

An aerial photograph showing a paved road with a white truck driving on it, bordered by lush green trees and a large body of water with a shimmering surface.

Sustainability Report 2023



**UFI FILTERS
CHOSEN BY THE BEST**



Our Vision

Be the trendsetter in the world of filtration and thermal management

Our Mission

UFI Filters' mission is to create innovative and sustainable solutions in filtration and thermal management systems. UFI Filters puts customers first and aims to provide them with exceptional quality products to enhance the efficiency of their applications.

UFI Filters believes in a business ethic of continuous improvement and mutual respect, which begins inside the Company and extends to customers and suppliers with equal importance.

INNOVATION

Being one step ahead

PASSION

Being driven by passion and heart

DIVERSITY

Appreciating and valuing our differences

EXCELLENCE

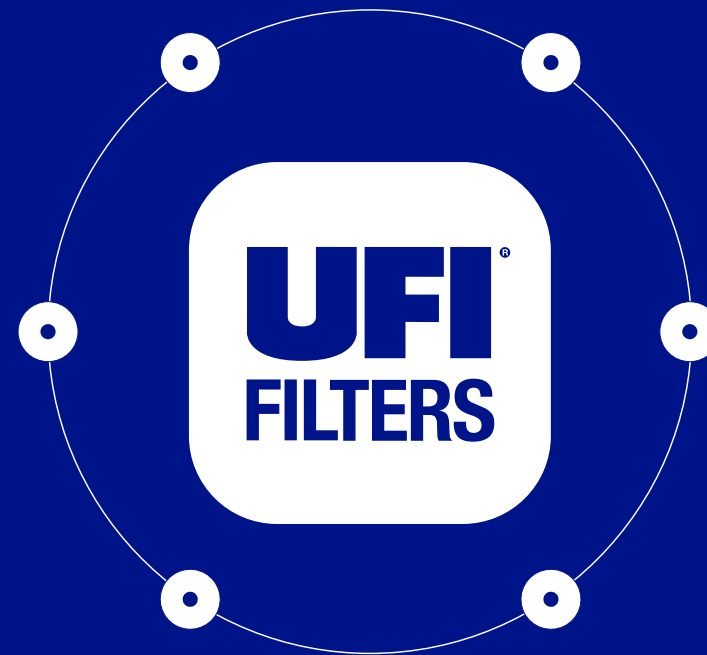
Delivering superior results, so that we are always chosen by the best

ACCOUNTABILITY

Being answerable for our actions and the actions of our teams

INTEGRITY

Operating in adherence to moral and ethical principles



Letter To Stakeholders

A Word From Our Chairman

Dear Readers,

As we embark on the journey of another year, I am filled with a profound sense of optimism and determination, reflecting on our past achievements and the promising path that lies ahead. Innovation has always been the cornerstone of our identity at UFI Filters, propelling our growth in the market and fortifying our resilience amidst challenges. The global landscape is swiftly evolving, with a heightened emphasis on emission containment policies and the **transition to renewable energies**.

Aligned with these objectives, UFI Filters has continued to invest significantly in research and development, particularly in the realm of new electric vehicles (NEVs), to support our automotive partners in their sustainability endeavors. Recognizing China's dynamic market and rapid technological advancements, we have prioritized staying ahead of the curve to meet the evolving needs of our customers.

Through our **GLO-CAL approach**, which integrates local production with a global perspective, we leverage our innovation centers across Italy, China, and India to develop **cutting-edge solutions** tailored to specific market demands while ensuring global coverage.

In pursuit of a greener future, we have intensified

our focus on **hydrogen technology** over the past five years, with a particular emphasis on products for hydrogen mobility. The launch of our **Advanced H₂** brand underscores our commitment to delivering innovative solutions, such as the UFI Adsorber cathode air filters and deionizers, pivotal components for fuel cell operation.

With five years of dedicated focus on hydrogen technology, we stand poised to lead this transformative journey. We extend our invitation for you to join us as we unveil revolutionary innovations for hydrogen mobility, heralding the onset of an exciting new chapter at UFI Filters.

We aim to foster not just research and development, but also invest in training, welcoming new faces into our family, and spearheading new initiatives to infuse our thinking with youth and freshness. Throughout this journey, we prioritize ensuring every member of our company feels valued, protected, and cared for, embodying our commitment **to prioritizing people** above all else within the Group.

We extend our heartfelt gratitude for your continued support and partnership as we collectively strive towards a more sustainable and prosperous future.


GIORGIO GIRONDI



Index

Filtering Technology For The Planet

One of the primary objectives of the UFI Filters Group is preserving our planet's natural resources. Our Group is constantly engaged in research and the implementation of solutions that guarantee maximum respect for the environment – providing technologically advanced systems which are able to reduce energy consumption and reduce CO₂ emissions.

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1. Methodological Note

Introduction

As we embark on another year, we remain steadfast in our commitment to sustainable economic growth and responsible business practices. Building upon the journey we initiated in 2021, we are proud to continue our pledge to publish our sustainability report annually, meeting the expectations of our stakeholders.

To ensure transparency and bolster the credibility of our data, since 2022 we have engaged external auditors to conduct a **limited assurance** review. This underscores our dedication to providing an accurate representation of our group's performance.

The **UFI Filters Sustainability Report 2023**, published in June 2024, marks the third edition of our annual report, offering a comprehensive overview of our activities, commitments, and achievements across environmental, social, and governance aspects.

Organized into six chapters – **OUR IDENTITY – OUR HOUSE – OUR COMMITMENT – OUR PEOPLE – OUR INNOVATION – OUR WORLD** – the report delves into the impact and value created for our stakeholders.

Developed **with reference** to the **Global Reporting Initiative Standards** issued in **2021**, effective for reports published after January 1st, 2023, this report adheres to principles of accuracy, balance, clarity, comparability, completeness, timeliness, and verifiability.

Covering the same period of the consolidated financial statements from **January 1st to December 31st, 2023**, this report encompasses the major operations of the UFI Filters Group (hereinafter also “UFI Group”, “UFI Filters”, “the Group” or “the Company”), highlighting our contributions to economic, environmental, and social endeavors.

Plastic Technology S.p.A. is included in the scope of this report as it is related to the Group's operations, though it is not under the Group's control. Environmental data and information take into consideration only the UFI's industrial sites since offices are not considered material.

Any exceptions, omissions, or restatements of information pertinent to the reporting scope are noted in the relevant sections.

The “GRI Content Index” at the end of this document provides a comprehensive list of disclosed information.

For inquiries, comments, or further details regarding this report, please contact us at the following email address:

sustainability@ufifilters.com

Additionally, the report is available for download on the UFI Filters website at the following link:

 [Visit UFIFILTERS.COM](https://www.ufifilters.com)
Click here



OUR IDENTITY | 2.1 UFI At A Glance

The Group By Numbers



1971

Founded in 1971, it's now a world leader in filtration technology and Thermal Management.



10

10 application sectors: from automotive (LV/HD), industry and hydraulics to special applications.



4.400

21 production plants and over 4.400 people in 21 countries worldwide.



F1

Present everywhere, from F1 cars to the ExoMars spacecraft.



95%

95% of vehicles manufacturers worldwide choose UFI Filters.



> 250

>250 specialised technicians in the innovation and development centers in Italy, China and India.



>280

>280 patents at international level.



5%

5% of turnover reinvested in R&D.



14

7 lines of thermal management and 7 lines of filter products supplied.



>250

>250 co-branded products with the biggest OEM's.



Global Presence

21 INDUSTRIAL SITES

3 INNOVATION CENTERS

UFI Innovation Center S.r.l. (IT)
 UFI Innovation Center India Pvt. Ltd (IN)
 Sofima Filter Shanghai Innovation Center (CN)

2 UFI HYDROGEN

UFI Hydrogen (IT)
 UFI Hydrogen (CN)

AMERICAS (SINCE 2001)

2 INDUSTRIAL SITES
 UFI Filters do Brasil, Ltda (BR)
 UFI Filters Mexico (MX)

COMMERCIAL PRESENCE
 United States
 Mexico
 Brazil

EMEA (SINCE 1971)

8 INDUSTRIAL SITES
UFI Filters S.p.A. Nogarole Rocca (IT) (Headquarter)
 UFI Filters S.p.A. (IT)
 UFI Filters Hydraulics (IT)
 Plastic Technology S.p.A. (IT)
 UFI Filters Czech s.r.o (CZ)
 UFI Filters Poland (PL)
 Sofima Filters S.A (TN)
 Friedrichs Filtersysteme GmbH (DE)

COMMERCIAL PRESENCE
 Italy Tunisia
 France Turkey
 Germany United Kingdom
 Spain

APAC (SINCE 1983)

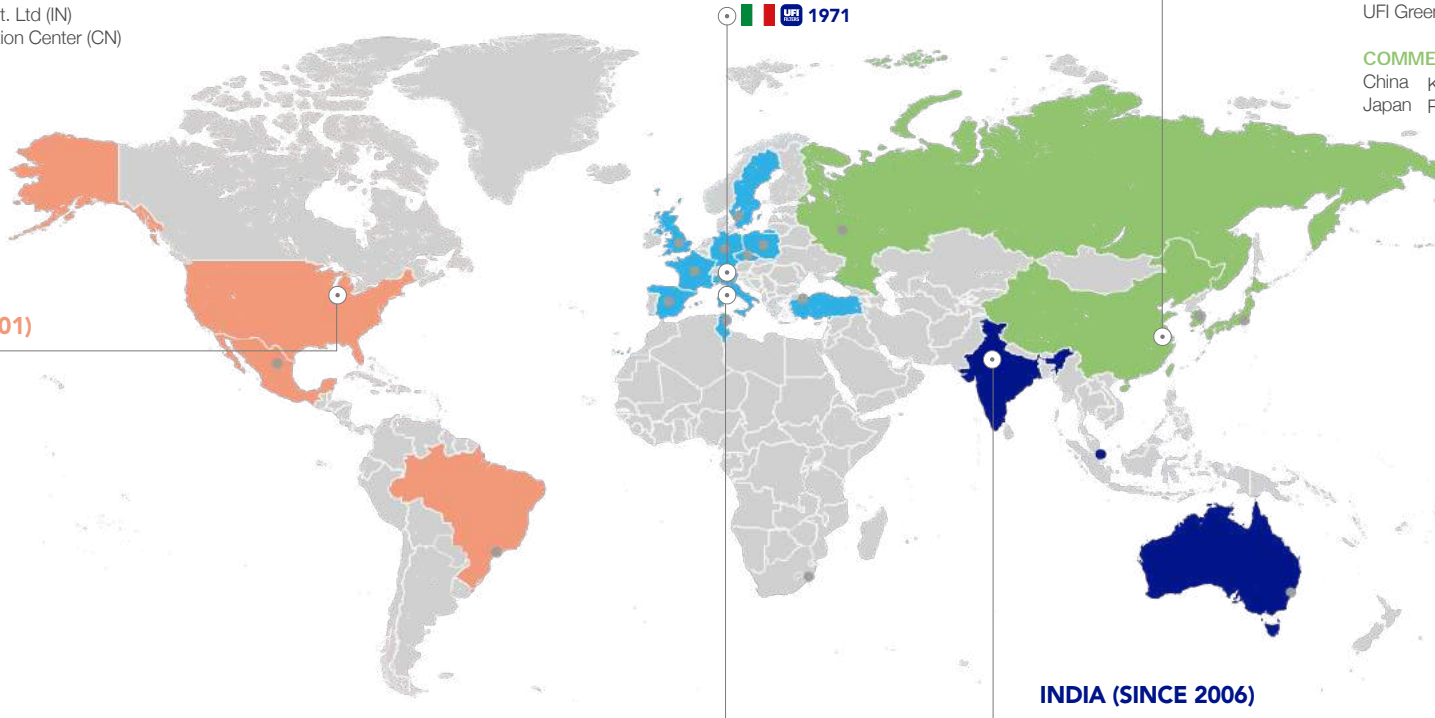
8 INDUSTRIAL SITES
 UFI Filters Shanghai Co, Ltd. (CN)
 Sofima Industrial Filter Shanghai Co, Ltd (CN)
 Sofima Automotive Filter Changchun Co, Ltd (CN)
 Sofima Automotive Filters Shanghai (Aftermarket Division)
 Sofima Automotive Filters Chongqing (CN)
 UFI Filters Korea Co, Ltd. (KR)
 Sofima Automotive Filter Shanghai Co, Ltd (CN)
 UFI Green Technologies (Jiaxing) Co, Ltd. (CN)

COMMERCIAL PRESENCE
 China Korea
 Japan Russia

INDIA (SINCE 2006)

3 INDUSTRIAL SITES
 UFI Filters India Pvt. Ltd (Belgaum, IN)
 UFI Filters India Pvt. Ltd (Delhi, IN)
 Sofima Filters Aftermarket India (Bahadurgarh, IN)

COMMERCIAL PRESENCE
 Australia
 India



Automotive



CARS AND COMMERCIAL VEHICLES

More than 2.500 references for cars and commercial vehicles up to 3,5 t.



HEAVY DUTY

More than 500 references for trucks & buses.



OFF-ROAD AND AGRICULTURAL

More than 900 references for industrial vehicles, earthmoving and agricultural vehicles.



MOTORBIKES

More than 100 references for two-wheeled and three-wheeled vehicles.



RACING

A special, dedicated range for each motorsport team.

Non-Automotive



HYDRAULICS

More than 5.600 references for industrial and special vehicles.



AERO-SPACE

Products that respect the EASA procedures.



DEFENCE

Systems for tactical vehicles and hostile areas.



MARINE

Applications for propellers and generators.



SPECIAL APPLICATIONS

Our know-how applied to advanced research.



OUR IDENTITY | 2.4 UFI Business Segments

Chosen By The Best OEMs



CAR MANUFACTURERS

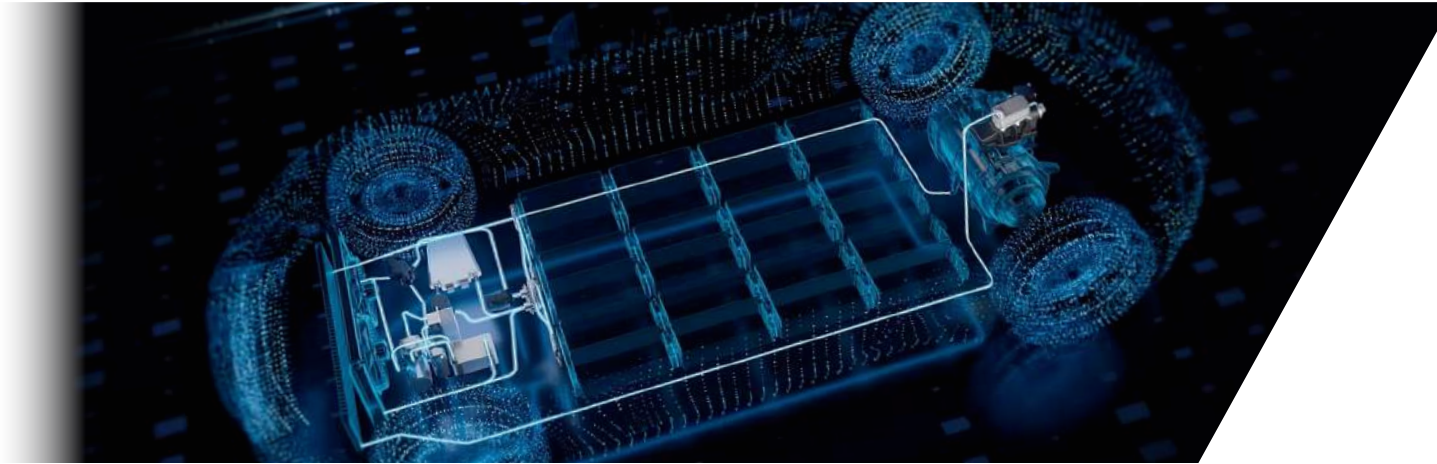
Continuous technological innovation, the search for solutions with extreme performances, investments in technologically advanced products: these are the plus factors that have made **UFI FILTERS** an original equipment leader, **chosen by 95% of the biggest manufacturers in the world**. Thanks to the filtration materials developed with the exclusive **FormulaUFI filtration media**, UFI Filters can provide specific solutions for individual applications, assuring the highest engine protection and therefore a fundamental contribution in consumption and emissions savings. UFI's wide product portfolio offers different solutions in filtration and thermal management.

HEAVY DUTY MANUFACTURERS


























UFI Filters products are chosen as Original Equipment by the leading manufacturers accounting for **50% of the world's production of trucks and industrial vehicles**. High levels of efficiency and safety, the complete range and investments in new technological solutions are the strengths that make UFI a premium supplier for OEMs, which produce vehicles used for professional purposes.

Thanks to the exclusive **FormulaUFI filtration media** developed in the UFI Innovation Centres worldwide and to the new vacuum brazed aluminium heat exchangers, the main truck, agriculture, and construction equipment makers choose UFI's reliable innovations, that can assure the highest filtration and **Thermal Management** performances thus, helping save consumptions and pollutant emissions.

