel tubes.

Procurement planning is carried out weekly, based on consumption levels. Raw materials are delivered directly to the production departments, maintaining an average stock equivalent to approximately one week of production in order to combine operational flexibility with management efficiency.

PROCUREMENT POLICIES

Modula's procurement strategy is based on shared and transparent values that guide supplier selection and management. In particular, the company is committed to:

- pursuing excellent technical and quality standards, while always ensuring an optimal balance between quality and price;
- selecting reliable and transparent suppliers that demonstrate integrity and professional honesty;
- where conditions are equivalent, giving preference to collaboration with local suppliers, thereby supporting local economic growth;

- rigorously monitoring raw materials, ensuring a fully traceable supply chain;
- strictly complying with all applicable regulations concerning occupational health and safety, human rights and worker protection.

These principles are formalised in the **Code of Ethics** (for further information, see the chapter on Business conduct), which is provided to customers, employees and suppliers so that they can read and adopt it as a reference for managing commercial and professional relationships with the company. The adoption of a **Sustainable Procurement Policy** is also planned for 2026.

NUMBER OF SUPPLIERS AND SHARE OF EXPENDITURE	2025		2024	
	% EXPENDITURE	NO. OF SUPPLIERS	% EXPENDITURE	NO. OF SUPPLIERS
Raw materials	14%	8	16%	8
Services	34%	676	35%	623
Packaging	1%	3	1%	3
Transport	4%	42	4%	43
Contractors	3%	10	3%	9
Direct	44%	184	41%	186
Total suppliers	100%	923	100%	872

SUPPLIERS

In 2025, Modula further expanded its supplier base compared with the previous year, increasing from 872 to 923 business partners.

The supply chain analysis considers both **direct suppliers of materials and components** and **indirect suppliers**, i.e. providers of services, transport and outsourced processing, which were included in the reporting scope for the first time in 2024 to enable more comprehensive mapping of the entire supply chain.

The increase in the number of suppliers between 2024 and 2025 is almost entirely attributable to growth in the service supplier base, comprising more than 670 different entities and accounting for 34% of total expenditure.

Direct suppliers continue to account for the largest share of expenditure, at 44% of the total, comprising more than 180 partners.

Raw materials account for 14% of the total value and are managed by a limited number of suppliers (8), confirming established relationships but also a high dependence on a small number of strategic operators.

Transport and outsourced processing suppliers account for smaller shares, representing 4% and 3% of expenditure respectively, while packaging has only a marginal impact (1%).



Modula works predominantly with **local suppliers**, including small partners, confirming its commitment to enhancing and supporting the area in which it operates.

Modula's supply chain is in fact characterised by a strong local focus, with significant concentration at regional and national level. In 2025, **58% of total expenditure** was allocated to **suppliers located in Emilia-Romagna**, an increase of 5% compared with 2024, alongside a reduction in the share relating to national suppliers, which stood at 38%. Foreign supplies continued to account for only a marginal share, at 3% from European suppliers and 1% from non-European suppliers. These figures confirm a supply chain strongly rooted in the local area, characterised by a gradual rebalancing between the local and national components.

This configuration helps reduce logistics risks and procurement lead times, while also helping to contain environmental impacts and strengthen ties with the national socioeconomic fabric.

SUPPLIER ASSESSMENT QUESTIONNAIRE

At present, Modula's new supplier selection process does not include environmental and social criteria; however, in 2024 the company launched a structured programme aimed at **improving the traceability and assessment of its supply chain** from a sustainability perspective.

In this context, a **questionnaire dedicated to suppliers was developed, containing questions relating to ESG** (environmental, social and governance), with the aim of collecting information

EXPENDITURE BY GEOGRAPHICAL AREA - GRI 204-1

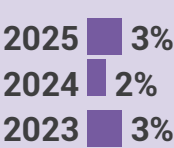
Local suppliers



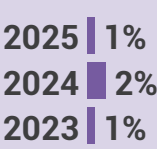
Italian suppliers



European suppliers



Non-European suppliers



useful for assessing the degree to which sustainability principles are integrated throughout the supply chain.

To date, this information is used to gain greater awareness of the performance of the supply chain, but does not constitute a formal supplier selection criterion.

In 2025, the questionnaire was **administered to the main suppliers of raw materials and com-**

ponents, covering approximately 70% of direct procurement expenditure and thus ensuring significant representation of the supply chain.

