DE NORA

SUSTAINABILITY EXECUTIVE SUMMARY 2024

Sustainable by nature

ESG 24

CONTENTS

STAKEHOLDERS' LETTER

De Nora continued to pursue and achieve sustainable and profitable growth in all the markets in which it operates, thanks to solid performance in all business segments.

Dear Shareholders and Stakeholders,

I am pleased to share the 2024 results with you.

The year 2024 was a year full of success and satisfaction; although in a macroeconomic and geopolitical environment that was not always easy and favorable, De Nora continued to pursue and achieve sustainable and profitable growth in all the markets in which it operates, thanks to solid performance in all business segments.

In addition to the excellent financial results outlined in this Annual Report, which were even better than anticipated in terms of profitability, De Nora continued to lay the foundation for sustainable medium and long term growth.

In particular, the company has been engaged in the development of innovative technological solutions, such as the new Small Scale electrolyzer, Dragonfly®, dedicated to green hydrogen generation and launched in 2024. It also continued to invest in R&D activities aimed at evolving its sustainable technology portfolio, which to date includes 278 patent families and more than 2,800 territorial extensions. Finally, the company has expanded and optimized its production capacity, across different business segments, involving plants in China, Japan, and Germany, between the end of 2023 and the beginning of 2024.

In Italy, work continues on our Gigafactory, one of the biggest plants in Europe, which will start its operations in 2026. When fully operational, the plant, which has been granted IPCEI funds from the Ministry of Enterprise and Made in Italy in the form of an expenditure grant, will have a dedicated production capacity for green hydrogen technologies of 2 GW. In addition, the site will house systems related to our traditional segments (Electrode Technologies and Water Technologies), optimizing the production set-up in the country.

With a view to developing new technologies and strengthening business relationships, De Nora has signed new strategic partnerships with leading international players in different geographical areas, such as Asahi Kasei in Asia, Acwa Power and Saudi Water Authority in the Middle East.

Meanwhile, the Group's global organization has continued to evolve, and our headcount now exceeds 2,000, with a balanced presence in different geographical areas.

Based on clear leadership in the segments in which it operates and the rich diversification of end-user markets, the Group's business model has proven resilient through 2024. Up 2.6% at

constant exchange rates, revenue increase was supported by all business segments and in particular by the Water Technologies segment, driven by the brisk recovery in the Pools line with a growth of 15%, and Energy Transition, supported by a solid portfolio of flagship projects at international level for Green Hydrogen production: NEOM in the Middle East and STEGRA in northern Europe. The adjusted EBIDTA margin stood at 18%, compared to the guidance for the year of 17%.

New orders acquired during the year exceeded Euro 800 million, 15% up year-on-year, thanks in particular to the development of the Water Technologies and Energy Transition segments and the good performance of the Electrode Technologies segment, providing visibility for 2025 revenues.

During 2024, De Nora initiated the execution of the Sustainability Plan to 2030 approved in December 2023, and aimed at generating sustainable value and positive impacts throughout the value chain. All the activities and initiatives planned for the 2024 financial year have been completed: from the introduction of Circular Design Guidance in R&D processes, to the definition of Sustainability Scorecards to be applied to all our products by 2027, to the definition of Decarbonization Plans for our production facilities in the different geographical areas, and finally, the adoption of a policy related to Diversity Equity and Inclusion issues. In addition, after a careful analysis of the Group's historical data, a number of new quantitative targets have been set, such as the percentage of women in new hires in the next three years, at 40%, and the percentage of waste to be recycled by 2030, at 55%. De Nora continued to build plants for self-generation of energy from renewable sources, through the installation of photovoltaic panels at various production sites, reaching an installed total capacity of about 3.6 GWh at the plants in Germany, Italy and Brazil by the end of 2024. Energy from renewable sources, used at the Group level, reached an incidence of 29% in 2024, up from 3% in 2023, supporting an overall reduction in emissions (Scope 1 and 2) of about 15% compared to 2022.

During 2024, De Nora initiated the execution of the Sustainability Plan to 2030 approved in December 2023, and aimed at generating sustainable value and positive impacts throughout the value chain.

De Nora's clear commitment has been accredited by various ratings and external recognitions. In particular, MSCI, a leading global ESG rating agency, has confirmed an AA rating for De Nora. For the second consecutive year, we have received the Great Place to Work recognition in Italy. During 2024, De Nora initiated the execution of the Sustainability Plan to 2030 approved in December 2023, and aimed at generating sustainable value and positive impacts throughout the value chain., from the Science Based Target initiative (SBTi). Considering the market outlook, in 2024 the global macroeconomic and geopolitical scenario exhibited many of instability and uncertainty factors, which could persist through 2025. At geopolitical level, the escalation of some conflicts in different parts of the world has contributed to a global tension climate.

On the economic front, rising interest rates have slowed some investment decisions in capital intensive sectors, such as Clean Tech. In addition, the political evolution of individual countries played a crucial role. The USA presidential election is affecting several economic sectors, such as, for example, the regulation dedicated to the development of clean technologies, with particular reference to Chapter 45V of the Inflation Reduction Act (IRA), which is responsible for supporting the overseas development of low-carbon hydrogen.

Despite this, the prospects of the target markets related to our core businesses related to water treatment, chlorine production, electronics, and nonferrous metal refining remain intact and our strong positioning makes us confident in our performance for the coming years.

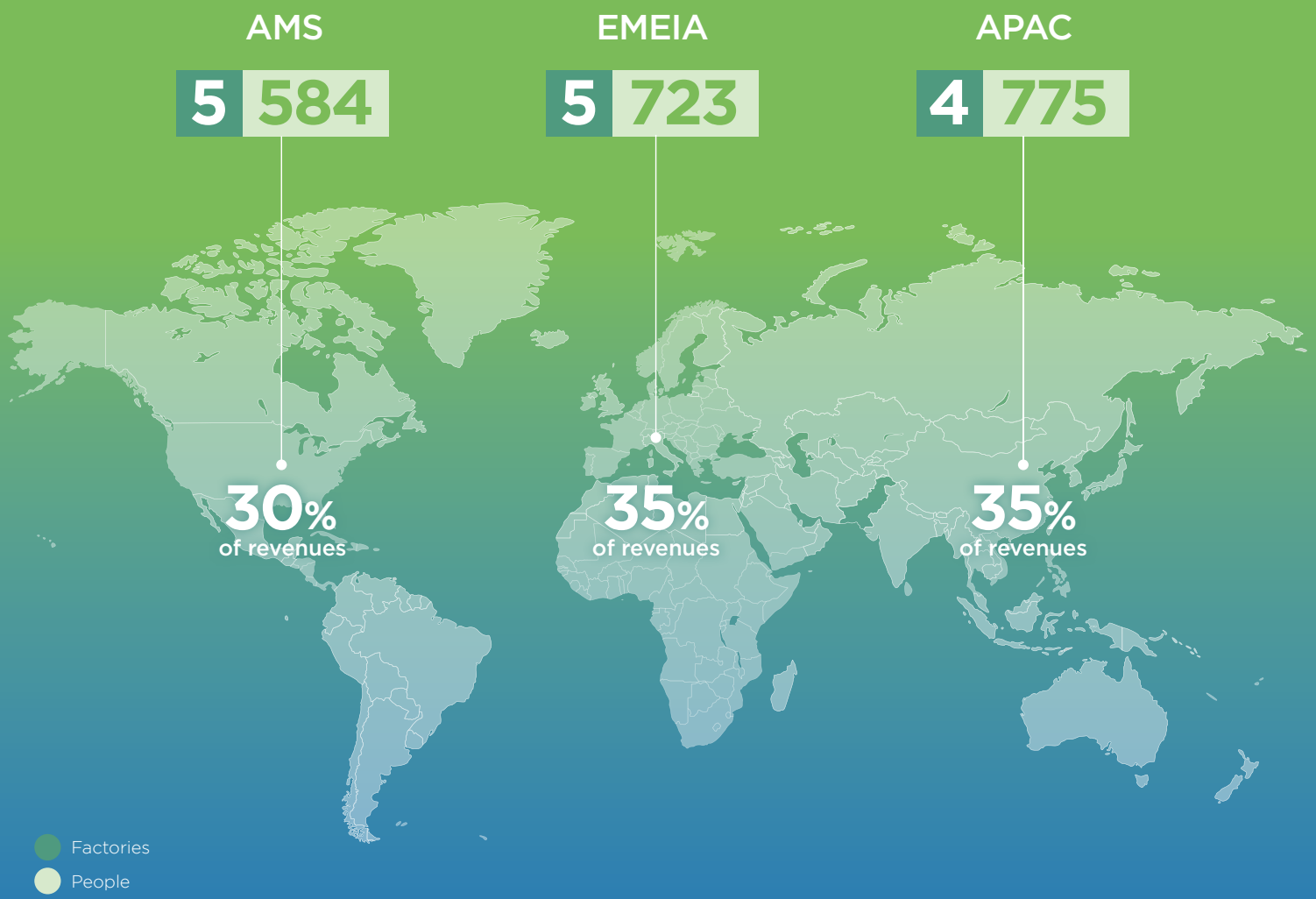
On the other hand, the green hydrogen market (which will play a key role in the decarbonization processes of hard-to abate sectors in the medium term, with significant growth prospects expected in the medium to long term) presents a short-term scenario that remains uncertain, due to several factors, including delays in the definition of national and international regulations to support the market, resulting in slowdowns in final investment decisions (FID) related to green hydrogen projects. The sector development requires greater clarity and certainty in regulatory frameworks, and their related forms of subsidy, particularly in those geographical areas where the overall cost of producing green hydrogen is not yet competitive with respect to hydrogen produced from hydrocarbons. To date, based on projects that have already reached the Final Investment Decision (FID) and those planned at global level, it is expected that by 2030 the installed generation capacity will be about 30 GW; on the other hand, an acceleration in the development of regulations to support the market in both Europe and America could increase this forecast up to 100 GW.