Thermal Management



UFI's thermal management technology includes:







UFI'S THERMAL MANAGEMENT PORTFOLIO	APPLICATIONS				
1. Heat exchangers for e-axes / e-axis modules	 BEV	 PHEV	 FCEV		
2. Battery chillers	 BEV	 PHEV	 FCEV		
3. Coolant heaters	 BEV	 PHEV	 FCEV		
4. Coolant flow valves	 BEV	 PHEV	 FCEV		
5. Transmission oil coolers	 BEV	 PHEV	 FCEV	 HEV	 ICE
6. Liquid-cooled condensers	 BEV	 PHEV	 FCEV	 HEV	 ICE
7. Engine oil coolers stand alone / on module		 PHEV		 HEV	 ICE

THERMAL MANAGEMENT

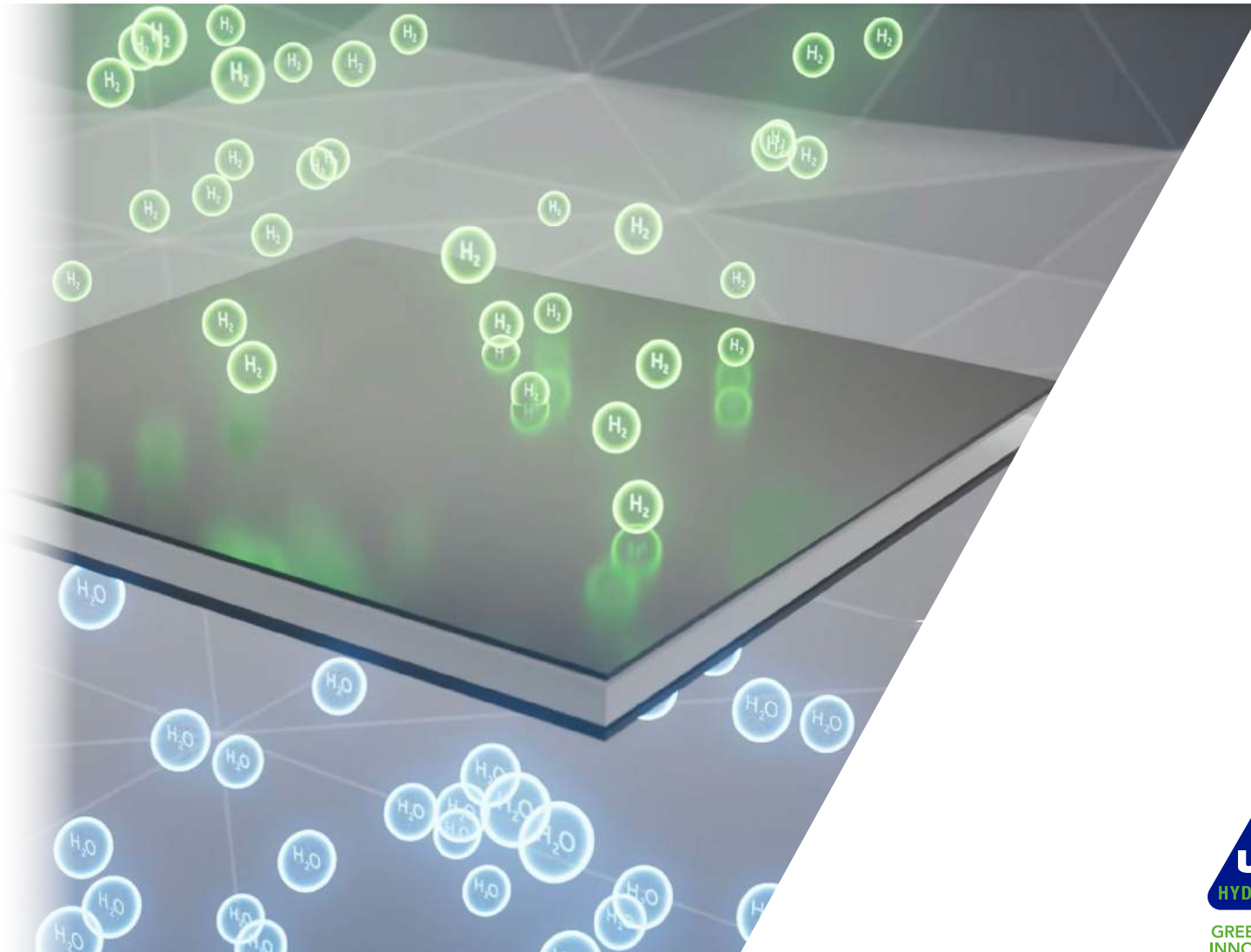
The UFI Filters Group has been present in the world of heat exchangers for the OEM automotive sector since 2010. In particular, investments in research and innovation have led to specialisation in the design, development and production of **water-cooled and vacuum-brazed aluminium** heat exchangers more robust, efficient and clean.

UFI Filters can rely **on three fully dedicated industrial sites globally** for production of water-cooled and vacuum-brazed aluminium heat exchangers, not only for **traditional vehicles**, but also for **hybrids and electrics**.

In fact, UFI supplies **7 product lines for the thermal management**, supplying heat exchangers for the following applications:

 BEV Battery Electric Vehicles	 PHEV Plug-in Electric Vehicles	 FCEV Fuel Cell Electric Vehicles
 FHEV Full Hybrid Vehicles	 MHEV Mild Hybrid Vehicles	 ICE Internal Combustion Engine

UFI Hydrogen



HYDROGEN MOBILITY

Since 2017 the experience of our UFI INNOVATION CENTER in the study and production of filtration materials has been made at the service of the development of new technologies for the hydrogen sector, to mark the path to decarbonization.

In fact, the use of hydrogen to power fuel cells is one of the best solutions **to drastically reduce air pollution** and has also proven to be a valid solution for the decarbonization of transport.

For this reason, in 2023 **UFI HYDROGEN** was born, the NewCo dedicated to the research and development, implementation and industrialization of the **MEAs – Membrane Electrode Assemblies** – strategic component for both water electrolyzers for the green hydrogen production and the fuel cells for the green hydrogen utilization in the zero-emission mobility.

Global demand of green hydrogen is expected to increase from at least 2-fold up to 7-fold, with an overall growth that will get from 1 GW in 2022 to 3,600 GW by 2050, that's why we have decided to act as major player of the green transformation.

Thanks to its experience in filtration and production of heat exchangers for internal combustion, hybrid and electric vehicles, UFI can supply revolutionary technologies.



Hydraulic Division



HYDRAULICS

UFI Filters Hydraulics, founded in 1992 in Bolgare, in the north of Italy, is the branch of the UFI Filters Group dedicated to hydraulics filtration solutions. **For more than 30 years**, UFI Filters Hydraulics has specialised in the design and manufacturing of a comprehensive line of hydraulic filters, filter elements, spare parts and accessories, with the aim to create innovative and sustainable solutions in hydraulic filtration and to meet, at the same time, the requirements of the most **demanding operating environments and applications**.

UFI Filters Hydraulics daily journey consists in studying customers' filtration problems and sharing with them its worldwide experience, to ensure a safe and constant cleanliness level thereby creating reliable, proven and highly efficient hydraulics, both in mobile and stationary applications.

In 2022, UFI Filters Hydraulics acquired all of the shares of **Friedrichs Filtersysteme GmbH**, gaining access to a new world with several additional markets, and extending its portfolio with new products and patents: duplex fluidtech® series of filters, deltaP® differential pressure indicators, air-oil mist separators for big generators, silencers for air compressors, water filters for marine and industry and other filtration units and breathers for several sectors, including wind power generation, mining and chemical industry.

OUR IDENTITY | 2.4 UFI Business Segments

High Tech Division



RACING

The UFI Filters High Tech Division team is specialised in the production of filtration solutions for “extreme” performances. All the major teams competing in **the Formula 1 World Championship** use a variety of filtration solutions created by UFI Filters, confirming the position of the company as undisputed leader in this premium motorsport class. Indeed, **9 of the 10 Formula 1 teams have chosen UFI**, with the company supplying more than 8,000 individual parts per year, including hydraulic filters, oil filters, fuel filters, last chance filters and air filters, to the leading teams, not only in the best-known series, but also in other competitions, such as **Indycar, Nascar, Formula 3, MOTO GP, MOTO 2, MOTO 3 and others.**

AEROSPACE

The High Tech Division of the UFI Filters Group is involved in the design and production of air, oil and **fuel filtration systems for aerospace, military, marine and the defence sector vehicles.** From the experience gained from the racing world and the production of Original Equipment for the automotive industry, UFI Filters produces highly technological components, created with craftsmanship, to ensure maximum filtration capacity, performance and reliability in delicate and complex mechanisms.

Aftermarket



UFI FILTERS

UFI Filters is the premium quality brand marketed for the independent spare part network. UFI counts more than **4.000 SKUs in its catalogue** for cars, heavy duty, agriculture, and motorbikes, offering the same product standard as the original equipment. There are **19 UFI Aftermarket sales offices** that guarantee a widespread presence in Europe, China, India, North and South America, North and South Africa and Oceania. There are **more than 70 countries** around the world where UFI products are marketed in partnership with the most important distribution Groups in the world.

SOFIMA FILTER

SOFIMA Filter is the brand marketed for the independent spare part network since the early 1980s. It guarantees the same levels of quality, innovation and technology chosen for Original Equipment. SOFIMA's catalogue range consists of **more than 3,000 products**, so that more than 98% of the European fleet is covered for each product family. There are **17 Group Aftermarket sales offices worldwide**, ensuring a widespread presence in Europe, China, India, North America and North Africa.



OUR HOUSE

3.1 Company Organization

#WeAreUFI

As one of the pioneering Italian companies to recognize growth opportunities in the Far East, UFI Filters now boasts **21 industrial sites** and a workforce exceeding **4.400 employees spread across 21** countries spanning all five continents.

Additionally, the Group employs over **250 specialized technicians** across its **three Innovation and Research Centers** and holds more than **280 patents**. We take pride in being an organization where individuals are drawn in by our reputation and choose to remain for the supportive environment.

The ethos of **“Glo-Cal”** has been ingrained in our organization from the outset. Our objective is to assist our customers, who seek consistent dedication and a single point of contact.

By expanding our geographical footprint across all continents, our decision to think globally while catering to our clients locally aims to enhance our ability to operate effectively and efficiently within our global network.

UFI Filters operates under the leadership of the **Group CEO**, based at **the headquarters in Italy**

(Nogarole Rocca – Verona). The organizational structure comprises corporate functions responsible for setting strategy and providing guidance, as well as **Regional Operations** led by **regional COOs (Chief Operations Officers)**.

To streamline global coordination, resource allocation, and project management in alignment with the Group’s strategic objectives, all operational and staff functions are situated within their respective regions and functionally connected to central functions.

UFI Worldwide

The regional organization is divided in:

- **EMEA:** Europe, Middle East, Africa
- **APAC:** Asia Pacific, Russia
- **INDIA:** India, Australia
- **AMERICAS:** North, Central, South America

All networks, systems, and infrastructures are designed to facilitate prompt decision-making and communication while ensuring compliance with all relevant laws and regulations to uphold high standards of security, both internationally and locally.



OUR HOUSE

3.2 Governance

1. GOVERNANCE STRUCTURE

The Governance Structure

The Governance Structure primarily consists of:

- **The Shareholders' Meeting:** This body shapes and expresses corporate intentions, which are then implemented by the Board of Directors. It convenes regularly to pass resolutions in accordance with statutory law and the Company's By-laws. Key responsibilities include appointing members of the Board of Directors and the Board of Statutory Auditors, as well as approving annual Financial Statements.

The Shareholders' Meeting also appoints the Chairman of the Board of Directors, who ensures balanced oversight of the Board's proceedings, facilitating communication between executive and non-executive directors and ensuring effective management of meetings and decision-making processes.

- **The Board of Directors (BoD):** This governing body guides the Group's operations and is responsible for management. It provides strategic and organizational direction, verifies the adequacy of the organizational structure, and ensures effective monitoring mechanisms are in place. Comprising both executive and non-executive members, it upholds the independence of the management body.

UFI Filters operates within a governance framework that includes a **Board of Directors (BoD)** responsible for strategic management, a **Board of Statutory Auditors** overseeing the BoD's activities, and an **Auditing Firm** conducting statutory audits and accounting controls.

Decisions regarding the company's strategic direction are collectively reviewed and exclusively endorsed by the UFI Filters' Board of Directors, appointed by the Shareholder Meeting. Comprising five members, including two executives and three non-executives, one of whom is independent, the BoD ensures the independence of the governing body. Board members are selected based on their expertise in the relevant sector, professional and managerial experience, strategic decision-making skills, risk management abilities, and familiarity with the company, its objectives, and challenges. Diversity in backgrounds and perspectives is valued to ensure effective governance and a broad range of skills on the board.

The Board of Directors plays a **central role in shaping and executing ESG initiatives and strategies**, highlighting its vital role in fostering sustainable decision-making and corporate responsibility through strategic guidance. Annually, the Board assesses the sustainability report to ensure alignment with ESG objectives and evaluates the company's progress in achieving sustainability

goals. It also provides approval for the Sustainability Report before publication.

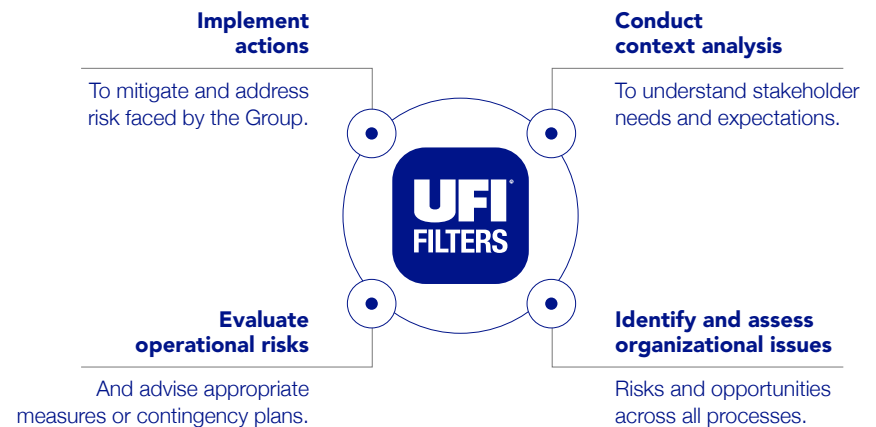
UFI Filters' governance structure has been reinforced in recent years with the establishment of an **Internal Audit** function tasked with assessing the adequacy and effectiveness of internal control systems and directing improvement actions.

Our organization fosters a values-based culture translated into policies and regulations promoting integrity, ethical conduct, corporate responsibility, and compliance. To uphold these principles, we've implemented a comprehensive compliance management system integrated into our corporate

governance model. This system includes tools to enforce corporate policies and conduct preventive and control actions, ensuring integrity and accountability, integral to our core values and cultural infrastructure.

We've developed a systematic and proactive approach to **risk management** encompassing business, environmental, and social aspects within the organization. Continuous monitoring, evaluation, and clear roles and responsibilities help address risks effectively. Active risk areas include Health and Safety, Environmental and Climate, Operational and Supply Chain, Compliance, and Data Security.

Our Risk Management System is designed to:



OUR HOUSE

3.3 Compliance

UFI Filters is deeply committed to upholding transparent, ethical, and compliant conduct, recognizing its fundamental role in ensuring fair management of the company's activities. This commitment extends beyond mere adherence to laws and regulations, encompassing the fulfillment of stakeholders' expectations. To reinforce this approach, we have established a comprehensive system of Policies aimed at upholding high ethical standards, a practice upheld for many years.

The Board of Directors remains actively engaged and informed about all compliance initiatives. Regular updates on goals and initiatives are provided to the Board, ensuring alignment with strategic objectives, and fostering accountability at the highest level of governance.

Moreover, at our Headquarters in Italy, we have implemented since many years the **Legislative Decree 231 Model**, complemented by a dedicated **Supervisory Committee**. Consisting of three members, the current Supervisory Committee is appointed annually with its term ending at the end of the year. Members were selected based on criteria including autonomy, independence, integrity, professionalism, and specific inspective and advisory skills, with the President hailing from an external background.

The Committee's mandate encompasses monitoring, receiving, and reporting any irregularities or breaches of the organization, management, and control model, as well as adherence to the Code of Ethics and Anti-Bribery Code of Conduct.

Biannually, the Supervisory Committee presents **a detailed report to the Board of Directors and the Board of Statutory Auditors**, highlighting checks on sensitive activities, critical issues, analyses of received reports, and actions taken in response. Additionally, the Committee ensures the implementation of specific information flows as necessary, while maintaining an unwavering commitment to upholding the law without any transgressions.

1. CODE OF ETHICS

The **Code of Ethics** serves as the cornerstone of our compliance framework, embodying the principles that guide all company activities and are aligned with **Our Values: Excellence, Passion, Innovation, Integrity, Accountability and Diversity**.

Moreover, it delineates the standards of conduct and appropriate behaviors expected from all Group employees, particularly in areas where there is a potential risk of misconduct. Applicable to all Group entities and consistent



OUR HOUSE

3.3 Compliance

with local laws and regulations, the Code of Ethics is publicly accessible on the UFI Filters website.

Every UFI Filters employee, including members of the Board of Directors, subsidiaries, affiliated companies, and suppliers, is required to comprehend and adhere to the UFI Filters Code of Ethics.

We undertook a thorough review and update of our Code of Ethics in the latter half of 2022 to ensure that our rules of conduct and principles of behavior remain consistent with regulatory advancements and leading reference standards, with heightened emphasis on respecting human rights.

At UFI, we remain unwavering in our commitment to upholding internationally recognized human rights across all aspects of our operations. This encompasses, but is not limited to, the rights outlined in the **Universal Declaration of Human Rights** and the core conventions of the **International Labour Organization**. Our dedication extends to all stakeholders, with particular focus on safeguarding at-risk or vulnerable groups such as workers in our supply chain and communities affected by our activities. These commitments have received endorsement at the highest levels of our organization, reaffirming that human rights remain paramount in all decision-making processes.

2. ANTI-BRIBERY

As a globally operating company, we recognize the immense responsibility to uphold Integrity as a fundamental value, serving as a cornerstone of our business conduct.

We emphasize the importance of Integrity not only in our Code of Ethics but also through the implementation of a dedicated **Anti-Bribery policy**. This policy underscores the necessity for robust processes to prevent situations where the company is susceptible to corruption risks.

Our Anti-Bribery policy articulates **fundamental principles, including segregation of duties, impartiality, traceability, and avoidance of conflicts of interest**. These principles are integrated into our operating procedures, particularly in areas most vulnerable to such occurrences.

We have established a nominal threshold for gifts or donations deemed acceptable, beyond which behavior would be considered non-compliant and subject to potential violation of our Code of Ethics and Anti-Bribery policies.

The primary objective of this Policy is to promote transparency and uphold procedural propriety in related-party transactions, safeguarding UFI's overall interests.



OUR HOUSE

3.3 Compliance

Conflict of interest arises when personal interests intersect with UFI's responsibilities. As stipulated in the Group's Code of Ethics, any potential or actual conflict of interest must be promptly reported to the immediate superior. The Anti-Bribery Policy delineates procedures to ensure decisions remain free from personal influences and align exclusively with UFI's interests. Commercial agreements are to be based solely on objective criteria such as quality, price, and reliability of the business partner. Directors are obliged to disclose any personal interests in company transactions to the Competent Regional Whistleblowing Committee and/or to the Supervisory Committee, as the case may be.

3. WHISTLEBLOWING

Any breach of the code of ethics or anti-corruption policy must be promptly reported to the relevant oversight bodies, with provisions in place to protect the whistleblower's identity and ensure their confidentiality, including the option for anonymous reporting.

Our **Whistleblowing Policy, updated in 2023**, has been disseminated to all employees, providing clear guidelines on which breaches or misconduct should be reported and the appropriate channels for communication. It offers **the opportunity for anonymous reporting** and

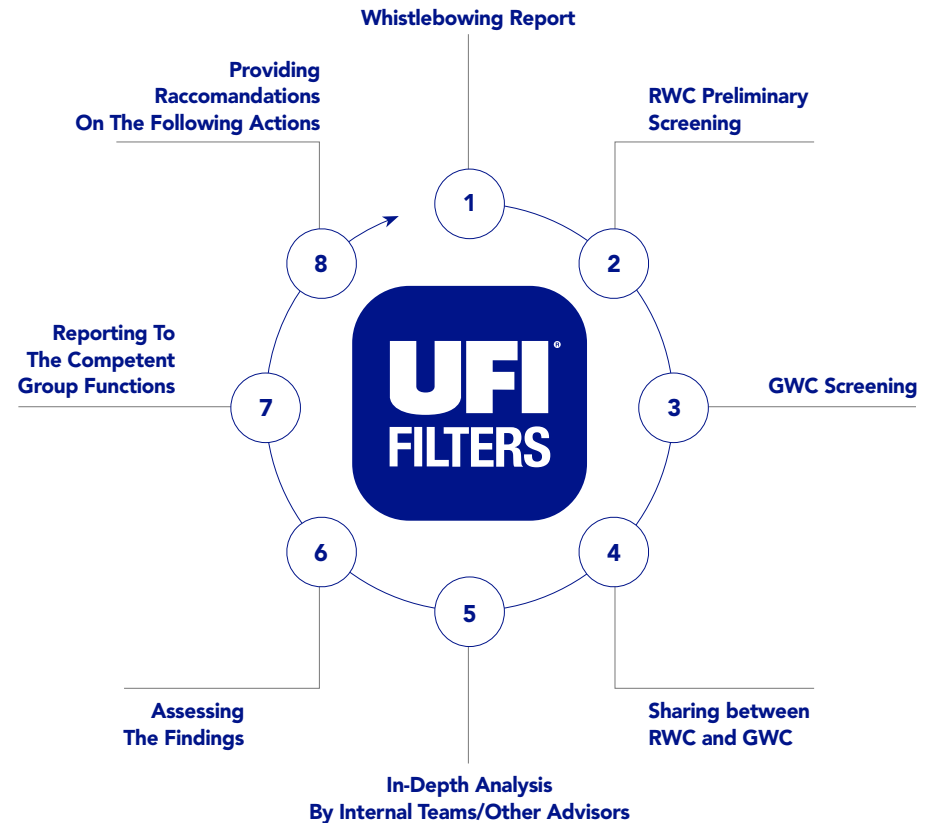
protection of the whistleblower throughout and after the investigation process.