Starting in 2026, Modula plans to **progressively extend the questionnaire** to the remaining supplier base, using a gradual approach based on economic relevance.

In an initial phase, the analysis will involve raw material suppliers with purchasing volumes of at least €100,000, thereby covering 99% of direct procurement expenditure; in subsequent years, the activity will also be extended to service providers.

At the same time, **second-level audits** will also be launched in 2026 to verify self-declared information and further strengthen the monitoring system, making it more structured, comprehensive and transparent.

PAYMENT PRACTICES

Modula adopts a rigorous and transparent approach to managing payments to its suppliers, considering this a fundamental element in maintaining strong, long-term relationships, ensuring business continuity and supporting the stability of the entire supply chain.

Payment terms are agreed during the contractual phase and may vary depending on the type of supply, the duration of the business relationship and the characteristics of the goods or services purchased. This flexibility enables the company to balance its own financial management requirements with those of its suppliers, helping to safeguard their operational continuity.

Invoice management is supported by structured

internal procedures: before payment is initiated, each document is checked by the administration department to ensure the accuracy of the data and its correspondence with the supplies received.

Approval and payment processes are also supported by a financial management system that enables continuous performance monitoring and the identification of potential areas for improvement.

During the reporting period, the average invoice payment time remained in line with the contractual terms agreed with individual suppliers.

In certain specific cases, defined in agreement with business partners, payment schedules provided for longer terms, while always fully complying with contractual conditions.

Overall, **100% of 2025 payments were made within established standards and no disputes relating to late payments were recorded**, in line with previous years. Should any difficulties arise, the company is committed to maintaining timely and constructive dialogue with its suppliers, jointly assessing possible alternative solutions, including any renegotiation of contractual terms.



The sales network and customers

[GRI 2-6]

THE SALES NETWORK

Modula's strength lies not only in the excellence of its products, but also in the robustness and reach of its sales network.

Over time, in addition to its direct presence through Group companies, numerous third-party companies (Italian and international) have chosen to become **dealers** for the brand, contributing to the penetration of automatic vertical warehouses in their respective domestic markets and promoting Made in Italy technology to an increasingly broad customer base.

Alongside established collaborations with long-standing partners, the network has progressively expanded to include new **specialist dealers** in the logistics, mechanical engineering and business consulting sectors. This growth path has enabled Modula to strengthen its global presence, increase brand awareness and offer direct customer contact through local representatives. The dealer network is complemented by the **Authorized Partner** network.

These partners go beyond simple promotion and sales activities: they actively collaborate with Modula in expanding the market and developing new solutions, making a decisive contribution to the continuous evolution and innovation of the company's offering.

CUSTOMERS

For Modula, customer relationships are a strategic pillar, founded on active listening, transparency and continuous innovation.

Modula systems are adopted by **companies of different sizes operating across a wide range of industrial sectors**, including automotive, mechanical engineering, metalworking, steel, chemicals, pharmaceuticals, electronics and ceramics, as well as packaging, plastics, paper and rubber.

Thanks to their flexibility, Modula warehouses are used in **a wide variety of contexts**, adapting to the size and specific organisational requirements of each customer.

In more structured organisations, they are usually integrated into logistics, production and distribution departments, while in small businesses they may also be used by non-specialist personnel, including sales departments.

Although warehouse operators are generally the end users of Modula products, their ease of use makes them accessible to any employee who needs to retrieve stored material.

In addition, Modula systems are a benchmark for improving the efficiency of picking operations and are designed to integrate easily with latest-generation intralogistics infrastructures, supporting digitalisation and improved operational performance.

To foster ongoing dialogue, the company uses **various tools to engage customers**, including satisfaction surveys,

materiality questionnaires, qualitative and quantitative surveys conducted during events and trade fairs, as well as various after-sales activities.

These channels make it possible to **collect valuable feedback**, helping the company better understand needs and expectations and translate them into concrete actions that can guide business development. In this way, the business model remains aligned not only with industrial objectives, but also with relevant social, environmental and economic aspects.

These tools are also complemented by **structured customer communication initiatives**, developed through digital channels and industry media.

In particular, Modula provides updates on products, technological solutions and corporate developments through its website and dedicated

application, as well as its social media and video channels, and runs e-mail marketing campaigns. These digital communication activities are complemented by the publication of articles in specialist magazines, aimed at positioning the company as a recognised point of reference in the sector.