De Nora remains committed to the development of technologies for green hydrogen generation and broader energy transition, maintaining a preferred competitive positioning supported by its proximity to traditional businesses.

The challenges that await us in the coming years relative to the implementation of industrial plans within our business segments are inevitably demanding. Optimal and flexible investment management, careful evaluation of operating costs, and initiatives aimed at revenues growth represent targets consistent with our ambition to be a leader in sustainable technologies, electrochemistry, and water treatment, which we intend to continue to pursue by teaming up with all stakeholders and always putting our people at the center.

Paolo Dellachà
De Nora CEO

WHO WE ARE



24
Operating companies

14
Manufacturing facilities

5
R&D laboratories

278
Patent families

2,082
People

Electrode Technologies

The world's largest supplier of high-performing coatings and electrodes for industrial applications

Market & Leadership
Chlor-alkali, Electronics, Nickel & Cobalt Electrowinning
>50% market share

Energy Transition

Leader in emerging sustainable technologies and with a key role in the green hydrogen market

Market & Leadership
Green Hydrogen Technologies

Water Technologies

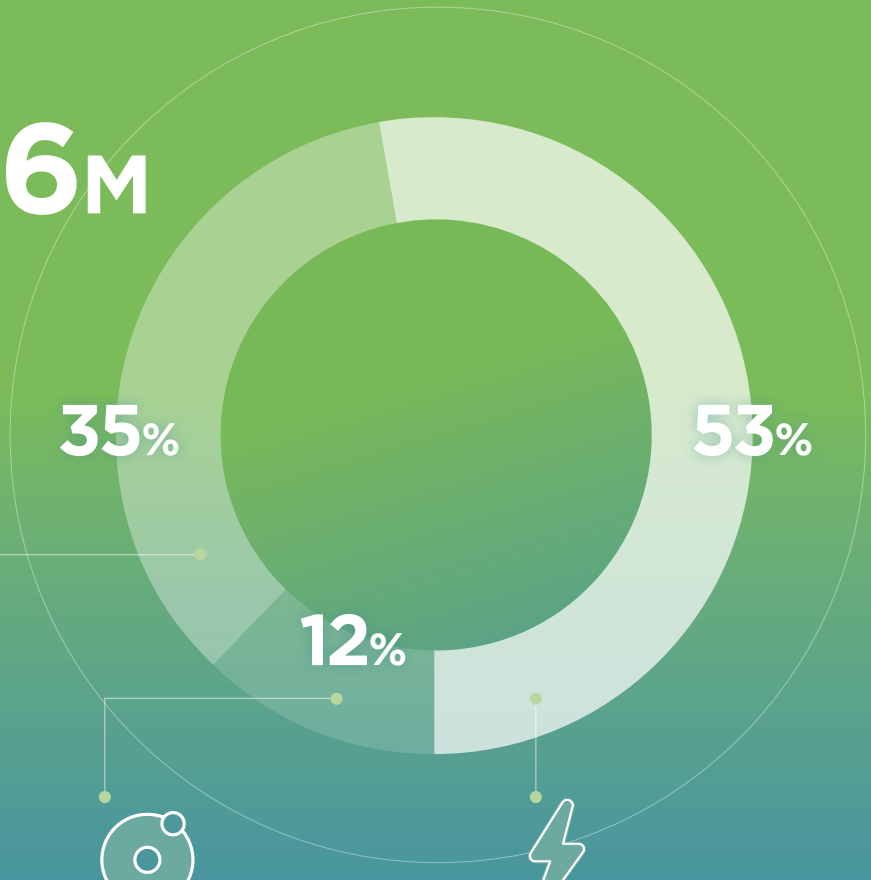
Recognized provider of disinfection and filtration solutions for water and wastewater treatment

Market & Leadership
Pools (**<80% market share**) & Industrial Electrochlorination

Within **the top 5** in municipal disinfection & filtration

FY 2024 Revenues by Business Unit

€862.6M
Revenues
+2.6% YoY
@ constant fx
18.2% Adj. EBITDA margin



€304.1M
Water Technologies
+5.5 YoY
@constant fx
16.5% Adj. EBITDA margin

€105.2M
Energy Transition
+3.2% YoY
@constant fx
5.3% Adj. EBITDA margin

€453.3M
Electrode Technologies
+0.6% YoY
@constant fx
22.4% Adj. EBITDA margin

DE NORA'S SUSTAINABLE PRODUCTS

The Group is constantly committed to **innovating** and **improving** the **performance** of its products also in terms of **environmental impact**, as De Nora's technological solutions represent the first link in a chain of decarbonization, energy efficiency and water reuse that involves the production processes of its customers.

Electrode Technologies

Electrochemical technologies, especially those used for the electrolytic production of chlorine, the company's core business since its foundation, have evolved over time as a result of inventions and **continuous improvements** reflected in the Group's **portfolio of patents**, which cover both the equipment and systems, and above all the invention of the DSA® metal electrodes.

De Nora electrodes are constantly evolving, guaranteeing **improvement** in the **efficiency** and **sustainability** profile of the production processes of which they are the characterizing factor. In the field of chlorine production, the transition over the last few decades from mercury technologies to diaphragm technologies, up to the current technology (which involves the use of an ion exchange membrane), has led to gradually eliminating materials with negative environmental impact (mercury and asbestos) that are also hazardous to humans. The continuous search for performance with innovative catalytic formulations guarantees both an improvement in **energy efficiency**, which in the last 20 years has been **around 20%**, and a **longer duration** of optimal operating conditions by enabling more efficient use of the raw materials used (noble metals and rare earth elements).

The same considerations can be extended to the use of metal electrodes in the galvanic sector, both in metal deposition processes for protection purposes (galvanizing) and for the production of copper foils used in the electronics and lithium batteries sector for the production of printed circuits and in the refining of non-ferrous metals (nickel and cobalt).

De Nora **electrodes usage**:

- Better quality products
- Reduced production waste
- Investments reduction
- Lower pollution of wastewater
- Lower operating costs

Flagship project – Oxychem

In 2024 De Nora started production of Chlorine Soda electrolytic cells, which will be used in a project in US Texas for the end customer Oxychem, through the jv thyssekrupp nucera. The project involves the technological upgrade of the customer's chlor-alkali plant located at Battleground, by converting the technology from diaphragm to membrane.

