TRANSFER OIL

Pure Fluid Attitude

SUSTAINABILITY REPORT 2024

www.transferoil.com

SUSTAINABILITY REPORT 2024

At Transfer Oil, **sustainability** is at the core of our mission to create value for our people, partners, and communities.

Guided by the Paris Agreement and the United Nations Sustainable Development Goals (SDGs), we are advancing cleaner energy solutions, such as **Hydrogen and CNG hose** technologies, while addressing challenges like raw material sustainability and environmental regulations.

Initiatives like our **Solar Park** and efforts to enhance **flexible work arrangements** reflect our commitment to innovation and environmental stewardship.

As we face the future, we remain dedicated to driving positive change, achieving **carbon neutrality**, and fostering a sustainable world for generations to come.

Contents

Letter to stakeholders

Ugo Ferrari
CEO Transfer Oil S.p.A.

Dear Stakeholders,

Our journey towards sustainability reflects our **deep commitment to the environment**, the well-being of our people and the communities we serve. In an era where the impact of climate change is undeniable, it is imperative for industries, not only those within the energy sector, to lead with innovation and responsibility. At Transfer Oil, we embrace this challenge wholeheartedly, leveraging our expertise in high pressure thermoplastic hose manufacturing to contribute positively to the world's energy transition.

We value all people, not only our people

At Transfer Oil, we are acutely aware of our responsibility towards the human rights of our employees, partners, and the communities we interact with. Our commitment is reflected in stringent policies and practices designed to ensure fair labor practices, safeguard against discrimination, and supporting an **inclusive workplace culture**. We actively engage with our suppliers to ensure these values are upheld throughout our supply chain, aiming for a holistic approach to human rights that extends beyond our immediate operational sphere. This commitment is underpinned by regular training, audits, and stakeholder engagement, ensuring that our dedication to human rights is both pervasive and proactive.

In our quest to enhance work-life balance and operational efficiency, Transfer Oil has embraced home office as an additional element of our modern work environment. Initiated well before the global pivot to remote working necessitated by the pandemic, our approach to **home office working** is built on flexibility and trust. We introduced a token-based system that allows our employees to tailor their work location to their needs, fostering a work culture that values output over physical presence. This system acknowledges the diverse responsibilities and challenges our employees face in their personal lives, offering them the freedom to manage their professional obligations in harmony with family time, personal development, and well-being.

The benefits of this initiative extend beyond individual employee satisfaction, reducing commuting emissions and promoting a smaller carbon footprint for the company. It also enables us to tap into a broader talent pool, unrestricted by geographical limitations, thereby **enhancing our team's diversity**, creativity, and resilience. By providing our employees with the technology and support needed to work effectively from any location, we ensure that flexibility does not come at the expense of productivity or team cohesion.

This commitment to flexible working arrangements underscores our dedication to the well-being of our people and their families, positioning Transfer Oil as a forward-thinking leader in employee satisfaction and environmental responsibility.

From 2019 we also have a welfare plan for our people. **Transfer Oil's Welfare Plan** is a testament to our deep commitment to the welfare and prosperity of our employees. Reinstated for the triennium 2024-2026, this plan represents a significant investment in our team's financial and personal well-being. With a comprehensive budget of about 1M Euro dedicated to this initiative, we aim to tangibly reward our employees for their contributions towards our collective success. The plan is designed with inclusivity and accessibility in mind, featuring a lower threshold for qualification and a steeply tiered reward system that acknowledges varying degrees of achievement.

Our Welfare Plan, structured around a third-party platform, offers a diverse array of benefits, from health and wellness services to educational support and leisure activities. This flexibility ensures that every employee can find value in the plan, regardless of their individual needs or interests. Notably, the potential maximum benefit of up to 3.000 Euro represents a significant advantage over traditional bonus schemes, thanks to its tax exemption. This approach not only provides **direct financial benefits** to our employees but also encourages them to invest in their and their families' health, education, and well-being, thereby enhancing their quality of life.

Moreover, the plan's structure, rewarding efficiency and collective achievement, aligns perfectly with our broader sustainability goals. By tying welfare benefits to organizational performance, including efficiency and reduction of scrap metrics, we encourage **a culture of shared responsibility** and collective effort towards our environmental and social objectives. This approach to employee welfare and organizational success reflects our belief that a truly sustainable business must prioritize the well-being of its people alongside its environmental and economic goals.

In conclusion, our expanded commitment to home office, working hours flexibility and the comprehensive Welfare Plan are pivotal elements of Transfer Oil's strategy to contribute to sustainable development. By prioritizing the **well-being of our employees and their families**, fostering a flexible and inclusive work environment, and aligning our rewards system with our sustainability objectives, we reinforce our dedication to being an employer of choice and a leader in corporate responsibility.

Alignment with International Sustainability Standards

Our sustainability strategy is intricately aligned with key authoritative intergovernmental instruments, notably the Paris Agreement and the United Nations Sustainable Development Goals (SDGs). By targeting significant reductions in our carbon footprint, promoting renewable energy, and emphasizing the welfare and development of our workforce, we contribute directly to SDGs 7 (Affordable and Clean Energy), 8 (Decent Work and Economic Growth), and 13 (Climate Action), among others. This alignment not only guides our strategic priorities but also ensures our contributions are relevant and impactful on a global scale.

Letter to stakeholders

The **global transition towards cleaner energy**, increasing regulatory emphasis on sustainability, and shifting societal expectations significantly influence our strategic direction. The rise of the hydrogen economy and advancements in CNG technologies represent opportunities for Transfer Oil to lead in **green energy solutions**. Simultaneously, we navigate challenges such as raw material sourcing in a environmentally responsible manner and adapting to new environmental regulations, ensuring our strategies are responsive and resilient against these macroeconomic, social, and political trends.

Over the past reporting period, Transfer Oil has made considerable strides towards our sustainability goals. Notably, **our solar park initiative** has significantly exceeded initial energy production targets, contributing to our objective of achieving at one point energy independence and reducing our carbon emissions. Furthermore, our hydrogen and CNG hose technologies have seen increased adoption, underlining our contribution to cleaner transportation alternatives. However, we recognize areas for improvement, particularly in enhancing the circularity of our products and further reducing our operational waste.

CNG Hose Initiatives at Transfer Oil: Technical Innovation Meets Sustainability

Transfer Oil has carved a niche in the clean energy sector with its specialized thermoplastic hoses designed for Compressed Natural Gas (CNG) applications, underscoring our technological commitment to sustainability. Our venture into CNG technologies demonstrates a deliberate effort to **support the global shift toward cleaner, alternative fuels**, combining technical excellence with environmental consciousness.

Our CNG hoses stand out in the market for their innovative features tailored to meet the rigorous demands of CNG fueling applications. The hoses are engineered with a **lightweight yet durable construction**, facilitating ease of use and enhancing the refueling experience. This ease of handling is particularly beneficial in fast-paced refueling environments, where efficiency and user experience are paramount.

A feature of Transfer Oil's CNG hose is the use of a polyurethane cover that offers unmatched **resistance to abrasion and weathering**. This durability ensures the hoses maintain their integrity and performance even in harsh environmental conditions, extending their service life and reducing the need for frequent replacements.

Safety is a critical concern in the design and manufacture of our CNG hoses. Each hose features a conductive inner core that effectively dissipates static electricity, a crucial feature given the flammability of natural gas. This design aspect highlights our commitment to providing safe fueling solutions that comply with the highest safety standards.

Moreover, our CNG hoses are **fully certified according to the ANSI/CSA standard** for natural gas dispensing systems, encompassing Class A and D hoses. This certification is another proof of our rigorous testing protocols and adherence

to international safety and quality standards. The hoses' minimal permeation rates further enhance their safety profile, ensuring a secure and leak-proof fueling process.

Hydrogen Hose Products Initiative: Enhanced with Technical Insights

At Transfer Oil we stand at the forefront of supporting the green energy transition, particularly through our advanced development of hydrogen hose products. Our hydrogen hoses embody cutting-edge technology, designed to cater to the growing needs of the hydrogen fuel sector, an area poised to revolutionize clean energy applications globally.

Our range of hydrogen hoses, meticulously engineered for high-pressure gas refueling applications, represents a pinnacle of innovation in the field. These products are **specifically tailored for use in hydrogen refueling stations**, providing a critical component in the infrastructure required for hydrogen-powered vehicles. The technical key factor of our hoses lies in their capability to handle pressures of 700 bar/10,000 psi (H50 Class) up to 1.040 bar/15,000 psi (H70 Class) a standard deemed essential for the efficient and safe refueling of vehicles. This feature ensures our products are not only at the cutting edge of current needs but are also future-proofed as the industry evolves towards even higher pressure standards, such as the H70 class, capable of withstanding working pressures up to 1.040 bar/15,000 psi, with a safety factor of 4:1, bringing the minimum burst pressure of these products to exceed the notable threshold of 4.160 bar/60,000 psi!

The development of our hydrogen H50 hose products focused on several key technical advancements:

Hybrid Reinforcement Technology: utilizing a combination of steel wire and aramid fiber, our hoses offer exceptional strength and durability, enabling them to withstand the extreme pressures characteristic of hydrogen fueling applications without compromising flexibility.

Ultra-Low Permeation: a critical aspect of our product design is the minimization of hydrogen permeation. Through innovative material selection and engineering, we've significantly reduced the risk of hydrogen permeability, enhancing safety and efficiency.

Robust and Weather-Resistant: the outer layer of our hoses is designed to resist abrasion, UV radiation and temperature fluctuations, ensuring longevity and reliability in diverse operating conditions.

The impact of these technological advancements on our ESG score is multifaceted:

- Environmentally, the promotion of hydrogen as a clean energy source directly contributes to reducing carbon emissions, aligning with global sustainability targets.
- The technical superiority of thermoplastic hoses facilitates the broader adoption of hydrogen fuel, potentially revolutionizing the clean energy market and significantly reducing reliance on fossil fuels.
- Socially, by advancing hydrogen infrastructure technology, we are not only contributing to environmental sustainability but also promoting economic growth and job creation within the green energy sector. This initiative reflects our commitment to societal welfare through the promotion of clean energy solutions.

Letter to stakeholders

Photovoltaic Solar Park Initiative

A flagship of our environmental sustainability initiatives is the Transfer Oil **Photovoltaic Solar Park**. This ambitious project, one of the largest in our district, underscores our commitment to renewable energy and reducing our carbon footprint. Through the strategic expansion of our solar park, we've installed nearly **5.000 photovoltaic modules** across 20.000 square meters (215,000 square feet), a pillar of our dedication to sustainable energy sources. This extensive installation, with a peak power of 2 MW, at our latitude is expected to generate over 2 megawatt-hours of clean energy annually, marking a significant step towards our goal of energy independence and sustainability.

Crucially, this solar park enables Transfer Oil to achieve **more than 80% independence from the grid,** a milestone that significantly reduces our reliance on non-renewable energy sources and diminishes our environmental impact. This level of self-sufficiency not only illustrates our commitment to fight climate change but also positions us as a **leader in renewable energy** utilization within the industrial sector. By generating a substantial portion of our energy needs on-site, we reduce emissions by more than 910 tons of CO_2 annually, contributing to global efforts to mitigate climate change.

Moreover, our solar park is not just an asset for Transfer Oil; it represents a beacon of environmentally conscious industrial practice in our district. Its scale and success demonstrate the viability and benefits of renewable energy, encouraging other companies to consider similar investments. This initiative aligns with our broader sustainability goals and showcases our virtuous approach to environmental matters, operational efficiency, and community leadership in sustainability.

Vineyard Revitalization Initiative at Transfer Oil

In an endeavour that marries sustainability with heritage, Transfer Oil embarked on a remarkable journey of environmental care through the revitalization of a vineyard discovered on recently acquired grounds. This initiative, far beyond a mere land acquisition, represents a deep commitment to preserving biodiversity, enhancing community ties, and contributing to **sustainable land use practices**.

Upon the acquisition of additional land adjacent to our operational facilities, we uncovered a vineyard that, though long neglected, bore the potential for not just agricultural revival but also for contributing to our broader environmental and social sustainability goals. Under the guidance of a dedicated team, including insights from environmental experts and local vintners, we have begun the meticulous process of **restoring this vineyard** to its former glory.

The vineyard revitalization project is an example of our dedication to preserving and enhancing local biodiversity. By nurturing a variety of indigenous grape species, we're contributing to the genetic diversity of the region's viticulture, which is vital for **ecological balance and resilience**. Embracing sustainable agriculture methods is at the core of this initiative. From employing organic farming techniques to minimize chemical use to implementing water conservation measures, every step is taken with an eye toward environmental sustainability and resource efficiency. The vineyard not only contributes to

biodiversity but also plays a role in carbon sequestration. Growing vines absorb CO_2, helping offset our carbon footprint further.

Beyond environmental benefits, the vineyard serves as a symbol of our commitment to community engagement and social responsibility. Plans to use this space for educational and recreational purposes, including employee and community events, underscore our dedication to building a **strong community connection**.

Main Challenges, Goals, and Targets for the Future

Looking ahead, Transfer Oil faces the challenge of further reducing our environmental impact amidst global supply chain uncertainties and evolving regulatory landscapes. Our goals for the coming years include achieving a **reduction in operational waste** and further expanding our vision across all our branches. Over the next three to five years, we aim to solidify our market leadership in sustainable hose solutions for alternative fuels and so contributing to carbon neutrality transition. Achieving these ambitious targets will require continued innovation, stakeholder collaboration, and a steadfast commitment to our sustainability principles.

Incorporating these aspects into our development strategy ensures a comprehensive approach that addresses the present challenges while setting a clear path for future progress.

In conclusion, the strides we have made across various sustainability initiatives, from advancing hydrogen and CNG technologies to investing in one of the largest solar parks in our province, and from revitalizing local biodiversity through vineyard projects to encouraging a supportive and flexible working environment, all contribute to a singular vision. This vision is one where Transfer Oil not only excels in its industry but does so while upholding the principles of **environmental stewardship, social responsibility, and governance excellence**. Our efforts are not just about meeting today's needs but about anticipating and shaping the future.