Through this focus on innovation, sustainability and customer satisfaction, Modula strengthens its reputation day by day as a reliable and forward-looking partner for companies seeking to optimise their logistics processes.





Modula's sustainability journey is characterised by a dynamic approach focused on continuous improvement and based on concrete, measurable objectives. The targets arise from listening to people, attention to the environment and the desire to generate shared value for the areas in which we operate. They are periodically updated in light of changes in the organisation's internal and external context.

During 2025, the company launched a comprehensive review of the sustainability objectives previously defined, driven by several factors, including the emergence of new material topics - particularly cyber security - and the changing geopolitical and regulatory context, which led to the suspension or reshaping of certain initiatives launched to meet specific reporting requirements.

In view of these developments, some objectives defined in the previous reporting year were updated and realigned, with the introduction of new targets more consistent with the company's current strategic priorities.

The objectives below therefore represent the direction Modula intends to pursue in the near future: a continuously evolving path of concrete actions designed to further embed sustainability into business processes and reduce environmental impacts, while also ensuring people's well-being and generating shared value.

Our 2025 objectives





Our 2025 objectives

Started

In progress

Achieved

To be started

OBJECTIVES	SDGs	WHAT WE WILL DO	DEPT.	YEAR	KPI PROGRESS	STATUS
Internal and external communication	4 QUALITY EDUCATION 17 PARTNERSHIPS FOR THE GOALS	Strengthen internal communication and communication with external stakeholders to promote transparency, sharing and corporate culture. Specific editorial plan with one publication per month on sustainability topics.	ESG MKTG	2025	Maintain one communication per month	
				2026	Monthly editorial plan on the MODULA TEAM APP on ESG topics	
				2027	Assessment of a specific editorial plan for the main international subsidiaries	
Employee ESG training	4 QUALITY EDUCATION	Expand training programmes on ESG topics and extend training to employees of the main international subsidiaries.	ESG	2025	Maintain 100% of personnel reached	
				2026	Deliver training to 100% of personnel. New Skills ministerial funds	
				2027	Deliver ESG courses within the Modula Academy	
Initiatives benefiting the local area	1 NO POVERTY 2 ZERO HUNGER 10 REDUCED INEQUALITIES 11 SUSTAINABLE CITIES AND COMMUNITIES 17 PARTNERSHIPS FOR THE GOALS	Promote social, environmental and cultural initiatives for the benefit of the local community, strengthening the relationship between Modula and the local area.	GOV	2025	Maintain donations at 0.01%	
				2026	Maintain donations at 0.01%	
				2027	Maintain donations at 0.01%	
Implementation of photovoltaic system	7 AFFORDABLE AND CLEAN ENERGY	Increase the share of renewable energy generated internally to cover up to 25% of total requirements, and improve the energy efficiency of systems.	GS	2025	Increase the share of energy requirements covered from 10% to 20%	
				2026	20% of energy requirements covered; improve system efficiency and assess the opportunity to install an energy storage system**	
				2027	Assess replacement of electric batteries for all vehicles and maintenance activities with higher-performance alternatives; assess the opportunity to expand the PV system to the remaining part of M1 - Salvaterra	



Our 2025 objectives

Started In progress Achieved To be started

OBJECTIVES	SDGs	WHAT WE WILL DO	DEPT.	YEAR	KPI PROGRESS	STATUS
Waste disposal policy		Create a company policy for waste management and disposal, with measurable objectives for improving separate waste collection and introducing a structured management system.	QHSE	2025	Set up procedure - waste disposal operating instructions	
				2026	Improve the procedure by also including activities for separating waste generated from PPE management	
				2027	Identify a method to increase the quantity of separately collected waste / reduce unsorted waste	
Recycling of used PPE		Implement a dedicated project for recycling used personal protective equipment through regeneration processes and recovery of secondary raw materials.	QHSE ESG	2025	Select supplier and recycle 50% of PPE out of the total PPE delivered	
				2026	Recycle 65% of PPE out of the total PPE delivered	
				2027	Recycle 75% of PPE out of the total PPE delivered	
Cigarette butt recycling		Join an environmental awareness project for the collection and recycling of cigarette butts, transforming them into reusable materials and promoting sustainable behaviour inside and outside the plants.	QHSE ESG	2025	Select supplier and join Human Maple's "Riciclami" project	
				2026	Implement the project	
				2027	Assess an increase in % waste recycled	
Car policy		Define a new sustainability-oriented Car Policy, promoting replacement of the fleet with hybrid or electric vehicles and the creation of an appropriate supply network.	GS	2025	Prepare Car Policy	
				2026	Implement the possibility of supplying and distributing hybrid or fully electric cars	
				2027	Consolidate the prevalence of hybrid or fully electric cars in the car list	
Electric charging stations		Install electric vehicle charging infrastructure at the Fiorano Modenese and Salvaterra plants.	GS	2025	Install charging stations: 8 charging points in Fiorano Modenese and 8 in Salvaterra	
				2026	Assess expansion of the charging station network	
				2027	Install a further 4 charging stations, providing 8 charging points in Fiorano Modenese	