Project
Oxychem

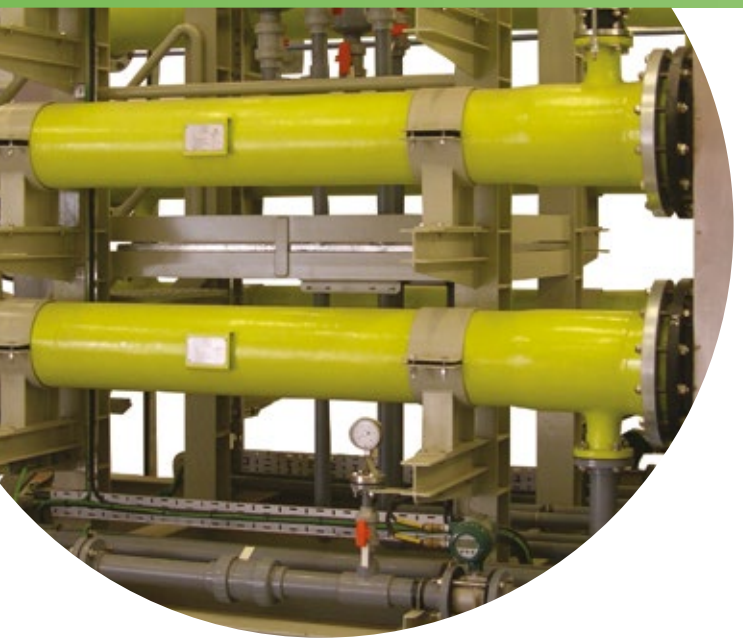
Country
US

Highlights

Upgrade towards more sustainable technologies

Positive impact on energy efficiency

Avoid use of asbestos



Water Technologies

Water treatment solutions include **disinfection** and **filtration technologies** designed to ensure the **quality** and **safety of water** used in both municipal and industrial sectors. They promote a safe, sustainable and circular use of this critical resource.

The technological solutions offered by De Nora for the disinfection and filtration of water guarantee the supply of **drinking water** in numerous metropolitan areas and optimize water management in areas characterized by water stress providing filtration and primary and secondary disinfection systems in large seawater desalination projects. De Nora also offers a complete line of technologies for the removal of emerging contaminants such as nutrients, arsenic and PFAS, ensuring compliance with the limits required by regulatory bodies in the various areas.

Flagship project – Desalination of sea water

During 2024, a contract was concluded for the second phase of the Al Jubail desalination plant upgrade, an initiative of the Saline Water Conversion Corporation (SWCC). The project relates to the realization of a sea water reverse osmosis (SWRO) desalination facility, the largest in the world. De Nora will provide an optimized scope offering of three proprietary technologies, including: a SEACLOR®, DE NORA TETRA®; and Capital Controls® Underwater Chlorine Dioxide Generators.

Project
Al Jubail desalination plant

Country
Saudi Arabia

Highlights

1 MILLION
cubic meters of sea water per day

Positive impact on water-stressed areas

PFAS work in progress 2024

13
PFAS initiatives worldwide

7
benchtop treatability studies in R&D
4 completed, 3 ongoing

4
field pilots in US
for municipal drinking water: 1 completed Pacific Northwest US, 3 underway (Ohio, Southeastern US and Southwestern US)

1
pilot in Italy
for a relevant Industrial/ Chemical customer

1
pilot in Saudi Arabia
for the Saudi Water Authority

Energy Transition

De Nora is committed to the development of technologies for green hydrogen generation and broader energy transition, maintaining a preferred competitive positioning supported by its proximity to traditional businesses.

De Nora is active in the **green hydrogen market**, providing the most advanced electrode technologies which, by determining energy performance, play a key role in the value chain.

The Group's strong technological positioning has its roots in its long experience in the chlor-alkali market. De Nora is constantly engaged in research and development activities aimed at **reducing the use of noble metals** in its technological solutions and **developing energy efficiency**. To date, De Nora's activated electrodes allow for reduced specific energy consumption (kWh/kg) at any current density and optimal operation at higher current densities than competing technologies. This enables **greater operational efficiency** and the possibility of connecting the **green hydrogen generation plant** directly to **renewable sources**, withstanding large energy fluctuations without being damaged.

De Nora is firmly convinced that green hydrogen is destined to play a key role in the **decarbonization of hard-to-abate sectors** such as the production of steel, fertilisers, refining processes, aviation and maritime transport and heavy mobility, as well as domestic heating, energy production and industries with high temperature processes such as cement and glass.

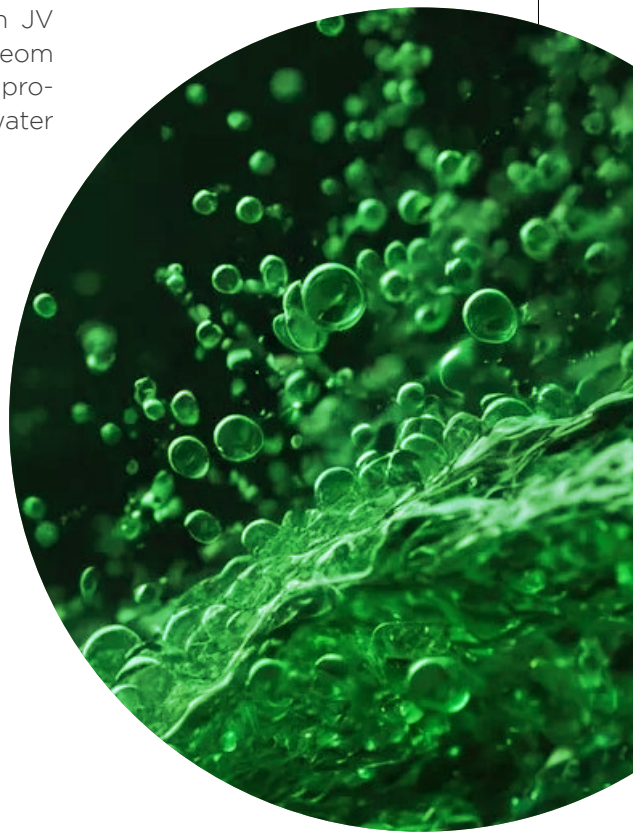
Production of green hydrogen, based on the electrolysis of water using renewable energy

9/10 TONS
of CO_2 emissions avoided per tonne of hydrogen produced*

* Compared to traditional technologies based on steam reforming

Ongoing Flagship Project – Green hydrogen

As part of the energy transition, together with JV thyssenkrupp nucera, De Nora is implementing Neom project, one of the largest green hydrogen production project worldwide using AWE (alkaline water electrolysis) technology.



Project
Neom

Country
Saudi Arabia

Highlights

>2 GW
of green hydrogen production capacity

600 TONS
of green hydrogen will be produced per day from 2026

Powered by
4 GW
of renewable energy plants

>2,000,000 tCO_2e
production avoided

Flagship project – Lithium recovery

De Nora has signed a contract with a major Japanese player to supply a plant for recovering lithium from used batteries in full compliance with the best international practices. De Nora's "end-to-end" solution is fully integrated into the process of recovering almost all of the raw materials used in these batteries. Once operational, the plant will provide lithium in a form directly usable to produce new batteries, thus ensuring a **fully circular** and **sustainable process** and consolidating De Nora's commitment to the energy transition.

Project
Lithium recovery

Country
Japan

Highlights

-30%
reduction in water consumption over traditional chemical processes

Significant reductions in chemicals use

Production waste minimization

Dragonfly®

In 2024 De Nora launched its innovative technological solutions, the new Dragonfly® electrolyser, dedicated to small-scale green hydrogen generation.