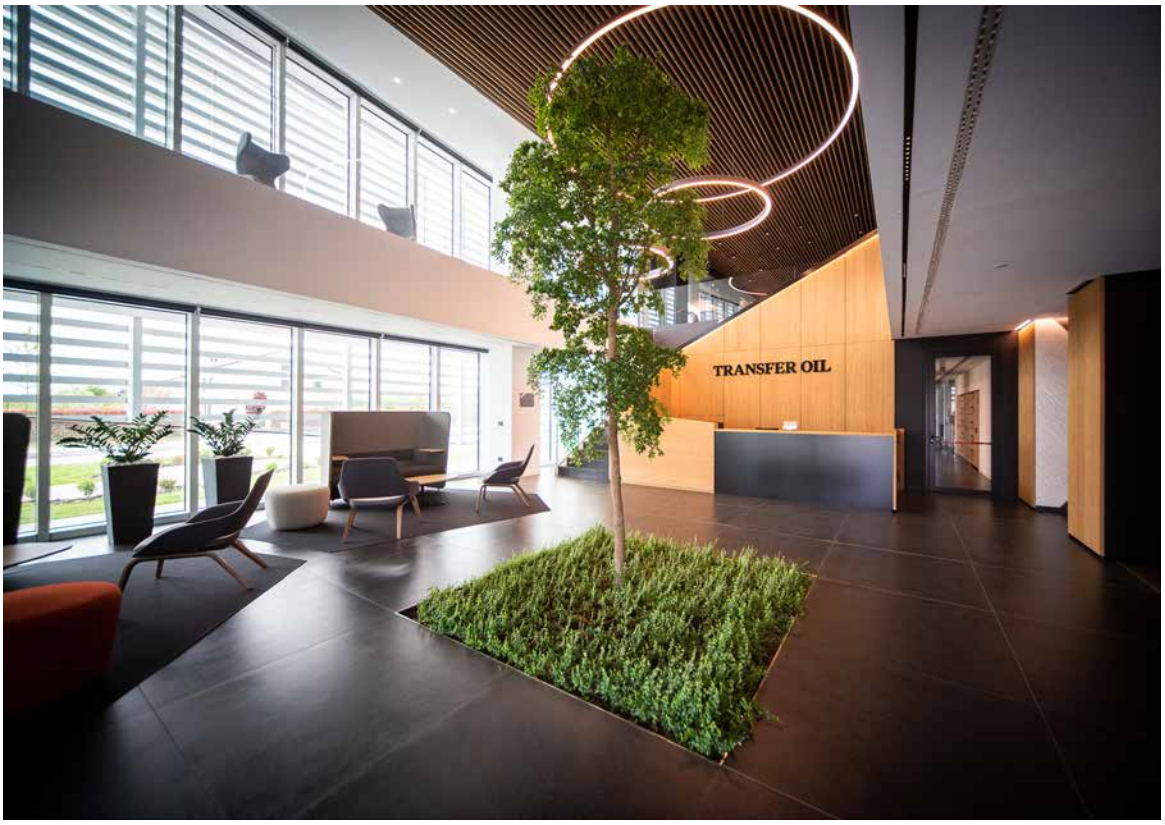
As we look forward, we remain committed to **continuous improvement**, innovation, and engagement with our stakeholders to achieve our sustainability goals. Our dedication is unwavering, for we believe that our actions today will pave the way for a cleaner, more sustainable world for future generations. Together, with our employees, partners, and communities, we are on a journey towards making a **meaningful difference**, one hose, one initiative, and one innovation at a time.

What we have achieved so far reflects our collective effort and shared vision, and I am optimistic about the path that lies ahead. Thank you to everyone who has been part of this journey. Your support, dedication, and commitment to sustainability have been instrumental in our successes, and I look forward to what we will accomplish together in the years to come.

Ugo Ferrari
CEO Transfer Oil S.p.A.

1

The meaning of sustainability for Transfer Oil



The Headquarters
Renovated between 2019 and 2020 with innovative environmental and energy-saving solutions.

Transfer Oil Hall
Where modern design meets nature to create a welcoming and eco-friendly space.

1.1
THE GROUP STAKEHOLDERS AND ITS APPROACH TO SUSTAINABILITY

At Transfer Oil, we consider sustainability and the related ESG framework to be crucial benchmarks for our business approach. We strongly pursue **the delicate balance between economic and ESG principles**, with the aim of safeguarding our planet, our employees, and our stakeholders. For this reason, we not only follow international regulatory standards but have also implemented additional projects to minimize our business' environmental impact.

Our journey towards sustainability started years ago, and this Sustainability Report marks just the first step on the long path we are ready to walk. For several years, the company has aimed to increasingly **integrate sustainability** into its business, not only by introducing green assets, such as the photovoltaic solar park, but also by improving Transfer Oil's manufacturing process with more sustainable features.

This report's objectives include identifying new relevant issues on which to develop appropriate strategies; initiating operational actions; monitoring and sharing sustainability performance, and establishing new targets to systematically promote the improvement of its standards.

To embark on our sustainability reporting path, we formed a team of both internal resources and external professionals in order to prepare and publish our **first Sustainability Report**. To this end, we have carried out an initial analysis of our internal and external operating context to identify our most relevant stakeholders.
Stakeholders represent those individuals or groups that impact or are impacted by the company and its activities, products, services, and performance outcomes.

THE MOST RELEVANT STAKEHOLDER CATEGORIES

Transfer Oil's stakeholder universe is broad, which is why we identify and prioritize these groups based on their impact and influence on our business, ensuring that those most affected by our operations have a voice in our decision-making process. This **inclusive approach** helps us effectively address the needs and concerns of our stakeholders and harness their insights to drive our business forward.

The objective is to promote **transparent and open communication**, aimed at identifying the actual and potential impacts of our operations. To ensure that our stakeholders' engagement is both meaningful and impactful, Transfer Oil employs a range of personalized communication channels:

Digital Platforms
We leverage our website, newsletters, and social media platforms like LinkedIn to share updates, news, and video messages about our company, disseminating our vision and achievements while encouraging transparent dialogue with our global audience.
For internal communication, we rely on an integrated web-based portal that allows every collaborator of Transfer Oil, regardless of position or physical location, to be constantly updated about every single event or initiative that may have an impact on our people.

Feedback Mechanisms
Through supplier rating systems, customer satisfaction and employee surveys, we monitor and assess the quality of our relationships with suppliers, customers and employees, ensuring mutual satisfaction and continuous improvement in our relationships.

Community Support
We actively support our local community by sponsoring cultural events and charities, particularly those benefiting hospitals, cancer research and charitable organizations. These initiatives reflect our commitment to giving back and support the community that surrounds us.

Employee Development
Recognizing our employees as key stakeholders, we invest in intensive training programs focused on health, safety, business ethics, and skill enhancement. These programs are designed to empower our workforce, ensuring they are well-equipped to meet the challenges of today and tomorrow.

By employing personalized communication strategies and actively supporting our stakeholders through various initiatives, we not only enhance our business operations, but also make a positive contribution to our broader ecosystem.

In order to identify the most relevant areas of attention in which to **focus our sustainability efforts**, we have conducted a benchmark analysis of peers operating in our sector, including key customers, suppliers, and competitors. Our goal was to identify current trends and best reporting practices within the reference market. This analysis led to the identification of the following material topics – those aspects that can significantly impact the company's economic, social, and environmental performance, and can also influence the behavior of its stakeholders.

MATERIAL TOPICS IMPACTING COMPANY'S PERFORMANCE

The identification of these topics acts as a guide for the company's sustainability initiatives as well as the content of this report.

Topic	Area
Business Ethics and Integrity	Governance and Economic responsibility
Economic Performance	
Governance and Compliance	
Risk Management	
Technology, Innovation and R&D	
Product Traceability	
Climate Change	Environmental responsibility
Emissions Reduction	
Energy Consumption	
Materials	
Circular Economy and Waste Management	
Water Withdrawals and Discharges	
Employee Development and Attraction	Social responsibility
Employee Welfare	
Diversity and Inclusion	
Occupational Health and Safety	
Responsible Supply Chain Management	
Local Community Support	

EcoVadis
Bronze Medal
It certifies Transfer Oil's sustainability performance.

Lastly, to further strengthen and improve upon our position within our business partners' value chain, we voluntarily had our sustainability performance assessed by **EcoVadis**, the world's leading provider of corporate sustainability assessments. Transfer Oil received the **Bronze Medal** rating and aims for a Silver Medal rating in the next assessment, demonstrating our efforts to continuously improve our ESG performance.
Additionally, we have been credited as a supplier in compliance with regulatory requirements and sustainability standards on **Integrity Next**, a German supply chain monitoring platform that allows the monitoring of suppliers' sustainability information.

Art and Earth
The theme of sustainability is reflected in the ceramic sculptures displayed throughout our offices.

Production Plant
Break Area
Greenery within our production facility provides a peaceful space to recharge.

2
Group Presentation

In the Spotlight
Transfer Oil's hoses on display at the most significant exhibitions in the industry.

A Valuable Exchange
Promoting visits from industry associations to strengthen relationships with our customers.

2.1
THE HISTORY: FOUR DECADES OF TRANSFER OIL

Transfer Oil, a privately-owned joint-stock company, positions itself at the forefront of the **thermoplastic hose manufacturing** industry for medium, high, and ultra-high pressure applications. Headquartered in Colorno (Parma), Italy, the company offers its innovative solutions globally through a network of distributors in 75 countries and 3 strategically located branches in the United States, Singapore, and China. These key locations enable us to effectively distribute our products and services, reinforcing our proximity to our **global customer base**.

With applications ranging from hydraulic systems, gas and fluid handling, up to refrigeration and air conditioning, Transfer Oil products are used in several different industries. Being able to assemble and proof test Ultra High-Pressure products up to 3.800 bar/55,000 psi, Transfer Oil is currently the **only independent hose manufacturer** able to offer to the market products covering virtually every pressure range that a thermoplastic hose can reach with the technology known today. As such, Transfer Oil products are the choice of the leading distributors in our field as well as renowned OEMs (Original Equipment Manufacturers), which can take great advantage of Transfer Oil's direct product design capability, in-house hose analysis, and qualification.

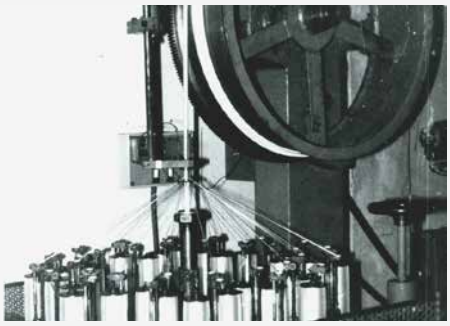
MILESTONES

The following events highlight the key moments that have defined the company's growth:

1979

Foundation

The beginning of a vision
Transfer Oil is founded by Ferdinando Ferrari with a focus on manufacturing reinforced thermoplastic hoses for hydraulic applications. What starts as a specialized endeavor is driven by a clear understanding of technical needs in a growing market.



1981

First European steps

Reaching beyond borders
Just two years in, Transfer Oil begins exporting beyond Italy. Relationships with national and European distributors are established, marking the company's entry into the international market and setting the tone for future growth.

1985

OEM and industrial evolution

Meeting new demands
The development of hoses for high-pressure washer systems opens new doors. OEM partnerships begin to take shape, and the production process starts shifting toward industrial-scale manufacturing to support growing demand.

1990

Innovation for new markets

Refrigeration and air conditioning breakthrough

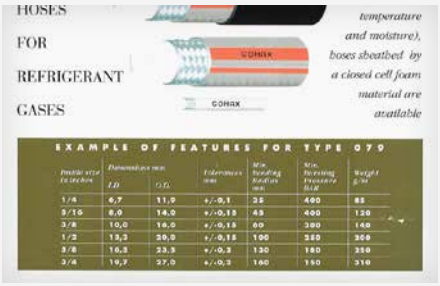
A thermoplastic hose system is introduced to replace copper tubing in industrial cooling systems. This innovation eventually leads to the launch of the Gomax® brand, addressing the needs of the refrigeration and A/C sectors.

2002

Gomax® reinvented

Widening the range

The Gomax® brand undergoes a major transformation with the launch of three new product lines: Quadra, Infinity, and Zero. The move, backed by targeted marketing, strengthens the brand's appeal among major OEMs.



1992

Growing with demand

Expanding the headquarters

As product demand rises, Transfer Oil responds with the expansion of its headquarters and manufacturing facilities. The investment ensures improved capacity and production flow while supporting ongoing growth.

GOMAX®
a brand of
TRANSFER OIL

2004

Strategic restructure

A shift in direction

A strategic change in ownership, through a leverage buyout, consolidates control under a single shareholder. This marks a turning point, bringing a refreshed managerial approach and paving the way for long-term strategic planning.

2006

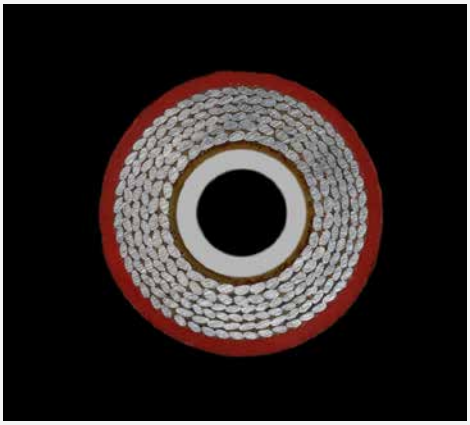
A broader portfolio

TO hydraulic and TO industrial divisions launched
Two new divisions are introduced - TO Hydraulic and TO Industrial - significantly expanding the product offering to over 40 hose families. Among the highlights is the 700 bar/10,000 psi VHP hose, designed for high pressure hydraulic applications.

2012

Streamlining operations

New plant, better workflow
A 5.100 sqm (55,000 sqf) facility is built next to the existing site. Designed to streamline production and logistics, the facility also incorporates solar power, supplying about 20% of the company's energy needs.



2015

Entering Ultra High Pressure world

Helix® division launched
Following years of research and development, Transfer Oil launches the Helix® division, its dedicated line for Ultra High Pressure applications. Built with special multispiral reinforcement technology, Helix® hoses are engineered to handle working pressures from 700 to 3.800 bar (10,000 to 55,000 psi).

2016
2018

Global reach

Closer to customers worldwide
Subsidiaries open in Singapore, China, and the United States. These new locations bring the company's operations closer to key markets, ensuring faster support and greater brand presence beyond Europe.

2020

Rethinking the workspace

Integrated warehouse and new headquarters
A centralized warehouse brings together previously scattered storage facilities, while the new headquarters adopts a modern, open-space layout that enhances collaboration and supports employee comfort and well-being.

2022
2023

Powering with the sun

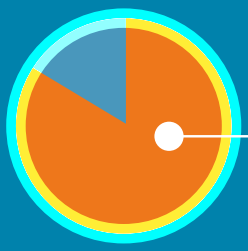
Sustainability at the center
A solar park with nearly 5.000 panels is installed, spanning 20.000 sqm (215,000 sqf). It provides over 80% of the company's total energy needs, supports electric vehicle charging, and reduces CO_2 emissions by more than 910 tons annually.

TRANSFER OIL
Pure Fluid Attitude

2.2
GROUP GOVERNANCE STRUCTURE AND LOCATIONS

CAPITAL STAKES HELD BY TRANSFER OIL S.P.A. IN ITS FOREIGN SUBSIDIARIES

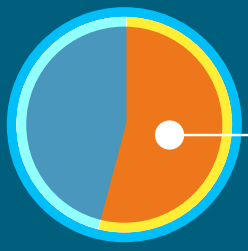
Transfer Oil Asia Pte. Ltd. (Singapore)



83,33%

Transfer Oil S.p.A. holds a 83,33% share; the remaining shares are held by two local partners;

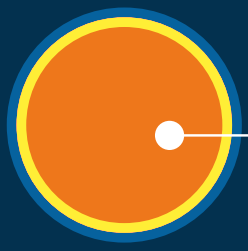
Transfer Oil Fluid-Tech Co. Ltd (China)



51%

Transfer Oil S.p.A. holds a 51% share; the remaining shares are held by a local partner;

Transfer Oil Inc. (USA)

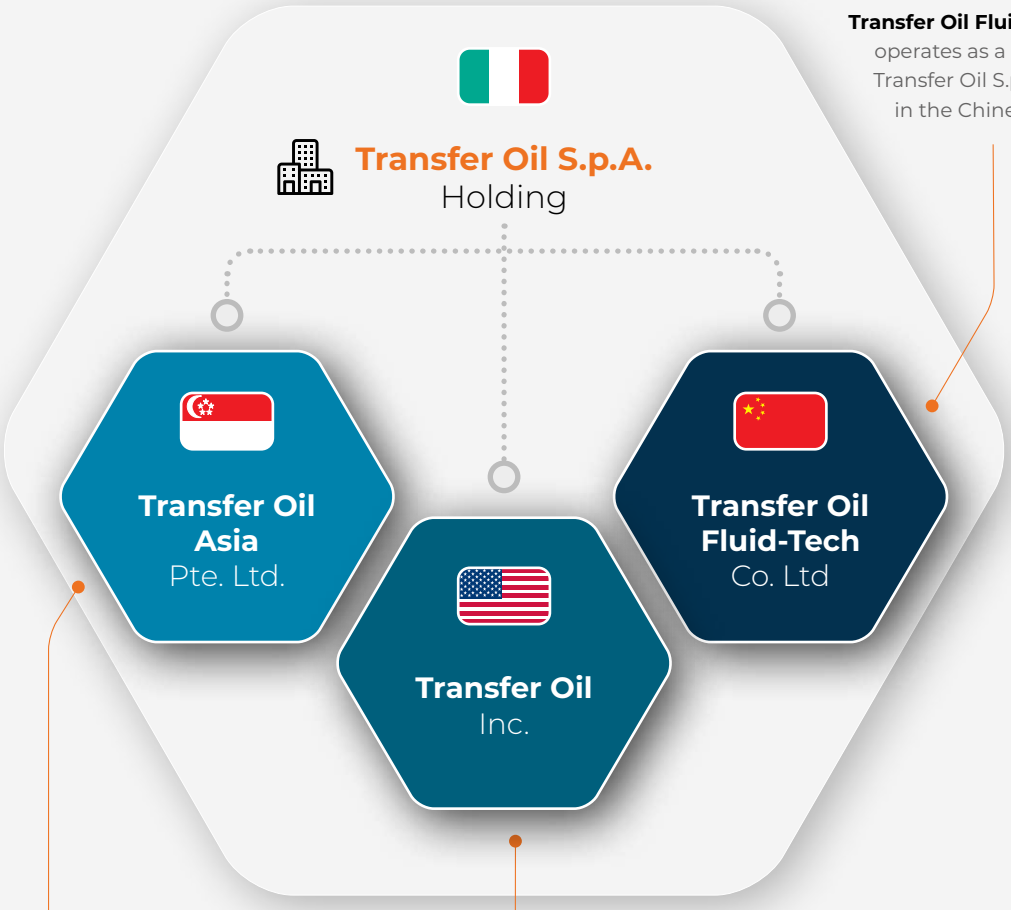


100%

Transfer Oil S.p.A. holds 100% of the capital.