Our whistleblowing system comprises **Regional Whistleblowing Committees (RWCs)** for each of the four regions and a **Global Whistleblowing Committee (GWC)** at the Global Headquarters level. The RWC analyzes reports and, if considered necessary, escalates them to GWC members providing recommendations for further investigation or action by the relevant function, in accordance with applicable rules and regulations.

In **2023**, we enhanced our **Company Website** to include a **dedicated page for securely submitting whistleblowing reports** in alignment with our Whistleblowing Policy. This initiative underscores our commitment to transparency and accountability, allowing internal and external individuals to report concerns while safeguarding their identity. Through this platform, we can promptly investigate and address any identified negative impacts within our operations, demonstrating our commitment to remediation. Stakeholders are actively engaged in designing, reviewing, and improving these mechanisms to ensure their effectiveness.

To reinforce the dissemination of our **Group Policies**, they have been **published** on our

Whistleblowing And Investigations



OUR HOUSE

3.3 Compliance

internal Intranet accessible to all employees and communicated via email to interested parties. Additionally, the **Code of Ethics and the Anti-Bribery Policies** form an **integral part of the Terms and Conditions** signed by our suppliers regularly, and all employees undergo regular training on policies and regulations. In 2023, we refreshed and updated our Group Policies, deploying them in the most effective manner.

In our ongoing pursuit of ethical business practices and sustainability, we are implementing a **Supplier Code of Conduct** that mirrors the principles guiding our own operations. By **aligning our suppliers with these principles**, we foster a supply chain that upholds the high standards established by our organization, ensuring consistency and accountability across all aspects of our operations.

In line with previous year, we are proud to say that no corruption events were recorded in all our industrial sites or representative offices during year 2023. As well, no legal action relating to unfair competition, antitrust and monopolistic practices were reported in 2023.

TRAINING

We have implemented a new web-based **e-Learning platform**, accessible to all colleagues worldwide with a corporate email account. This

platform is available in every company within the Group and offers real-time attendance tracking and training results.

All regions now have access to this digital platform, which offers individualized training sessions on the Code of Ethics, Anti-Bribery, and Whistleblowing policies. Each employee can access and complete comprehensive training modules consisting of **online video courses and final verification tests tailored to each policy**, ensuring understanding of the fundamental principles outlined in the policies. Participation in these courses is mandatory.

Additionally, all new employees undergo induction training and are required to sign the Code of Ethics upon employment commencement. This e-Learning platform was launched in 2022, with over 1,495 eligible employees (with corporate email) participating in online training, including 1,234 white-collar and 261 blue-collar workers.

In 2023, similar training initiatives were extended to employees without corporate email accounts, such as most of the Blue Collars, through classroom training sessions. We remain deeply committed to expanding training opportunities to the entire corporate population, ensuring comprehensive understanding and adherence to our ethical standards and policies.



4.1 Materiality Impact

IMPACT MATERIALITY ANALYSIS

UFI Filters recognizes the utmost importance of pinpointing the material topics relevant to its stakeholders and meticulously curating the contents of its disclosures to offer a comprehensive understanding of the Group's activities, performance, results, and their associated impacts. In doing so, the company adheres to **the principles advocated by the GRI Standards, including accuracy, balance, clarity, comparability, completeness, timeliness, verifiability**, and consideration of the sustainability context.

To this end, **the UFI Group conducted an annual materiality analysis process in 2023**, aiming to identify the areas where its activities could have the most significant impact on natural ecosystems, community well-being, employee welfare, human rights and all stakeholders involved.

Motivated by a commitment to drive change, the Group has long prioritized sustainability, consistently engaging in initiatives and activities in this domain, including robust reporting practices. Hence, **in 2023, the materiality analysis was conducted in alignment with the new GRI Universal Standard 2021**, emphasizing the concept of **"impact materiality"**. This marked a departure from the previous analysis conducted in 2021, which adhered to the GRI Universal Standard 2016.

The analysis process was overseen by Corporate Governance, with top management involvement and input from external and internal stakeholders, facilitated by external consultants specialized in analyzing, monitoring, and reporting on the social, environmental, and economic impacts of business activities. This process was structured into six main phases: **Context Analysis, Voice of Stakeholders, Identification of Impacts, Impact Assessment, Impact Prioritization and Material Topic Determination.**

CONTEXT ANALYSIS

In the dynamic environment of 2023, the automotive industry has seen notable changes driven by environmental awareness, technological advancements, and sustainability-focused government policies. With nations worldwide **intensifying efforts to reduce greenhouse gas emissions** and promote electric vehicles, the sector is undergoing a significant transformation towards **sustainable mobility**, prompting manufacturers to adjust strategies and embrace **innovative solutions.**

Collaboration between automakers and governmental bodies highlights a shared dedication to advancing **low-emission technologies.** Stringent regulations and government incentives act as catalysts for innovation, creating an environment where eco-friendly solutions are not just encouraged



4.1 Materiality Impact

but essential for maintaining competitiveness.

UFI Filters, with a strong presence across continents, demonstrates its commitment to customer service and regional adaptation. Equipped with cutting-edge research centers and advanced laboratories, the company leads **innovation** by developing solutions **tailored to evolving market needs**.

Moreover, UFI Filters' global production model ensures flexibility and resilience, supported by strategically located manufacturing facilities worldwide. Employing a **diversified supply chain approach**, from external component sourcing to internal production processes, ensures efficiency and reliability.

As a key player in the automotive supply chain, UFI Filters remains responsive to external stakeholder expectations. From **customers seeking sustainable solutions to financial institutions emphasizing environmental criteria**, the company navigates a complex network of relationships to foster sustainable growth.

Internally, UFI Filters values talent development, particularly among young professionals who bring fresh perspectives. Recognizing the importance of **flexibility, professional growth opportunities, and inclusivity**, the company aims to attract and retain talent in today's competitive landscape.

In summary, against the backdrop of evolving industry dynamics and stakeholder expectations, UFI Filters operates within a context defined by **environmental imperatives, technological advancements**, and a dedicated commitment to **social sustainability**. This sets the stage for a comprehensive exploration of the company's sustainability journey in the automotive sector.

VOICE OF STAKEHOLDERS

The stakeholder categories considered for the analysis remain consistent with those outlined in the 2021 Report. External stakeholders include **Customers, Suppliers, and Financial Institutions**, while internal stakeholders consist of the **primary shareholder, management team, and group employees**.

Customers emphasize **product innovation**, particularly in **vehicle electrification**, which guides the group's strategy. Consequently, attention is directed towards suppliers with minimal greenhouse gas emissions. The company's decarbonization strategy and investments in renewable energy are pivotal, and emerging themes such as human rights compliance are gaining traction.

Regarding employees, there is a demand for growth opportunities, flexibility, work-life balance, and **a sustainable work environment**. Companies that align with these expectations are

better positioned to attract and retain talent. In essence, external stakeholders play a significant role in shaping business dynamics, while internal stakeholders influence strategy and cultivate a culture in line with evolving trends.

IDENTIFICATION OF IMPACTS

During the identification phase, various information sources were leveraged, including **corporate documents, industry-related publications, benchmarking analyses, customer requirements, international standards, and multi-stakeholder initiatives**, and were cross-checked with the context analysis and listening to the voice of the stakeholders. These inputs were crucial in understanding the impacts generated on the economy, environment, and people, considering their materiality for the Group's industry and operational context.

ASSESSMENT OF IMPACTS

UFI Filters conducted a comprehensive assessment of both **positive and negative current and potential impacts** arising from its activities and relationships along the value chain, including human rights considerations. These impacts were categorized into **"Environment," "Social," and "Governance"** dimensions, with qualitative assessment based on scale, scope, impact severity and probability of occurrence, according to the **GRI Universal Standards 2021** and integrated UFI Filters' Risk Management

methodology to ensure alignment between risk and materiality assessments.

IMPACT PRIORITIZATION

Following the assessment, the prioritization of impact assessment enabled the identification of the most significant impacts for the Group, which were subsequently regrouped into the material topics identified, **resulted from those impacts with a significance level above the threshold** set up together with the **model constructed for the impact assessment**. This meticulous process ensures that UFI Filters can effectively address key issues and opportunities pertinent to its sustainability journey in the automotive sector, in line with stakeholder expectations and global sustainability imperatives.

MATERIAL TOPICS DETERMINATION

In our sustainability endeavors for the **year 2023**, a thorough analysis has confirmed the material topics already identified with the 2021 reporting disclosure, although some key material themes have gained heightened significance. These themes act as focal points, directing our efforts towards addressing crucial sustainability challenges and opportunities.

At the **forefront of our agenda** is the paramount concern for **Occupational Health & Safety**. Ensuring the well-being and safety of our employees remains a top priority, as already

4.1 Materiality Impact

showcasing our dedication to fostering a secure and supportive work environment.

Navigating the **evolving environmental landscape** brings to light pivotal concerns, such as **Decarbonization, Circularity, and Climate Change**. On the other hand, product innovation assumes a central role with **Innovative and Eco-Responsible Products**. Our focus on reducing energy consumption and carbon emissions, championing circular practices, and mitigating climate impact developing sustainable solutions underscores our unwavering commitment to environmental stewardship and resilience.

A **stable and robust Group Economic Performance is foundational** to sustaining our operations and facilitating continued investment in sustainability endeavors. Maintaining financial resilience enables us to better uphold our commitments to employees, communities, and environmental objectives. Our dedication to **Diversity, Equal opportunities, and People Development** reflects our belief in fostering an inclusive workplace culture that values individual contributions and fosters personal growth. We prioritize the provision of **Attractive Working Conditions**, recognizing the importance of nurturing a supportive and engaging workplace environment that enhances employee well-being and satisfaction.

Environmental sustainability remains a core focus area, encompassing initiatives aimed at **Environmental Protection**. From waste reduction to natural resource conservation, our initiatives are geared towards minimizing our ecological footprint and safeguarding the planet for future generations.

Integrity is non-negotiable, as evidenced by our loyal commitment to **Business Ethics and Integrity**. Upholding ethical standards across all operations is crucial for building trust and maintaining credibility with stakeholders. **Respect for Human Rights** serves as the cornerstone of our ethical framework, guiding our interactions with stakeholders and ensuring fairness and dignity for all individuals. Finally, our dedication to **Supporting Local Communities** underscores our role as a responsible corporate citizen.

The evolution of material topics from 2021 is noteworthy: Responsible Procurement now falls under Circularity, while Freedom of Association, Product and Quality Safety are encompassed within Human Rights Respect.

In summary, our focus on these material themes reflects our strategic alignment with evolving sustainability trends and stakeholder expectations. By addressing these issues with diligence and purpose, we endeavor to create lasting value for society, the environment, and our business.



Material Topics

Materiality Assessment's Sustainability Topics

Occupational Health And Safety

UFI Filters utilizes machinery in its industrial operations, which can have a significant impact on workers' safety due to changing conditions. With a steadfast commitment to prioritizing workplace safety, UFI actively promotes employee well-being, showcasing its dedication to human capital.

Diversity, Equal Opportunities and People Development

The expertise necessary for creating sophisticated automotive products might constrain career prospects for specific groups of workers. Operating on a global scale entail navigating diverse cultures and mindsets, not fostering diversity can lead to unequal treatments. UFI supports employee development, enhancing skills and staying updated on trends, investing in training, job rotation and Talent Management thus fostering a stimulating environment.

Human Rights Respect

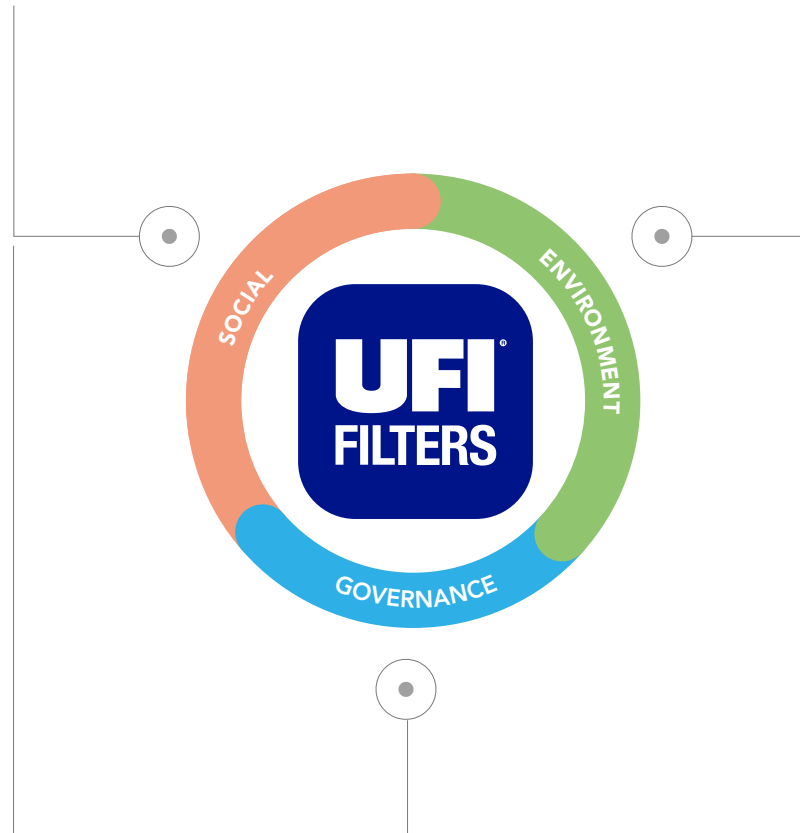
UFI operates globally with extensive commercial partnerships and a vast supply chain. In areas beyond its jurisdiction, individuals may face inappropriate treatment due to varying regulations. In countries with lower labor costs and weak regulations, workers may lack protection without local agreements or legislation. Despite typically being unionized, UFI employees may face rights violations, particularly in early value chain stages.

Attractive Working Conditions

Workplace flexibility, including the option to work remotely, represents a tangible benefit offered by UFI to its employees. This flexibility positively contributes to the work-life balance, enhancing satisfaction and the quality of life for team members.

Supporting Local Communities

UFI actively supports local communities through corporate citizenship initiatives, contributing to education programs, assisting individuals in need, and providing support to those in hospice care through donations and outreach efforts.



Decarbonization, Circularity and Climate Change

UFI Filters primarily relies on electricity and natural gas in its industrial and internal processes, thus contributing to greenhouse gas emissions. Additionally, procurement of components and raw materials indirectly adds to emissions along the upstream value chain. With a global presence and production facilities in multiple countries, the company's supply chain logistics has a further influence on carbon dioxide emissions.

Innovative and Eco-Responsible Products

UFI innovates in thermal management and filtration, now integral to electric vehicle technology. This trend indirectly promotes eco-friendly vehicles, curbing CO₂ emissions. Additionally, UFI's solutions optimize functionality and extend service intervals through advanced filtering materials, contributing to conserving resources effectively.

Environmental Protection

Internal industrial processes generate wastes and pollutants that need respectively proper disposal and treatment to mitigate harmful effects. In addition, vertical processes using raw materials impact on resources depletion if not implementing circular economy practices. Finally, water depletion is affected not only by internal domestic use but also in some cases by industrial processes, extended in the upper supply chain e.g., for the manufacturing of the cellulose-based filtering materials.

Group Economic Performance

A forward-thinking vision by identifying opportunities and investing in new markets when others hesitated has allowed the company to capture market shares before they became saturated, generating a sustainable competitive advantage over time.

Business Ethics and Integrity

The Group collaborates commercially with various global partners, notably maintaining Tier-2 relationships with major automotive industrial groups and diverse product and service suppliers. Corruption instances within this framework could harm the company's reputation or affect affiliated business partners.

OUR PEOPLE

5. #WeAreUFI

It's paramount to recognize that an organization's most precious asset resides in its workforce. **They are the driving force behind the organization's progress.** Our employees are instrumental in our success, and just as the world preserves its resources, we nurture our workforce by fostering an environment grounded in our principles and values.

As a privately-owned entity, we bear a distinct responsibility toward our staff, who represent our most valuable asset. Their ideas, individual talents, dedication, and motivation are pivotal to fostering innovation and ensuring our sustained relevance in an evolving mobility landscape. The imperative remains to attract and retain talent while solidifying our standing as an appealing employer globally. Our diversity and cohesive team spirit are paramount in shaping future mobility solutions and will continue to be essential in overcoming tomorrow's challenges.

With operations spanning five continents, encompassing diverse languages and cultures, **diversity and inclusion serve as the unifying elements** fostering a harmonious team dynamic and cross-functional collaboration that fuels growth. We deeply value our employees and their unwavering commitment, which has guided us through challenging times and continues to inspire us daily.

To promote stable employment and foster long-

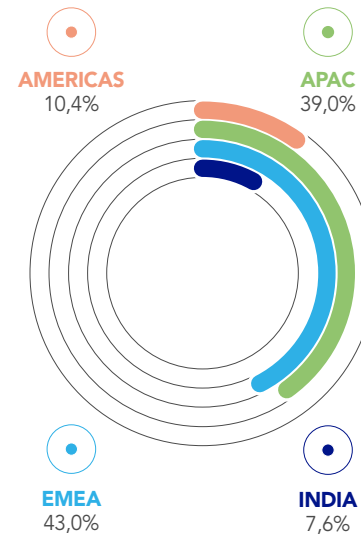
term relationships, a significant majority of our workforce (approximately 80%) holds **permanent employment contracts**, exceeding **legal minimums** in their respective countries. This commitment to permanency reflects UFI Filters' dedication to providing a secure and supportive work environment for its employees. In adherence to local labor regulations, 45% of our employees are covered by collective bargaining agreements, while the rest have comparable contractual conditions. This ensures that our employees receive **fair compensation and benefits**, further enhancing job security and satisfaction.

Notably, in 2023, UFI Filters did not engage non-guaranteed hours employees, further reinforcing our commitment to stable employment practices. Permanent employees are typically employed with a **full-time contract**, providing them with consistent work hours and benefits. Part-time contracts are provided according to local agreements and legislation to those who might require this institution form (in 2023 around 0,5% at group level, and about 4% in Italy where this institution is mostly applied), in line with the organizational context.

UFI Filters is an international corporation with **operations in 21 countries**, spanning diverse cultures and markets. Our workforce, comprised of **approximately 4.470 individuals worldwide**, forms the backbone of our global operations.