Our innovative H_2 generation system

- Designed to minimize Total Cost of Ownership (TCO) and Levelized cost of green H_2
- Plug-n-play system
- Reduced Footprint
  Sizes 1 MW - 7.5 MW

A versatile solution for decentralized small-scale applications

5
Dragonfly projects in Backlog
8MW

HyTecHeat - Snam e Tenova
1 MW - low carbon H_2 for steel production
Funded by EU " Horizon Europe"

CRAVE H_2 - Crete Hydrogen Valley (Crete)
4 MW - 500 tons/y of Green H_2
Co-funded by the EU Commission

Maffei Sarda Silicati - Sassari (ITA)
1 MW ~50 tons/y of Green H_2
Financed through PNRR funds

Duferco - Sicily (ITA)
1 MW Green H_2 as a fuel
Funded by EU Commission

Confidential Customer - EU
1 MW Green H_2
Mobility/autotomotive

AsahiKASEI - New strategic partnership

2024 KPIs

Financials

€863M
Revenues
+ 2.6% YoY
@ constant fx

€157M
EBITDA adjusted
18.2% Adj EBITDA margin

€83M
Net result
9.7% net margin

€67M
Net cash position
€118m Operating Cash Flow in FY'24

Green Innovation

Sustainability Product Scorecard
framework definition

Circular Design Guidelines
Adoption

21%
Vitality Index

-2.1%
noble metals in products vs 2022

Climate Action and Circular Economy

29%
electricity from renewable energy

-14%
Scope 1 and 2 emissions vs 2022

SBTi
validation of climate change related targets

1.7%
recycled noble metals purchased

40%
waste diverted from disposal

People

DE&I
Policy adopted

-2%
Pay Equity Gap

21
Gemba Walks

New target to 2027:
40%
women among new hires

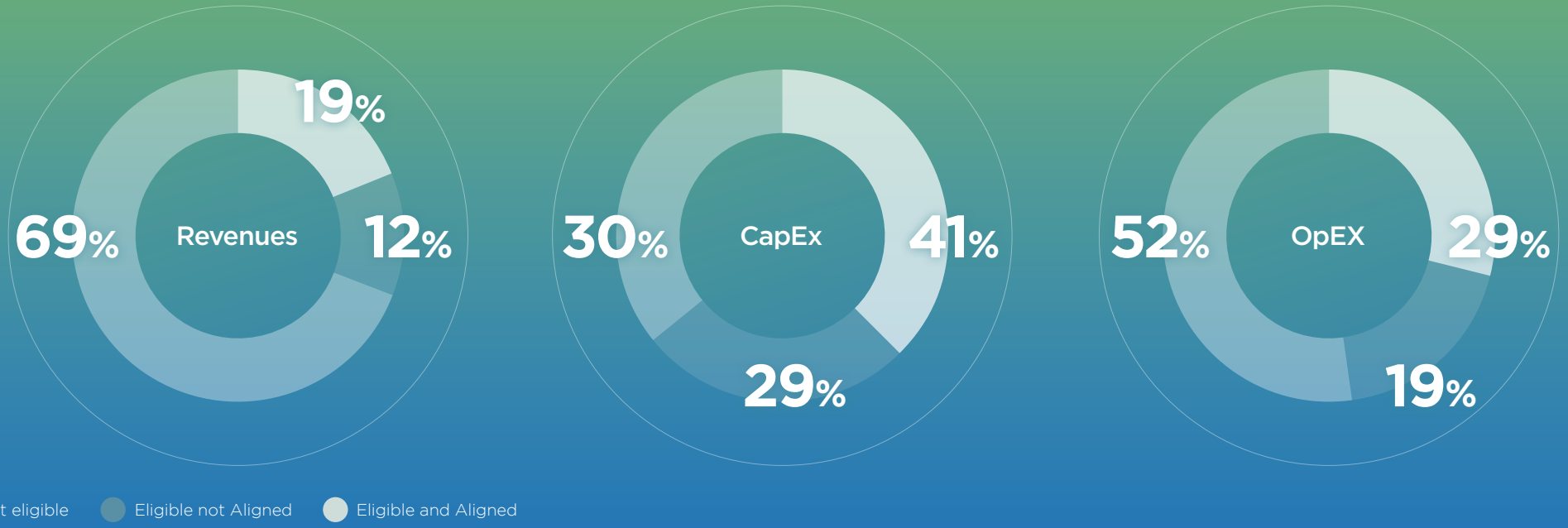
Community and supply chain

570+
volunteering hours

21%
suppliers ESG assessed

71%
spend vs local suppliers

EU taxonomy



SUSTAINABILITY STRATEGY

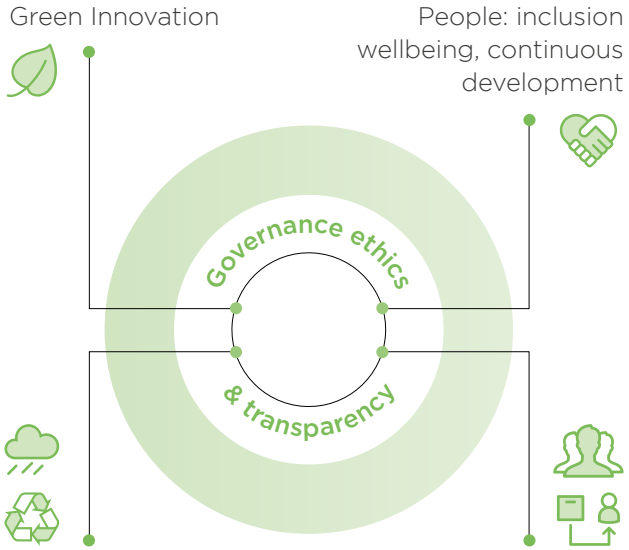
Sustainability is an integral part of **De Nora's business model**, due to the ongoing commitment to technological innovation that has characterized the Group's development since its foundation. In fact, **research and development** of **innovative technological solutions** over time, while aiming to meet the needs of customers and target markets, has actually also pursued **environmental sustainability targets**: improving the energy efficiency and durability of its solutions, and promoting **circular business** and production models. Attention and care for the people involved in the company have also always been part of the Group's modus operandi, embodying **principles of sustainability**.

In December 2023 De Nora outlined and approved its **Sustainability Strategy and related Plan to 2030** integrated into the Industrial Plans, making a conscious **commitment** to **value creation** and progressive generation of positive impacts along the entire value chain.

As a leader in most of the industrial segments in which it operates, De Nora's ambition is to also play a **leading role** in some specific sustainability areas, close to and integrated into its business model, and in particular **Green Innovation** and the **Circular Economy**, while aiming to improve the environmental impact of its operations.

The Group's sustainability strategy is based on four pillars and managed through structured governance that ensures ethicality and transparency.

ESG Plan pillars



During 2024, all activities in the plan for the financial year were completed, including 15 quick items and the start of major activities related to flagship initiatives.

Sustainability Plan to 2030

48 initiatives

12
flagship initiatives
related to the Green Innovation, Climate Action, and Circular Economy pillars

20
initiatives defined as quick items
including initiatives to improve disclosure on certain topics and the adoption of Group policies (such as the Human Rights policy and the DE&I policy)

12
cross-cutting initiatives
across strategy and governance pillars

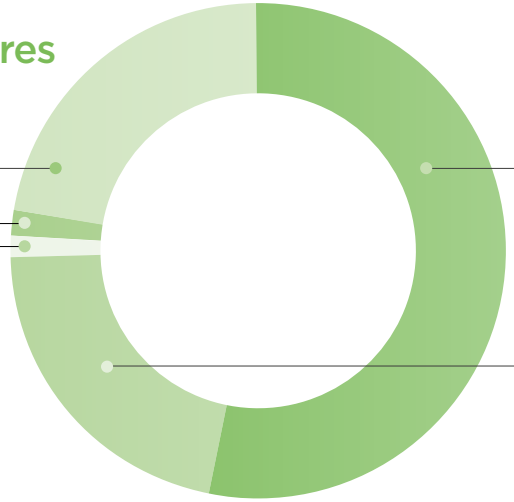
SHARES AND SHAREHOLDERS

Shareholders - n. of shares

22.11%
Other Institutional and retail investors

1.48%
Treasury shares

1.47%
Management (ordinary shares)



53.4%
De Nora Family

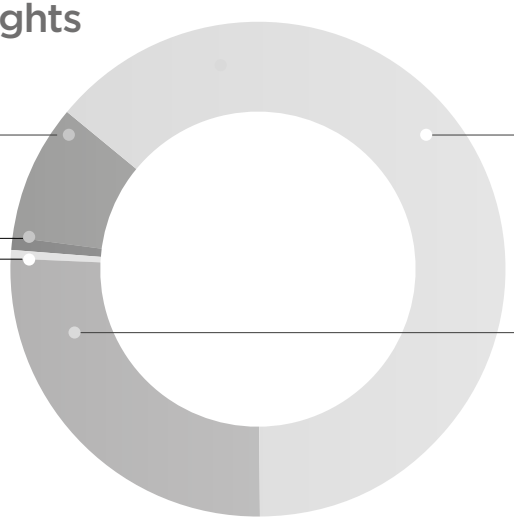
21.59%
Asset Company 10 S.rl.