Transfer Oil S.p.A.

Transfer Oil S.p.A. operates as the holding company and Principal within the Group and performs the **higher value-added functions** in the value chain, such as strategic and management planning for the entire Group, research and development activities, strategic and global marketing activities, as well as management of the entire manufacturing process.

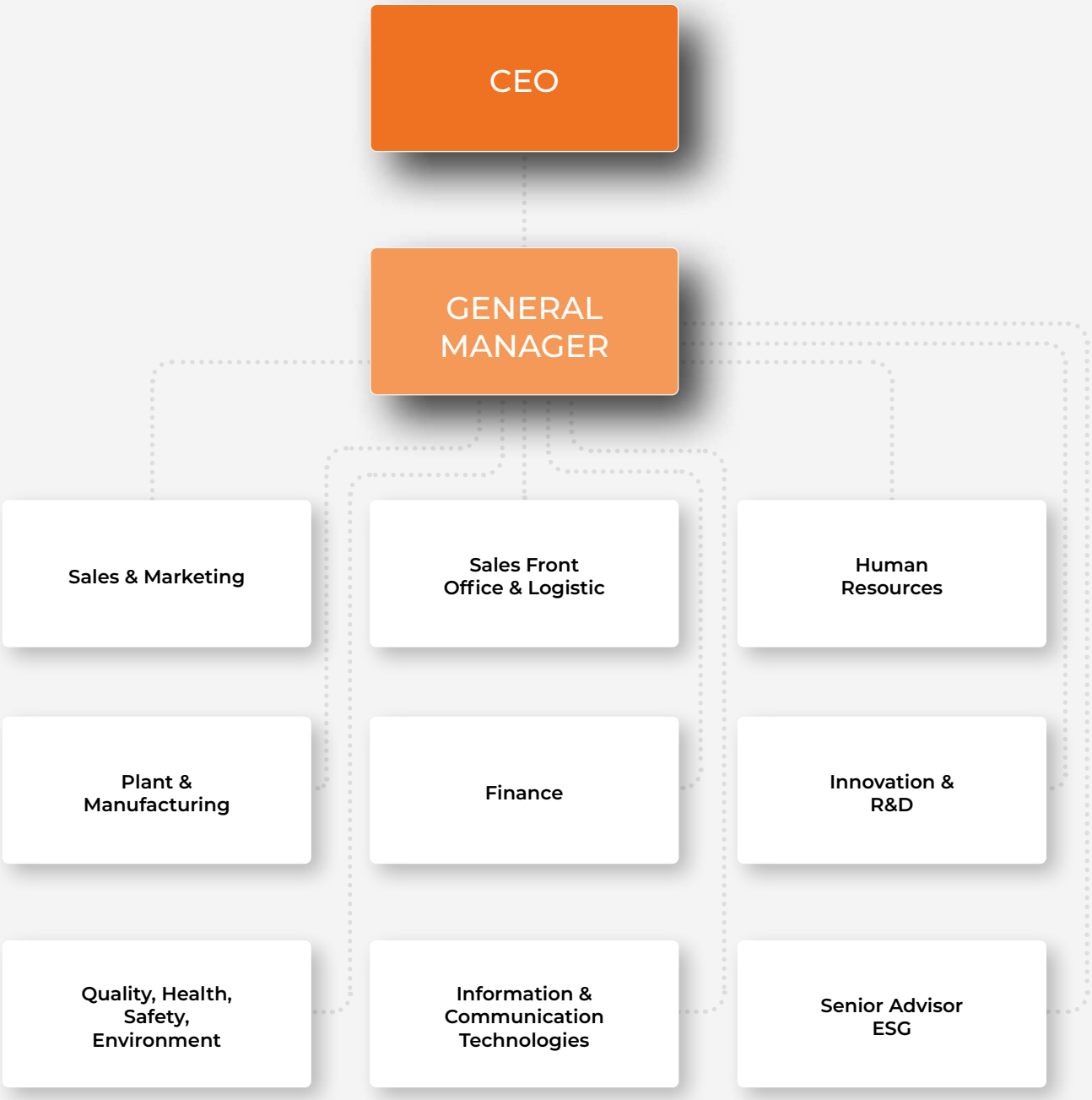


Transfer Oil Fluid-Tech Co. Ltd.
operates as a distributor of Transfer Oil S.p.A. products in the Chinese market.

Transfer Oil Asia Pte. Ltd.
operates as a distributor in the Singapore, East Asian, and Oceania markets of products purchased from Transfer Oil S.p.A. and third-party suppliers.

Transfer Oil Inc.
operates as a distributor of Transfer Oil S.p.A. products in the North American market.

THE COMPANY'S GOVERNING BODIES



The board of Transfer Oil S.p.A consists of three members.

Ugo Ferrari

Chairman of the Board of Directors

Paolo Zalera

Director

Alberto Piantella

Director

In accordance with the Italian Civil Code, the company is required to establish a **Board of Statutory Auditors**. At Transfer Oil, it consists of three members.

Pierluigi Marchini

Chairman of the Board of Statutory Auditors

Monica Nicolini

Statutory Auditor

Francesca Tonelli

Statutory Auditor

The board's role is to ensure that the company complies with applicable laws and its by-laws, and to verify adherence to best business practices and the adequacy of accounting systems. Additionally, this board is involved in the external auditing firm selection process.

Transfer Oil's governance system is designed to strengthen **responsible conduct** across all operations. In 2023-2024, Transfer Oil implemented an Organization, Management, and Control Model in accordance with Italian Legislative Decree 231/2001 as amended. This model ensures that all parts of the company operate with **integrity and transparency** within all activities and interactions with both public and private entities.

The board has appointed the Supervisory Body in accordance with Italian Legislative Decree 231/2001. Following this decision, the Company also implemented a **whistleblowing portal** through which Group stakeholders can confidentially report any concerns related to unethical behavior or violations of company policies. The Company has made the Supervisory Body responsible for the management of the internal reporting channel. The internal reporting channel guarantees the confidentiality of the identity of the whistleblower, the persons involved in or mentioned by the report, and the content and documentation related to the report.

During 2024, there were **no cases of non-compliance** with laws or regulations of health and safety, nor cases of corruption or anticompetitive behavior. Transfer Oil has also published its Code of Ethics, which outlines its core principles and acts as a guide for employees, management, and other stakeholders to make ethically correct decisions and carry out their work activities in a socially responsible manner.


TRANSFER OIL

Transfer Oil's Team
First line Management

Training sessions on the adoption of the **Management and Organizational Model**, in accordance with Law 231/2001, were conducted by the Supervisory Body through 14 focused meetings.
Additionally, training on our **Code of Ethics**, adopted on December 14, 2022, was provided to all employees in 4 sessions, also led by the Supervisory Body.

Considering the measures adopted (231 Model, Whistleblowing Portal, and Code of Ethics), the Group is able to manage and supervise any business risks.

Beyond the company's formal governance structure, there is a **First Line** consisting of the managers of all functions, which is responsible for monitoring and reporting on relevant KPIs and general company performance, disclosed in the Balanced Scorecard tool.

With respect to ESG governance, one senior manager has received a direct delegation from the CEO to oversee sustainability initiatives within the company, including data collection and the preparation of this sustainability report.

This delegated manager also regularly briefs the Board on the company's progress on ESG matters.

Transfer Oil's Board
From left: Alberto Piantella (Director), Ugo Ferrari (Chairman of the Board of Directors), and Paolo Zalera (Director)

Transfer Oil
Code of Ethics
A testament to our commitment to mutual trust with our stakeholders

2.3
THE PRODUCT RANGE

Transfer Oil operates within the industrial manufacturing sector, specifically focusing on the design, development, and production of **thermoplastic hoses for medium, high, and ultra-high pressure** applications. Our work spans several key sectors, including hydraulic systems, gas and fluid handling, refrigeration, air conditioning, and environmental technologies.

Our innovative solutions cater to a broad spectrum of industrial, automotive, and environmental needs, underscoring our pivotal role in advancing efficiency and sustainability across diverse applications.

Over the years, the Group has become an important player in its target markets through a **worldwide distribution network**, consisting of both branches belonging to the Group and third-party distributors or OEMs.

The Group's target markets are primarily in the European region, with the domestic market accounting for approximately 22 percent of total sales. Furthermore, through its distribution subsidiaries, the Group is developing the non-European markets considered strategic for future growth (mainly North America and Asia).

Thermoplastic Hoses
Our Ecology hose range for high pressure sewer cleaning.

FURTHER DETAILS ON THE MAIN MARKET SEGMENTS THE GROUP OPERATES IN

HYDRAULICS - solutions for hydraulic systems.
Thermoplastic hoses and fittings developed for sectors such as earthmoving, agriculture, and on and offshore equipment, covering a broad range of applications such as steering systems, aerial platforms (truck-mounted and off-highway), rescue tools, cranes, forklifts, servo-control lines, waste compactor vehicles and mining machinery. All hoses in the TO HYDRAULIC range are backed by important and rigorous international certifications.

INDUSTRIAL - fluid transfer solutions.
Thermoplastic hoses and fittings developed for industries such as construction, oil & gas, and chemicals, covering a broad range of applications including water blasting, air cylinder filling, sewer cleaning, hydrogen and CNG refueling (*CSA-approved manufacturer and assembler*), airless painting, beverage dispensing, and greenhouse spraying.

UHP HOSE - solutions for ultra high pressure fluids under the Helix® brand name. Multispiral thermoplastic hoses and fittings from 700 bar/10,000 psi to 3.800 bar/55,000 psi. These products are designed for applications where extreme pressures are a must, and are ideal for water blasting, heat exchanger cleaning, surface preparation, paint removal, water cutting, hydro-demolition bolt tensioning and pressure test equipment.

Gomax® - the Gomax® brand line, developed to replace rigid copper tubing, includes thermoplastic hoses and fittings for air conditioning and refrigeration units. In particular, the Gomax® division includes a capillary hose systems for pressure gauges, pressure switches, oil return lines, oil equalization systems and hoses for supply and suction in air conditioning and refrigeration systems.

2.4
ECONOMIC PERFORMANCE

For Transfer Oil, sustainability also encompasses long-term economic sustainability, which serves as a fundamental pillar for supporting value creation and meeting our commitment to our stakeholders.

This approach ensures that value is generated for each stakeholder, while building a **mutually beneficial** relationship and promoting a sustainable future for all. In 2024, our Group reached 68 countries, with an additional 7 countries served by our Singapore branch, demonstrating our global reach and the impact of our responsible practices.

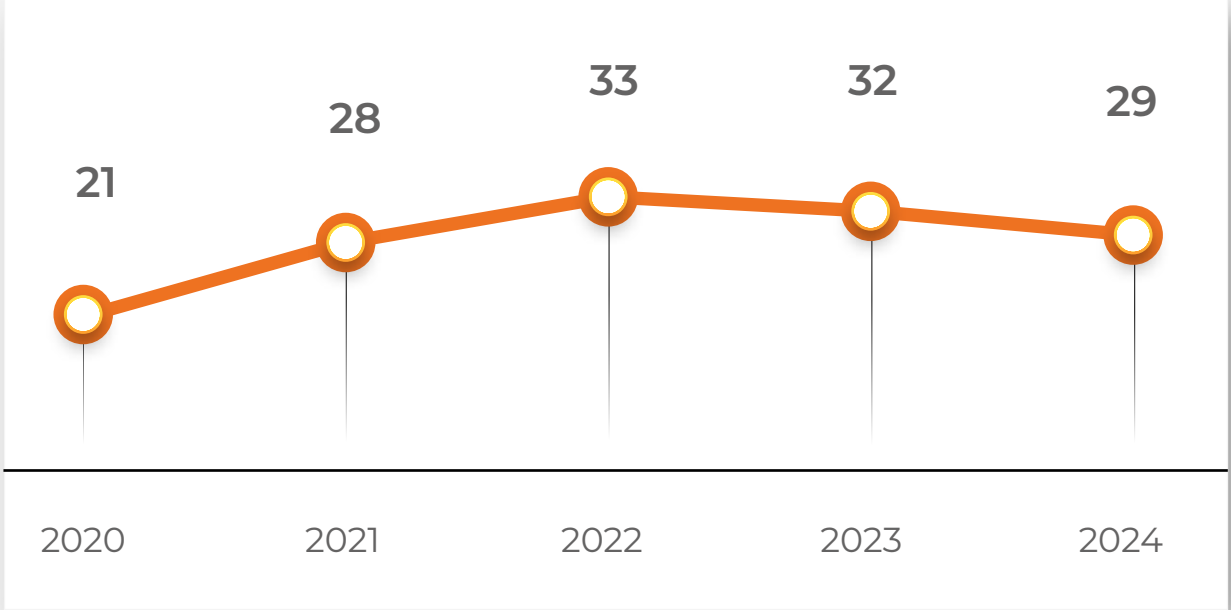
Furthermore, in 2024, the Transfer Oil Group earned consolidated revenues of €M 29,2. Although this represents a slight decline compared to 2022 (€M 32,4), it remains above 2021 levels (€M 27,6), reflecting our resilient and sustained growth despite challenging market conditions.

Today's challenges require companies to transform their business models, focusing on creating shared value. Our focus extends beyond maximizing profit to **delivering benefits for all stakeholders**.
The distribution of the economic value we generate demonstrates our commitment to sustainable and balanced growth.

TRANSFER OIL GROUP - CONSOLIDATED REVENUES (MLN €)

This chart shows the trend of the aggregated revenue of the group's companies, calculated for illustrative purposes. It is important to note that, in the absence of a legal requirement, the company does not prepare a formal consolidated financial statement.
For this reason, in the following sections of this sustainability report, the economic values generated and distributed are presented for each individual group company, ensuring transparency and consistency with the financial statements of the individual entities.

