



IMPACT ASSESSMENT 2025

CEP SB SRL





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IMPACT ASSESSMENT 2025

Letter to Stakeholders

For CEP SB Srl, 2025 was a year of growth, innovation and consolidation of our vision of responsible enterprise. As a Benefit Corporation, we strengthened our commitment to integrating ESG factors into the company's strategic decisions, with the aim of demonstrating that economic development, environmental protection and positive social impact can not only coexist but, together, represent the driving force behind lasting and sustainable growth.

A central element of our journey was investment in research and development projects aimed at creating innovative, high-tech products designed to have a reduced environmental impact and to comply with the principles of the circular economy. A Life Cycle Assessment was conducted on the MVPS K2-A7 electrical substation to understand the environmental impact resulting from the product's life cycle.

At the same time, we continued to invest in our people, recognizing that a company's value lies in the skills, safety and well-being of its employees. We promoted training programs, strengthened corporate welfare initiatives and worked to ensure an increasingly inclusive and stimulating environment. Furthermore, strengthening dialogue with stakeholders has allowed us to build relationships based on trust, transparency and collaboration, essential elements for a sustainable and resilient business model.

During 2025, the protocols related to the implementation of the Organizational Model pursuant to Legislative Decree 231/01 were finalized, with full implementation in 2026. This will achieve increasingly transparent governance aimed at preventing legal risks and ensuring corporate compliance.

For us, sustainability is not just a commitment, but a strategic choice that guides our development and defines our corporate identity. We look to the future with the determination to expand our positive impact, continuing to innovate and generate value for the community, customers and all our partners.

I would like to take this opportunity to thank all our employees who, with professionalism and dedication, contribute daily to the realization of this journey.

Mario Melodia
Chief Executive Officer



Company Profile

CEP SB Srl, which focuses on the international market for the design and manufacture of container-based electrical substations complete with electromechanical equipment, has continued on its path of growth and consolidation following the completion of the spin-off from its Italian market business unit (CEP Italia SB Srl) in 2024. This transaction has enabled the optimization of the management and development of the respective business areas, ensuring a greater focus on the needs of the various target markets.

Both companies, CEP SB Srl and CEP Italia SB Srl, remain under the control and coordination of MPE Holding Srl, the parent company of the Melodia Family businesses, which operate in the energy infrastructure sector with a specific focus on renewable energy. Thanks to sound governance and the CEO's more than thirty years of experience, supported by the respective managers, the two companies continue to operate with expertise and strategic vision, consolidating their market position.

In terms of markets, CEP SB Srl is a leader in the international market with its integrated solutions for large-scale photovoltaic systems. In fact, thanks to its constant attention to market needs, its ongoing commitment to R&D and its strategic partnerships with major European players for the development of innovative solutions, CEP SB Srl has successfully supplied products to more than 70 countries worldwide.

This result was achieved thanks to two fundamental elements that make up the Company's business model. The first element concerns people. Valuing human capital is a cornerstone of our corporate philosophy, which translates into a constant commitment to ongoing training aimed at enhancing skills, and a first- and second-tier corporate welfare system designed to promote the professional, personal and family well-being of our employees.

Another pillar of our vision is our commitment to change and innovation, not only in terms of products but also in the optimization of business processes. In this context, the company consistently applies Lean Management techniques and continuous improvement, which enable us to increase productivity and operational efficiency, making us more competitive than our rivals.

This vision of global growth also includes the MPE Group's new U.S. entity: CEP USA Inc. Established as a sister company to CEP SB to supply the U.S. market with the MVPS product designed by CEP SB, the goal is to bring production closer to American customers, thereby optimizing delivery times and reducing related costs. The new production facility will become operational during the first quarter of 2026.



Il Gruppo MPE Holding

It provides financial services to its subsidiaries, acting as the treasury and centralized administrative department for the entire corporate group. It defines the budget and the medium- to long-term strategy and coordinates their implementation with the support of the subsidiaries' management.

The MPE Holding Srl Group includes:



SRE Srl Real estate company of the MPE Holding Group. Its scope of business encompasses all activities related to the acquisition, construction and maintenance of real estate. SRE invests in new production and logistics sites, coordinating their development. In 2023, the company diversified its business by entering the hospitality real estate sector.



MBS Srl Start Up Joint Venture born from the shared commitment of the long-established international companies CEP Srl and Tecnoelettrica Bragoni Srl. MBS develops highly customized Low Voltage Switchboards to meet the needs of the energy sector, primarily in the renewable energy and distribution fields.