**Stormwater detention basin for the Salvaterra di Casalgrande site. Project following on from the main project to expand the Salvaterra production facility. The timing has been deferred to a future date.*

***decided due to the uneconomic nature of the PV storage solutions currently available on the market; consideration given to purchasing energy from a third party, with a guarantee of origin from renewable sources, to supplement self-generated energy (used in production processes or, where surplus, fed back into the grid).*



Our 2025 objectives

Started In progress Achieved To be started

OBJECTIVES	SDGs	WHAT WE WILL DO	DEPT.	YEAR	KPI PROGRESS	STATUS
Procurement policy integrating ESG criteria	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 17 PARTNERSHIPS FOR THE GOALS 8 DECENT WORK AND ECONOMIC GROWTH 13 AFFORDABLE AND CLEAN ENERGY	Implement a sustainable procurement policy that embeds ESG criteria within the supplier selection and assessment processes, and send an assessment questionnaire to the supply chain. Revise contracts to Include compliance with the Sustainability Policy.	SUPPLY	2025	Send the assessment questionnaire to suppliers accounting for 70% of the raw materials purchased for production	
				2026	Send the assessment questionnaire to each supplier of raw materials purchased for production with a turnover of at least € 100,000, and plan second-party audits	
				2027	Send the assessment questionnaire to suppliers accounting for 50% of the services purchased	
Transparency Act	8 DECENT WORK AND ECONOMIC GROWTH 5 GENDER EQUALITY 10 REDUCED INEQUALITIES	Transparency Act compliance pathway.	ESG	2025	Assessment of a consultancy pathway for Transparency Act compliance	
				2026	- selection of consultants - start of assessment - Transparency Act compliance	
				2027		
Cybersecurity	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Continuous implementation of cybersecurity practices throughout the company, aligned with the main international reference standards.	EN	2025	- Start of compliance activities required under NIS2 - IEC 62443 Gap Analysis in preparation for CRA compliance - Web application penetration test - Cyber maturity assessment of third parties	
				2026	- Identification of critical and non-fungible suppliers under NIS2 - Business Impact Analysis for NIS2 purposes (categories of activities and services) - Cyber security training and awareness for the Group workforce - Penetration test also on our VLM under IEC 62443 - Implementation of a SOC (Security Operations Centre)	
				2027	Application of a policy for acceptance of supplies through: - Site Acceptance Test - Factory Acceptance Test	



GRI Content Index

STATEMENT OF USE	Modula S.p.A. has reported the information cited in this GRI Content Index for the period 01.01.25-31.12.25 with reference to the GRI Standards
GRI 1 Standard used	GRI 1: reporting principles 2021

GRI STANDARD	DISCLOSURE	STATUS/NOTES	PAGE
GRI 2: GENERAL DISCLOSURES 2021			
THE ORGANIZATION AND ITS REPORTING PRACTICES			
2-1	Organisational details		12
2-2	Entities included in the organisation's sustainability reporting		5
2-3	Reporting period, frequency and contact point	ESG.ITA@modula.com Reporting period: 2025 (data referring to 2025)	5
2-4	Restatements of information		
2-5	External assurance	Not provided	
ACTIVITIES AND WORKERS			
2-6	Activities, value chain and other business relationships		12-33-34-78-80
2-7	Employees		54
2-8	Workers who are not employees		54
GOVERNANCE			
2-9	Governance structure and composition		20
2-10	Nomination and selection of the highest governance body		20
2-11	Chair of the highest governance body		20
2-12	Role of the highest governance body in overseeing the management of impacts		22
2-13	Delegation of responsibility for managing impacts		22