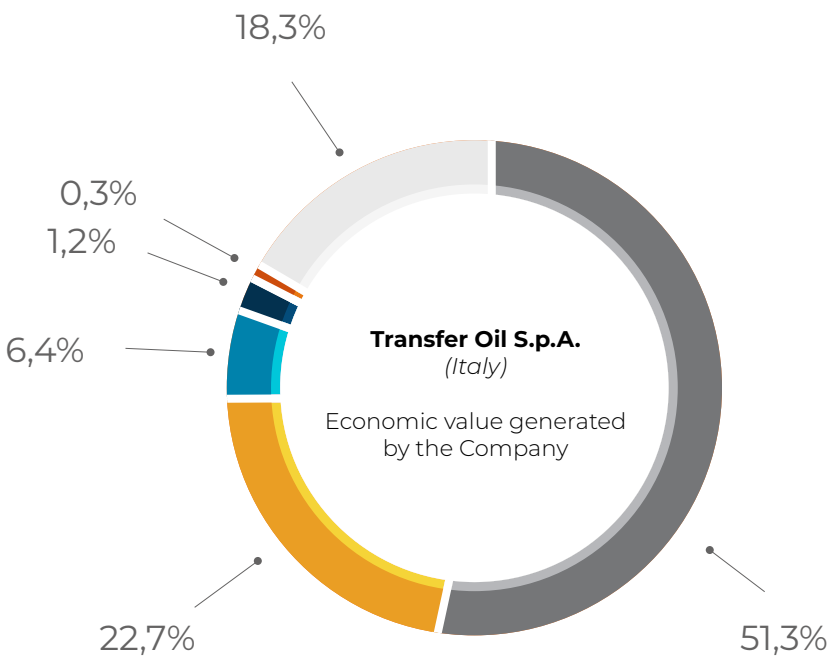
Trend of the Group Consolidated Revenue (Aggregated Values).



TRANSFER OIL S.P.A. (ITALY) ECONOMIC VALUE GENERATED FOR STAKEHOLDERS

Transfer Oil S.p.A. *(Italy)* - Economic data (K€) – Y2024

Economic value generated by the Company	25.609	100%
Economic value distributed to Stakeholders	**20.929**	**81,7%**
Suppliers	13.145	51,3%
Employees	5.777	22,7%
Institutions and public administration	1.636	6,4%
Banks	298	1,2%
Local Communities	73	0,3%
Economic value retained by the Company	**4.680**	**18,3%**

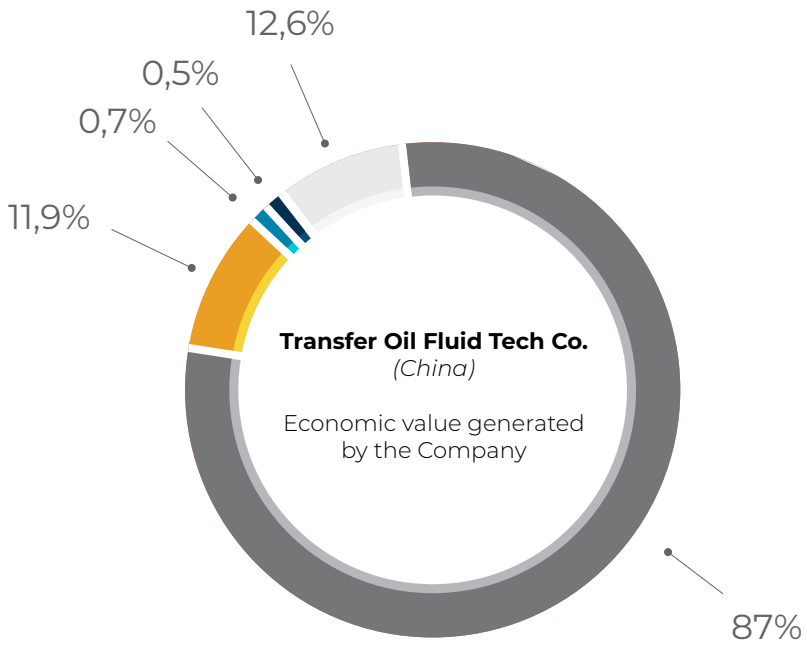


- Suppliers
- Institutions and public administration
- Local Communities
- Employees (wages & benefits)
- Banks
- Economic value retained by the Company

TRANSFER OIL FLUID TECH CO. (CHINA) ECONOMIC VALUE GENERATED FOR STAKEHOLDERS

Transfer Oil Fluid Tech Co. *(China)* - Economic data (K€) – Y2024

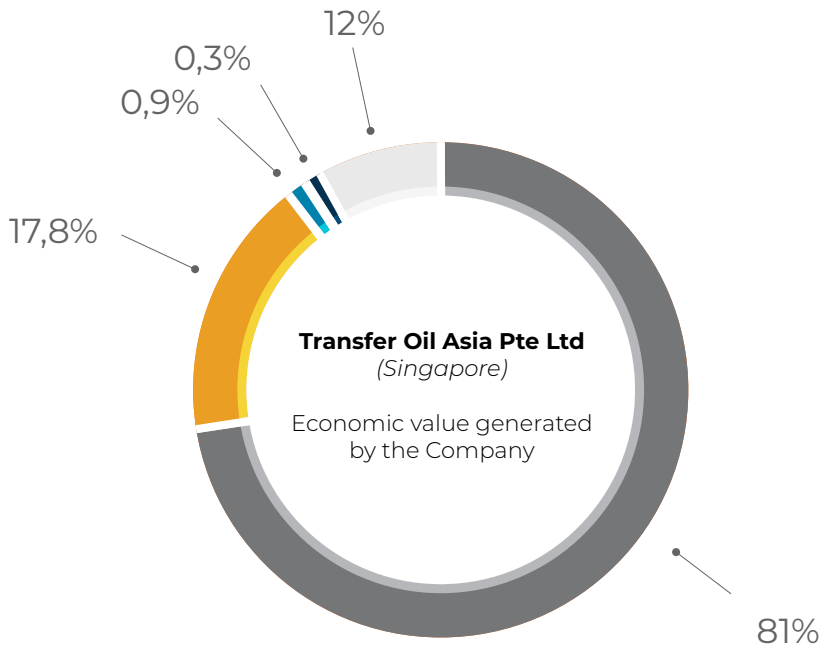
Economic value generated by the Company	2.373	100%
Distributed economic value to Stakeholders	**2.108**	**88,8%**
Suppliers	1.834	87%
Employees	250	11,9%
Institutions and public administration	14	0,7%
Banks	9	0,5%
Local Communities	-	0,0%
Economic value retained by the Company	**265**	**12,6%**



TRANSFER OIL ASIA PTE LTD (SINGAPORE) ECONOMIC VALUE GENERATED FOR STAKEHOLDERS

Transfer Oil Asia Pte Ltd *(Singapore)* - Economic data (K€) – Y2024

Economic value generated by the Company	2.222	100%
Distributed economic value to Stakeholders	**1.983**	**89,3%**
Suppliers	1.607	81%
Employees	353	17,8%
Institutions and public administration	17	0,9%
Banks	6	0,3%
Local Communities	-	0,0%
Economic value retained by the Company	**239**	**12%**

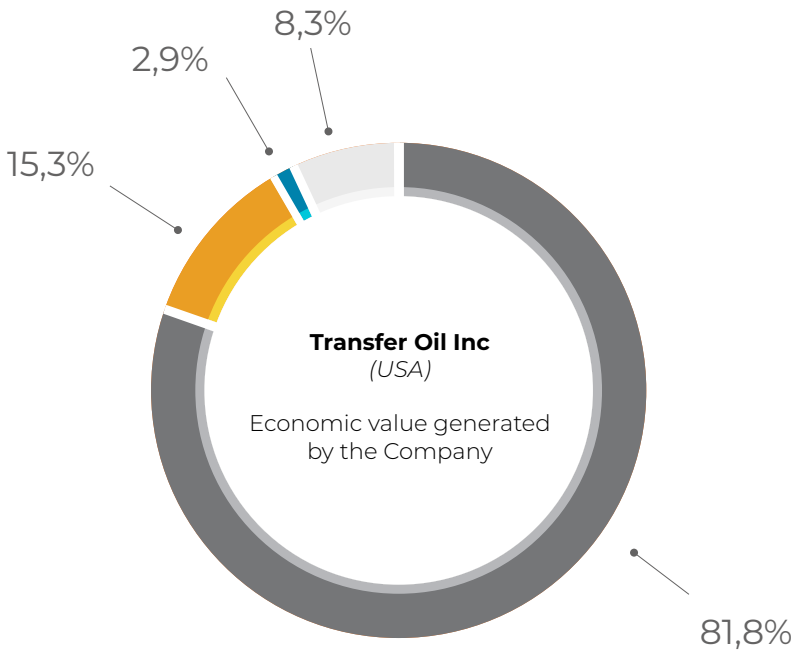


- Suppliers
- Employees (wages & benefits)
- Institutions and public administration
- Banks
- Local Communities
- Economic value retained by the Company

TRANSFER OIL INC (USA) ECONOMIC VALUE GENERATED FOR STAKEHOLDERS

Transfer Oil Inc *(USA)* - Economic data (K€) – Y2024

Economic value generated by the Company	1.527	100%
Customers	1.410	92,3%
Suppliers	1.153	81,8%
Employees	215	15,3%
Institutions and public administration	40	2,9%
Banks	1	0,0%
Local Communities	-	0,0%
Economic value retained by the Company	**117**	**8,3%**



- Suppliers
- Employees (wages & benefits)
- Institutions and public administration
- Banks
- Local Communities
- Economic value retained by the Company

Teamwork
A collaborative workspace that fosters effective teamwork and shared success.

Aligning Goals
Clear and transparent communication aligns all team members towards a shared vision.

3

Group operations

Behind Innovation
In our R&D lab, expertise and technology combine to develop high-performance solutions.

Quality Check
Every product is backed by our warranty for quality and reliability.

3.1
QUALITY OF PRODUCTS AND SERVICES

Quality is at the heart of Transfer Oil's philosophy and drives our commitment to provide the best products and services to the market. From rigorous checks and tests of raw materials and components on arrival, to verification, testing, and approval of every stage in the product manufacturing process, to the final approval and release of finished products.
At each and every stage throughout production, Quality Department verification and approval is mandatory. This validation includes infrared analysis of raw materials, as well as pressure testing and permeation testing of the final product: every stage is meticulously scrutinized to ensure the highest quality standards are met.
Transfer Oil has a long history of being at the forefront of Quality Assurance, as we were one of the first companies in our industry to achieve UNI EN ISO 9001 certification, in 1993.
Since that time, the company has continuously enhanced and developed its quality systems, integrating advanced computerized and paperless methods alongside sophisticated analytical techniques.

Transfer Oil has obtained world-renowned third-party quality certifications and approvals for its products from well-known organizations such as DNV (Det Norske Veritas), ABS (American Bureau of Shipping), MSHA (Mine Safety and Health Administration), and CSA (Canadian Standards Association).

Going beyond Quality, Transfer Oil has also heavily invested in, and achieved:

- **UNI EN ISO 14001** certification for its Environmental Management System;
- **UNI EN ISO 45001** certification for its Occupational Health and Safety Management System.

The system implemented at Transfer Oil is based on regular risk evaluations and the definition of strategic objectives to strengthen the awareness and constant involvement of the individuals who, at all levels, contribute to the creation of products and the provision of services.

Quality as a Priority
70+ controls ensure every Transfer Oil hose meets the highest standards.

In addition, managers from various functions adhere to a scheduled calendar for assessing ongoing quality topics. The main monitored KPIs are “Poor quality cost” (relating to production waste), customer claims and on-time delivery. To monitor and improve upon these parameters, the company carries out different types of internal audits on its production processes and undergoes external audits carried out by certifying bodies as well as customers, for example:

- **Audit on systems:** performed by external consultants to verify the compliance of management systems (UNI EN ISO 9001, UNI EN ISO 14001, UNI EN ISO 45001);
- **Controls on the production process:** an internal team at Transfer Oil conducts inspections of a particular stage of the manufacturing process (for example, the braiding of textiles) on a regular basis.

In both 2023 and 2024 there weren’t cases of non compliance neither about labelling, nor about safety and health of our products and services.

To ensure **continuous monitoring of customer satisfaction and experience**, Transfer Oil initiated a **customer satisfaction survey** in 2024. This survey is designed to regularly collect feedback on various aspects of the Company's products and services, including on-time delivery, product quality, and customer service support. In addition, Transfer Oil reaches customers through different channels, including its website, LinkedIn, emails for commercial and technical communications, technical magazines, and exhibitions.

R&D in Progress
In-depth check of aramid braided reinforcement.

Hose accessories
A complete range of accessories is available to improve safety and hose life.

Cover extrusion process
The outer layer is extruded to preserve hose integrity over time.

3.2
MAIN INNOVATION AND R&D INITIATIVES

Hose impulse test
An example of an impulse test performed on our hydrogen hoses.

Transfer Oil is renowned for the technical expertise it has developed over time, because the entire production process from design to finished product is completely in-house managed and developed. This is made possible by a team of experienced and highly skilled professionals who utilize the latest software techniques and testing equipment to generate product solutions tailored to meet individual customer and market requirements.

Innovation and R&D functions are essential activities for a company whose success is based on the technology of its products. The more competitive the market is in terms of product/process innovation, the more relevant this function is as a success factor. At Transfer Oil, to meet the majority of customer needs, this department works closely with the Commercial Department.

Our integrated approach encompasses extensive R&D initiatives, leveraging advanced technologies to create products that meet **the highest performance and sustainability standards**. Our comprehensive product range is the result of continuous and focused research and addresses the critical needs of various markets, offering superior solutions for hydraulic and fluid power transmission, water blasting, water jetting, and alternative fuels, among others. Our global presence, with operations in Italy and branches in the United States, Singapore, and China and distributors in 75 countries, ensures that we serve our diverse clientele with precision and excellence.

The Transfer Oil laboratory and R&D department are equipped with state of the art test benches and customized machinery that are able to overstress the hose, simulating its behavior in demanding applications under different temperature, pressure, and other conditions. The enlarged and renewed laboratory is made up of **3 burst test benches** (up to 10.000 bar/145,000 psi), **3 impulse test benches** (up to 3.600

Hose Inspection
Our hoses undergo accurate inspections to verify their proper assembling.

Precision at a Glance
R&D machinery performing precise tests to ensure quality and accuracy.

bar/52,000 psi), a **volumetric expansion bench** (up to 1.000 bar /14,500 psi), a **permeability test machine** for gas handling hoses, and an **abrasion check tester**. Soon it will feature an innovative proof test bench for gases, essential to test hydrogen hoses, that can test hose assemblies with gas up to 1.000 bar/14,500 psi.

In order to adapt to different hose applications, the R&D Department is responsible for identifying the most suitable product materials and designs. A new product can be developed at the client's request or based on internal projects, but the meaning of innovation for Transfer Oil goes beyond the satisfaction of customer needs. In fact, **innovation is seen as a means to increase sustainability in the industry**: in this sense, commitment and dedication were deployed to reduce scrap materials from production. It was possible to reach this ambitious objective by consolidating collaborations with partner companies and reviewing the structure of internal production processes.

HYDROGEN HOSE PRODUCTS PROJECT

At Transfer Oil, we actively contribute to the evolution of clean mobility through the design and manufacture of **specialized hoses for hydrogen refueling systems**. As the hydrogen economy accelerates, particularly in sectors such as automotive, heavy transport, and maritime, our thermoplastic hose technologies provide a **critical enabler for infrastructure growth**.

Performance by Design

Our hydrogen hose portfolio is engineered to meet the rigorous demands of high-pressure gas refueling applications:

- **Working pressures** of 500 bar/7,000 psi (H35), 700 bar/10,000 psi (H50), and up to 1.040 bar/15,000 psi (H70) accommodate current and next-gen fueling protocols.
- **Safety factor of 4:1**, ensuring a minimum burst pressure of 4.160 bar/60,000 psi for the H70 class.
- **Low hydrogen permeation** achieved via advanced polymer blends and precise construction.
- **Superior environmental resistance**, with covers built to endure UV exposure, abrasion, and temperature fluctuations.