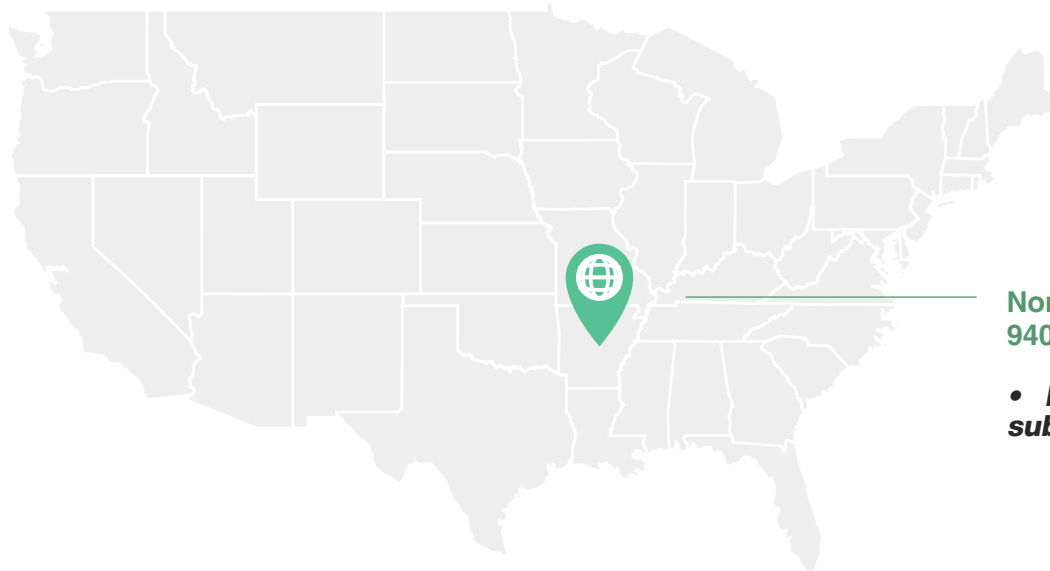


CEP Italia SB Srl It designs, manufactures and supplies turnkey prefabricated electrical substations made of customized CAV, complete with electromechanical equipment, to meet the infrastructure needs of the B2B sector and the distribution of electricity from renewable sources in the National Market.

CEP SB Srl It designs, manufactures and supplies turnkey prefabricated electrical substations in customized containers complete with electromechanical equipment to meet the needs of the international market on large-scale renewable electricity production projects.



CEP USA Inc. Sister company of CEP SB, it is the latest company founded by the MPE Group, established to supply the American market with the MVPS product designed by CEP SB, with the aim of bringing production closer to American customers while optimizing delivery times and related costs. The new production facility will begin operations in March 2026.



North Little Rock (AR)
9401 Diamond Dr, 72117

- ***Production of MVPS electrical substations for SMA America***

Operational sites

Montichiari (BS)
Via Gabriele D'Annunzio 30F/3

- Production of MVPS electrical substations for SMA Solar Technology European Market



Calatafimi-Segesta (TP)
Z.I. Fegotto S.P.11 KM 0.6

- Design and production of MVPS electrical substations for SMA Solar Technology & SMA Altenso.
- Logistics hub for receiving and shipping main components and finished product.



Introduction

Benefit Corporations are emerging as pioneers in the business landscape, representing a corporate model that integrates the creation of social and environmental value, in addition to economic and financial value, into its mission. This pioneering vision translates into the adoption of objectives for the common good, which are concretely expressed in the corporate purpose set forth in the company's articles of incorporation.

The introduction of the "Benefit Corporation" model into the Articles of Incorporation of CEP SB Srl following the spin-off from CEP Srl makes our commitment to sustainability tangible and demonstrates our desire to create meaningful value for society and the local community in which we operate, recognizing a genuine interconnection between the company and the socio-environmental system of which we are a part.

In this Impact Report we share with our Stakeholders the results of the objectives set for 2025, as well as the impact of our activities on the environment, communities, workers, customers and governance, as results of the B Impact Assessment and of the analysis and reporting activities carried out internally.

By embracing this new paradigm, we are committed to promoting a vision of business that goes beyond economic success and aspires to leave a positive social and environmental footprint, actively contributing to building a better future.



Specific purposes of common benefit

- 1 Disseminate the SB corporate form model with regenerative force and for the entire business world.
- 2 Promotion and creation of multimedia editorial content and other communication tools.
- 3 Conception and production of information and dissemination material..