2023 | UFI's On-Roll Employees

GRI 2-7

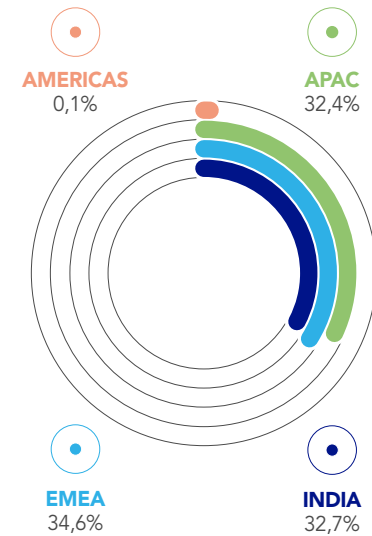


AREA	EMPLOYEES
AMERICAS	362
APAC	1.354
EMEA	1.495
INDIA	263
Total	3.474

Data for year 2022 in Appendix

2023 | UFI's Agency Workers

GRI 2-8



AREA	AGENCY WORKERS
AMERICAS	1
APAC	323
EMEA	345
INDIA	326
Total	996

OUR PEOPLE | 5. #WeAreUFI

As of 2023, our roster of on-roll permanent employees reached 3.474 HC (measured at the end of the year, December 31st), marking a notable 4,5% increase compared to the previous year.

Complementing our permanent staff, UFI dynamically manages its production workforce with over 990 temporary workers, primarily within the blue-collar category. These latest figures are calculated as full-time equivalent and are strategically distributed across all regions to meet operational demands, as illustrated in the provided graphs.

Delving deeper into our workforce dynamics in 2023, several key factors significantly influenced our headcount and organizational growth. Firstly, the establishment of UFI Green Technology's new plant in Jiaxing and the inception of UFI Hydrogen represented pivotal expansions. These initiatives, alongside continuous technological advancements in our factories aimed at bolstering production capabilities, contributed substantially to our overall headcount increase.

Moreover, heightened demand for thermal management products propelled expansions in our plants located in Mexico and Poland, while the integration of new product lines and an internal warehouse at Plant 2 in the Czech Republic further augmented our workforce.

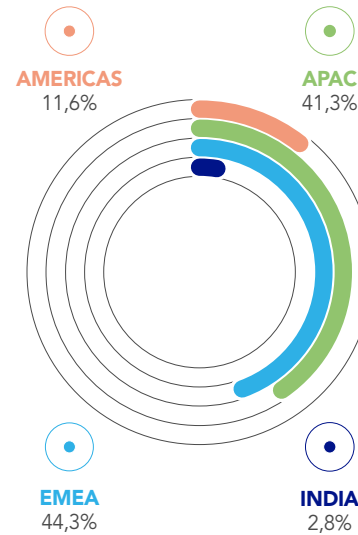
Notably, UFI Filters prides itself not only on its growth but also on its employee retention rates and the company's desirability as an employer. A staggering 15% of our workforce has been with UFI for over 15 years, with an average of 19 years of seniority for this group of employees, underscoring the organization's ability to foster long-term employee satisfaction and loyalty. Furthermore, an additional 35% of our employees have tenure exceeding 5 years, further emphasizing UFI's status as an employer of choice.

Moreover, an intriguing phenomenon within UFI is the propensity for former employees to return to the company after periods of absence. This trend highlights the high degree of "desirability" associated with working at UFI Filters, as individuals find themselves drawn back to the company due to its positive work environment, opportunities for growth, and strong company culture. This phenomenon speaks volumes about the lasting impact of UFI's supportive workplace culture and the value employees place on their experiences with the company.

In terms of workforce composition, our count of white-collar employees experienced a notable 6,3% increase, while blue-collar employees saw a 3,3% uptick, albeit with some regional and company-specific fluctuations. This balanced growth reflects our commitment to maintaining a diverse and skilled workforce capable of meeting the evolving needs of our global operations.

2023 | UFI's On-Roll Blue Collars

GRI 405-1

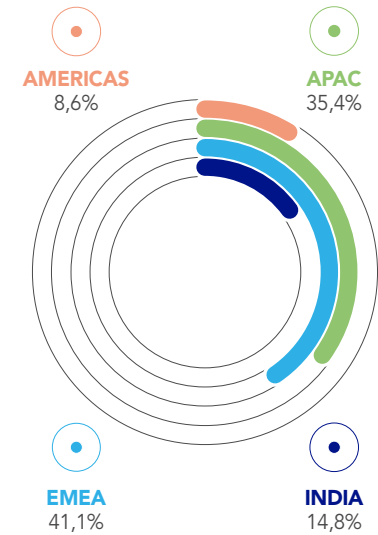


Blue Collars

2023	
AREA	ON-ROLL EMPLOYEES
AMERICAS	243
APAC	866
EMEA	928
INDIA	59
Total	2.096

2023 | UFI's On-Roll White Collars

GRI 405-1



White Collars

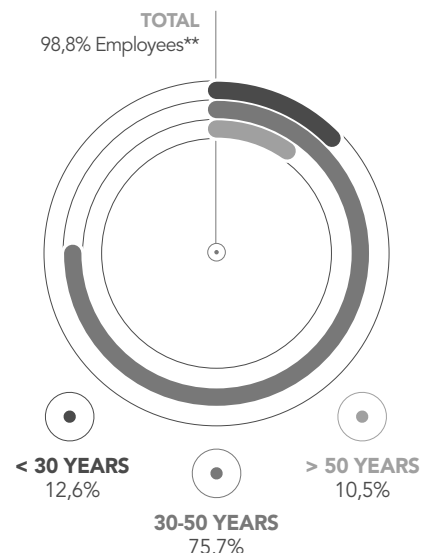
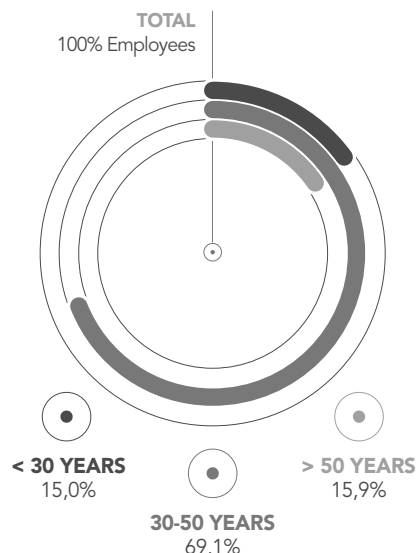
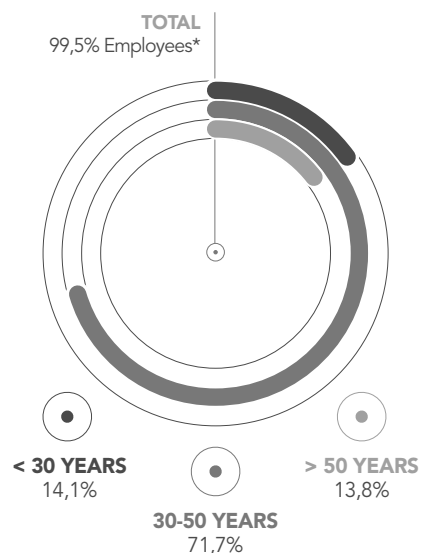
2023	
AREA	ON-ROLL EMPLOYEES
AMERICAS	119
APAC	488
EMEA	567
INDIA	204
Total	1.378

OUR PEOPLE | 5. #WeAreUFI

2023 | On-Roll UFI's Employees' Age Groups

GRI 405-1

Board of Directors composition - Men: 5 (100%) - Age Groups: > 50 years (4 - 80%) - 30-50 Years (1 - 20%)



Total		2023			
AREA	< 30	30-50	> 50	TOT	
AMERICAS	101	221	24	362	
APAC	96	1.111	147	1.354	
EMEA	233	968	294	1.495	
INDIA	59	191	13	263	
Total	489	2.491	478	3.474	

Blue Collars		2023			
AREA	< 30	30-50	> 50	TOT	
AMERICAS	85	139	19	243	
APAC	53	699	114	866	
EMEA	171	557	200	928	
INDIA	6	53		59	
Total	315	1.448	333	2.096	

White Collars		2023				
AREA	< 30	30-50	> 50	NA	TOT	
AMERICAS	16	82	5	16	119	
APAC	43	412	33		488	
EMEA	62	411	94		567	
INDIA	53	138	13		204	
Total	174	1.043	145	16	1.378	

* The information is not available for 16 HC (0,5%) due to privacy.

** The information is not available for 16 HC (1,2%) due to privacy.

OUR PEOPLE | 5.1 Occupational Health & Safety

At UFI Filters, the health and safety of our employees take precedence above all else. We foster a proactive culture centered on continual enhancement and the implementation of integrated safety management systems with the aim of achieving **Zero Accidents**. This entails demonstrating visible leadership, promoting safe behaviors, and providing comprehensive training and equipment to ensure work is conducted safely.

Our dedication to health and safety begins at the highest echelons, with all UFI Filters production facilities mandated to adhere to relevant health and safety legislation in their respective operating countries, alongside our internal protocols. **On-site Occupational Health, Safety, and Environment (HSE) representatives**, working in collaboration with **regional HSE managers**, are entrusted with executing safety measures. Operational oversight rests with location managers. Additionally, our locations feature safety committees comprising management members, employee representatives (if applicable), and the location's HSE representative, tasked with overseeing and enhancing occupational health and safety protocols.

At UFI Filters, we believe that a safety culture is cultivated and upheld by the collective thoughts and actions of all Group members. We encourage each employee to prioritize **SAFETY FIRST** in all endeavors, reinforcing this ethos through posters, reminders, and videos that align

with local legislation and UFI Filters' standards. Moreover, we offer access to occupational health services in accordance with regulatory stipulations, including workplace doctors/nurses, first aid services, and counseling.

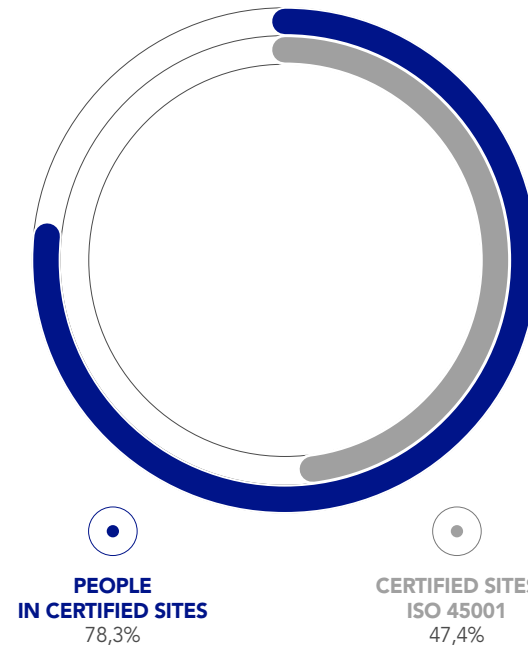
We continuously scrutinize and learn from suggestions and incidents to refine our processes and mitigate risks. This involves identifying occupational health hazards, devising preventive measures/equipment, and enhancing production processes and equipment to minimize risk. Embracing an approach grounded in Safety Talks and Safety Walks, we aim to foster a culture of prevention rather than correction.

At UFI Filters, we invest in **enhancing working conditions through comprehensive risk analyses and assessments**. We formulate corrective and preventive action plans, monitor health and safety activities continuously, and address emerging risk factors stemming from the introduction of new processes, materials, or technologies.

In addition to preventive measures, **UFI Filters conducts audits to ensure compliance with HSE legal requirements and internal policies, standards, and practices**. We consider compliance with laws and regulations a cornerstone of our safety culture. Audit findings are reported annually to headquarters, with any corrective actions or risk improvement measures promptly addressed.

Certified Sites And Covered People

ISO 45001



78,3% of Our People works in sites with ISO 45001 Certification *

47,4% of our Industrial sites are certified ISO 45001

* People is here intended as total employees and workers.

OUR PEOPLE | 5.1 Occupational Health & Safety

The number of **recordable incidents (LTA = Lost Time Accidents)** decreased significantly, from 39 in 2022 to 30 in 2023, marking a 23% reduction. For context, there were 48 incidents in 2021, thus the number of incidents has been decreased by 38% in two years.

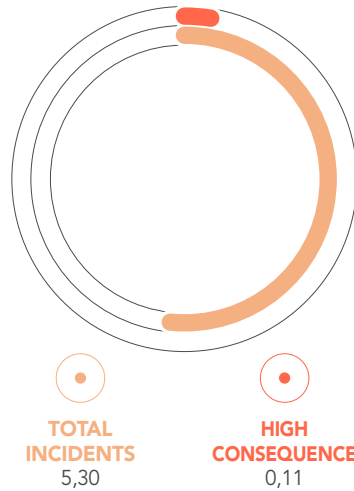
Moreover, the Injury Frequency Index demonstrated notable improvement, decreasing from 5,30 in 2021 to 4,12 in 2022, to a further 3,28 in 2023, where the index indicates the average number of injuries per 1 million worked hours.

This improvement underscores the effectiveness of our efforts to foster a safer working environment and reduce incident rates.

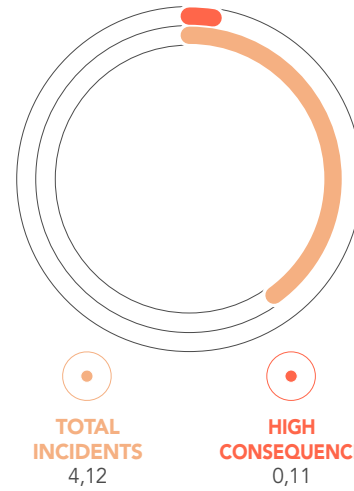
Furthermore, **in 2023, no high-consequence incidents**, including those resulting in more than 180 days of lost time, were recorded. Additionally, **no fatalities have occurred in the past four years**.

UFI Filters' core values of Safety, People, Integrity, Responsibility, Innovation, and Teamwork guide our actions and affirm that safety is integral to our operations. We consistently advocate for safe work practices and prioritize the management of work environments.

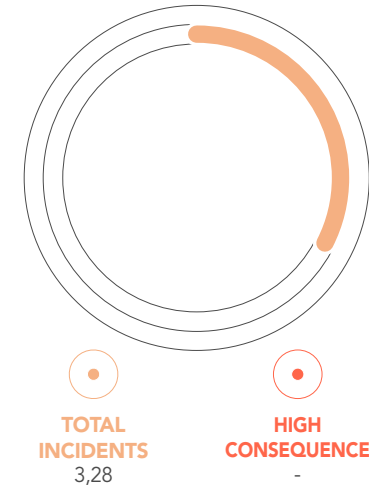
2021 | Frequency Index Injuries GRI 403-9
Number of incidents per 1,0 Mio worked hours



2022 | Frequency Index Injuries GRI 403-9
Number of incidents per 1,0 Mio worked hours



2023 | Frequency Index Injuries GRI 403-9
Number of incidents per 1,0 Mio worked hours



	2021	2022	2023
NUMBER OF INCIDENTS	TOTAL	TOTAL	TOTAL
FATALITIES	0	0	0
HIGH CONSEQUENCE*	1	1	0
TOTAL RECORDABLE INCIDENTS**	48	39	30
TOTAL WORK HOURS	9.060.346	9.473.108	9.154.269

Incidents, worked hours and frequency index are calculated as sum of on-roll employees and agency workers.

** Work-related injury that resulted in an injury from which the worker could not fully recover to pre-injury health status before 6 months.*

*** Including fatalities and high-consequences work related injuries.*

OUR PEOPLE

5.2 Diversity, Equal Opportunity Promotion

Diversity stands as one of UFI Filters' fundamental values and a key driver of our competitive edge. It allows us to cultivate a truly global and inclusive environment within our workforce and corporate culture.

We take great pride in not only championing diversity but also ensuring **equal opportunities** for all. This dedication is exemplified through our **Talent Program**, which has been implemented across all our sites in recent years. This program serves as a platform for identifying latent talents within our workforce, individuals who, with appropriate training and mentorship, can emerge as future leaders of UFI. Our talent pool comprises individuals from diverse cultural backgrounds, carefully selected through our internal performance evaluation process, in alignment with respective managers and Human Resources departments.

In **2023**, our **Talent Program** engaged **7 newly promoted managers** in the **APAC** region and **12 promising talents** in **EMEA**. These participants are actively involved in an extracurricular program under the guidance of dedicated coaches and mentors. Through participation in cross-functional projects with tangible objectives, they gain invaluable experience and contribute directly to the company's success.

Participants can then further undergo skill

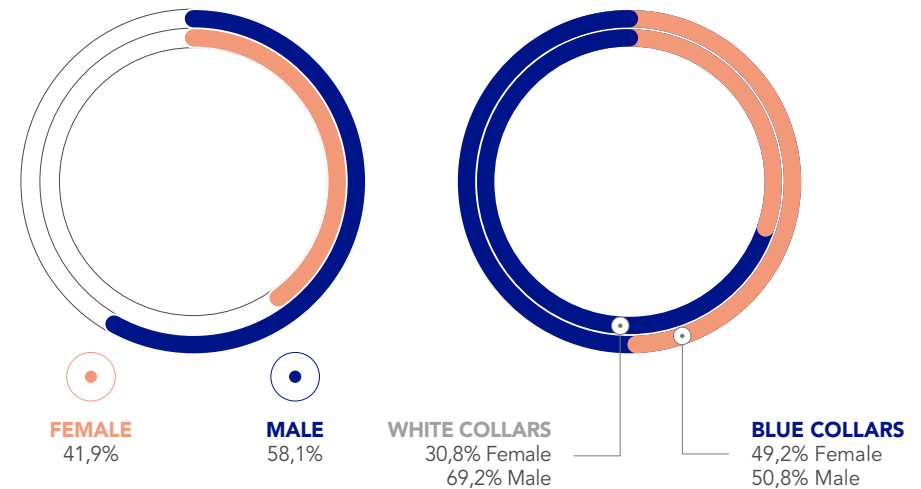
enhancement initiatives initially within their respective sites, gaining exposure to various departments. Subsequently, they progress into middle management roles in different sites within the same country, gradually preparing them for diverse environments across continents. This approach not only fosters diversity but also creates **ample opportunities, nurturing the UFI culture from its grassroots to the highest levels of the organization.**

Operating across 5 continents, we recognize the importance of respecting diverse cultures and ensuring equal opportunities. Embracing cultural diversity is integral to our organizational ethos. In addition to our Talent Program, we provide internal **career advancement opportunities** through **Job-Postings** at both local and group levels, encouraging all employees to pursue open positions within the company.

Moreover, notwithstanding our operations within a highly technical and specialized industrial sector, **women constitute approximately 42% of our workforce.** Nearly half of the blue-collar roles are occupied by women, while approximately one-third hold white-collar positions, spanning across all internal management and operational roles. This robust representation underscores our unwavering dedication to fostering gender diversity and inclusivity across every tier of our organization.

2023 | UFI's On-Roll Employees - Gender Diversity

GRI 405-1



AREA	Total			Blue Collars			White Collars		
	F	M	TOT	F	M	TOT	F	M	TOT
AMERICAS	153	209	362	120	123	243	33	86	119
APAC	620	734	1.354	446	420	866	174	314	488
EMEA	665	830	1.495	460	468	928	205	362	567
INDIA	17	246	263	5	54	59	12	192	204
Total	1.455	2.019	3.474	1.031	1.065	2.096	424	954	1.378

OUR PEOPLE

5.3 People Development

To foster the professional development of our employees, it is paramount to gain comprehensive insights into their skills, personality traits, needs, and career aspirations. This entails continuous monitoring of these aspects throughout their tenure, including during periods of stress and social interaction. Once managers or supervisors possess a thorough understanding of their team members, the development process commences by internally applying training plans tailored to individual skill matrices and gap analyses, addressing specific employee needs.