Construction Technologies

Depending on the pressure class, our hoses feature dedicated reinforcements:

- **H35 & H50:** hybrid structure combining steel and aramid wires for a balance of strength and flexibility.
- **H70:** four spirals layers of steel wire for maximum pressure stability and refueling speed.

Every hose complies with industry-specific standards (e.g., ISO 19880-5) and is designed focusing on safety, efficiency, and lifecycle performance, critical aspects in hydrogen refueling stations.

Positive ESG Impact

The development of our hydrogen hose solutions generates **tangible benefits** across all three pillars of environmental, social, and governance (ESG) responsibility:

- From an **environmental** standpoint, these products directly **support global efforts to reduce greenhouse gas** emissions by enabling the safe and efficient use of hydrogen.
- **Socially**, the advancement of hydrogen infrastructure, powered in part by our high-performance hoses, **stimulates innovation and industrial growth**. It nurtures new opportunities for employment and entrepreneurship within the clean energy sector thus contributing to a more resilient and future-ready economy.
- From a **governance** perspective, our hydrogen hoses are also manufactured under rigorous quality control systems and certified processes. This approach ensures long-term performance and **reinforces stakeholder trust** in Transfer Oil as a reliable partner in the energy transition.

Laser Marking
A cleaner and more sustainable alternative to ink-jet marking.

Another significant investment in 2023-2024 was the introduction of **new laser marking machines** for thermoplastic hose marking.

This transition, which replaces the previous ink-jet marking, improves the legibility and persistence of the branding and demonstrates our continued commitment to efficient and sustainable manufacturing solutions. Laser marking, in contrast to traditional ink-jet marking, does not require ink, solvents, or any type of chemicals. The negligible fumes generated during the laser marking are captured by an exhaust fan that filters them, releasing only clean air. As a result, the laser marking process is completely sustainable and eco-friendly.

Lastly, we have initiated another project aimed at developing products manufactured with more **environmentally sustainable materials that have a lower carbon footprint**. This initiative, still at its early stages, involves multiple solutions that can be simultaneously pursued: **choosing suppliers that use renewable energy for production; selecting materials made with bio-based feedstock**, and **encouraging systems that can promote the circular economy for chemicals** by using the mass balance approach. This concept will first be tested on a single product line, which will have a lower environmental impact. If applicable, it may eventually replace more standard product lines.

Laser Marking
Visibility and durability of the hose branding is ensured thanks to this eco-friendly process.

THERMOPLASTIC HOSE PRODUCTS FOR COMPRESSED NATURAL GAS (CNG)

Transfer Oil supports the development of alternative fuels through the design and manufacture of **specialized thermoplastic hoses for CNG dispensing systems**. This product line is part of our broader commitment to sustainable technologies that meet the growing demand for cleaner energy solutions.

Designed specifically for high-pressure natural gas dispensers, our CNG hoses are engineered to combine user-friendly handling with long-term durability. Their lightweight structure simplifies installation and daily use, especially in fast-turnover environments such as refueling stations, where operational efficiency is essential.

An essential element of this hose series is the **abrasion and weather resistant polyurethane cover**, which extends product lifespan even in challenging outdoor conditions. This resistance helps minimize maintenance needs, contributing to lower system downtime and replacement frequency.

Safety remains central to the development process. Each CNG hose incorporates a **conductive inner layer** to neutralize static electricity, an essential feature given the flammability of compressed natural gas.

In addition to vehicle refueling, another crucial use of CNG hoses is in virtual pipelines. A virtual pipeline is a modular, flexible alternative to traditional gas pipelines, consisting of high-pressure trailers that transport compressed natural gas (CNG) to locations without access to conventional pipeline infrastructure. In this context, Transfer Oil hoses serve as a vital connection in the gas logistics chain, transferring large volumes of gas between mobile storage trailers and local refueling stations.

This application presents significant challenges: hoses must accommodate higher flow rates, while still withstanding the same high operating pressures as standard refueling systems. Transfer Oil meets these demands with advanced hose designs that feature larger internal diameters and hybrid reinforcement, combining steel wire and aramid fiber braids. This construction ensures maximum safety, long-term durability, and consistent pressure performance.
All hoses in the range are **certified according to ANSI/CSA standards (Class A and D)** for natural gas dispensing, confirming full compliance with internationally recognized safety and performance standards. In addition, their **extremely low permeation rate** further reduces the risk of leaks, ensuring a reliable and secure fueling process.

Through this hose line, Transfer Oil offers a **reliable and safety-focused solution** to support the expansion of natural gas infrastructure, an important step toward reducing dependency on conventional fossil fuels.

Aramid Fiber
This special fiber ensures lightweight, flexibility and high pressure performance.

3.3
RESPONSIBLE SUPPLY CHAIN, PRODUCT TRACEABILITY AND MAIN BUSINESS PARTNERS

In the last two years, Transfer Oil has faced significant challenges in raw material procurement due to global socioeconomic conditions, hampered by the COVID pandemic and ongoing conflicts, as well as the bargaining power of large, oligopolistic suppliers.

Within this context, the procurement of materials is managed by the Purchasing Department, aligned with the Planning Department's forecasts, devising the best strategies to ensure operational continuity.

Supplier selection is also carried out with the support of the Quality Department to guarantee the finest raw materials and therefore the high performance of finished products.

Our supply chain embodies a commitment to quality, sustainability, and ethical practices. By collaborating with leading suppliers of premium engineering polymers and fibers, we ensure that the raw materials used in our manufacturing processes meet stringent quality criteria. This collaborative ecosystem encourages innovation, enabling us to continually enhance our product offerings and operational efficiencies.

During 2023 and 2024, Transfer Oil worked on its **Supplier Code of Conduct**, in an effort to ensure greater supervision of sustainability and ethical standards within the supply chain. The aim of the Company is to share this document with suppliers to verify their adhesion to Group principles, including, for example, respect for human rights, health and safety conditions, and business ethics.

Another important process that the Company has recently introduced is the **Vendor Rating:** our suppliers are evaluated every six months and are assigned a performance score from poor to excellent.

The Color Range
Our hoses are available in a variety of colors to meet customer needs and comply with international standards.

The evaluation criteria include: quality of the product supplied, quality of supplier cooperation and support, delivery punctuality, lead time, payment terms, range of products/services, and ESG commitment (sustainability report, sustainability rating, and sustainability communication).

This analysis shows that nearly two thirds of the purchase value is attributable to suppliers that have an *EcoVadis ESG Rating*.

Whenever feasible, Transfer Oil purchasing preference is given to local, independent, and ethical suppliers to help reduce travel distances and support local economies. This approach is consistent with the company's broader commitment to environmental responsibility and conscious procurement.

Through a production process interconnected with an ERP system, Transfer Oil products are characterized by a **high degree of traceability,** both upstream and downstream. For each finished product, it is possible to retrieve the batch composition of raw materials that went into the manufacturing process, as well as their origin.

Detailed technical information is kept for each batch, which provides downstream traceability of all finished products.

The substantial transformation of our product takes place at our facility in Colorno (PR), Italy. This enables us to sell our thermoplastic hoses worldwide and certify them as Made in Italy.

Steel Wire
Used in the reinforcement, it ensures resistance to pressure.

Raw Materials
Our hoses are manufactured using carefully selected high-quality polymers.

Laser Branding
An example of laser marking on the 1SB - Steel Braid Antiabrasion Hose.

4 Environment and Energy

Transfer Oil Solar Park
Transfer Oil is committed to balancing energy consumption with environmental responsibility.

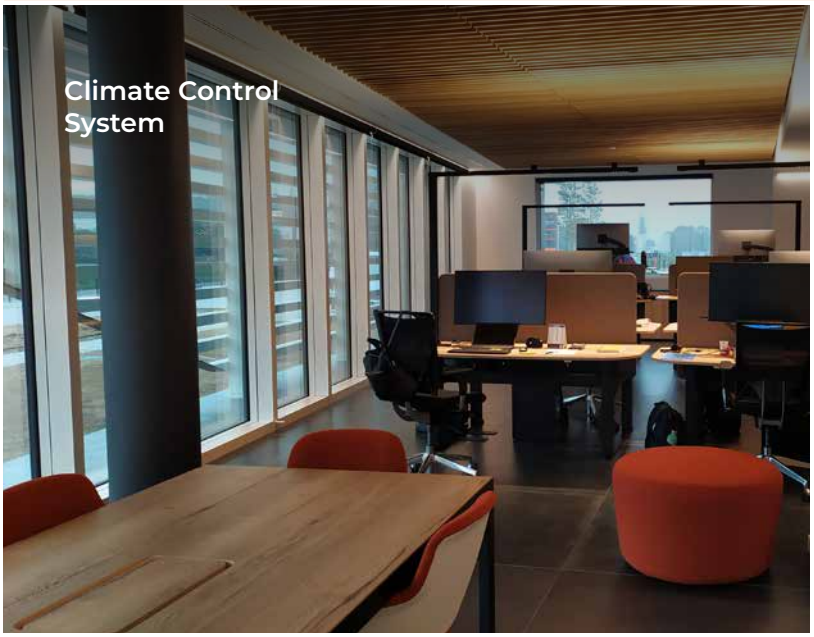
Energy from natural gas
Transfer Oil provide hose solutions for safe and efficient compressed natural gas refueling.

4.1
ENERGY CONSUMPTION AND EMISSIONS

Transfer Oil's ambitious target is to achieve a delicate balance between economic and environmental interests, with the aim of safeguarding our planet, our employees, and our stakeholders. This is why the Company closely monitors international regulatory standards and, in addition, has implemented further projects aimed at limiting the environmental impact of its business as much as possible.

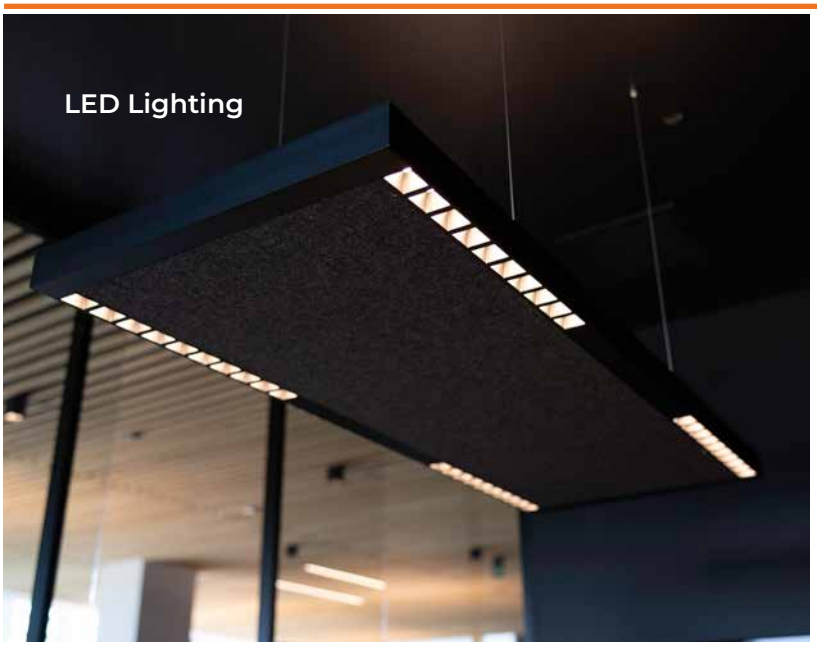
Transfer Oil's journey toward sustainability started several years ago, with a significant turning point in 2012 when the Company installed its **first photovoltaic system**. With 800 panels and 200 kilowatts of peak power, this system was exceptionally large and powerful relative to the company's size at that time. The most relevant sustainability initiatives were accomplished with the **construction of the new headquarters** between 2019 and 2020, which was designed with innovative environmental and energy-saving solutions.

TRANSFER OIL'S ENERGY-SAVING SOLUTIONS



Climate Control System

A computerized system manages office heating and cooling automatically, using sensors to monitor outdoor air quality and temperature. Windows open automatically under suitable conditions, turning off the climate control system.



LED Lighting

Low-power LEDs are used for all office lighting. Special sensors activate lights based on the presence of people and adjust intensity according to natural light.

Solar Park

A new photovoltaic system was installed at the end of 2023, complementing the existing one from 2012. Covering 20.000 sqm (215,000 sqf) of roofs, with 5.000 modules and a peak power of around 2 megawatts, it has become fully operational during 2024 and is meant to serve about 80% of the company's electrical needs.

Electric Vehicle Charging Stations

Several charging stations for electric vehicles were introduced and placed in the internal parking lot.

IN ADDITION TO THE OFFICES, SUSTAINABILITY PRINCIPLES ARE ALSO APPLIED IN THE PRODUCTION DEPARTMENT:

LED Lighting

The lighting in the production department is also predominantly low-power LED.

Laser Marking Process

Traditional inkjet marking was replaced with new laser marking machines for the branding of thermoplastic hoses. This innovation eliminates the consumption of hazardous ink and solvents, which previously amounted to over 400 kg per year.

Considering the company's industrial process, the most important types of energy used are electricity and natural gas, in addition to the fuels used for the car fleet.

Despite the low relevant impact of its activities, since 2013 Transfer Oil Italy has implemented an environmental management system which is certified according to ISO 14001 and audited regularly. To confirm this, the 2024 audit was passed with zero non-conformities.

The initiatives described above clearly state the commitment of the Company towards environmental and social responsibility as an integral part of Transfer Oil's principles and behaviors.

Principles of the company environmental strategy

2024
energy consumption
10.390 GJ

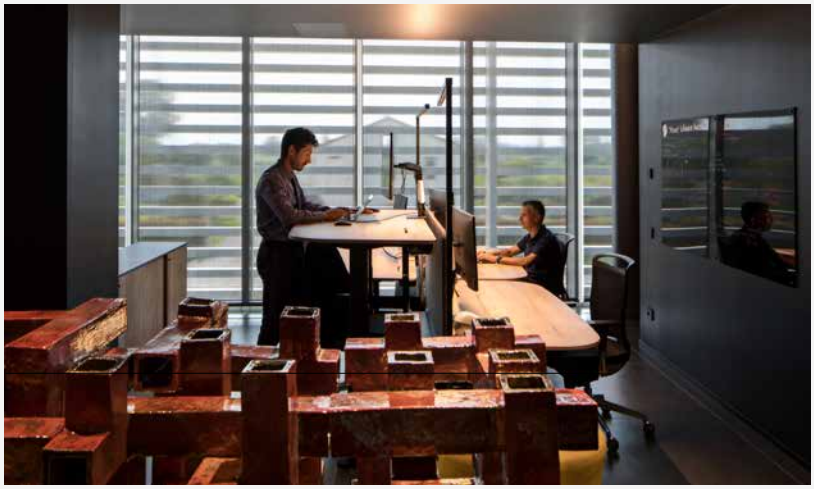
Comparison with
2023
+1,47%

In 2024, energy consumption totaled 10.390 GJ, marking a 1,47% increase with respect to 2023 attributable to new renewable energy produced by our solar park.
The majority (65%) of energy consumption derives from the electricity used for the plant machinery. The other main energy vectors are natural gas (20% of total energy consumption), employed for heating plants, and diesel and petrol (7% and 2% respectively), used by employees' mixed-use vehicles.