Shareholders - voting rights

8.87%
Other Institutional and retail investors

0.59%
Treasury shares (suspended)

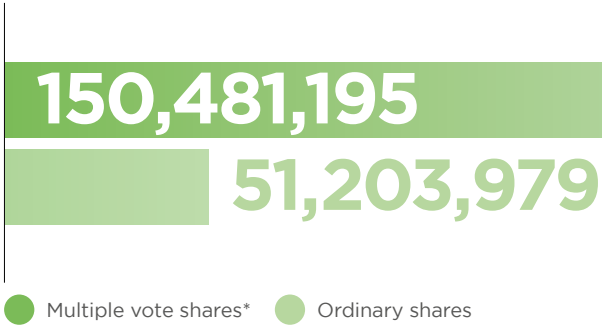
0.59%
Management (ordinary shares)



63.96%
De Nora Family

25.99%
Asset Company 10 S.rl.

201,685,174
Total shares (of which)



* Owned by the shareholders Federico De Nora, Federico De Nora SpA, Norfin SpA and Asset Company 10 Srl. Multiple-vote shares are not admitted to trading on Euronext Milan and are not counted in the free float and market capitalization value. Multiple voting shares give 3 votes at the shareholders' meeting.

€69.3M
dividend distributed in 2023-2025**

Dividend policy
UP TO 25%
dividend pay-out (2025-2027 Plan)

44%
ESG Investors in the Group's shareholding structure as of December 31, 2024

** Including the dividend approved by the Shareholders' Meeting of 29 April 2025

ESG Governance

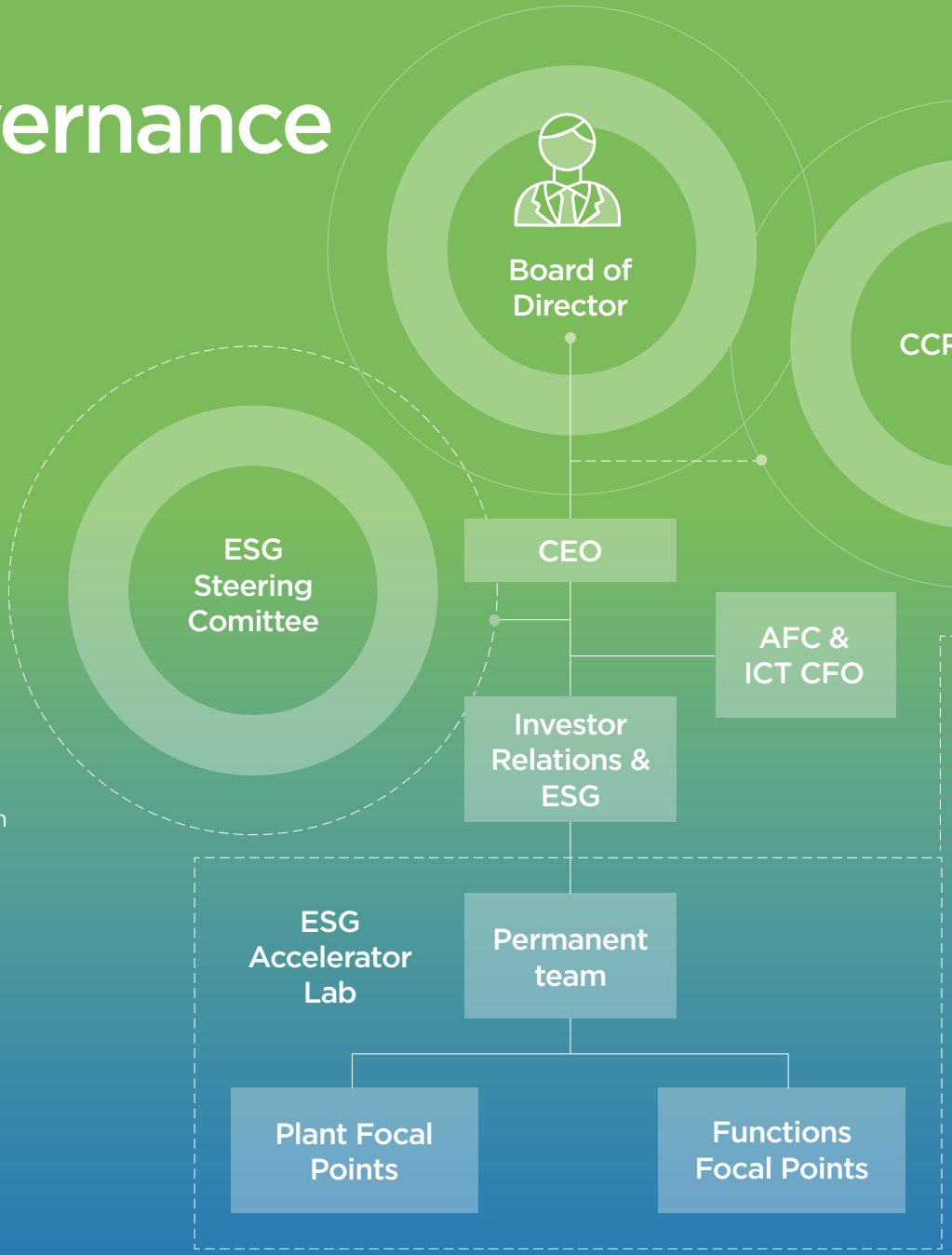
ESG Steering Comittee

Composition

- Chief Financial Officer
- Chief Marketing & Business Development Officer
- Chief Officer People, Organization, Social Communication and Happiness (PORSCH)
- Chief Operating Officer
- Chief Legal Officer
- Chief Technology Officer
- Chief Procurement Officer
- DNWT Chief Officer
- Latin America Chief Officer
- Energy Transition & Hydrogen Director
- Innovation Manager
- Investor Relator and ESG Director

Competencies

- Oversees ESG Plan implementation
- Meets monthly to monitor initiatives and KPIs progress towards the defined targets
- Makes decisions on critical issues and/or opportunities



ESG Accelerator Lab

Competencies

- Responsible for ESG plan implementation
- Coordinates ESG data collection process
- Executes monitoring activities and informs the ESG Steering Committee on initiatives progress, issues and opportunities

Our Policies

Whistleblowing
QEH&S
DE&I
Sustainability Statement

Anti-Corruption
Human Rights
ESG supply chain

Code of Ethics
Suppliers' Code of Ethics

GREEN INNOVATION

De Nora is actively committed to the development of **technological innovation**, constantly searching for new solutions to improve the **operational efficiency** and **sustainability** profile of its products, aiming to contribute to **value creation** accompanied by a reduction in the environmental impact of its customers and end markets, and **contributing** positively to the **SDGs targets** as described below.