Our **Personal Business Plan (PBP) framework**, firmly rooted in UFI Values, serves as a cornerstone for fair and transparent evaluation and grading of employees. It serves several purposes, including **setting performance targets, formulating comprehensive development plans encompassing training initiatives, and aiding managers in objectively assessing their teams.**

The PBP framework significantly influences internal promotion and compensation adjustments within the Group. In instances where employees struggle to meet agreed-upon targets, the PBP seamlessly transitions into a recovery plan, offering customized training interventions to support individuals in achieving their objectives. Additionally, all new hires undergo a tailored induction plan to facilitate their seamless integration into the organization.

The **Personal Business Plan (PBP) process** is implemented for the **white-collar employees** globally, following consistent rules and methods. Eligibility necessitates a minimum one-year tenure, excluding therefore new hires and resignations in the year. In 2023, this involved 1081 individuals across various regions. In alignment with our commitment to excellence, UFI extends **evaluation methods** to the **blue-collar workforce across all locations.** These evaluations conform to local protocols and standards, typically overseen by supervisors or managers. Assessments focus on performance, attendance, and skill enhancement. Positive evaluations often result in rewards such as salary increases, career progression, or bonuses, while also serving as valuable tools for identifying training needs and areas for improvement.

Internal promotions are accorded **top priority** as they serve to bolster employee loyalty, ensure retention of institutional knowledge, reinforce faith in a **meritocratic system**, and empower individuals to advance within the organization. Regular communication of such advancements through email and digital platforms fosters a sense of accountability and fortifies the bond between the Group and its workforce.

Our Talent Program and Employee Development initiatives are tailored to provide personalized career trajectories that engage both employees

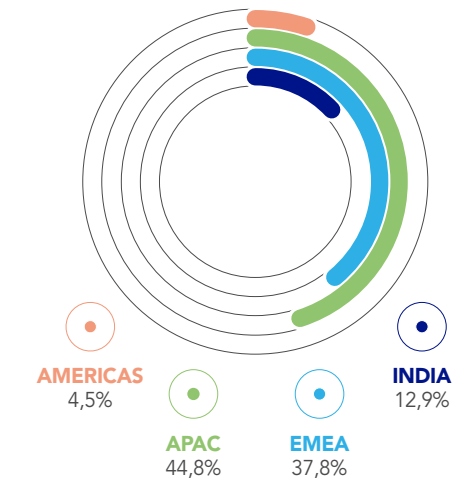
and the Group. Individual development is shaped by a combination of inherent skills and resources provided by the Group, encompassing training sessions, on-the-job learning, mentoring, and team-building activities.

Training plays a pivotal role not only in individual growth but also in sustaining expertise and maintaining a competitive edge in today's dynamic market. While traditional classroom and technical training remain prevalent, digital channels such as social media and the intranet increasingly serve as conduits for training delivery.

Since the end of 2022, we have introduced an **e-Learning program** aimed at enhancing the effectiveness and efficiency of employee training. This program offers flexibility in delivering diverse training modules and enables meticulous monitoring of outcomes, particularly in compliance and internal controls.

Concurrently, we have developed and deployed an internal **Intranet platform since March 2023**, accessible to all employees within the company network. The platform hosts a plethora of content, including Quality Documents (Policies, Procedures, and other relevant documents), Marketing News and Information, internal organizational announcements and news from the Human Resources departments, and operational

2023 | HC Distribution Among Regions GRI 404-3



White Collars		2023
AREA	Number of WC with PBP evaluation	
AMERICAS	49	
APAC	484	
EMEA	409	
INDIA	139	
Total	1.081	

OUR PEOPLE | 5.3 People Development

instructions and services, Cybersecurity alerts, and warnings from the IT departments. This initiative facilitates effective information sharing, enhances awareness and knowledge of internal processes and tools, and promotes efficient communication across the organization.

In 2023, our 21 industrial sites collectively delivered almost 42.500 training hours to all employees, marking a 3% increase from 2022.

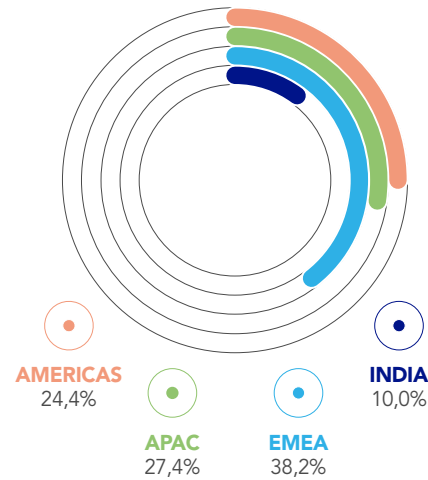
This achievement was realized while upholding our quality standards, meeting production commitments to clients, and honoring employee holidays and personal obligations, showcasing a collaborative effort between employees and the Group in upholding our cherished values.

Notably, training hours for female employees increased by 5% (12.026 hours in 2022), while those for male employees rose by 2%. Training for white-collar employees witnessed a significant uptick of 8% (23.284 hours in 2022).

Regional disparities in training delivery are attributed to variations in worker categories and a preference for video-based training modules, which are perceived as more effective due to their higher content quality and shorter duration, as favored by our workforce community.

2023 | Training Hours

GRI 404-1



AREA	Training Hours		Employee Category		2023	2022
	F	M	Blue Collars (BC)	White Collars (WC)	TOTAL (training hrs)	TOTAL (training hrs)
AMERICAS	3.613	6.777	5.631	4.759	10.390	7.775
APAC	3.581	8.097	4.589	7.089	11.678	8.686
EMEA	5.019	11.242	6.697	9.564	16.261	19.403
INDIA	356	3.893	589	3.660	4.249	5.600
Total	12.569	30.009	17.506	25.072	42.578	41.464
Average hrs	8,64	14,86	8,35	18,19	12,26	12,47

OUR PEOPLE | 5.4 Attractive Working Conditions

Work/Life Balance

The appeal of our Group transcends mere job roles and compensation packages; it lies in our commitment to fostering a nurturing environment and prioritizing work-life balance, both of which are instrumental in retaining our valued employees.

We take pride in providing our employees with a **comprehensive suite of benefits**, encompassing **healthcare, parental leave, pension contributions, and life insurance**. These benefits are extended to **approximately 80%** of our active locations globally, aligning with local regulations and legislation, underscoring our dedication to supporting the well-being of our employees throughout the Group.

Our Human Resources policies serve as the cornerstone of our social infrastructure, ensuring the welfare of both our employees and the company at large. Initiatives such as **hybrid working** have been introduced to empower individuals to effectively manage their personal and professional lives, receiving resounding support and endorsement at the highest levels of the organization.

Our **On-Board procedures** are meticulously designed to facilitate seamless integration into the fabric of our Group, equipping new employees with the necessary resources and guidance to optimize their experience with us.

At the heart of our organizational ethos lies a deep-seated commitment to fostering a diverse and inclusive workplace culture, rooted in **Our Values**. Each employee is entrusted with the responsibility of nurturing and sustaining an environment of inclusivity and respect.

Transparency and openness are paramount values upheld by our organization, serving as essential mechanisms for fostering visible progress. Our Social Channels and websites consistently promote open positions, with a commitment to prioritizing internal candidates while also engaging external channels to identify the most suitable candidates.

Over our 50-year history, our Group's remarkable working conditions have fostered unparalleled employee loyalty. We annually celebrate significant milestones, such as "10" and "20" Years of Service, as recognition holds immense value not only for the individual but also for their colleagues.

We are immensely proud of our employees who dedicate their entire careers to the UFI Filters Group, demonstrating unwavering loyalty and commitment. This constant allegiance speaks volumes about the supportive environment and the harmonious balance between professional and personal life that we diligently foster.

#WeAreUFI



OUR PEOPLE

5.5 Freedom Of Association

At UFI Filters, our steadfast commitment to excellence extends beyond mere operational success; it encompasses the holistic well-being and empowerment of our global workforce, spanning diverse regions and cultural landscapes.

At the core of our organizational philosophy lies an unwavering dedication to upholding the fundamental rights and dignity of every individual. We champion the principle of **Freedom of the Individual**, ensuring that each employee has the unfettered autonomy to freely associate and participate in representative bodies, in strict accordance with the laws and regulations of their respective regions.

These representative bodies serve as crucial channels for dialogue, advocacy, and collective action, amplifying employee voices on critical matters such as labor rights, workplace safety, environmental sustainability, and ethical business practices.

Through collaborative engagement and participatory decision-making, we co-create an inclusive and empowering work environment that fosters a deep sense of belonging and ownership among our diverse workforce. Embedded within the fabric of our global strategy, policies, and practices is a profound commitment to fostering a culture of respect, inclusivity, and empowerment.

In navigating the multifaceted regulatory landscapes across different regions worldwide, encompassing various countries and continents, we remain steady in our commitment to compliance and ethical conduct.

In some regions, employees may have affiliations with **union associations**, while in others, they enjoy the **freedom to associate with unions as they see fit. Factors such as workforce composition and regional dynamics** may influence the **feasibility of unionization in certain areas**. Nevertheless, in regions where labor unions operate, they do so within the framework of legal mandates, **ensuring fair representation and adherence to established procedures**.

Despite the diverse regulatory contexts, our commitment to fostering harmonious industrial relations remains resolute. Through transparent communication, collaboration, and mutual respect, we strive to create an empowering work environment that nurtures talent, fosters innovation, and drives sustainable growth.

At UFI Filters, our dedication to excellence, integrity, and social responsibility serves as the guiding force behind everything we do. By prioritizing the well-being, empowerment, and prosperity of our global workforce, we aim to create a more just, equitable, and sustainable future for all.



OUR PEOPLE | 5.6 Corporate Citizenship

External Initiatives

UFI Filters Group remains resolutely committed to supporting local communities and associations, embodying the ethos of **“Think Global, Act Local”**. Guided by our **Chairman** and **top management**, we firmly believe that our value extends beyond mere business success to encompass our broader societal impact.

Our dedication to inclusivity, education, and enhancing the well-being of those within our communities remains a central focus of our corporate responsibility endeavors.

Our longstanding partnership with **“La Casa del Sole” in Mantova, Italy**, serves as a testament to our enduring commitment to positively impacting the lives of children facing psycho-physical and relational challenges.

In 2023, we continued our tradition of bringing joy and support to these children through various events, including the Easter feast and the annual Christmas gathering, which celebrated its 27th year. These cherished occasions, embraced by our **Chairman and the UFI Management Team**, underscore our belief in the profound power of human connection and the imperative of giving back.

In the **Czech Republic**, another noteworthy example of our dedication to community engagement and support is evident.

Throughout 2023, we expanded our efforts to address different community needs, further exemplifying our commitment to corporate social responsibility.

Our contributions ranged from supporting organizations providing hospice care for individuals in the terminal stages of life to assisting families lacking the financial means for early childhood education. Additionally, we lent our support to associations dedicated to promoting children’s physical development and fostering safety awareness.

Looking forward, we are eager to sustain our efforts in the upcoming year, building upon our existing commitments while also exploring new avenues for positive impact within the communities where we operate.

At UFI Filters Group, our journey of corporate responsibility is an ongoing evolution, characterized by compassion, collaboration, and a shared vision of a brighter future for all.



OUR INNOVATION | 6.1 Our Sustainable Innovation

Undoubtedly, **climate change** represents an urgent global crisis, necessitating immediate action to prevent further degradation of our environment. The **Paris Agreement of 2015** marks a pivotal moment in our collective endeavor to combat climate change and promote international cooperation in addressing this pressing issue.

Transportation stands out as one of the major contributors to greenhouse gas emissions, emphasizing the need to reduce these emissions to align with the goals set forth.

The emergence of electrification has ushered in new product categories, particularly embracing **full electric vehicle technology** and **hybrid vehicles**.

These innovative advancements not only signal a shift towards cleaner and more sustainable modes of transportation but also demonstrate a concentrated effort to **enhance technological efficiency**. Specifically, significant attention has been directed towards developing cutting-edge technologies aimed at optimizing the thermal management of engines and batteries.

This holistic approach not only enhances the performance of electric and hybrid vehicles but also contributes to prolonging the lifespan and overall efficiency of critical components, thereby magnifying the sustainable impact of electrified transportation.

For five decades, UFI Filters has been at the forefront of providing state-of-the-art solutions to meet the evolving technological landscape of the automotive industry. Our enduring success in collaborating with customers to develop clean mobility solutions is founded on a commitment to relentless technological innovation, a dedication to achieving unmatched performance, and substantial investments in the development of advanced products.

This persevering approach has enabled UFI Filters to maintain its position as a leader in the automotive sector, consistently delivering solutions that address the industry's most pressing challenges while propelling sustainable progress forward.

Hydrogen holds promise for sustainable automotive use, reducing greenhouse gas emissions and fossil fuel dependence. Our **UFI Innovation Center** has been advancing hydrogen technologies since 2017, contributing to decarbonization through filtration material research.

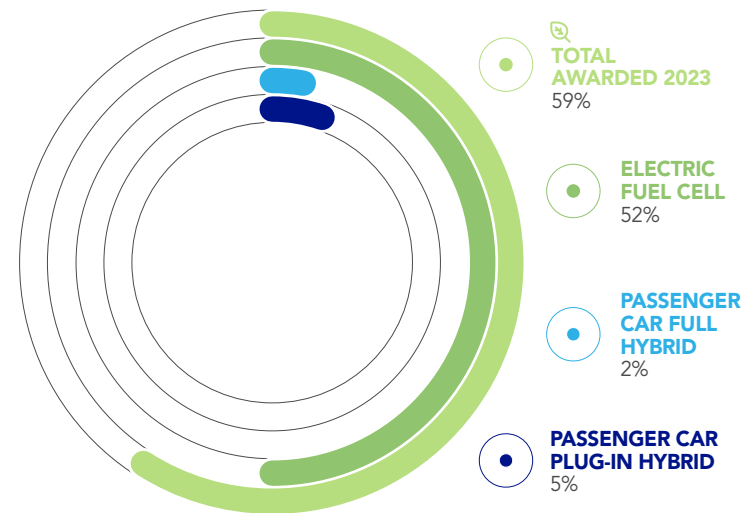
This led to the establishment of **UFI HYDROGEN** (previously named UFI Cell) in 2023, dedicated to developing **Membrane Electrode Assemblies (MEAs)** for green hydrogen production and zero-emission mobility. UFI HYDROGEN collaborates globally, supported by organizations

like **Provincia Autonoma di Trento** and **FBK (Fondazione Bruno Kessler)**. It also plays a key role in the **European IPCEI (Important Project of Common European Interest) Hydrogen Program** along with other important European partners, fostering innovation with European partners.

UFI Filters has already incorporated this new direction into its portfolio, with **59% of newly**

awarded business projects in 2023 being focused on applications for electrified vehicles. This represents a significant increase from just two years prior in 2021 when the share was around 39%. As a result, UFI Filters has shifted its product applications towards **new full electric and fuel cell vehicle applications**, which now make up almost **52%** of their **new awarded portfolio**, compared to 37% in 2022 and 29% in 2021.

2023 | Our Business Awarded



OUR INNOVATION

6.1 Our Sustainable Innovation

UFI Filters has continued to demonstrate its commitment to product innovation, achieving significant milestones in the fields of filtration and thermal management. In 2023, UFI Filters has expanded its presence in the thermal management sector, securing a significant project for the **e-axle cooler of a new Battery Electric Vehicle (BEV)** in development by **NIO**. This project underscores UFI Filters' technological expertise and customer relations, as the company now collaborates with a multinational smart vehicle manufacturer headquartered in Shanghai. The e-axle is a crucial component of BEVs, requiring optimal thermal management to ensure peak performance. UFI Filters' technology in water-cooled vacuum brazed aluminum plays a fundamental role in maintaining ideal thermal conditions for the e-axle, thereby contributing to overall efficiency improvements in electric vehicles.

Additionally, the company was selected to supply the **cathode air filter module** for the **Changan Deep Blue SL03**, the first series production fuel cell vehicle in China. Originally launched as an electric vehicle, this vehicle will now be powered by a fuel cell powertrain, marking further progress towards cleaner and more sustainable mobility technologies. The cathode air filter module developed by UFI Filters is part of the **SUPER ADSORBENT** range and provides comprehensive intake air filtration to **protect proton exchange membrane fuel cells (PEMFC)** from solid

and gaseous contaminants, ensuring optimal performance and longevity. These advancements illustrate UFI Filters' commitment to adapting to the automotive industry's evolving challenges, offering innovative solutions that contribute to sustainability and emissions reduction.

Fuel Cell Electric Vehicles (FCEVs) utilize electricity to drive an electric motor. Unlike other electric vehicles, FCEVs generate electricity through a fuel cell powered by hydrogen, instead of solely relying on the high voltage battery. It's crucial to maintain hydrogen within optimal temperature conditions in the vehicle's system to prevent a

decrease in powertrain efficiency. UFI Filters has started a collaboration in 2023 with a prominent Fuel Cell manufacturer to develop a **hydrogen heater** intended for integration into FCEVs for cold weather operation.

Furthermore, UFI Filters has initiated a collaboration with a car manufacturer to develop components for **CO₂-based Air Conditioning and Thermal Management systems**, as part of efforts to **address concerns regarding Perfluoroalkyl and polyfluoroalkyl substances (PFAS) in refrigerants**. PFAS are synthetic chemicals used widely across industries and

are increasingly detected as environmental contaminants, posing health risks. Due to concerns, proposals advocate for banning PFAS, including those used in refrigerants. In response, automotive manufacturers are developing alternative systems using natural refrigerants like carbon dioxide (CO₂), which is not affected by the PFAS ban.

This comprehensive report highlights UFI Filters' commitment to innovation and sustainability, showcasing its efforts to address environmental challenges and meet the evolving demands of the automotive industry.

UFI Cathode Air Filter (Changan)



UFI E-Axle Cooler (NIO)



OUR INNOVATION | 6.2 Product Quality & Safety

#WeCare

Prioritizing the well-being and safety of our clients is not just a commitment but a cornerstone of our ethos. We are dedicated to providing top-notch products renowned for their performance, quality, and dependability.

To uphold this standard of excellence, UFI Filters has devised and rigorously implemented internal procedures that adhere to the exacting criteria set forth in the **“Automotive Quality Management System Standard” IATF 16949:2016**. This internationally recognized standard not only encompasses the structure and requisites of the **ISO 9001:2015 quality management system** standard but also incorporates **specific requirements tailored** to meet the stringent demands of **automotive clients**.

In line with our commitment to excellence, we have formulated **comprehensive corporate policies, protocols, and directives aimed at disseminating best practices and invaluable lessons learned** across all subsidiaries of the Group. This concerted effort ensures that consistent standards and quality benchmarks are not only established but rigorously maintained across all production facilities.