Energy consumption			
Type of energy used	Total GJ 2023	Total GJ 2024	**Variation 2024/2023**
Energy carriers for heating use	**1.621**	**1.803**	**11%**
Natural gas	1.620	1.802	11%
Electricity for manufacturing use	**8.264**	**7.835**	**-5,19%**
Purchased electricity	7.457	5.375	-28%
Self-generated electricity from photovoltaic installations	807	2.460	+305%
Electricity produced and sold/sold to the grid from photovoltaic installations	112	2.840	+254%
Fuels for vehicle use [1]	**466**	**752**	**+61,37%**
Diesel HVO	-	149	
Diesel	411	476	+16%
Petrol	55	127	+231%
Total energy consumption	**10.239**	**10.390**	**+1,47%**
Of which from renewable energy	695	5,300	**+763%**
Of which from non-renewable energy	9.544	7.930	**-17%**
Of which from renewable energy (%)	7%	40%	**+571%**

The **Organizational Carbon Footprint Analysis** was carried out in line with ISO 14064 in terms of both emissions into the atmosphere and the use of renewable energy for the electricity supply of the entire company.

With the adoption of the **Environmental Management System**, Transfer Oil has consolidated the monitoring of the emissions deriving from its activities.



Energy-Efficient Offices
Low-power LEDs are used for all office lighting.

Type of emission	Total ton CO_2e 2023	Total ton CO_2e 2024	Variation 2024/2023
SCOPE 1	**129**	**140**	**9%**
Natural gas	95	95	0%
Diesel	30	33	+10%
for heating	0.1	0.1	0%
for transportation	30	33	10%
Petrol	4.0	8	200%
Refrigerant gases	0.01	4.18	-
SCOPE 2			
Purchased electricity – Location-based	555	334	-40%
Purchased electricity – Market-based	932	747	-20%
Total emissions (SCOPE 1 + SCOPE 2 – Location-based)	**684**	**474**	**-31%**
Total emissions (SCOPE 1 + SCOPE 2 – Market-based)	**1.061**	**888**	**-16%**

These emissions can be linked to two main categories:

- **Scope 1 [2]:** includes direct emissions generated by the Company, the source of which is owned or controlled by the Company (in this case, the fuels used to power the car fleet and the energy carriers for heating);
- **Scope 2 [3]:** includes indirect emissions generated by the energy purchased and consumed by the Company. Specifically, in compliance with the requirements of the GRI reporting standards, these emissions are calculated according to the Location-based and Market-based methodologies, using emission factors recognized at national and international level.

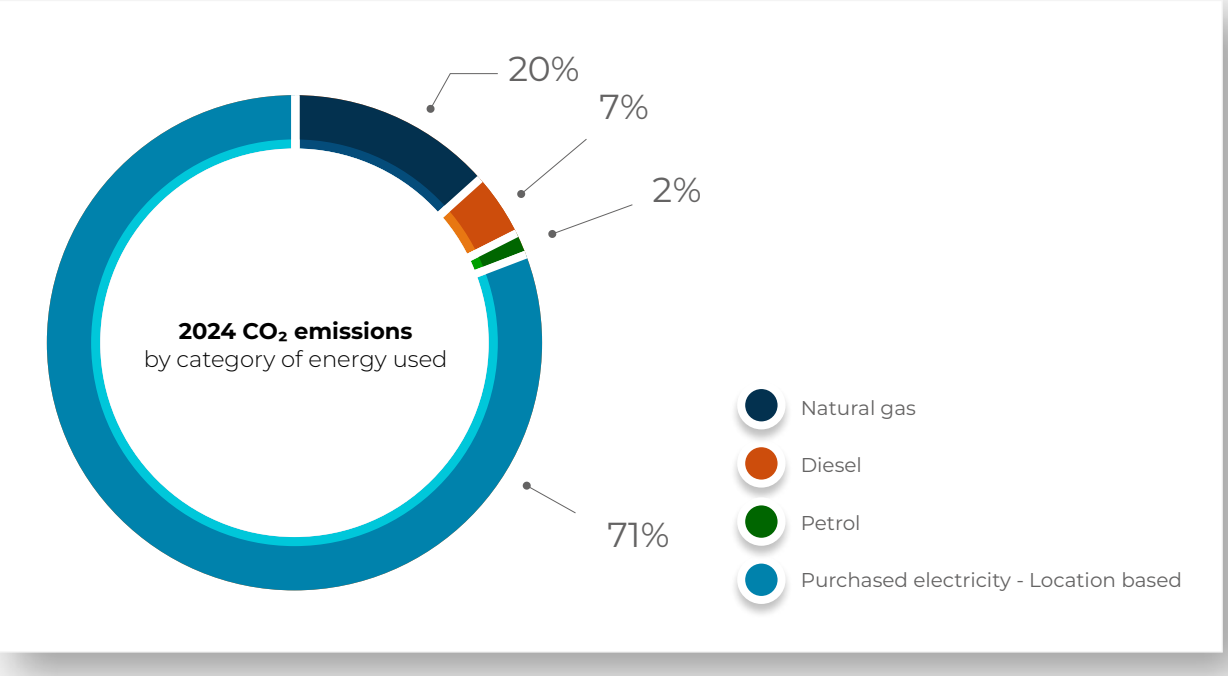
[1] Concerning mixed-use vehicles, only 70% of total consumption has been considered, to estimate only the consumption attributable to business use.

[2] To calculate Scope 1 emissions, the emission factors from the "Table of national standard parameters" ("Tabella dei parametri standard nazionali") from the Italian Ministry of the Environment were considered.

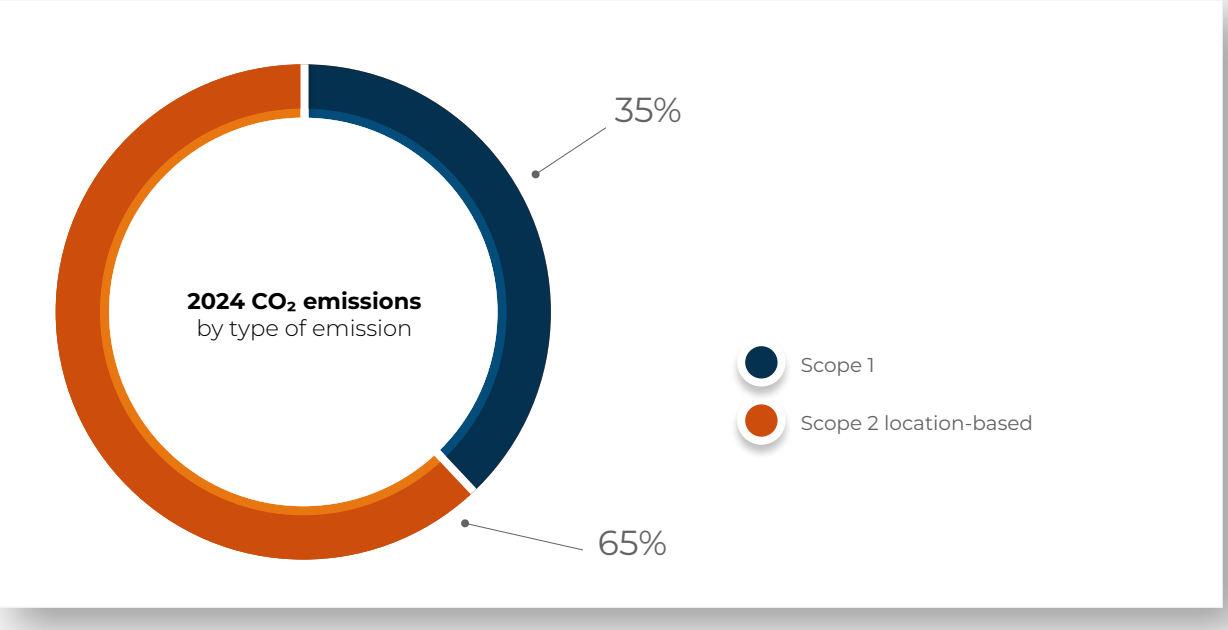
[3] Scope 2 emissions are expressed in tons of CO_2; the percentage of methane and nitrous oxide has a negligible effect on total greenhouse gas emissions (CO_2 equivalents) as can be deduced from the relevant technical literature. To calculate Scope 2 emissions, in line with the GRI Sustainability Reporting Standards, Market-based and Location-based calculation methodologies were used. The Market-based evaluation is based on the CO_2 emissions of the energy suppliers from which the organization purchases electricity, through a contract, and can be calculated by taking into account emission factors related to the "residual mix," i.e. energy and emissions not monitored or claimed (methodology Used: Emission factors from AIB - European Residual Mixes updated with documentation released in June 2023). The Location-based method is based on average emission factors related to power generation for well-defined geographic scopes, including local, subnational, or national scopes (methodology used: ISPRA 2023 Emission factors in the power sector).

Carbon emissions from Group activities are primarily associated with energy consumption. **In 2024, total emissions decreased to 474 t CO_2e (Scope 1 + Scope 2, location-based), marking a significant 31% reduction compared to 2023** - an improvement largely driven by the launch of the new solar park. This encouraging result reflects the Group's commitment to sustainability and the tangible impact of its renewable energy strategy. As shown in the table above, the majority of emissions remain linked to electricity used in manufacturing processes, consistent with the Group's overall energy consumption profile.

2024 CO_2 EMISSIONS BY CATEGORY OF ENERGY USED



2024 CO_2 EMISSIONS BY TYPE OF EMISSION



Raw materials
Thermoplastic materials used in the construction of our hoses are the result of selections among the most premium polymers.

4.2
MATERIALS USED

To ensure the continuity of the business and its environmental sustainability, we strive to source our raw materials from a diverse set of suppliers, while attempting to maintain a supply chain that is as short and resilient as possible.
For our production activities, we mainly employ the following materials: raw plastic material and metal, used in the manufacturing of our products, as well as paper and wood, used for packaging.
The table below summarizes the main types of materials employed in the production process. The reduction with respect to 2023 is in line with reduced demand and production experienced during the year.

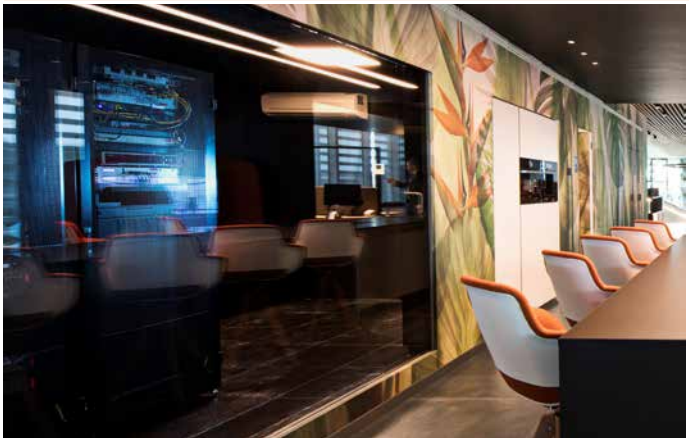
Materials used	Unit of measurement	2023	2024	Variation 2024/2023
Total materials used	TON	**2.080**	**1.691**	**-19%**
Total non-renewable materials	TON	**1.950**	**1.583**	**-19%**
Plastics	TON	1.386	1.133	-18%
Steel and other metals	TON	564	450	-20%
Total renewable materials	TON	**129**	**108**	**-16%**
Paper	TON	30	27	-7%
Wood	TON	100	81	-19%

SUSTAINABILITY INITIATIVES

more than
80%
of paper
saved

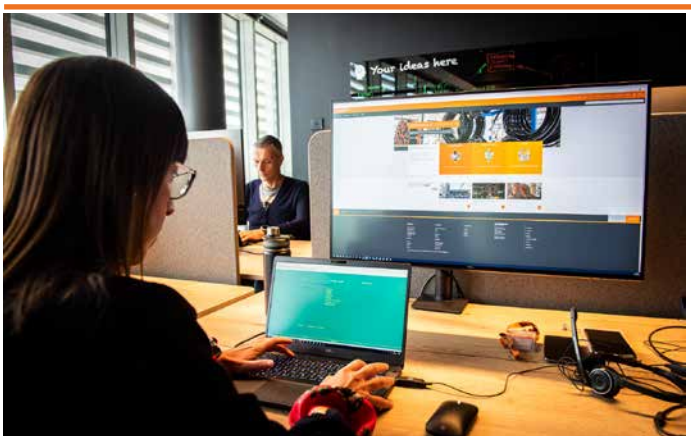
Paper consumption

In our offices, paper consumption is extremely limited, and we have saved more than 80% paper in the last few years, thanks to a number of solutions



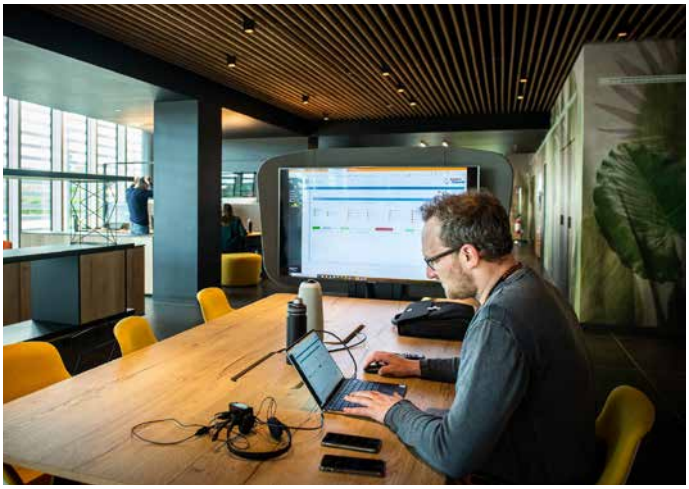
Cloud Digitalization

Administrative documents are digitized and stored in the cloud. If a document is not originally digital, it is scanned and saved using digital archiving software. No physical paper archives are maintained.



Large Screens

Offices are equipped with large screens, allowing multiple digital documents to be viewed simultaneously, eliminating the need for printing.



Printing Policy

There are only 3 printers throughout the entire office building, promoting a culture of reducing printed documents in favor of digital management.

Plastic consumption

To reduce the use of single-use plastic, we eliminated plastic bottles from vending machines in 2019 by replacing them with drinking water dispensers, and provided all employees with a personalized thermal bottle to encourage their use.

-36.197
bottles per year

This allowed us to zero out consumption of plastic bottles, which in 2019 amounted to 36.197.

4.3
WATER WITHDRAWALS AND DISCHARGES

With reference to water use, it is mostly utilized in the production process for the cooling of extruded hoses.
Our Italian facilities are not located in areas considered to be at high water risk, according to the Aqueduct Water Risk Atlas tool of the World Resources Institute (WRI).

Our industrial operations do not cause any significant adverse effects on water resources, nor have they led to conflicts with other stakeholders involved in water usage, because **all water withdrawals are compliant with the regulations set by local authorities**, for which the company possesses the necessary permits.
Our water withdrawal was 3.1 Ml in 2024, a 9% increase from 2023 (2.9 Ml), attributable to the higher need of cooling water during the extrusion process.

The majority of this water (60%) is withdrawn from our own wells and used for industrial activities, while the rest comes from the local aqueduct and is for sanitary use as well as industrial purposes.

Water plays a significant role in Transfer Oil's production process, particularly for cooling the hose during extrusion. Controlled cooling is essential to achieve the desired technical properties. Our extrusion lines are equipped with vacuum and cooling tanks, where the desired heat exchange is achieved through nozzles or immersion.

To ensure efficient water use, we employ **a closed-circuit system**. This system collects water discharge in insulated tanks and circulates the necessary amount through various exchangers fed by a dedicated cooling line to reach the desired temperature.

Despite its use for cooling, the closed-circuit system prevents any water loss or evaporation. All water used is eventually discharged into the public sewer system (as authorized by law) after undergoing a purification process.
As such, **there is no net consumption of water that would make it unavailable to the ecosystem or local community.**

Sanitary water use
Modern systems are implemented to minimize water consumption in everyday use.