Goals 2025

Renewal of registration and support for ASSOBNENEFIT which aims to spread and enhance the SB model so that it is an inspiration for the entire Italian economic system.

Sharing of the SB model through editorial and multimedia content through the official CEP social network channels.

Activities performed in 2025

The membership in support of ASSOBNENEFIT has been renewed, which aims to disseminate and enhance the SB model so that it can be an inspiration for the entire Italian economic system.

The website has been updated by creating special sections relating to the publication of annual impact reports, as well as specific sections on the company's social and sustainable commitment.

Goals 2026

Renewal of registration and support for ASSOBNENEFIT which aims to spread and enhance the SB model so that it is an inspiration for the entire Italian economic system.

Specific purposes of common benefit



- 4** Strategic and operational support and guidance to private and public entities, for the implementation of strategic innovation paths aimed at sustainability.
- 5** Promotion and implementation of conferences, seminars, courses, workshops, communication campaigns, dialogues and related events.
- 6** Development of projects and partnerships with consortium companies, business networks, consortia and trade associations, national public and private entities.

Goals 2025

Workshop on ESG Corporate Sustainability to the companies of the Fegotto HUB.

The training event will explore the concept of corporate sustainability integrated with ESG criteria, with a focus on competitive advantages, regulatory obligations and growing stakeholder expectations. Collaboration with the Industrial Technical Institute of Trapani to carry out lessons in the field of the production of prefabricated electrical cabinets and the renewable energy market conducted by CEP professionals to the classes of the 5th school year with an electrotechnical address.

Activities performed in 2025

The event has been postponed until next year.

In-person classes led by CEP professionals were held at the Technical-Industrial Institute of Trapani for fifth-year students in the electrical engineering track. Topics covered and discussed included: prefabricated electrical substations, container-based transformer substations, quality management systems and the construction of low-voltage and medium-voltage switchgear. The training totaled 13 hours. The program concluded with a tour of CEP's production facilities.

Goals 2026

Workshop on ESG Corporate Sustainability to the companies of the Fegotto HUB.

The training event will explore the concept of corporate sustainability integrated with ESG criteria, with a focus on competitive advantages, regulatory obligations and growing stakeholder expectations. Collaboration with local schools to organize guided tours and educational programs for students.

Specific purposes of common benefit



- 7** Promote collaboration with other companies, organizations, non-profits, foundations and the like, whose purpose is aligned and synergistic with that of the company to contribute to their development and expand the positive impact of their work.

Goals 2025

To create a theater group made up of workers from CEP Italia SB and CEP SB, with the aim of spreading not only the culture of theater, but also to support charitable projects for voluntary associations thanks to the donation of the proceeds.

Social Welfare 2025

Our commitment to Social Welfare 2025 will be aimed at promoting the initiatives of Voluntary Organizations active in the following areas:

- cultural,
- care of the disabled,
- care of young people suffering from serious diseases,
- gender equality and equal opportunities.

Activities performed in 2025

Thanks to the participation of 12 colleagues from CEP Italia SB and CEP SB, it was possible to give rise to an unprecedented theatrical group that saw them as protagonists of the comedy "Imprestami a to mughieri" at the Teatro Cielo D'Alcamo. At the basis of the initiative a concrete social purpose through this extraordinary cultural experience: the income collected thanks to the participation of the public was donated to the Divine Providence Work of the Salesian Oratory of Alcamo.

With a Christmas campaign, the Italian association of people with Down syndrome, Alcamo/Trapani section, was supported with a disbursement of € 700 for the creation of calendars.

In support of sports and recreational activities of USD Calatafimi Don Bosco, € 150 have been disbursed.

In support of ANFFAS Trapani, an association for families and people with disabilities, € 150 was disbursed.

For the promotion and organization of the fifteenth Salvo D'Acquisto running memorial, € 300 was disbursed to ASDP Pegaso Palermo. Donation of € 5,500 in support of the Piccolo Teatro Alcamo.

Goals 2026

To maintain a theater group made up of our volunteer workers, with the aim of spreading not only the culture of theater, but also to support charitable projects for voluntary associations thanks to the donation of the proceeds.

Social Welfare 2026

Our commitment to Social Welfare 2026 will be aimed at promoting the initiatives of Voluntary Organizations active in the following areas:

- cultural,
- care of the disabled,
- care of young people suffering from serious diseases,
- gender equality and equal opportunities.