Furthermore, our Quality department, in alignment with top management, meticulously defines quality metrics and establishes annual objectives to continually raise the bar in this domain. As

part of our commitment to transparency and accountability, we assess **customer satisfaction through monthly scorecards** accessible via their dedicated portal. These scorecards meticulously evaluate service and product performance delivered by each plant, with a keen focus on quality, procurement, logistics, and responsiveness indices.

Moreover, our engineering centers employ the robust **Failure Mode Effect Analysis (FMEA) methodology** to proactively identify and meticulously evaluate potential risks and vulnerabilities associated with both product design and process development. This preemptive approach allows us to address factors that could potentially impact product quality and reliability before they escalate.

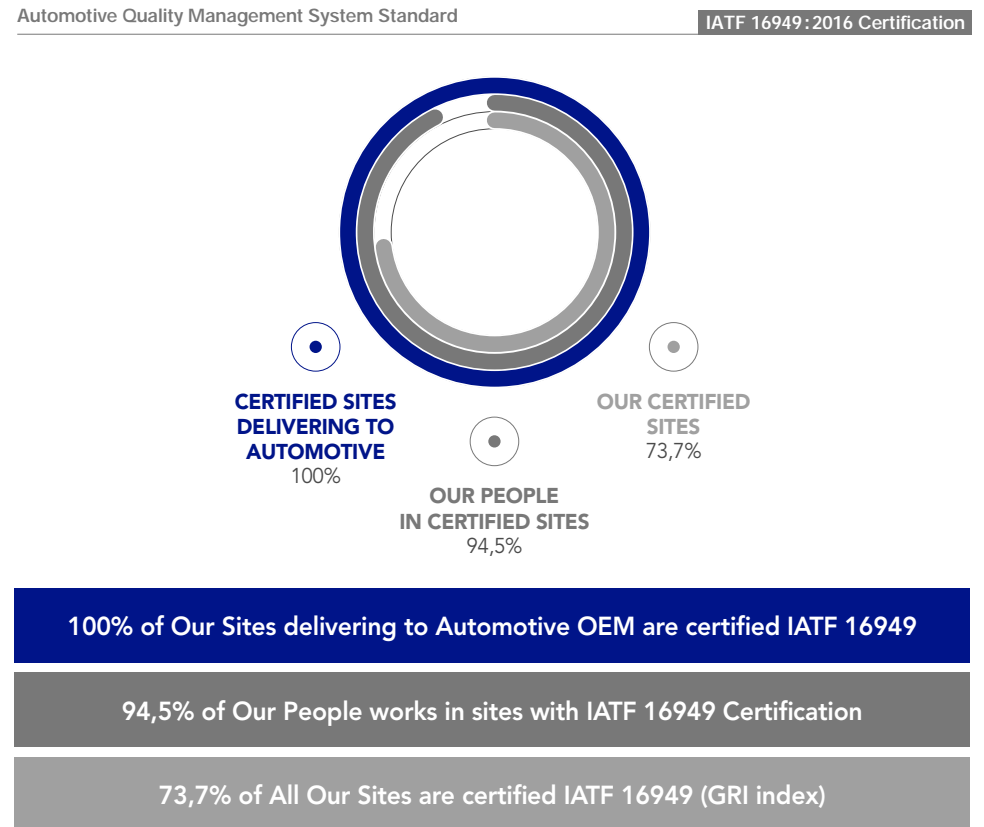
Critical characteristics of our products and processes, especially those with safety implications for end-users, are identified and subjected to systematic monitoring and control throughout the entire product lifecycle and production chain. This ongoing analysis persists throughout the product’s lifespan, ensuring that any deviations or changes in requirements are promptly addressed and incorporated.

Furthermore, we uphold our commitment to excellence through routine internal and external audits conducted at both production sites and

central functions, ensuring strict adherence to standard requirements and facilitating continual enhancement of our management system and associated processes.

The validation of our efforts comes through third-party certifications, with **all manufacturing**

plants within the group supplying automotive OEM customers receiving certification according to the IATF 16949:2016 quality management system standard in 2023. This affirmation underscores our unwavering dedication to quality, safety, and customer satisfaction.



OUR INNOVATION

6.2 Product Quality & Safety

Our dedication to product safety extends to ensuring material compliance as part of our strategy to uphold high social and environmental standards throughout our Supply Chain. Throughout our development phases, we continuously verify that products and processes are **free from hazardous substances** or, where applicable, comply with **international legislation limits**. Additionally, we check whether materials are responsibly sourced from **conflict-free regions**.

Our compliance efforts encompass not only verification but also the declaration of substance content in products supplied to all UFI Filters Group entities worldwide.

To fortify our dedication to adherence to governmental laws and regulations, UFI Filters mandates that all suppliers and commercial partners align with the **Group Material Compliance Policy**. This policy is designed to ensure adherence to various regulatory frameworks, including:

The Group Material Compliance Policy

- **IMDS System (International Material Data System):** A globally standardized exchange and management system for material data within the automotive industry, facilitating seamless declaration of chemical compositions.

- **REACH (Registration, Evaluation, Authorization, and Restriction of Chemicals):** An EU Commission Regulation focusing on chemical management and safety, compelling companies to diligently manage chemical risks and provide comprehensive safety information.

- **RoHS (Restriction Of Hazardous Substances):** A European Union Directive aimed at curtailing the usage of hazardous substances in electrical and electronic equipment, with a strong emphasis on environmental recovery and waste disposal.

- **Conflict Minerals (also known as “3TG” - Tin, Tantalum, Tungsten, and Gold):** An Act established by the SEC Commission of the USA, mandating disclosure of 3TG presence in products and necessitating rigorous tracing and monitoring of mineral sourcing across supply chains, along with validation of smelters.

These regulatory frameworks are instrumental in ensuring robust protection of both human health and the environment.

It is worth noting that in the year 2023, no incidents concerning end-customer health and safety resulting in fines, penalties, or warnings were reported, underscoring the efficacy of our stringent compliance measures and commitment to product safety.



OUR INNOVATION

6.3 Our Supply Chain

UFI Filters acknowledges **the critical role** of the **Supply Chain** in maintaining **quality and safety** standards. We take responsibility for our practices and those of our suppliers through a **strict approval process**, centrally coordinated by our Headquarters. This multi-stage process evaluates suppliers' compliance with social, governance, and environmental standards, **using third-party certifications like IATF 16949, ISO 9001, ISO 14001, and ISO 45001** as key benchmarks.

In **2023**, UFI Filters developed and introduced the **Supplier Code of Conduct**, available for download on our website and included in our Supply Chain **Terms & Conditions**. This comprehensive policy highlights our commitment to sustainability throughout our Value Chain. Emphasizing human rights and environmental stewardship, including decarbonization and climate change mitigation, the Supplier Code of Conduct outlines our expectations for supplier behavior and performance. We expect all suppliers to align with these principles, demonstrating their dedication to our shared sustainability goals.

Furthermore, our on-going strategic shift to a **local-to-local purchasing approach** (geographical definition of local is the **Region**) highlights our commitment to sustainability. By prioritizing local suppliers, we enhance supply chain stability,

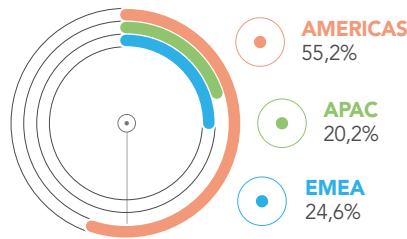
mitigate risks from geopolitical tensions, and reduce the environmental impact of long-distance shipping. In **2023**, this approach **strengthened**, especially in India, which has become less reliant on other regions. Conversely, the Americas increased overseas purchases from the APAC region due to higher inflation for aluminum coils, affecting EMEA and Americas.

Finally, UFI Filters proudly announces the acquisition of the **Authorized Economic Operator (AEO) Full certification (IT AEOF 23 2047)** for UFI Filters S.p.A., demonstrating its commitment to excellence and compliance in customs operations. The AEO accreditation, obtained in accordance with EU regulations, signifies the company's status as a trusted partner with secure supply chain practices. With this certification, UFI Filters gains access to streamlined customs procedures, reduced physical inspections, and enhanced relationships with customs authorities. Looking ahead, the company remains dedicated to upholding the highest standards of operational efficiency and sustainability, further solidifying its position as a leader in the industry. The AEO status not only facilitates smoother trade within the EU but also fosters stronger partnerships with international markets. This milestone underscores UFI Filters' ongoing commitment to fostering trust, transparency, and reliability across its global operations.

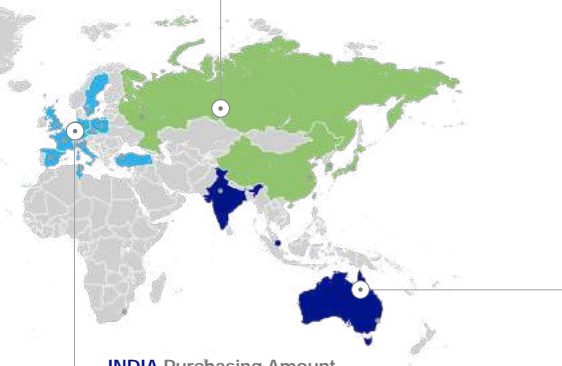
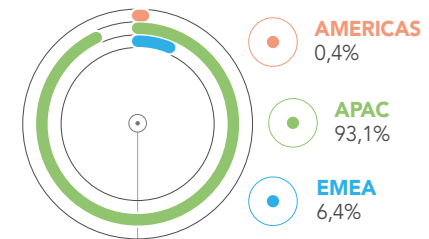
2023 | UFI's Proportion of Regional Purchase

GRI 204-1

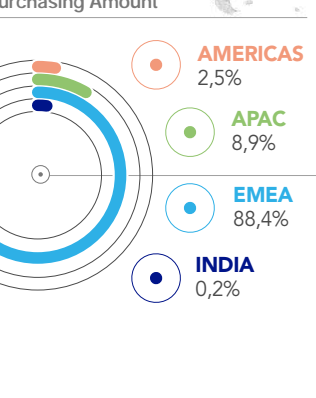
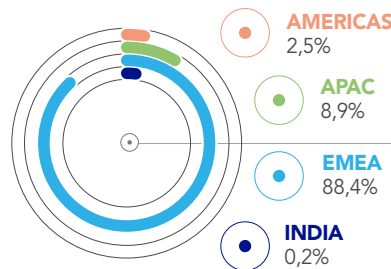
AMERICAS Purchasing Amount



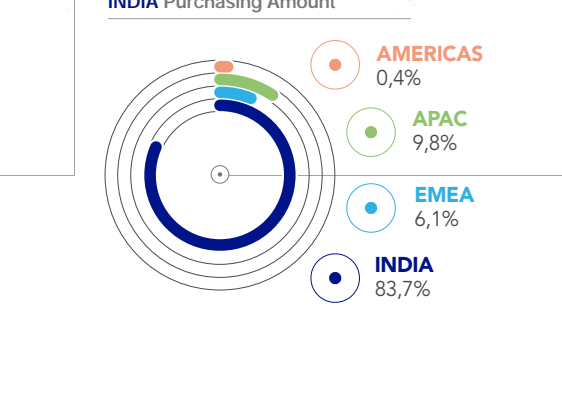
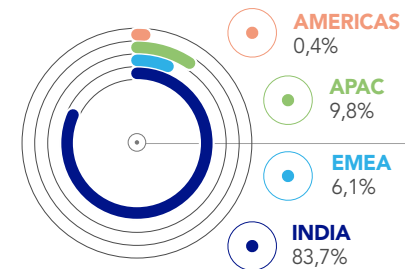
APAC Purchasing Amount



EMEA Purchasing Amount



INDIA Purchasing Amount



OUR INNOVATION | 6.3 Our Supply Chain

Procurement of Materials at UFI Filters

Material procurement is a key component of UFI Filters' operational activities, with the accompanying chart covering nearly 87% of the total group purchases, while the remaining portion includes indirect services such as energy. Within these acquisitions, **raw materials account for approximately 24,3%** of the total purchase value, while the remainder consists of various semi-finished components procured externally.

The procurement of **plastics** serves as a key element for internal manufacturing processes, particularly in the assembly of components onto filters through vertically integrated operations. Alongside, the company acquires plastic semi-finished products from diverse suppliers, all serving a common purpose. These plastics predominantly consist of **technical resins engineered to endure mechanical and thermal stresses**, compatible with both thermal and electric engines. Consequently, the integration of **recycled materials** in these plastics is **limited** due to **stringent technical specifications** mandated by customers, particularly evident in granulated plastic raw materials. Materials such as polyamides PA6 or PA66, prevalent in our procurement, adhere to strict client-set requirements, constraining the use of recycled content.

Currently, **significant percentages of recycled material** (ranging from 25% to 65% depending on the grade) are observed solely in **polypropylenes**, albeit forming a **small fraction** of our total

plastic raw material purchases. Exploring the possibility of increasing recycled content in some resins for future projects is underway, despite the complexities and costs associated with altering materials in ongoing production.

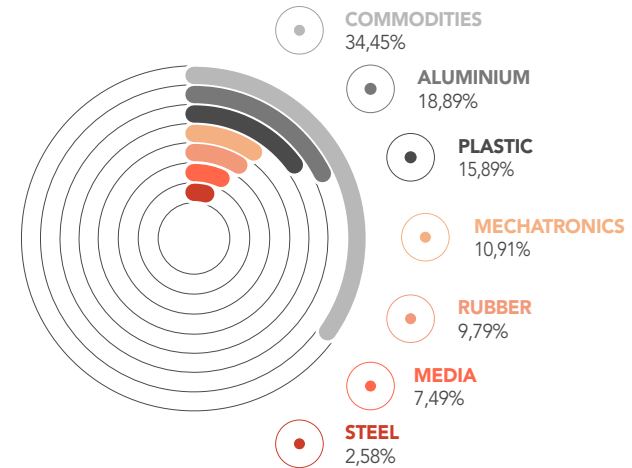
In terms of metals, **aluminum** constitutes the predominant volume of purchases by weight, amounting to **approximately 38% of raw materials procured**. Special aluminum coils, comprising nearly 46% within this category, are procured for manufacturing components used in heat exchangers through a vacuum furnace brazing process. Additionally, aluminum ingots are sourced for use in the group's foundries, contributing an additional 18% within the commodity category. The remainder, constituting 36%, comprises semi-finished components procured directly from external suppliers.

Furthermore, UFI Filters procures **cellulose**, derived from wood, for use in **filtering materials** production. However, due to **technical constraints**, only virgin cellulose is currently utilized, reflecting the company's commitment to **maintaining product quality and performance standards**. As the GRI definition of "renewable material" emphasizes replenishable resources, applicable to ecological cycles or agricultural processes, this does not align with the materials procured by UFI Filters for product manufacture, primarily consisting of ores, minerals, metals, and wood derivatives.

2023 | Material Procurement

GRI 301-1

Percentage on Total Annual Purchase



MATERIAL	MATERIAL TYPE	UoM	TOTAL QUANTITIES
OTHER GLOBAL COMMODITIES			22.781,42
	Semi-Finished Goods	k pc	
LOCAL COMMODITIES			N/A
	Various		
ALUMINIUM	Raw Materials / Semi-Finished Goods	Tons	12.041,05
PLASTIC	Raw Materials / Semi-Finished Goods	Tons	8.500,93
MECHATRONICS	Semi-Finished Goods	k pc	6.903,38
RUBBER	Semi-Finished Goods	k pc	170.217,06
MEDIA	Raw Materials	Tons	2.203,00
STEEL	Raw Materials / Semi-Finished Goods	Tons	6.092,09

The GRI definition of volume is here intended as annual volume quantity in thousands of pieces (k pc).

OUR WORLD | 7.1 Approach To Environment

In the ongoing pursuit of environmental sustainability, global movements such as the **European Green Deal** and various national agreements inspire action and commitment worldwide. While striving for carbon neutrality remains a shared goal, there's a recognition of the ongoing challenges and complexities involved. Our customers are increasingly prioritizing sustainability within their operations, prompting us to align our efforts accordingly.

At UFI, we are committed to **reducing our carbon footprint and integrating sustainability practices** across our industrial sites. This involves ongoing evaluation and adaptation of methodologies to ensure alignment with environmental objectives.

Expanding upon **our legacy of providing filtration products for a cleaner planet**, we are exploring opportunities to incorporate emissions-free New Energy vehicles into our offerings. Our focus on advancing Thermal Management technology underscores our commitment to innovation and sustainability. Additionally, we're actively **exploring the potential of fuel cell products, including applications related to hydrogen technology**.

In line with our commitment to sustainability and environmental responsibility, UFI is actively contributing to the development and utilization

of **hydrogen technology**. Hydrogen holds immense potential as a clean and versatile energy carrier, offering solutions for various sectors, including transportation, industry, and energy storage. Through our research and development efforts, we are exploring ways to integrate hydrogen fuel cells into our product portfolio, thereby contributing to the transition towards a hydrogen-powered economy.

Our sustainability approach is holistic, encompassing every aspect of our industrial operations. Spearheaded by our **Environmental, Health, and Safety (EHS) functions**, our efforts are overseen by the **Group CEO steering committee** and monitored by **regional leadership** and **EHS committees**.

Rooted in legislative compliance, risk assessment, and mitigation, our methodology ensures that each industrial site adheres to environmental laws, regulations, and standards pertinent to its location.

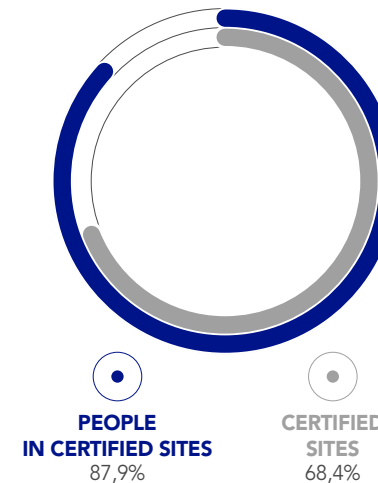
To ensure a comprehensive approach, we undertake rigorous environmental analysis, delving into the impacts of our production processes on resources and the environment. Strategic collaboration with suppliers and adherence to legal and compliance obligations further enhance our environmental risk management efforts.

Our environmental policies provide a framework for minimizing our environmental footprint through sustainable practices in material usage, energy consumption, water management, and waste reduction. The extension of **ISO 14001** certification to our operations underscores our commitment to environmental management and regulatory compliance.

In 2023, our unwavering dedication to environmental management practices yielded significant results, with **no monetary fines or legal disputes related to environmental matters across UFI plants**. This outcome underscores our commitment to sustainability and sets a precedent for our continued efforts in environmental stewardship.

Certified Sites and Covered People

ISO 14001



87,9% of Our People works in sites with ISO 14001 Certification

68,4% of our industrial sites is ISO 14001 Certified

OUR WORLD | 7.2 Energy Consumption

UFI Filters primarily relies on **electricity and natural gas** for its energy needs, which constitute nearly all the group's total energy consumption. Electricity energy is primarily utilized for assembly and verticalized processes, as well as for auxiliary systems. On the other hand, natural gas is used for heating and producing domestic hot water. The use of natural gas in manufacturing occurs in specific processes such as heating ovens, notably in facilities like the aluminium die-casting furnaces in the Shanghai and New Delhi plants.