GRI STANDARD	DISCLOSURE	STATUS/NOTES	PAGE
2-14	Role of the highest governance body in sustainability reporting		22
2-15	Conflicts of interest		20
2-16	Communication of critical concerns	The number of critical concerns communicated to the Board of Directors during 2025 was 0.	20
2-17	Collective knowledge of the highest governance body		22
2-18	Evaluation of the performance of the highest governance body	Not provided	
2-19	Remuneration policies	As per the applicable National Collective Labour Agreement (CCNL)	
2-20	Process to determine remuneration	As per the applicable National Collective Labour Agreement (CCNL)	
2-21	Annual total compensation ratio		58
STRATEGY, POLICIES AND PRACTICES			
2-22	Statement on sustainable development strategy		4
2-23	Policy commitments		24
2-24	Embedding policy commitments		24
2-25	Processes to remediate negative impacts		
2-26	Mechanisms for seeking advice and raising concerns		
2-27	Compliance with laws and regulations	There were no fines or sanctions for non-compliance with laws or regulations in 2025	
2-28	Membership associations		
STAKEHOLDER ENGAGEMENT			
2-29	Approach to stakeholder engagement		17
2-30	Collective bargaining agreements		54
GRI 3: MATERIAL TOPICS 2021			
DISCLOSURES ON MATERIAL TOPICS			
3-1	Process to determine material topics		5



GRI STANDARD	DISCLOSURE	STATUS/NOTES	PAGE
3-2	List of material topics		
3-3	Management of material topics		40-43-46-47-48-50-54-57-58-62-63-65-72-73-78
200 ECONOMIC TOPICS			
201 - ECONOMIC PERFORMANCE			
201-1	Direct economic value generated and distributed		72
201-2	Financial implications and other risks and opportunities due to climate change	Data not available	
201-3	Defined benefit plan obligations and other retirement plans	Data not available	
201-4	Financial assistance received from government	Data not available	
202 - MARKET PRESENCE			
202-1	Ratio of the standard entry-level wage by gender to the local minimum wage	Data not available	
202-2	Proportion of senior management hired from the local community	100%	
203 - INDIRECT ECONOMIC IMPACTS			
203-1	Infrastructure investments and services supported	Data not available	
203-2	Significant indirect economic impacts	Data not available	
204 - PROCUREMENT PRACTICES			
204-1	Proportion of spending on local suppliers		78-79
205 - ANTI-CORRUPTION			
205-1	Operations assessed for risks related to corruption		
205-2	Communication and training about anti-corruption policies and procedures		
205-3	Confirmed incidents of corruption and actions taken		71
206 - ANTI-COMPETITIVE BEHAVIOUR			
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	No cases occurred	

GRI STANDARD	DISCLOSURE	STATUS/NOTES	PAGE
300 ENVIRONMENTAL TOPICS			
301 - MATERIALS			
301-1	Materials used by weight or volume	Data not available	
301-2	Recycled input materials used	Data not available	
301-3	Reclaimed products and their packaging materials	Data not available	
302 - ENERGY			
302-1	Energy consumption within the organization		40
302-2	Energy consumption outside of the organisation		40
302-3	Energy intensity		40
302-4	Reduction of energy consumption	Data not available	
302-5	Reductions in energy requirements of products and services	Data not available	
303 - WATER AND EFFLUENTS			
303-1	Interactions with water as a shared resource		47
303-2	Management of water discharge-related impacts		47
303-3	Water withdrawal		47
303-4	Water discharge		47
303-5	Water consumption		47
304 - BIODIVERSITY			
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		50