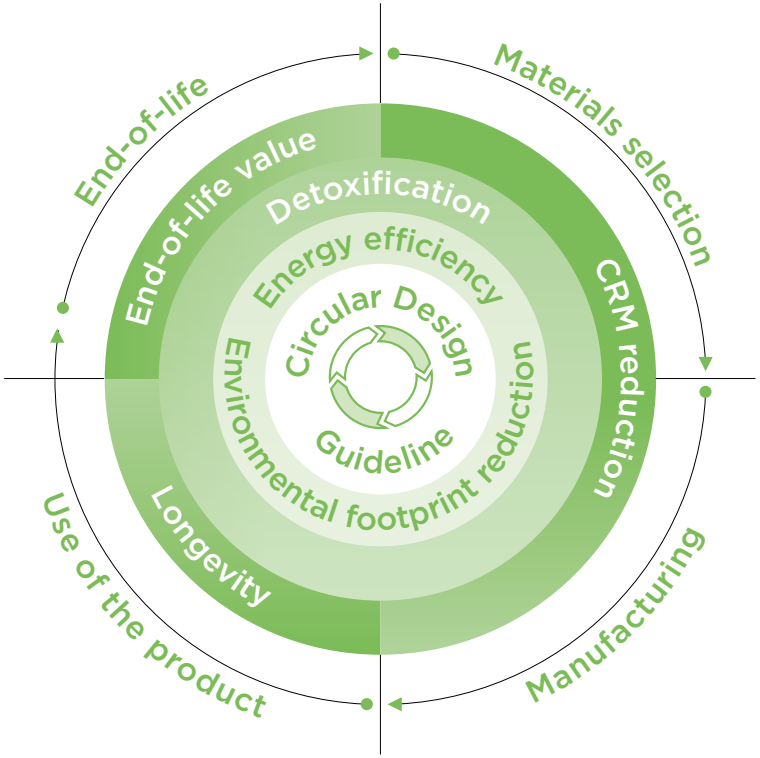
Technological innovation affects all solutions offered by the Group's different businesses from Electrode Technologies to Water Technologies up to Energy Transition. By integrating **a circular design, Life Cycle Assessment (LCA) principles, product scorecards** and optimized use of noble metals, the Group actively contributes to developing solutions with **low environmental impact** and promoting this vision throughout the organization.

The initiatives envisaged by the plan in this area aim to establish the company activities as a best practice in the sector and allow De Nora to position itself among the **reference players** in **Green Innovation**. Activities related to green innovation form the basis of the Group's handprint, enabling its customers to increase their **energy efficiency, decarbonize** hard-to-abate processes, and treat, disinfect, and filter water while ensuring its safe and **circular use**.

Key achievements

1. Circular Design Guidelines introduction in R&D processes

The chart below shows, in summary, the key factors of these Guidelines: the outer circle shows the stages of the **product life cycle**: from material selection, to manufacturing, to use, and finally to end-of-life management. The internal circle sectors indicate the five pillars of the guidelines, applicable to one or more stages of the product life cycle. Each of the five pillars is assigned a specific KPI. These Guidelines will be used to evaluate all projects developed by R&D activities, verifying the effective application of these principles on new products.



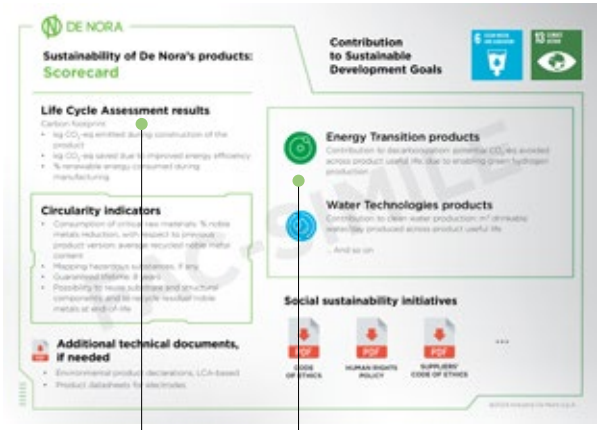
The outer circle represents the life cycle of a product

The inner circles represent the 5 pillars of the guidelines

Key achievements

2. Sustainability Scorecards Framework definition

Sustainability Products Scorecards will represent identity cards, mainly in terms of climate and environmental impacts, of De Nora's technologies. This Scorecard will be applied progressively over the next few years to all Group products, starting with new ones, and will be subject to disclosure to key stakeholders in addition to being useful tools for evaluating subsequent product innovations.



LCA-type and circularity indicators, mapping of hazardous and critical substances, and indicators on product durability and reusability, among others.

Positive impacts of the technologies offered by De Nora, such as, for example, the potential decarbonization of certain production processes resulting from products supplied under Energy Transition and the disinfection and treatment of water for drinking or industrial use.

Commitment to Sustainable Development Goals

The Group aims to provide new solutions that can contribute to the achievement of **10 out of 17** targets provided for in the UN's 2030 Agenda.

From 2024, the Group's commitment has become even more concrete through the initiative of monitoring R&D expenditure and revenues that positively contribute to the SDGs included in the **strategic sustainability plan** with the aim of reaching, respectively, at least 80% and 50% by 2026. With regard to R&D expenditures, in 2024 research and development projects were classified according to their purpose and assigned to relevant UN targets. Instead, with regard to revenues, the SDG Indicators (SDG Indicators – SDG Indicators) were used as criteria for selecting product lines, services, or businesses that positively contribute to at least one of the goals. To ensure the **greatest possible accuracy** and **transparency** in the reporting of this data, only those products and services, projects and businesses for which it was possible to value the indicators defined by the United Nations with the Global Indicator framework applied to De Nora's activities were considered for 2024.

Revenues that contribute to SDGs come from projects pertaining to Water Technologies on water treatment and sanitization (for which data reported are based on order intake), recoating services for a **responsible use of materials**, and projects pertaining to Energy Transition for their positive impact on emissions avoidance.

27%
Revenues

1.1m ton CO_2 emission avoided for Green H2

140k m_2 electrode re-used

9%
Order WTS

295m m3/d water treated (o/w 36% potable)
196m people served

98%
R&D Costs

Anything that was not measurable in the reporting year was excluded from the revenues calculation, even though the characteristics and purpose of the product or project itself could be associated with one of the goals.

See details in the paragraph "ESG Plan initiatives overview"

CLIMATE ACTION AND CIRCULAR ECONOMY

While the Green Innovation pillar represents the Group's handprint, i.e., the ability to contribute positively to the preservation of the planet and the sustainable use of resources (such as water), the Climate Action and Circular Economy pillar represents De Nora's **commitment to manage and reduce its footprint**, i.e., the environmental impacts of its operations, mainly through **decarbonization** and **circularity** initiatives of its production processes.

With reference to decarbonization of production activities, the Plan includes **greenhouse gas emission reduction targets** in line with the 2030 agenda, which have obtained validation by Science Based Target initiative (SBTi).

The circular economy is promoted by **strengthening sustainable business models** along the entire value chain, **minimizing waste**, optimizing the use and **reuse of strategic raw materials** such as noble metals, and promoting the circular use of the planet's water resources with its broad portfolio of technological solutions dedicated to water filtration and disinfection.

Key achievements

Renewable energy and Emission reduction

SCIENCE BASED TARGETS

Validation of the Group's targets related to climate change by the Science Based Targets initiative (SBTi)

Decarbonization plan set up in major plants

-14%
emissions Scope 1 and 2
2024 vs 2022

29%
electricity from renewable energy

3.6 GWh
total capacity of PV panels installed in Brazil, Italy, Germany

Circular economy

16%
wood packaging reuse

1.7%
of purchased noble metals come from recycled sources

New target set:
55%
of waste diverted from disposal by 2030

See details in the paragraph "ESG Plan initiatives overview"

PEOPLE: INCLUSION, WELLBEING AND CONTINUOUS DEVELOPMENT

De Nora has always taken a holistic approach to **employee wellbeing**, identifying mental health as a top priority along with physical health protected by health and safety measures. The ESG plan provides for the development of comprehensive solutions and the consolidation of those already in place, including surveys, training programs, hotlines, psychological counters, health insurance, and in-house medical services. **Multiculturalism** and **diversity** are strategic resources that De Nora promotes by continuously pursuing best practices to ensure equal opportunities, and respect for diversity and inclusion, against any form of discrimination.