Diesel and gasoline fuels are primarily employed for mobility requirements, mainly within the company's vehicle fleets. Industrial usage of diesel fuel and fuel oil is minimal and is expected to be phased out in favour of alternative sources in the future. Additionally, the Czech Republic and Poland plants procure district heating for their respective sites.

In the final quarter of 2023, UFI conducted an internal assessment to calculate both direct **Scope 1 and indirect Scope 2 greenhouse gas emissions**. This assessment provided a detailed breakdown of energy sources and consumption for the year 2022, including fuel consumption for vehicle mobility and the purchase of heating services like district heating.

There has been a **0,73% reduction in purchased electricity year-on-year**, while **overall energy consumption**, including other sources, **decreased by 1,73%**. Across various operational domains, a comprehensive set of energy-saving initiatives has been rolled out, underscoring a commitment to sustainability and efficiency. These measures span technological upgrades, process optimization, and strategic equipment replacements, all aimed at curbing electricity consumption and minimizing environmental impact.

Given that **the Asia-Pacific (APAC) region accounts for 57% of electricity consumption, special attention is paid to energy efficiency actions in APAC plants**. Notable efforts include activities in Shanghai, Chongqing, and Changchun plants to reduce electricity usage, resulting **in a further 2,30% decrease from 2022 to 2023**.

A significant advancement involves integrating energy-efficient equipment and automation technologies. Implementing thermal insulation measures, such as adding reflective plate layers, improving oven insulation, and optimizing heating systems in injection moulding machines, has played a crucial role in conserving energy. The replacement of traditional road lamps with



OUR WORLD | 7.2 Energy Consumption

solar-powered and electric lamps, alongside the upgrade of outdated furnaces and air compressors, has significantly decreased electricity usage.

Furthermore, the substitution of fixed-frequency equipment with variable frequency converters in air compressors, installation of online electric meters, integration of time-control switches into various processes, adoption of smaller air compressors, and implementation of automated VOCs systems have resulted in significant improvements in energy efficiency. These efforts underscore a dedication to continual improvement and technological advancement.

Together, these initiatives underscore a holistic approach to energy management, blending technological innovation with operational optimization to achieve significant reductions in electricity consumption. Embracing sustainability as a core principle drives operational efficiencies and paves the way for a greener, more sustainable future.

While constraints exist on installing renewable energy supply equipment on existing premises, UFI Filters India in Bawal near **New Delhi** showcases a **local production of 549.232 kWh (equal to 1.977,2 GJ)** provided by solar panels.

This autonomous production corresponds to the **25,4% of its energy needs**. Furthermore, this plant produces an **additional quote of 9.743 kWh** (equal to 35 GJ) that is re-introduced **into the grid**.

On the other hand, the recently established **Green Technology plant in Jiaxing, China**, is outfitted with a **photovoltaic system**, ensuring an independent and sustainable energy source for future operations at the site.

However, decisions on energy infrastructure are often constrained by lease agreements or structural limitations.

UFI is exploring various alternatives, including agreements with local energy providers or lessors to increase renewable energy quotas in 2024 and beyond, and adopting renewable energy certificates to support broader electrification efforts. These certificates assist consumers, such as utilities, corporates, and manufacturers, in achieving net-zero targets under carbon disclosure mechanisms.

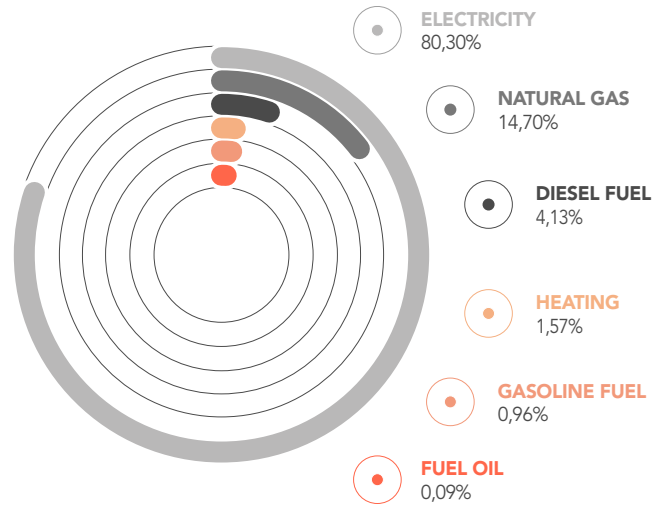
The company is currently developing a decarbonization strategy tailored to each country's requirements and company resources/ consumption patterns.



OUR WORLD | 7.2 Energy Consumption

2022 | Energy Consumption

GRI 302-1



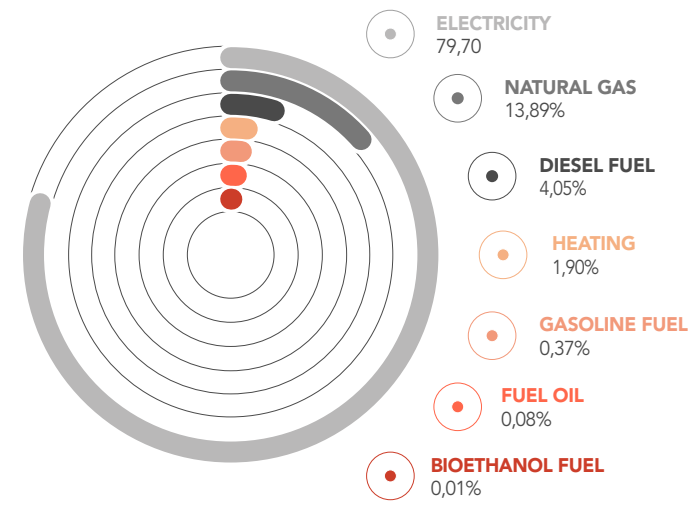
2022

ENERGY SOURCE	QUANTITY	UoM	QUANTITY	UoM
TOTAL ELECTRICITY*	63.595.325	KWh	228.943,2	GJ
NATURAL GAS	1.167.946	Sm3	41.911,5	GJ
DIESEL FUEL	328.063	l	11.786,5	GJ
DISTRICT HEATING	4.479	GJ	4.479,4	GJ
GASOLINE FUEL	84.529	l	2.745,5	GJ
FUEL OIL	6.684	l	267,9	GJ
BIOETHANOL FUEL	-	l	-	GJ
Total			290.134,0	GJ

* Of which Renewable Energy Generation for self-consumption 563.122 kWh (2.027,2 GJ)

2023 | Energy Consumption

GRI 302-1



2023

ENERGY SOURCE	QUANTITY	UoM	QUANTITY	UoM
TOTAL ELECTRICITY**	63.118.654	KWh	227.227,2	GJ
NATURAL GAS	1.094.404	Sm3	39.606,5	GJ
DIESEL FUEL	324.567	l	11.550,4	GJ
DISTRICT HEATING	5.406	GJ	5.405,7	GJ
GASOLINE FUEL	32.943	l	1.063,2	GJ
FUEL OIL	5.556	l	221,1	GJ
BIOETHANOL FUEL	1.557	l	33,1	GJ
Total			285.107,1	GJ

** Of which Renewable Energy Generation for self-consumption 549.232 kWh (1.977,2 GJ)

Greenhouse Gases Emissions

The **Paris Agreement**, a landmark accord within the global effort to combat climate change, sets forth ambitious objectives aimed at mitigating the adverse impacts of greenhouse gas emissions. Through this agreement, nations worldwide commit to limiting global warming to well below **2 degrees Celsius above pre-industrial levels**, with a strong aspiration **to strive for a 1.5-degree Celsius limit**. This necessitates concerted action from all sectors of society, including industries like automotive, which significantly contribute to emissions.

In response to the Paris Agreement's imperatives, the automotive industry is actively seeking solutions to curb emissions and transition towards more sustainable practices. Manufacturers are investing heavily in research and development to advance electric vehicle (EV) technology, reduce vehicle emissions, and increase fuel efficiency. Additionally, there is a **growing emphasis on integrating renewable energy sources** into automotive manufacturing processes and operations, further aligning with the overarching goals of the Paris Agreement.

Furthermore, stakeholders across the automotive value chain are collaborating to establish industry-wide standards and initiatives aimed at reducing emissions. This includes efforts to optimize supply chains, enhance recycling and reuse of materials, and promote eco-friendly manufacturing practices.

As a key player in the automotive sector, UFI Filters recognizes the urgency of addressing climate change and is committed to aligning its operations with the objectives outlined in the Paris Agreement. Recognizing the profound significance of these goals, UFI Filters took a proactive stance in 2023, launching an initiative to comprehensively grasp and quantify its greenhouse gas (GHG) emissions. Spearheaded by the headquarters, this endeavor witnessed robust collaboration from regional EH&S functions and all operational facilities, reflecting a unified commitment to environmental stewardship.

The meticulous assessment encompassed GHG emissions for both **2022 and 2023, with a keen focus on direct Scope 1 and indirect Scope 2 emissions**. Looking ahead, UFI is poised to extend its analysis to include upstream and downstream emissions associated with Scope 3 activities, acknowledging the potential impact of emissions stemming from purchased goods and services, as well as transportation and distribution channels.

The findings of this analysis underscored the **prevailing influence of indirect Scope 2 emissions linked to electricity usage**, which serves as the primary energy source for UFI's industrial operations. While Scope 1 emissions constitute a smaller proportion of the total Scope 1 + 2 emissions, hovering around 10%, they provide strategic insights for future endeavors. This includes enhancing energy consumption



OUR WORLD | 7.3 Climate Protection

management, scaling up procurement of renewable energy quotas, and investing in renewable energy certificate quotas to bolster sustainability efforts.

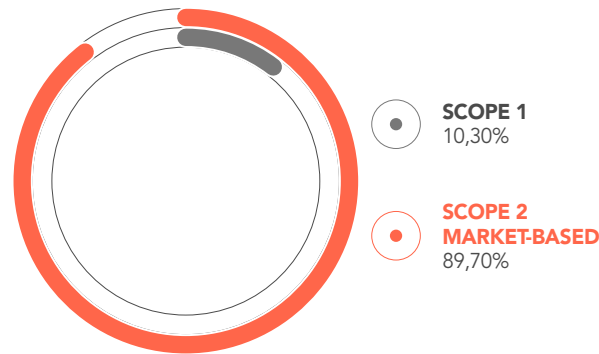
Notably, **ongoing energy efficiency initiatives have yielded tangible benefits**, particularly in areas and plants where electricity consumption predominates within the group. However, these **gains are offset** by increasing emissions from sites responding to **heightened market demand by ramping up production output**.

A positive trend emerged in **Scope 1 emissions between 2022 and 2023, showcasing an 9,24% reduction primarily attributed to targeted improvement initiatives focused on refrigeration plant maintenance**. These measures, aimed at addressing emissions from refrigerant equipment refilling, have proven instrumental in emission reduction efforts. Moreover, a reduction in natural gas consumption, facilitated by conscientious and effective office heating management, further contributed to emission mitigation.

Furthermore, UFI Filters acknowledges its contribution to Scope 1 emissions through the utilization of traction fuel for owned or long-term leased fleets of predominantly diesel-powered vehicles. These comprehensive insights underscore UFI's unwavering dedication to comprehending and mitigating its environmental impact, steering future strategies towards sustainability and climate resilience.

2022 | GHG Inventory UFI Filters Group

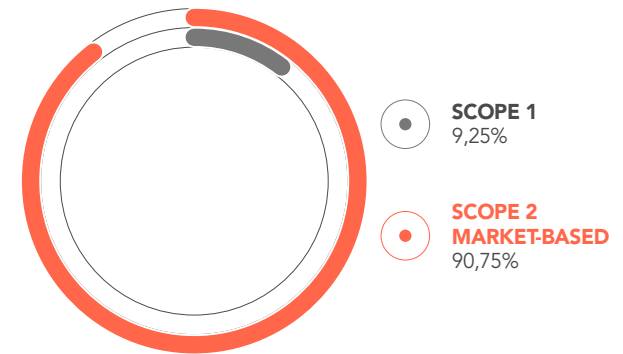
GRI-305 GHG emissions



2022		
CATEGORY	UoM	EMISSIONS
SCOPE 1	t CO2e	4.170,39
Natural Gas	t CO2e	2.354,24
Diesel Fuel	t CO2e	672,34
Refrigerant Gases	t CO2e	939,85
Gasoline Fuel	t CO2e	182,74
Other Fuels	t CO2e	21,22
SCOPE 2 LOCATION-BASED	t CO2e	34.663,72
SCOPE 2 MARKET-BASED	t CO2e	36.306,99
Total Location-based emissions	t CO2e	38.834,11
Total Market-based emissions	t CO2e	40.477,39

2023 | GHG Inventory UFI Filters Group

GRI-305 GHG emissions



2023		
CATEGORY	UoM	EMISSIONS
SCOPE 1	t CO2e	3.785,13
Natural Gas	t CO2e	2.230,82
Diesel Fuel	t CO2e	815,33
Refrigerant Gases	t CO2e	652,22
Gasoline Fuel	t CO2e	69,10
Other Fuels	t CO2e	17,65
SCOPE 2 LOCATION-BASED	t CO2e	34.968,59
SCOPE 2 MARKET-BASED	t CO2e	37.129,65
Total Location-based emissions	t CO2e	38.753,71
Total Market-based emissions	t CO2e	40.914,78

Other Pollutant Gas Emissions

In addition to actively addressing greenhouse gas emissions, **UFI Filters implements rigorous monitoring of other pollutants emitted into the atmosphere across all its certified sites.**

These pollutants, which can have adverse effects on human health, include **nitrogen oxides (NOx), sulfur oxides (SOx), volatile organic compounds (VOC), persistent organic pollutant (POP) and fine particulate matter (PM).** At least twice a year, emissions of these gases are sampled and measured at each site.

Typically, these emissions at UFI are associated with boiler stack emissions for office heating, furnace stack emissions for casting processes, or other processes involving combustion and transformation, such as plastic injection molding. For all such processes, UFI deploys exhaust and fume extraction systems, which are designed to

capture and treat emissions to ensure they fall below legal limits mandated in the various states where we operate.

Across all operational sites, **UFI consistently maintains emissions levels below legal thresholds.** In many of these countries, there is no legal obligation to monitor and calculate atmospheric pollutant emissions due to compliance with regulatory limits.

However, in certain provinces of China, government regulations mandate the monitoring and calculation of emissions. UFI Filters remains steadfast in its commitment to proactively manage and mitigate the environmental impacts of its operations, ensuring compliance with local regulations and upholding its dedication to sustainability and environmental stewardship.

2023 | Pollutant Gases Emissions

GRI-305-7 Pollutant

PLANT	POLLUTANT	TONS
CHINA	VOLATILE ORGANIC COMPOUNDS (VOC)	2,2871
	NITROGEN OXIDES (NOx)	1,3465
	SULPHUR OXIDES (SOx)	0,0506
	FINE PARTICULATES (PM)	0,4591

Yearly data measurement for other countries are below minimum thresholds and/or not monitored, according to local requirements.



OUR WORLD

7.4 Waste Management

UFI Filters places a paramount emphasis on implementing **robust waste management practices across all its industrial sites**. We meticulously track individual waste streams, categorizing them as hazardous or non-hazardous in alignment with country-specific regulations. Our dedication extends to implementing waste sorting and selective collection systems, all in accordance with disposal mechanisms at each site compliant with legislation and certification standards.

Recognizing the pivotal role of addressing waste at its source, we have implemented a range of internal **initiatives aimed at optimizing manufacturing processes. These initiatives focus on minimizing process scraps and reducing raw material consumption**, thereby mitigating associated environmental impacts. The bulk of our waste stems from verticalized processes, primarily involving aluminum, steel, and plastic injection materials. Additionally, waste generated from packaging and domestic use contributes to our overall waste profile.

The **majority of our waste undergoes recycling through third-party partners**, with **minimal preparation for reuse or other recovery efforts managed internally**. Waste disposal is entrusted to qualified collection companies, ensuring strict compliance with local regulations. UFI Filters refrains from directly transporting waste within or outside the country. Typical waste disposal

methods include **landfilling or incineration when recycling is not a feasible option**.

While overall waste generation increased from 2022 to 2023, attributed to shifts in the materials mix used in production and expansions at our Czech Republic and China (Jiaxing) facilities, the proportion of waste directed to landfill has remained stable. Notably, our **overall quota of recycled waste increased to 75,2% in 2023**, including internal preparation for reuse. This marks a significant improvement compared to 71,4% in 2022 and 67% in 2021. Conversely, the proportion of **waste sent to landfill decreased from 21,8% in the previous year to 16,6% in 2023**.

The proportion of hazardous waste on the total waste stream has also shown improvement, **decreasing to 7,15% in 2023** compared to 6,75% in 2022 and 8,5% in 2021. In 2023, we achieved noteworthy reductions in hazardous waste sent to landfill, totaling nearly 70 tons, while simultaneously increasing the recycled quota for this category by 80 tons.

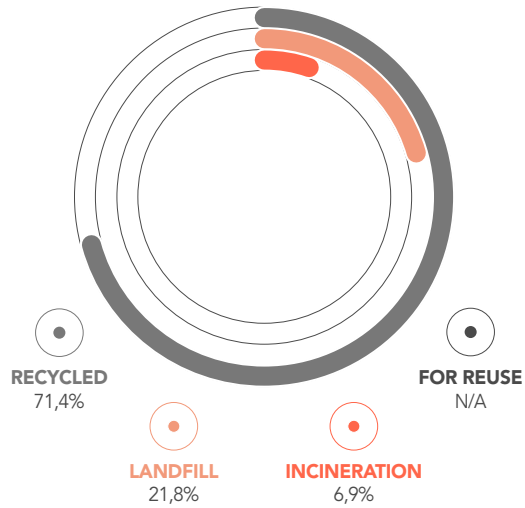
These commendable achievements primarily stem from local initiatives, which prioritize increased recycling of packaging materials used for internal transportation of goods and components, and strategic partnerships aligned with the company's sustainability objectives. UFI Filters remains committed to exploring new approaches to further minimize waste disposal and mitigate environmental impacts in the future.