Water withdrawal by source

	Megaliters 2023		Megaliters 2024		Variation 2024/2023
	All areas	Areas under stress	All areas	Areas under stress	
Groundwater (total)	**1,81**	**-**	**1,89**	**-**	**4%**
Freshwater (≤1.000 mg/L Total Dissolved Solids)	1,81	-	1,89	-	4%
Other water (>1.000 mg/L Total Dissolved Solids)					0%
Third-party water (total)	**1,07**	**-**	**1,24**	**-**	**16%**
Freshwater (≤1.000 mg/L Total Dissolved Solids)	1,07	-	1,24	-	16%
Other water (>1.000 mg/L Total Dissolved Solids)					0%
Total water withdrawal	**2,9**	**-**	**3,1**	**-**	**9%**

Water discharge by destination

	Megaliters 2023		Megaliters 2024		Variation 2024/2023
	All areas	Areas under stress	All areas	Areas under stress	
Third-party water (total)	**2,88**	**-**	**3,13**	**-**	**9%**
Freshwater (≤1.000 mg/L Total Dissolved Solids)					0%
Other water (>1.000 mg/L Total Dissolved Solids)	2,88		3,13		9%
Total water discharge	**2,9**	**-**	**3,1**	**-**	**9%**

Cooling in Progress
The extruded hose undergoes precise cooling processes.

4.4
WASTE MANAGEMENT AND CIRCULAR ECONOMY INITIATIVES

Waste is monitored for both office and production activities

Separate waste collection is active throughout the plant, which, in addition to conventional glass, paper, plastic, and organic waste, results in the handling of 26 different types of waste between offices and production departments, most of which are sent for recycling.

In 2024, Transfer Oil produced a total of 259 tons of waste, about 10% less than in 2023 (288 tons) due to the slow down in production, in line with other environmental indicators.

The waste composition consists mainly of plastic waste from the production cycle, spent oils, and paper or wood packaging waste.

Other minor waste amounts include absorbent and insulating material, metals, toner, or other electronic waste. Of the total, only about 3% constitutes hazardous material, which is mainly solutions from the cleaning of machinery.

Composition of waste

	Units of measurement	2023			2024		
		Hazardous	**Non-hazardous**	**Total**	**Hazardous**	**Non-hazardous**	**Total**
Plastic waste	TON	-	218	218	-	189	189
Paper and cardboard packaging	TON	-	-	-	-	17	17
Wood packaging (pallets)	TON	-	21	21	-	15	15
Other mixed packaging	TON	-	32	32	-	21	21
Other	TON	15	2	17	9	8	17
Total	TON	**15**	**273**	**288**	**9**	**250**	**259**

Office waste collection

A waste sorting system is in place across all office areas.

Production Scraps

All scraps are carefully separated and properly disposed of.

5 Social responsibility

Precision in Action
A technician carefully preparing a coil of thermoplastic hose during the manufacturing process.

Transfer Oil Team
Promoting our hose products at major industry exhibitions.

5.1
TRANSFER OIL'S PEOPLE

In 2024, our Group workforce consisted of **134 people**. The majority (85%) were based in our headquarters and plants in Italy, while the rest were employed in our assembling and commercial facilities in China, Singapore, and the USA (6%, 6%, and 3%, respectively).

Almost all employees (96%) are employed with full-time contracts, and the majority (55%) are employed as plant workers.

The largest age cohort in the company is the 30–50-year-olds (54%), while the remaining employees are equally split between the under 30 (20%) and over 50 (25%). As of December 31st, 2024, 6 employees belonged to protected categories.

Women constitute 25% of the overall workforce, as most plant positions are held by men. However, that figure rises to 47% when considering only office employees.
A total of 94% of the workforce is covered by collective bargaining agreements. This applies to the totality of the Italian workforce and the majority of Singapore and Houston employees. In China, where collective bargaining agreements are not required by law, working and contractual conditions are aligned with the rest of the Group's employment conditions.

In 2024, 9 students completed an internship or work-study program at Transfer Oil. While 7 of them participated during or at the end of the school year, 2 students had the opportunity to integrate their work experience in their graduation theses, one in Marketing and the other in Engineering.

These experiences are a great source of pride at Transfer Oil, which is pleased to present itself to young talent as **both a training ground and a potential career** path to test their skills and abilities.

During 2024, there were 18 new hires, while 11 people left the company, and the majority of new hires (65%) were people between 30-50 years of age.

The company occasionally hires external workers, mostly interns from local universities in the headquarters or agency workers employed in manufacturing during production peaks. As of December 31st, there were 2 external workers.

5.2
HEALTH AND SAFETY

The Company operates in all areas in accordance with the provisions of Italian Legislative Decree 81/08 for the safety of workers.

The activity carried out in this field includes:

- **The training of employees and collaborators**
- **The performance of periodic medical examinations**
- **The organization and training of the first aid teams required by regulations**
- **The continuous corporate monitoring of the PPSM**
- **The preparation and distribution of Legislative Decree 81/08 documents.**

We have implemented an ISO 45001 certified **Occupational Health and Safety Management System** for our production plant.

The guidelines for implementing the ISO 45001 standard include requirements related to:

- **The Company safety policy**
- **Objectives to be achieved**
- **Planning of operations and processes**
- **Change management**
- **Adoption of improvement measures (risk reduction)**
- **Management of documents and data, including records**
- **Evaluation actions**
- **Corrective and preventive actions**
- **Planned review and redefinition of objectives and targets**

Additionally, the system ensures that all incidents, including injuries, near misses, incidents requiring medical attention, or hazardous situations, are documented in a non-compliance log. For each report, a corrective action and an implementation deadline are established. These measures are then reviewed by the Prevention and Protection Service Manager (PPSM), an external consultant.

The health and safety of our employees, especially our plant workers, who constitute the majority of our workforce, are our top priorities.
Maintaining high levels of vigilance, adhering to strict procedures and guidelines, and providing ongoing training and updates are essential not only for ensuring the smooth operation of our facilities but, more importantly, for ensuring a safe work environment for our staff.

To raise safety awareness among workers, we have implemented specific training and **identified the most significant risks for each production department.**
We created large, visible panels with effective graphics depicting possible accidents and their consequences, which are hung in each department. Similarly, we produced a **video for all visitors** that highlights and explains the safety rules they must follow during their visit, including the use of personal protective equipment (PPE) and the required behaviors while accessing the shop floor.

Safety: a top priority
Panels across the production plant keep potential risks top of mind.

Visitor Safety Regulation
Clear safety guidelines ensure a secure and informed visit for every guest.

Employee Participation and Safety Culture

- **Encouraging Participation:** we actively encourage employees to engage in hazard identification, risk assessment, and incident investigation activities, helping to build a safety culture built on trust and collaboration.
- **Collaborative Corrective Actions:** corrective actions are identified collaboratively with workers and shared with the Prevention and Protection Service Manager (PPSM).
- **Effective Communication:** accident resolutions and other important communications are displayed on dedicated safety notice boards or broadcast on special monitors in strategic areas of our facilities.

Training and Development

- **Mandatory Courses for Plant Staff:** all plant staff must complete mandatory courses covering machine use, personal protective equipment (PPE), noise exposure, and physical and chemical hazards.
- **Specific Training Sessions:** additional training is provided on the use of lifting equipment, manual handling of cargo, electrical safety, and job-specific activities.
- **Targeted Meetings**: meetings may be organized based on injury events, improvement actions, or identified case studies.
- **Training for Non-Plant Employees:** non-plant employees are also required to complete health and safety courses relevant to their roles.

These initiatives ensure **our workforce is well-trained** and informed, promoting a safe and healthy work environment for everyone. The total number of safety courses during 2024 amounts to 676 hours, with an average of 5 hours per capita.

As a consequence of our best efforts during 2024 there were only 2 recorded injuries among employees at our Italian site (versus 6 cases in 2023). This result pushes and encourages us even more to focus on our commitment to safety and to put even more resources into reducing workplace accidents to zero.

Fortunately, the accidents that occurred in 2024 were non-serious and were generally minor injuries. There were no accidents involving external workers in the past two reporting years.

5.3
TRAINING AND PROFESSIONAL GROWTH

Investing in Time
Professional growth is a journey, and every moment counts towards achieving our goals.

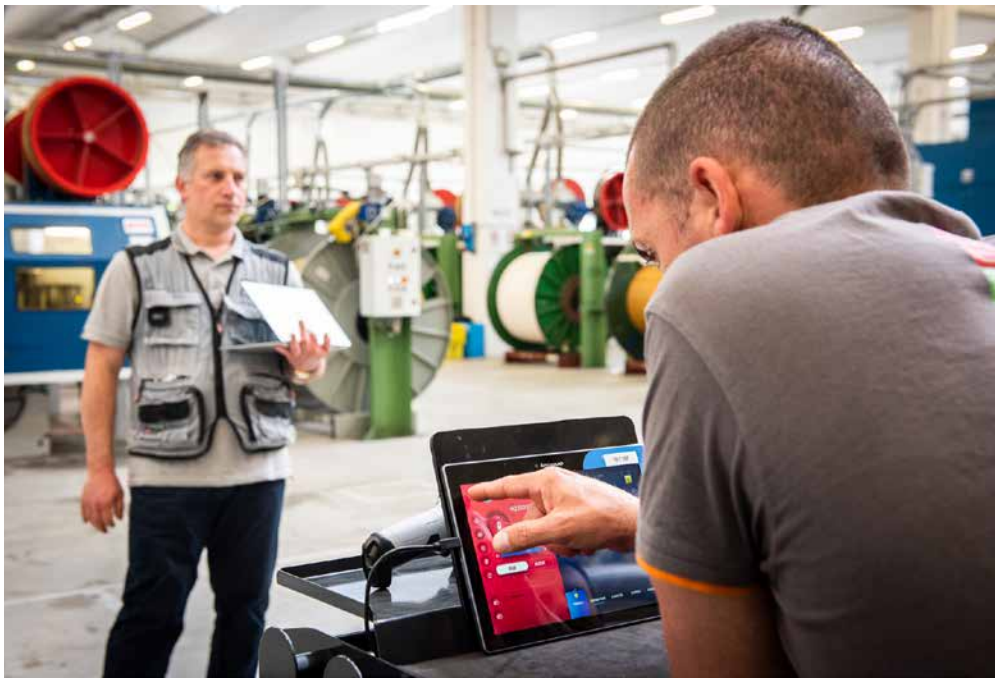
The training of our professionals is essential to guarantee ever-increasing performance in all aspects of our activity. In 2024, our people were delivered 1,907 hours of training, an increase of 18% with respect to 2023.

The company training plan is structured around the different offices/functions. Mandatory training is required for new hires, characterized by interaction with all other company functions.

Besides formal training, managers and **team leaders regularly coach and support staff in their job performance** for professional development. As mentioned, a large majority of these hours are related to **Health & Safety (H&S) training**, both mandatory as well as additional courses implemented by the company.

In addition, training courses on the Code of Ethics and the 231 organizational model have been held for all employees.

Additional hours of training involved digital skills and soft skills development, the latter oriented towards production staff (such as team and shift leaders).



Training in Action
The production team is actively engaged in periodic training sessions.

5.4
MAIN INITIATIVES FOR THE GROUP'S EMPLOYEES

In 2024, Transfer Oil launched the first cycle of an annual internal climate survey designed to assess employee perceptions and workplace sentiment. The initiative aims to systematically capture feedback, identify potential areas for improvement, and **implement targeted actions to address employee needs** - ultimately contributing to stronger retention and organizational cohesion.

Work-Life Balance and Home Office Initiative

At Transfer Oil, we believe that a healthy work-life balance and efficient operations go hand in hand. That's why we've embraced Home Office as a key part of our way of working, not just as a response to changing times, but as a conscious choice we made well before the pandemic.

Our approach is built on trust and flexibility. With our token-based system, employees can decide where to work based on their personal and professional needs. We know that life isn't one-size-fits-all, which is why we offer the **freedom to balance work with family, personal growth, and well-being because when people thrive, so does our company.**

Advantages of the Home Office Initiative:

- **Reduced Commuting Emissions:** by reducing the need for daily commutes, we help reduce the company's overall carbon footprint.
- **Greater Access to Talent:** remote work removes geographical barriers, enabling us to attract skilled professionals from a wider range of locations and strengthen our team's diversity and creativity.
- **Support and Technology:** supported by a cloud-based ERP and collaborative digital platforms, remote work is seamlessly integrated into business operations without compromising productivity or team cohesion. Employees are equipped with the necessary digital tools, training, and IT assistance to ensure consistent performance across all work environments.

Cooperative Environment
An open and thoughtfully designed workspace encourages team interaction.

Welfare Portal
The company welfare system is available to all employees with a wide range of options.

Extra Bonus

At Transfer Oil, one-time bonuses are awarded to celebrate special occasions or unforgettable moments. Upon the birth of a child, the new parent receives a bonus in their paycheck. For weddings, employees are given a special bonus. Additionally, work anniversaries are celebrated as a testament to loyalty and adherence to the company's values and philosophy. Upon reaching the 10-year milestone, employees receive a bonus, which is repeated for the 20-year milestone. Upon reaching the 25-year milestone, a one-time bonus equivalent to a monthly salary is credited in the anniversary month.

Overtime work and monthly payments

Transfer Oil has adopted a wage policy that goes beyond the provisions of the National Collective Labour Agreement (CCNL), making it a pillar of the company's social responsibility. All employees receive 14 monthly salaries per year - exceeding the 13 established by the CCNL - regardless of company performance, as a means of safeguarding household purchasing power. Equally distinctive is the management of overtime, which is paid at a rate higher than that stipulated in the agreement and is triggered after just the first half hour.

Another distinctive feature is the flexibility of Transfer Oil's time bank system. Unlike the standard model — where 50% of overtime is converted into paid leave and 50% paid out — Transfer Oil offers employees the option to opt out of the time bank entirely, choosing instead to have all overtime hours fully paid. This personalized approach supports individual preferences, enhancing work-life balance.

Health

Health insurance - which was already available but subject to voluntary enrollment and, until December 2024, tied to an equal contribution by the insured and the company - has been extended free of charge to all employees starting from January 2024.
Thanks to a dense network of affiliated facilities, Transfer Oil employees now have the opportunity to access various healthcare services for free or at discounted rates, managing their appointments and searches through a smartphone app.

The cost of the insurance service is fully covered by the company and is available to all permanent employees.

Continuous Feedback

Transfer Oil strongly believes in the importance of continuous and constructive feedback. This is why it never forgets to ask for input from its employees. QR codes are available in the dining areas, allowing employees to evaluate the quality and adequacy of the company's dining service. Since 2024, biannual surveys on the company climate have also been administered, interviewing every employee who has been with the company for more than 5 months. The aggregated results provide insight into the degree of satisfaction among employees, as well as their perception of key issues such as training, compensation, and relationships with supervisors and colleagues.