Average Pay Gap 2024

-3%

Pay Equity Gap 2024

-2%

De Nora decided to adopt two methodologies for calculating and monitoring the **Gender Pay Gap**:

1. **Average Pay Gap**: This methodology measures the percentage difference between women's average pay and men's average pay by comparing the two salaries against the men's average. The formula used is as follows: (average Men BS - average Women BS)/average Men BS

2. **Pay Equity Gap**: This methodology analyzes the pay differences between men and women in similar roles within the same organizational structure, considering the same position, rank and professional family. This calculation is carried out by dividing workers into uniform clusters:
   - Cluster 1 (average Men BS - average Women BS)/average Men BS
   - Cluster 2 (average Men BS - average Women BS)/average Men BS
   - Cluster 3 (average Men BS - average Women BS)/average Men BS

The average pay gap is then weighted by the number of individuals in each role. To the left are **the figures for 2024** according to the two calculation methodologies described.

Key achievements

21 Gemba walks across 12 plants

Health and Safety governance enhancement: quarterly safety reports from Chief Regional Officers (CROs) and Managing Directors (MDs)

4 Safety Days around the world

100% Italian managers and directors involved in inCLUDE*

DE&I policy adopted

Gender Equality Certification (UNI/PdR 125:2022) for Italian companies

New target set: **40%** of women among new hires (white collar non-manufacturing positions) in the period 2025-2027

* InCLUDE (Inclusive and Cohesive Leaders Unlock De Nora): a comprehensive inclusive leadership training program with the crucial goal of fostering a culture of active listening, inclusion, continuous feedback and caring for ourselves and team members at all levels of the organization.

See details in the paragraph "ESG Plan initiatives overview"

ENGAGEMENT OF LOCAL COMMUNITIES, PARTNERSHIPS AND DEVELOPMENT OF A SUSTAINABLE SUPPLY CHAIN

The ESG plan sets out to strengthen the development of **partnerships** with higher **technical institutes** and **universities**, and relations with **local communities**. In this regard, De Nora has always been actively involved in projects in line with its values, including numerous charitable initiatives and community support, also involving its workforce. Currently, the relationship with suppliers comes to the forefront through the Group's supplier portal (SRM - Supplier Relationship Management) where, in addition to master data, information regarding financial soundness and commitment to ESG topics are required.

In addition, they are asked to complete an **ESG questionnaire** developed by an authorized and certified third party for this type of assessment. Sustainability plan initiatives in this area have the objective of being able to create a **network** in line with its vision and dedication to **ESG principles**, setting up a supply chain that ensures **respect** for **human rights** and **environmental protection**, for which De Nora can represent a reference point in the path towards the adoption of sustainable practices and growth.

Key achievements

36
CSR initiatives implemented across 7 countries

7
charity campaigns in 4 countries

570
volunteering hours contributed by more than 120 dedicated volunteers

21%
of suppliers have undergone ESG evaluations in 2024

71%
of total spend is directed to local suppliers

New procedure for CAPEX selection integrating ESG criteria

Partnership with local football club in Germany

Day with kids in Italian office

Sponsorship to local museum in Hanau, Germany

Nursery school visit in Japan

Local park clean-up in Sugar Land, USA

Environmental protection clean-up in China

See details in the paragraph "ESG Plan initiatives overview"

GOVERNANCE, ETHICS AND TRANSPARENCY

De Nora is committed to conducting business in alignment with sustainable development principles, considering the shared interests of all stakeholders, both present and future. To uphold this commitment, the company has implemented a **robust governance structure** supported by internal policies and procedures applicable at both local and Group levels. These frameworks ensure management practices rooted in **ethics**, **transparency**, and **integrity**. Moreover, De Nora actively promotes a culture of ethical and transparent governance across the Group and in all interactions with third parties, adhering to national and international regulations as well as industry best practices.

See details in the paragraph “ESG Plan initiatives overview”

Top management remuneration

De Nora incorporates **ESG criteria** into top management short term and medium-long term **remuneration**. This approach aligns executive incentives with the company’s environmental, social, and governance objectives, reinforcing accountability and driving **sustainable value creation**.
Targets within the short/long-term incentive plan are linked to the targets of the Strategic Sustainability Plan and/or specific individual ESG targets. The short-term variable component has at its core a KPI linked to sustainability targets, with a variable weight between 10-20% linked to role-specific targets or corporate ESG targets. The medium/long-term variable component has a KPI with a 20% weighting linked to the Sustainability Plan.

Key achievements

Human Rights Policy publication

Conflict Minerals statement integrated in the ESG Supply Chain Policy

Regional-specific anti-corruption training sessions conducted in Italy

CEO remuneration – 2025 MBO ESG variable component

Topic	Weight	Variable Description	Payout		
			Min	Target	Max
Social	10%	**Safety:** value weighted at 50% of the Frequency Index* and Severity Index**.	2.73	2.457	1.911
Environment	5%	**Renewable energy:** percentage of kWh of renewable energy used.	29%	31%	35%
Governance	5%	**Suppliers’ evaluation:** percentage of strategic suppliers certified on the ESG platform.	21%	23%	24%

CEO remuneration – 2024 MBO ESG variable component

Topic	Weight	Variable Description	Payout
Social	10%	**Safety:** value weighted at 50% of the Frequency Index* and Severity Index**.	75%
Environment	5%	**Renewable energy:** percentage of kWh of renewable energy used.	
Governance	5%	**Policy:** publication of the Diversity, Equity & Inclusion policy.	

* Calculeted as (no. of injuries/hours worked) x 10^6
** Calculated as (days of absence/hours worked) x 10^3

See details on Remuneration Report

ESG PLAN INITIATIVES OVERVIEW

	Initiatives	KPIs	Targets (Baseline 2022)	2023	Actual 2024	Progress on target
Green innovation	Implementation of Circular Design Guidelines, based on LCA (Life Cycle Assessment) into R&D processes	Guideline adoption	To be embedded in 2024	Ongoing	Guidelines implemented in R&D processes	
	Disclosure and calculation of • R&D expenses with positive impacts • Revenues with positive impacts	% R&D costs with positive impact on the SDGs	>80% by 2026	-	98% R&D costs	
		% of revenues with positive impacts on the SDGs	>50% by 2026	-	27% revenues 9% order intake	
	Develop a product scorecard based on LCA and the Circular Design Guideline	Product Scorecard methodology % of products classified with the scorecard	To be developed in 2024 100% new products by 2025 100% products by 2027	Start in 2024	Methodology defined and applied to pilot scorecards	
	Value proposition scorecard Employee training Visibility campaign for external stakeholders	% of employees trained	100% salespeople by 2025 50% white collar by 2027	-	Ongoing	
	Optimization of noble metals within products	t noble metals / m^2 of electrode[1]	-4% by 2026	-1% vs 2022	-2.1% vs 2022	

Notes

[1] KPI built on 3 main product lines: Membranes, Pools and Electrochlorination, Alkaline Water Electrolysis.

	Initiatives	KPIs	Targets (Baseline 2022)	2023	Actual 2024	Progress on target
Climate action	*Carbon footprint* reduction • Submission to SBTi • Decarbonization development plans for production sites • Monitoring of Scope 3 emissions methodology • Integration of GHG emission parameters into Capex decisions	Reduction of Scope 1 and 2 emissions	-50% by 2030 -25% by 2027	+2% vs 2022	-14% vs 2022	
		Reduction of Scope 3 emissions	-52% by 2030 (intensity[2])	-	70,941,098 tCO_2e	
		% electricity from renewable sources	100% by 2030 40% by 2026	3% electricity from renewable sources	29% electricity from renewable sources	
	Certifications • Energy management systems • Environmental management system	ISO 50001 certified sites	100% sites by 2027	14% certified sites	14% certified sites	
		ISO 14001 certified sites	100% sites by 2025	28% certified sites	64% certified sites	
Circular economy	Group waste management • Optimize waste management • Increase share of wood packaging reused	% waste diverted from disposal	Target to be set in 2024 55% by 2030	42% waste diverted from disposal	Target set 40% waste diverted from disposal	
		% of wood packaging waste reused	40% by 2026	12% of wood packaging reused	16% of wood packaging waste reused	
	"Deforestation-free" wood packaging	% "Deforestation-free" wood packaging	>80% by 2030	Ongoing	Ongoing	
	Increase/Disclose quantity of recycled in noble metals[3]	% percentage of recycled noble metals (by weight)	5% by 2030	Ongoing	1.7% recycled noble metals purchased	
	Strengthen and give more visibility to circular services (re-coating)	% of products (in terms of m^2) designed for second life	Disclosure to 2026	-	Ongoing	

[2] CO_2 Emissions per Gross Profit.
[3] Recycled metals: Metals purchased from suppliers who certify the recycled origin. Recovered metals: metals reused, including after third-party processing, originating from production waste or the withdrawal of used electrodes.