OUR WORLD | 7.4 Waste Management

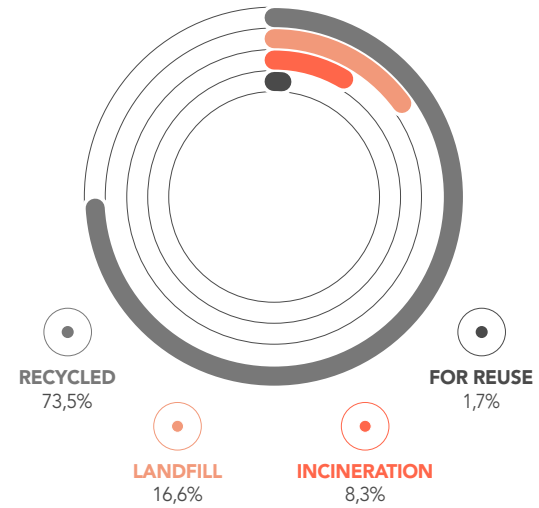
2022 | Waste Management

GRI 306



2023 | Waste Management

GRI 306



Sustainability Report UFI Filters 2023

Sustainability Report UFI Filters 2023

	2022		
TOTAL WASTE	HAZARDOUS (Tons)	NON-HAZARDOUS (Tons)	TOTAL-WASTE (Tons)
DIVERTED FROM DISPOSAL - RECYCLED	69,61	4.121,41	4.191,01
DIVERTED FROM DISPOSAL - PREPARATION FOR REUSE	N/A	N/A	N/A
DIRECTED TO DISPOSAL - LANDFILL	288,37	953,22	1.279,84
DIRECTED TO DISPOSAL - INCINERATION	38,24	402,63	402,63
Total	396,22	5.477,26	5.873,48

	2023		
TOTAL WASTE	HAZARDOUS (Tons)	NON-HAZARDOUS (Tons)	TOTAL-WASTE (Tons)
DIVERTED FROM DISPOSAL - RECYCLED	150,67	5.275,42	5.426,09
DIVERTED FROM DISPOSAL - PREPARATION FOR REUSE	-	126,02	126,02
DIRECTED TO DISPOSAL - LANDFILL	217,95	1.006,36	1.224,31
DIRECTED TO DISPOSAL - INCINERATION	159,32	451,43	610,75
Total	527,94	6.859,23	7.387,17

OUR WORLD 7.5 Water Management

As the world struggles with the increasingly evident impacts of climate change and the looming specter of water scarcity, the management of water resources has assumed unprecedented significance. Water, often regarded as one of Earth's most precious resources, lies at the heart of sustaining life and facilitating a myriad of human activities. However, the surge in frequency and severity of droughts, floods, and other extreme weather events serves as a stark reminder of the urgent need for proactive water management strategies to safeguard our collective future.

Within the framework of UFI Filters' operations, the sourcing and utilization of water are governed by principles aimed at responsible stewardship and alignment with local legislations. The company primarily relies on municipal supplies for the water withdrawal, with minimal extraction from ground wells. Notably, UFI does not draw water from surface sources, such as rivers or lakes, and does not utilize seawater or water produced through any type of side processes (e.g., resulting from mineral extraction or from use of any raw material).

As for the water discharge, UFI Filters demonstrates a commitment to environmental responsibility by predominantly returning water to sewage systems, thus facilitating proper treatment and disposal.

Any residual water categorized as process waste undergoes careful management to minimize environmental impact. In select instances, worth to mention the UFI Filters India facility in New Delhi, water utilized in industrial cooling processes undergoes advanced treatment processes (e.g., osmosis), before being repurposed for irrigation, thereby embodying the principles of circular resource optimization.

Beyond the realm of basic sourcing and discharge practices, water assumes multifaceted roles within UFI's operational landscape. It serves as a cornerstone of domestic facilities, ensuring access to potable water for drinking and sanitation across all facilities. Moreover, within larger-scale establishments like manufacturing plants, water plays a pivotal role in supporting cafeteria and food service operations, catering to the daily needs of employees.

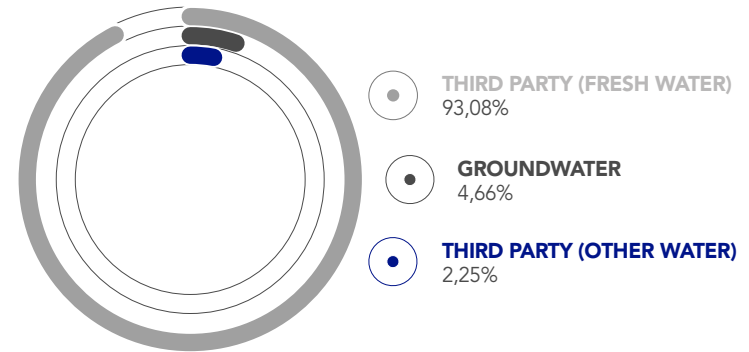
Furthermore, water is utilized as an important component in specific industrial processes integral to UFI's operations. From washing semi-finished products to maintaining stringent quality standards to serving as a coolant for machinery components, operating at elevated temperatures, water underscores its indispensability in optimizing operational efficiency and ensuring product quality. Given these factors, water is not merely a resource

but a lifeline essential for both personnel well-being and industrial processes. As such, UFI Filters remains unwavering in its commitment to

implement management practices to minimize the consumption and to preserve the use of water within its footprint.

2023 | Water Withdrawal

GRI 303-3



AREA	THIRD PARTY (FRESH WATER) (MI)	GROUNDWATER (MI)	THIRD PARTY (OTHER WATER) (MI)	(Of which) WATER STRESSED AREAS (MI)
AMERICAS	0,72	-	2,77	2,77
APAC	70,12	-	-	49,18
EMEA	26,06	3,46	-	18,10
INDIA	17,52	2,27	-	19,79
Total	114,42	5,73	2,77	89,83

Reference database at the following link [Aqueduct Water Risk Atlas](#)

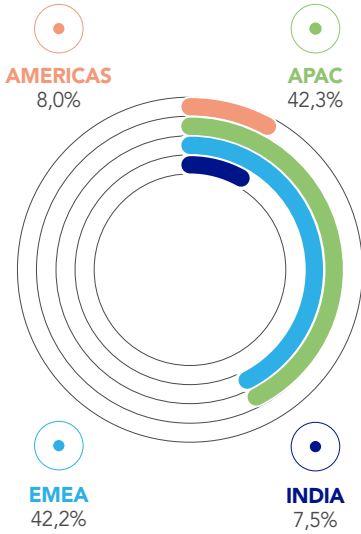
* Areas with water stress > 80% according to the World Resource Institute (WRI) methodology

APPENDIX

OUR PEOPLE | 5. #WeAreUFI Appendix

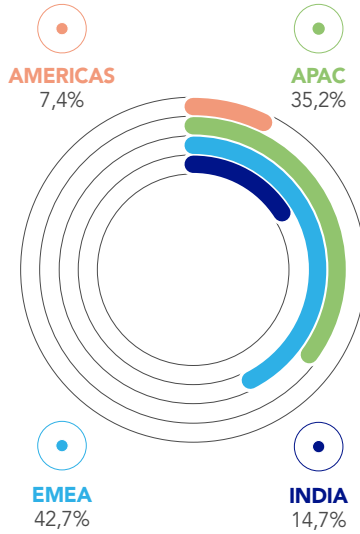
2022 | UFI's On-Roll Employees

GRI 2-7



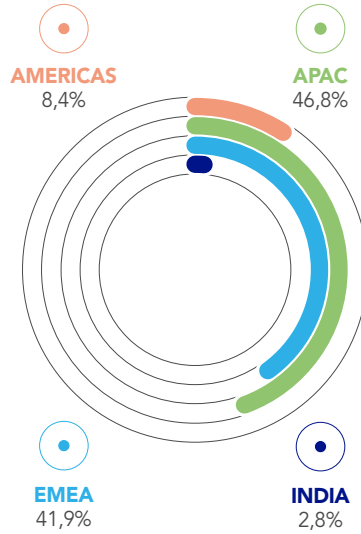
2022 | UFI's On-Roll White Collars

GRI 405-1



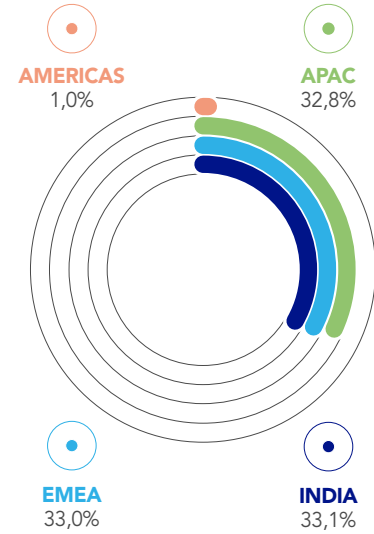
2022 | UFI's On-Roll Blue Collars

GRI 405-1



2022 | UFI's Agency Workers

GRI 2-8



Total		2022
AREA	EMPLOYEES	
AMERICAS	267	
APAC	1.406	
EMEA	1.404	
INDIA	248	
Total	3.325	

White Collars		2022
AREA	EMPLOYEES	
AMERICAS	96	
APAC	456	
EMEA	553	
INDIA	191	
Total	1.296	

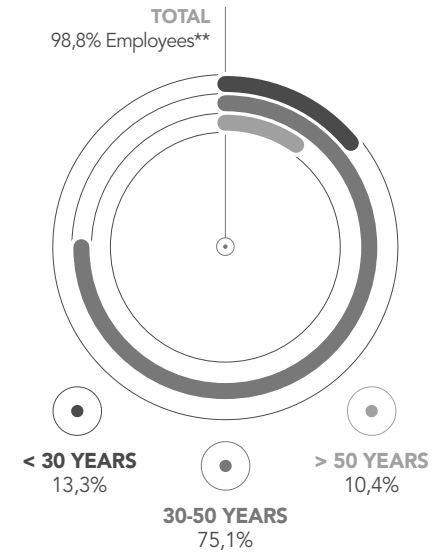
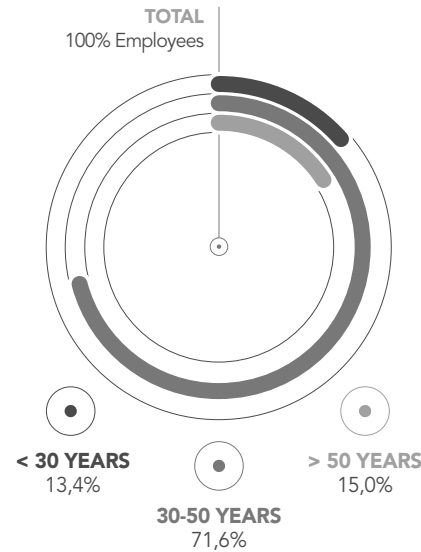
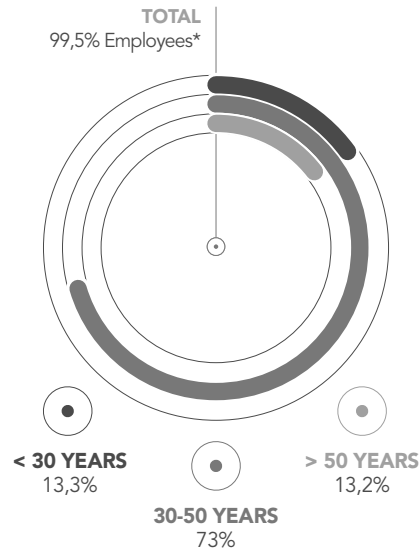
Blue Collars		2022
AREA	EMPLOYEES	
AMERICAS	171	
APAC	950	
EMEA	851	
INDIA	57	
Total	2.029	

Total		2022
AREA	AGENCY WORKERS	
AMERICAS	7	
APAC	286	
EMEA	288	
INDIA	289	
Total	871	

OUR PEOPLE | 5. #WeAreUFI Appendix

2022 | On-Roll UFI's Employees Age Groups

GRI 405-1



Total		2022		
AREA	< 30	30-50	> 50	TOT
AMERICAS	50	179	22	267
APAC	92	1.170	144	1.406
EMEA	246	897	261	1.404
INDIA	55	180	13	248
Total	443	2.426	440	3.325

Blue Collars		2022		
AREA	< 30	30-50	> 50	TOT
AMERICAS	32	123	16	171
APAC	57	780	113	950
EMEA	177	498	176	851
INDIA	5	52	-	57
Total	271	1.453	305	2.029

White Collars		2022		
AREA	< 30	30-50	> 50	TOT
AMERICAS	18	56	6	96
APAC	35	390	31	456
EMEA	69	399	85	553
INDIA	50	128	13	191
Total	172	973	135	1.296

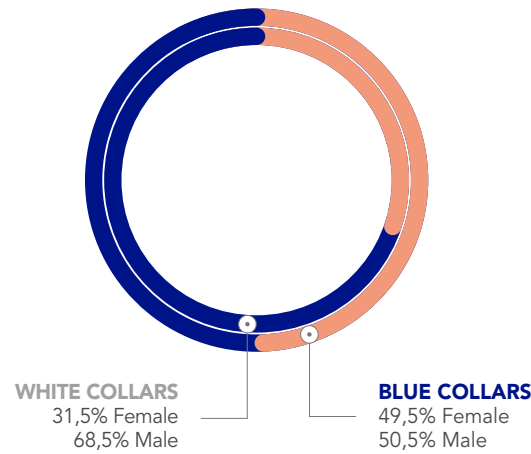
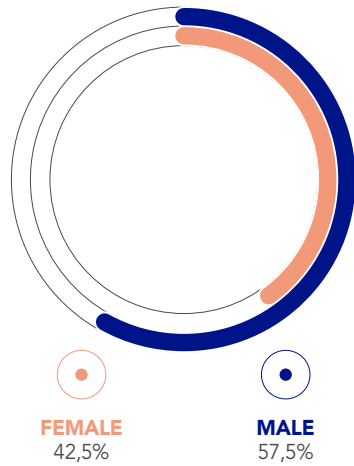
* The information is not available for 16 HC (0,5%) due to privacy.

** The information is not available for 16 HC (1,2%) due to privacy.

OUR PEOPLE | 5. #WeAreUFI Appendix

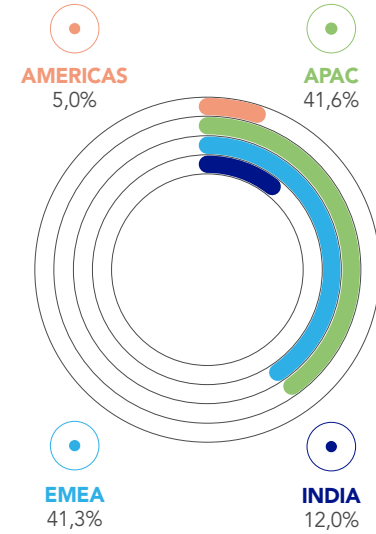
2022 | On-Roll UFI's Employees Gender Diversity

GRI 405-1



2022 | PBP Adoption | HC Distribution Among Regions

GRI 404-3



Sustainability Report UFI Filters 2023

Sustainability Report UFI Filters 2023

Total		2022	
AREA	F	M	TOT
AMERICAS	112	155	267
APAC	683	723	1.406
EMEA	600	804	1.404
INDIA	17	231	248
Total	1.412	1.913	3.325

Blue Collars		2022	
F	M	TOT	
86	85	171	
503	447	950	
409	442	851	
6	51	57	
1.004	1.025	2.029	

White Collars		2022	
F	M	TOT	
26	70	96	
180	276	456	
191	362	553	
11	180	191	
408	888	1.296	

White Collars		2022	
AREA	Number of WC with PBP evaluation		
AMERICAS	52		
APAC	429		
EMEA	426		
INDIA	124		
Total	1.031		

GRI CONTENT INDEX UFI

GRI CONTENT INDEX

Statement of use
GRI 1 used

UFI Filters has reported the information cited in this GRI content index for the period **January, 1st to December, 31st 2023 with reference to the GRI Standards.**
GRI 1: Foundation 2021

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	2-3	Reporting period, frequency and contact point	1. Methodological Note	4
	2-4	Restatements of information compared with last report	No restatements.	-
	2-5	External assurance Independent auditors' report	1. Methodological Note	4
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GRI 1: Foundation 2021

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Statement of use
GRI 1 used

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GRI 1: Foundation 2021

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INDIPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT



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Independent auditors' report on the "Sustainability Report 2023"

To the board of Directors of
UFI Filters S.p.A.

We have been appointed to perform a limited assurance engagement on the "Sustainability Report 2023" (hereinafter the "Sustainability Report") of UFI Filters S.p.A. and its subsidiaries (hereinafter the "Group" or "UFI Filters Group") for the year ended on December 31st, 2023.

Responsibilities of Directors on the Sustainability Report

The Directors of UFI Filters S.p.A. are responsible for the preparation of the Sustainability Report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" issued by GRI - *Global Reporting Initiative* ("GRI Standards"), with reference to the GRI Standards selection as described in the section "GRI Content Index" of the Sustainability Report.

The Directors are also responsible for that part of internal control that they consider necessary in order to allow the preparation of a Sustainability Report that is free from material misstatements caused by fraud or not intentional behaviors or events.

The Directors are also responsible for defining the commitments of UFI Filters S.p.A. regarding the sustainability performance, as well as for the identification of the stakeholders and of the significant matters to report.

Auditors' independence and quality control

We are independent in accordance with the ethics and independence principles of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) issued by the *International Ethics Standards Board for Accountants*, based on fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behavior.

Our audit firm applies the *International Standard on Quality Control 1 (ISQC Italia 1)* and, as a result, maintains a quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable laws and regulations.

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INDEPENDENT AUDITORS' REPORT



Auditors' responsibility

It is our responsibility to express, on the basis of the procedures performed, a conclusion about the compliance of the Sustainability Report with the requirements of the GRI Standards. Our work has been performed in accordance with the principle "*International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information*" (hereinafter "*ISAE 3000 Revised*"), issued by the *International Auditing and Assurance Standards Board (IAASB)* for limited assurance engagements. This principle requires the planning and execution of procedures in order to obtain a limited assurance that the Sustainability Report is free from material misstatements.

Therefore, the extent of work performed in our examination was lower than that required for a full examination according to the *ISAE 3000 Revised* ("*reasonable assurance engagement*") and, hence, it does not provide assurance that we have become aware of all significant matters and events that would be identified during a reasonable assurance engagement.

The procedures performed on the Sustainability Report were based on our professional judgment and included inquiries, primarily with Company's personnel responsible for the preparation of the information included in the Sustainability Report, documents analysis, recalculations and other procedures in order to obtain evidence considered appropriate.

In particular, we have performed the following procedures:

1. analysis of the process relating to the definition of material aspects included in the Sustainability Report, with reference to the methods of analysis and understanding of the reference context, the identification, assessment and prioritization of actual and potential impacts and the internal validation of the process outcome;
2. understanding of the processes that lead to the generation, detection and management of significant qualitative and quantitative information included in the Sustainability Report.

In particular, we have conducted interviews and discussions with the management of UFI Filters S.p.A. and Sofima Filters S.A. and we have performed limited documentary evidence procedures, in order to collect information about the processes and procedures that support the collection, aggregation, processing and transmission of non-financial data and information to the management responsible for the preparation of the Sustainability Report.

INDEPENDENT AUDITORS' REPORT



Furthermore, for significant information, considering the Group's activities and characteristics:

- at Group level:

- a) with reference to the qualitative information included in the Sustainability Report, we carried out inquiries and acquired supporting documentation to verify its consistency with the available evidence;
- b) with reference to quantitative information, we have performed both analytical procedures and limited assurance procedures to ascertain on a sample basis the correct aggregation of data.

- for Sofima Filters S.A. (El Mourouj, Tunisie plant), that we have selected based on its activity, relevance to the consolidated performance indicators and location, we have carried out site visits during which we have had discussions with management and have obtained evidence about the appropriate application of the procedures and the calculation methods used to determine the indicators.

Conclusion

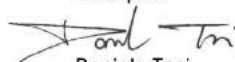
Based on the procedures performed, nothing has come to our attention that causes us to believe that the Sustainability Report of UFI Filters Group for the year ended on December 31st, 2023 has not been prepared, in all material aspects, in accordance with the requirements of the GRI Standards, with reference to the GRI Standards selection as described in the section "GRI Content Index" of the Sustainability Report.

Other information

The comparative information presented in the Sustainability Report for the year ended on December 31st, 2021 have not been examined.

Verona, June 18th, 2024

EY S.p.A.


Daniele Tosi
(Auditor)



**UFI FILTERS
CHOSEN BY THE BEST**

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