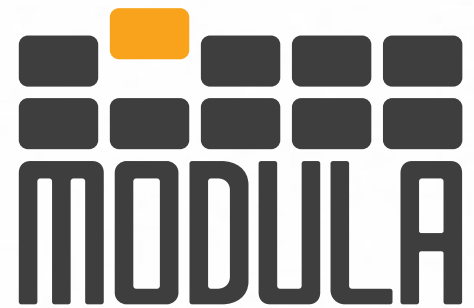
GRI STANDARD	DISCLOSURE	STATUS/NOTES	Page
304-2	Significant impacts of activities, products and services on biodiversity		50
304-3	Habitats protected or restored	Not applicable	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by the organisation's operations	Data not available	
305 - EMISSIONS			
305-1	Direct greenhouse gas (GHG) emissions - Scope 1		43
305-2	Energy indirect greenhouse gas (GHG) emissions - Scope 2		43
305-3	Other indirect greenhouse gas (GHG) emissions - Scope 3		43
305-4	Greenhouse gas (GHG) emissions intensity		43
305-5	Reduction of greenhouse gas (GHG) emissions		43
305-6	Emissions of ozone-depleting substances (ODS)	Not applicable	
305-7	Nitrogen oxides (NO _x), sulphur oxides (SO _x) and other significant air emissions		46
306 - WASTE			
306-1	Waste generation and significant waste-related impacts		48
306-2	Management of significant waste-related impacts		48
306-3	Waste generated		48
306-4	Waste diverted from disposal		48
306-5	Waste directed to disposal		48
308 - SUPPLIER ENVIRONMENTAL ASSESSMENT			
308-1	New suppliers that were screened using environmental criteria		78
308-2	Negative environmental impacts in the supply chain and actions taken	No cases occurred	

GRI STANDARD	DISCLOSURE	STATUS/NOTES	Page
400 SOCIAL TOPICS			
401 - EMPLOYMENT			
401-1	New employee hires and employee turnover		57
401-2	Benefits provided to full-time employees that are not provided to part-time or temporary employees		59
401-3	Parental leave		62
402 - LABOUR/MANAGEMENT RELATIONS			
402-1	Minimum notice periods regarding operational changes	As per the applicable National Collective Labour Agreement (CCNL)	
403 - OCCUPATIONAL HEALTH AND SAFETY			
403-1	Occupational health and safety management system		65
403-2	Hazard identification, risk assessment, and incident investigation		65
403-3	Occupational health services		65
403-4	Worker participation, consultation, and communication on occupational health and safety		65
403-5	Worker training on occupational health and safety		65
403-6	Promotion of worker health		65
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		65
403-8	Workers covered by an occupational health and safety management system		65
403-9	Work-related injuries		65
403-10	Occupational diseases		65
404 - TRAINING AND EDUCATION			
404-1	Average hours of training per year per employee		63
404-2	Programmes for upgrading employee skills and transition assistance programmes		63
404-3	Percentage of employees receiving regular performance and career development reviews		63-64



GRI STANDARD	DISCLOSURE	STATUS/NOTES	Page
405 - DIVERSITY AND EQUAL OPPORTUNITY			
405-1	Diversity of governance bodies and employees		20-54-65
405-2	Ratio of basic salary and remuneration of women to men		58
406 - NON-DISCRIMINATION			
406-1	Incidents of discrimination and corrective actions taken	No incidents recorded	
407 - FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	The organisation operates in compliance with local laws regarding freedom of association	
408 - CHILD LABOUR			
408-1	Operations and suppliers at significant risk for incidents of child labour	No risks recorded	
409 - FORCED OR COMPULSORY LABOUR			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	No risks recorded	
410 - SECURITY PRACTICES			
410-1	Security personnel trained in human rights policies or procedures	Not applicable	
411 - RIGHTS OF INDIGENOUS PEOPLES			
411-1	Incidents of violations involving rights of indigenous peoples	No risks recorded	
413 - LOCAL COMMUNITIES			
413-1	Operations with local community engagement, impact assessments and development programmes		73
413-2	Operations with significant actual and potential negative impacts on local communities	Not applicable	
414 - SUPPLIER SOCIAL ASSESSMENT			
414-1	New suppliers that were screened using social criteria		78
414-2	Negative social impacts in the supply chain and actions taken	No cases occurred	

GRI STANDARD	DISCLOSURE	STATUS/NOTES	Page
415 - PUBLIC POLICY			
415-1	Political contributions	Not applicable	
416 - CUSTOMER HEALTH AND SAFETY			
416-1	Assessment of the health and safety impacts of product and service categories		32
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No significant reports concerning customer health and safety	32
417 - MARKETING AND LABELLING			
417-1	Requirements for product and service information and labelling		32
417-2	Incidents of non-compliance concerning product and service information and labelling	No incidents recorded	
417-3	Incidents of non-compliance concerning marketing communications	No incidents recorded	
418 - CUSTOMER PRIVACY			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No complaints and/or sanctions relating to this topic	



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