	Initiatives	KPIs	Targets (Baseline 2022)	2023	Actual 2024	Progress on target
Biodiversity	Mapping of ecological zones to define biodiversity	Analysis	Mapping in 2024	-	Mapping carried out, results used for the Double Materiality assessment	
	Monitoring and optimizing water use at production sites starting with those in water-stressed areas	Selection of KPIs in progress	Assessment from 2025	-	-	
	Environmental Emergency Plan for production plants	Analyses and document drafting	All sites in 2024	Ongoing	Developed environmental emergency plans for production sites	
	Partner and adhere to third-party initiatives for biodiversity preservation	# plants/emissions avoided		-	200 trees in collaboration with Treedom	
	CDP Water and CDP Forest Questionnaire	Submission and disclosure	2026	-	-	
Employee Health & Safety	Development of governance and culture related to Health and Safety • Periodic "gemba walk" in the plants • Periodic report on H&S • Organize "Safety days" in the plants	no. plants with gemba walks	All plants by 2025	-	21 gemba walks	
		Frequency of reports	Quarterly reports	Ongoing	Quarterly reports implemented	
		no. plants with safety days	All plants by 2025	-	4 Safety days	
	Mental health awareness • Introduce mental health training module • Introduce mental health first aid training (for a selected number of staff) • Establish a mental health hotline or other form of support channel	% employees trained on general module	25% by 2026	-	-	
		no. of employees for 1st aid training	1 person for each major plant[4] by 2026	-	-	
		# territories	100% by 2026	-	-	
	Certifications	ISO45001 certified sites	100% by 2025	21% sites certified	28% sites certified	

[4] Dubai, Abu Dhabi, India, Shanghai, Suzhou and Jinan.

Employee *Diversity*, Equity & Inclusion

Initiatives	KPIs	Targets (Baseline 2022)	2023	Actual 2024	Progress on target
Extension of parental and relocation policy to same-sex couples and single parents		2024	-	Policy updated and expanded as per Plan	
Monitor the methodology for calculating the Gender Pay Gap, and 0 gender pay gap in hiring	Gender Pay Gap	-	<5% 0% in new hires	-3% Average Pay Gap -2% Pay Equity Gap	No target
Affinity network for women and LGBTQ+ employees across all territories		Launch in 2024	-	3 initiatives in Italy, USA, Brazil	
Enhance recruitment processes to ensure inclusion of candidates with diverse abilities	no. territories completing the review	All Group by 2026	-	Pilot project carried out in Italy on disability management for managers involved in recruitment processes	
Internal and external communication campaigns on DE&I with success stories Adoption of a DE&I policy	no. stories per year Policy Adoption	4-8 (at least 1 per quarter) 2024	-	4 stories on DE&I published on internal portal DE&I policy adopted	
Introduce % target of women in new hires (by category)	% of women among new hires (white collar)	Target to be set in 2024	-	Introduced target: 40% of women among new hires 2025-2027	
Upskilling, networking and mentorship schemes specifically for women, also through networking with associations (D. Value)			Ongoing	In.C.L.U.De Italian pilot program on inclusive leadership training 100% managers trained, including CEO and COs	No target

	Initiatives	KPIs	Targets (Baseline 2022)	2023	Actual 2024	Progress on target
Community engagement	Disclosure related to expenditure dedicated to local communities	Expenditure dedicated to local communities (euros)	Disclosure from 2024	Donations 202k€	Donations 101k€	No target
	Employee involvement • Launch and promote initiatives of employee donations • Promotion of participation in local events and charities in all geographical areas	Hours donated/year		-	570+ volunteering hours	No target
		% employees involved		-	120+ employees involved	No target
	Educational partnerships to support the development of STEM careers and strengthen the pipeline of future talent. • Introduce gender considerations in partnerships with universities, high schools and research institutes • Visits to laboratories and plants, occupational lectures and problem-solving training	% of female students involved	>40% by 2026	-		
		# Students involved	>20 per site[5]/year by 2026	-		
Responsible Supply Chain	Disclosure of the percentage of local expenditure for suppliers	% local supplier expenditure	Data Disclosure	64% spend on local suppliers	71% spend on local suppliers	No target
	Internal awareness campaign aimed at sustainable supply chain management	Internal communication event	2025	-	-	
	Sustainability assessment of suppliers • Supplier analysis platform upgrade • Development of the percentage of suppliers evaluated according to ESG criteria	% suppliers assessed (selected on the basis of expenditure)	>50% of suppliers[6] by 2030 >25% of suppliers[6] by 2026	945 suppliers involved 105 evaluated 11% of suppliers	895 suppliers involved, 192 assessed of suppliers 21% of suppliers	
	Inclusion of ESG requirements in procurement processes, rewarding sustainable suppliers	Being defined	2026	-	-	
	Supplier Engagement • Engagement of higher-risk suppliers • Training for selected providers (e.g. SMEs) • Organization of audits for high-risk suppliers	% of high-risk suppliers engaged	100% by 2026	-	-	
		no. suppliers audited	2 in 2025 (pilot)	-	-	

[5] Defined as site which has more than 100 employees.
[6] Considering a base of suppliers that represent 80% of total spending.

	Initiatives	KPIs	Targets (Baseline 2022)	2023	Actual 2024	Progress on target
Product Quality & Safety	Harmonization of the methodology for managing complaints and product recalls		By 2026	-		
	Group-wide customer satisfaction targets (Net Promoter Score)	Net Promoter Score	NPS across the Group by 2025	-	Ongoing	
	ISO 9001 Certification (Quality Management)	Sites certified	100% of sites certified by 2025	100% sites certified	100% sites certified	
Governance Business Ethics	Human rights policy adoption	Policy Adoption	To be adopted in 2024	Policy Adopted	Policy Adopted	
	Roll out a monitoring system on anti-corruption policy		Implementation by 2026	Ongoing	Ongoing	
	Carry out ad-hoc deepening training sessions for each geography	% of white collars that completed the training	100% by 2026	-	Training carried out in Italy	
	Adoption of regional guidelines for Export Control and economic activities	% countries/regions who have adopted the guidelines	100% by 2026	Ongoing	Ongoing	
	Disclosure related to the “Conflict Minerals” legislation		2024	-	Released in the new ESG Supply Chain Policy	
	Disclosure related to the “Critical Raw Materials” regulations		2026	-	Ongoing	
	Executive manager compensation tied to ESG targets	% target MBO and PSP	20% CEO 10%+ Key Executives	20% CEO 10%+ Key Executives	20% CEO 10%+ Key Executives	

OUTSTANDING RECOGNITIONS

MSCI ESG RATINGS

AA

CCC | B | BB | BBB | A | AA | AAA

MORNINGSTAR SUSTAINALYTICS

ESG Risk Rating CORE

22.2 Medium Risk

Negligible | Low | Medium | High | Severe

0-10 | 10-20 | 20-30 | 30-40 | 40+

SILVER | Top 15%

ecovadis

Sustainability Rating

AUG 2024

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

ISS-CORPORATE

	JAN 24	JAN'25
Environment	5	2
Social	6	2

Higher E&S Disclosure = 1 - Lower E&S Disclosure = 10

Great Place To Work. Certified LUG 2024–LUG 2025 ITALIA

Best Workplaces™ for Blue Collar

Great Place To Work. ITALIA 2024

SUSTAINABILITY AWARDS

WINNER 2024

SDGs LEADERs

SUSTAINABLE LEADERSHIP PROGRAM

*De Nora's **Sustainability Product Scorecard** has been selected as one of the winning projects of the SDGs Leaders Awards 2024*


DE NORA