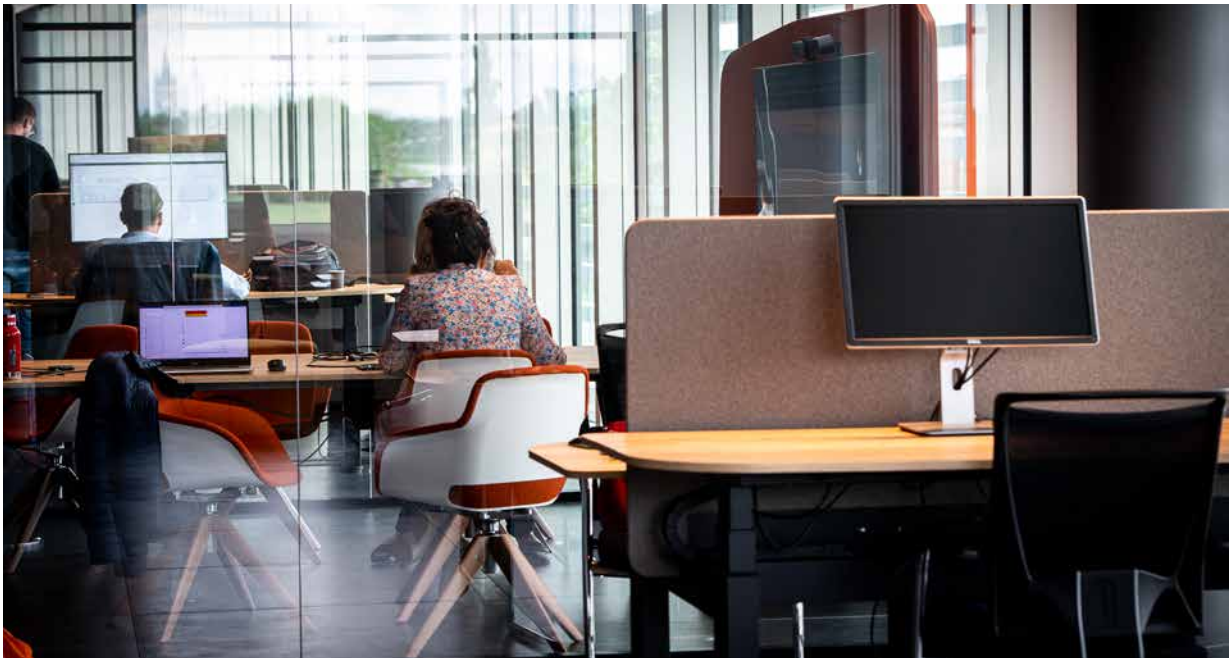
Welfare Plan

Since 2019, we have implemented a comprehensive welfare plan for our employees. Transfer Oil's Welfare Plan reflects our deep commitment to the well-being and prosperity of our team. Reinstated for the 2024-2026 three-year period, this plan represents a significant investment in our employees' financial and personal well-being, with a comprehensive budget of about 1 million euros allocated to this initiative.

Key Features of the Welfare Plan:

- **Inclusivity and Accessibility:** the plan features a lower threshold for qualification and a steeply tiered reward system that acknowledges varying degrees of achievement.
- **Diverse Benefits:** structured around a third-party platform, the plan offers a wide array of benefits, from health and wellness services to educational support and leisure activities. This flexibility ensures that every employee can find value in the plan, regardless of their individual needs or interests.
- **Significant Financial Advantages:** employees can receive up to 3.000€ tax-free, making this option more rewarding than traditional bonuses. Beyond the financial boost, it encourages them to invest in their families' health, education, and well-being, helping to improve their overall quality of life.

Flexible Workspaces
Employees are free to choose the workspace, promoting flexibility and collaboration.



Behind the Scenes
Sharing stories during the filming of our corporate video.

Automatic Warehouse
During a corporate event even young visitors were welcomed - receiving treats from our vertical storage system.

5.5
PROJECTS AND ACTIVITIES SUPPORTING THE LOCAL COMMUNITY

Transfer Oil maintains an ongoing relationship with local educational institutions, building a link between academic learning and professional experience. Collaborations with universities facilitate the entry of students into the workplace through internship programs, helping bridge the gap between theoretical knowledge and its practical application. Beyond the academic sphere, Transfer Oil engages with a range of organizations rooted in the local community, particularly within Colorno and the greater Parma area. These associations play an important role in maintaining social cohesion and supporting a variety of civic needs.

Throughout the year, our commitment to the local community took shape through a variety of meaningful initiatives. We supported a local school by **contributing to laboratory renovation efforts**, helping to improve the learning environment for students. We also helped strengthen emergency services in Colorno by contributing to the purchase of a **new ambulance**. In the field of early childhood education, we supported the **Colorno kindergarten** with a dedicated donation. Finally, we sponsored several initiatives promoted by the City Hall, enabling the organization of **cultural and community events** that bring people together and enrich local life.

One initiative, however, holds a significant place among our efforts: **the donation to support cancer research in collaboration with the University of Parma.** Since 2016, Transfer Oil has chosen to support the fight against **malignant pleural mesothelioma**, a rare and aggressive form of cancer often diagnosed at an advanced stage and primarily linked to asbestos exposure. Despite the complexity of this disease and the limited effectiveness of current treatments, a group of brilliant researchers from our city's University has been working tirelessly within the Experimental Oncology Unit to advance scientific knowledge and improve clinical outcomes.

In 2024, Transfer Oil **renewed its support for the "Mesothelioma Project"**, which encompasses both research and clinical care activities. This is more than just a donation — it is a long-term commitment that reflects the values we believe every company, regardless of its size, should uphold within its community. Knowing that our contribution helps sustain a team of researchers who devote their knowledge and expertise to improving the lives of others further affirms the value of our choice.

The local engagement is complemented by our participation in industrial networks such as **Confindustria** – *Unione Parmense degli Industriali* – through which we remain actively involved in discussions on regional development and industrial policy.

Together, these actions reflect a consistent approach to corporate responsibility that integrates education, health, public services, and industry collaboration into a single, cohesive framework.

Internship opportunities
Transfer Oil regularly host interns, supporting their professional growth.

RECOVERY OF AN OLD VINEYARD AND ADJACENT LAND

In 2021, Transfer Oil bought a plot of land of nearly five hectares, that lies on the northwest side of our company's headquarters.

In an endeavor that unites sustainability with heritage, the guidance and insights of a dedicated team were essential to begin the meticulous process of restoring two long rows of ancient and native grapevines. By installing new support poles and irrigation systems, we successfully restored these plantings, ensuring their preservation for years to come.

Moving forward, our project will continue to focus on maintaining the soil and protecting the existing vines. Additionally, we plan to introduce new ones to sustain the continuity and productivity of the rows.
By nurturing a variety of ancient grape species, we aim to contribute to the genetic diversity of the region's viticulture, which is essential for ecological balance and resilience.

Sustainable agriculture methods are at the heart of this initiative, incorporating organic farming techniques to minimize chemical use and water conservation measures to ensure resource efficiency.

Additionally, the vineyard plays a role in absorbing CO_2, helping to further offset our carbon footprint.

Beyond its environmental benefits, the vineyard symbolizes a commitment to community engagement and social responsibility. There are plans to use this green area for recreational purposes, highlighting our dedication to fostering strong connections between our employees.

ANNEX
METHODOLOGICAL NOTE

This document is the first ESG report of Transfer Oil S.p.A. (also referred to in this document as "the Group" or "Transfer Oil"), with the aim of transparently communicating the Company's sustainability approach and its performance in the areas of environmental, social and economic sustainability for the year 2024 (from January 1, 2024 to December 31, 2024). In order to achieve this aim, the updated report will be published annually.

This document has been prepared by reporting on a selection of the "GRI Sustainability Reporting Standards" published by the Global Reporting Initiative (GRI), as set forth in the "GRI Content Index".

The environmental data included is limited to the Italian headquarters and production plants, thus excluding the sites of the Chinese, Singaporean, and American branches.

The human resources data includes the totality of the Group and all its controlled entities.

To allow for data comparability over time and the assessment of the performance of the Group's activities, one comparative year has been included, where available.

Moreover, to ensure data reliability, the use of estimates was limited as much as possible; if present, these are duly identified and based on the best available methods. It should also be noted that during the year 2024 there were no changes in Transfer Oil S.p.A.'s ownership structure or supply chain.

For further information, you may visit Transfer Oil's website: *www.transferoil.com*

Human Resource KPIs

GRI 2-7 Employees

Total number of employees by employment contract (permanent and temporary), by gender

Type of contract	As of December 2023			As of December 2024		
	Male	Female	Total	Male	Female	Total
Permanent	92	25	117	94	28	122
Temporary	9	1	10	7	5	12
Seasonal	-	-	-	-	-	-
Total	**101**	**26**	**127**	**101**	**33**	**134**

Total number of employees by employment type (full-time and part-time), by gender

Type of contract	As of December 2023			As of December 2024		
	Male	Female	Total	Male	Female	Total
Full-time	100	22	122	100	29	129
Part-time	1	4	5	1	4	5
Part time (%)	1%	15%	4%	1%	14%	4%
Total	**101**	**26**	**127**	**101**	**33**	**134**

GRI 2-8 Workers who are not employees

External workers as of December 31 by gender (in Headcount)

Professional Category	As of December 2023			As of December 2024		
	Male	Female	Total	Male	Female	Total
Agency workers	1	1	2	1	1	2
Interns/Trainees	1	-	1	-	-	-
Sales agents	-	-	-	-	-	-
Total	**2**	**1**	**3**	**1**	**1**	**2**

GRI 2-30 Collective bargaining agreements

Percentage of total employees covered by collective bargaining agreements		
Total number of employees	As of December 2023	As of December 2024
Total number of employees	127	134
Number of employees with collective bargaining agreement	115	126
Total percentage	**91%**	**94%**

GRI 403-9 Work-related injuries

Work-related injuries (Employees)		
Number of injuries	**2023**	**2024**
Number of fatalities as a result of work-related injury	-	-
Number of high-consequence work-related injuries (*excluding fatalities*)	-	-
Number of recordable work-related injuries	6	2

Main types of work-related injury (Employees)		
Type of injury	**2023**	**2024**
Laceration	-	1
Contusion	6	1

Work-related injuries (External Workers)		
Number of injuries	**2023**	**2024**
Number of fatalities as a result of work-related injury	-	-
Number of high-consequence work-related injuries (excluding fatalities)	-	-
Number of recordable work-related injuries	-	-

Main types of work-related injury (External Workers)		
Type of injury	**2023**	**2024**
Laceration	-	-
Contusion	-	-

Injury rates (Employees)		
	2023	**2024**
Hours worked	**217.184**	**227.350**
Rate of fatalities as a result of work-related injury	-	-
Rate of high-consequence work-related injuries (excluding fatalities)	-	-
Rate[4] of recordable work-related injuries	5,53	2,27

Injury rates (External Workers)		
	2023	**2024**
Hours worked	**9.949**	**2.163**
Rate of fatalities as a result of work-related injury	-	-
Rate of high-consequence work-related injuries (excluding fatalities)	-	-
Rate of recordable work-related injuries	-	-

[4] Rate of recordable work-related injuries: (No. of work-related injuries/total hours worked) * 200.000.

GRI 401-1 New employee hires and employee turnover

Hires (headcount)	2023				2024			
Number of people	< 30 years old	30-50 years old	> 50 years old	Total	< 30 years old	30-50 years old	> 50 years old	Total
Male	9	5	4	18	5	3	1	9
Female	1	3	-	4	1	8	-	9
Total	**10**	**8**	**4**	**22**	**6**	**11**	**1**	**18**

[4] Rate of recordable work-related injuries: (No. of work-related injuries/total hours worked) * 200.000.

Turnover (headcount)	2023				2024			
Number of people	< 30 years old	30-50 years old	> 50 years old	Total	< 30 years old	30-50 years old	> 50 years old	Total
Male	5	7	4	16	6	3	2	11
Female	1	3	-	4	-	-	-	-
Total	**6**	**10**	**4**	**20**	**6**	**3**	**2**	**11**

Hires (percentage)	2023				2024			
Number of people	< 30 years old	30-50 years old	> 50 years old	Total	< 30 years old	30-50 years old	> 50 years old	Total
Male	41%	23%	18%	82%	28%	17%	6%	50%
Female	4%	14%	0%	18%	6%	34%	6%	50%
Total	**45%**	**37%**	**18%**	**100%**	**17%**	**66%**	**17%**	**100%**

Turnover (percentage)	2023				2024			
Number of people	< 30 years old	30-50 years old	> 50 years old	Total	< 30 years old	30-50 years old	> 50 years old	Total
Male	25%	35%	20%	80%	55%	27%	18%	100%
Female	5%	15%	0%	20%	0%	0%	0%	0%
Total	**30%**	**50%**	**20%**	**100%**	**55%**	**27%**	**18%**	**100%**

GRI 404-1 Average hours of training per year per employee

2024						
Average hours of training	No. Hours - Men	No. hours per capita - Men	No. Hours - Women	No. hours per capita - Women	N. Hours Total	N. hours per capita
Executives	18	4	-	-	18	4
Managers	82	16	27	14	109	16
Employees	534	20	131	7	665	14
Workers and intermediates	1.006	16	109	10	1.115	15
Total	**1.640**	**16**	**267**	**8**	**1.907**	**14**

2023						
Average hours of training	**No. Hours - Men**	**No. hours per capita - Men**	**No. Hours - Women**	**No. hours per capita - Women**	**N. Hours Total**	**N. hours per capita**
Executives	48	12	-	-	48	12
Managers	67	8	3	1	70	7
Employees	267	11	57	5	324	9
Workers and intermediates	1.052	16	122	14	1.174	15
Total	**1.435**	**14**	**181**	**8**	**1.616**	**13**

GRI 405-1 Diversity of governance bodies and employees

Board of Directors composition by gender and age group (percentage)								
Members of the BoD of Transfer Oil	As of December 31st, 2023				As of December 31st, 2024			
	< 30 years old	**30-50** years old	**> 50** years old	**Total**	**< 30** years old	**30-50** years old	**> 50** years old	**Total**
Male	0%	33%	67%	100%	0%	33%	67%	100%
Female	-	-	-	-	-	-	-	-
Total	**0%**	**33%**	**67%**	**100%**	**0%**	**33%**	**67%**	**100%**

Employees per employee category and gender (percentage)						
Number of people	As of December 31st, 2023			As of December 31st, 2024		
	Male	**Female**	**Total**	**Male**	**Female**	**Total**
Executives	100%	0%	3%	100%	0%	4%
Managers	71%	29%	6%	71%	29%	5%
Employees	70%	30%	31%	57%	43%	35%
Workers and intermediates	88%	12%	60%	85%	15%	56%
Total	**82%**	**18%**	**100%**	**75%**	**25%**	**100%**

Employees per employee category and age group (percentage)								
Number of people	As of December 31st, 2023				As of December 31st, 2024			
	< 30 years old	**30-50** years old	**> 50** years old	**Total**	**< 30** years old	**30-50** years old	**> 50** years old	**Total**
Executives	0%	3%	7%	3%	0%	1%	12%	4%
Managers	3%	8%	3%	6%	4%	7%	3%	7%
Employees	26%	32%	37%	31%	30%	38%	32%	34%
Workers and intermediates	71%	58%	53%	60%	67%	53%	53%	58%
Total	**24%**	**51%**	**24%**	**100%**	**20%**	**54%**	**25%**	**100%**

GRI CONTENT INDEX

Statement of use	**Transfer Oil S.p.A. has reported the information cited in this GRI content index for the period January 1st 2024 to December 31st 2024 with reference to the GRI Standards.**
GRI 1 used	**GRI 1: Foundation 2021**

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	23-27
	2-6 Activities, value chain and other business relationships	40-47
	2-7 Employees	65-73; 77-81
	2-8 Workers who are not employees	77
	2-22 Statement on sustainable development strategy	5
	2-27 Compliance with laws and regulations	25-26; 38
	2-29 Approach to stakeholder engagement	11-15
	2-30 Collective bargaining agreements	78
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	25
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	25
GRI 301: Materials 2016	301-1 Materials used by weight or volume	57
GRI 302: Energy 2016	302-1 Energy consumption within the organization	49-57
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	60-61
	303-4 Water discharge	60-61
	303-5 Water consumption	60-61
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	54-56
	305-2 Energy indirect (Scope 2) GHG emissions	54-56
GRI 306: Waste 2020	306-3 Waste generated	62-63
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	44-47
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	80
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	78-79
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	80-81
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	81
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	4
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	45-47
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	38
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	38

SUSTAINABILITY REPORT 2024

TRANSFER OIL
Pure Fluid Attitude

SUSTAINABILITY REPORT 2024

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