Donation in support of the "Association for Art" of Alcamo, in support of a loan intended for scholarships aimed at deserving students of the Jazz area of the Antonio Scontrino State Conservatory of Music in Trapani.

Specific purposes
of common benefit



- 8
- Contribute to the transformation and growth of a sustainable economic system through actions with a positive impact on people and the surrounding environment.
- 9
- Research activities aimed at pursuing the corporate purpose.

Goals 2025

The purchase of a 2 or 3 axle electric truck to replace the current diesel tractor will be evaluated.
Continue to monitor CO2 emissions relative to Scope 1 and 2 of the GHG Protocol and start monitoring Scope 3 emissions across the value chain.

Activities performed in 2025

During 2025, estimates were collected based on customized battery pack configurations, specific to CEP needs. The purchase could materialize in 2026 or 2027.

GHG emissions in 2025:

Scope 1: **33.47** tCO2

Scope 2: **114.58** tCO2

Scope 2 emissions avoided thanks to the installation of photovoltaic systems: **37.00** tCO2

Energy autonomy: **24.40%**

Clean energy fed into the grid: **19.62** MWh

Self-consumption capacity from photovoltaic systems: **82%**

CO2 offsets thanks to the company's own tree parks: **25.33** tCO2

A Life Cycle Assessment was also conducted on the MVPS K2-A7 product, and the results were shared with the client who owns the product.

Goals 2026

Purchase of 2 or 3 axle electric trucks to replace the current diesel tractor with the aim of reducing diesel consumption and related emissions.
Continue to monitor CO2 emissions relative to Scope 1 and 2 of the GHG Protocol and start monitoring Scope 3 emissions across the value chain.

Specific purposes of common benefit



10 Commitment also to innovation, research and development projects based on the principles of sustainability to help improve the world with professional activity based on ethics and the centrality of people's values.

Goals 2025

Take charge of research and development projects requested by customers.

Activities performed in 2025

Hydra Project

CEP SB's research and development activities in 2025 mainly concerned the Hydra Project, developed in collaboration with SMA Altenso GmbH, a company 100% owned by SMA Solar Technology AG, focused on battery containers, off-grid systems and P2G (Power to Gas) plants.

The project involved the construction of a prototype of an electrical substation configured in a 40ft container with a totally removable and hot-dip galvanized structure. The aim was to standardize and therefore industrialize the various options that can come from Altenso's customers in order to optimize the lead time and related costs.

Goals 2026

In 2026, two new research and development projects will be launched:

1. A 40" demountable MVPS with hot-dip galvanizing for an electrical substation with a maximum power rating of 9,200 kVA for photovoltaic systems.
2. A container-based electrical substation built on a 20-foot container chassis, containing an RMU medium-voltage switchgear and a 6 MVA dual-secondary transformer for AC connection to two Hydra inverters.

The AC connection is made using nVent flexible busbars.

Hydra inverters with forced water cooling to be installed in a thermally insulated IP55 compartment.

Specific purposes
of common benefit



11 Welfare, without distinction of age, gender, race/ethnicity, language, religion, disability or personal conditions, and taking into account their social condition, favouring the most disadvantaged individuals and projects of social value.

Goals 2025

Welfare 2025 for staff

Start of collaboration with Edenred for the management of compulsory welfare that can be used through their platform made available to workers for the purchase of agreed goods and services.
BNL accident insurance policy.

Activities performed in 2025

Welfare benefits have been provided to all CEP SB employees, as per the metalworking contract, through the Edenred platform.

Continuing Company Welfare (total amounts paid during the year):

Baby bonus: € 2,250

Wedding bonus: € 9,000

A liberal welfare benefit for all employees totaling € 132,600.00, following the criteria for company loyalty, dependent children and basic family support.

A family day dedicated to “at work with mom and dad”, with recreational activities for employees’ children held at the company headquarters.

A recreational opportunity at the “Rush Speed Arena” for all employees.

The company is taking you to the theater for two evenings of culture, offered to employees and their families to attend the play “You’ll Never Forget Your First Time”, performed by the Piccolo Teatro Alcamo theater company.

BNL accident insurance policy.

Goals 2026

Corporate welfare:

Baby bonus

Wedding bonus

Shopping / meal / purchase vouchers

Health insurance

Specific purposes
of common benefit



12 Training and coaching activities

Goals 2025

Specific and professionalizing training of the Quality Control Team employees to increase their skills in the field in order to ensure process and product quality useful for maintaining high standards and continuous customer satisfaction.

Provision of specific training in the field of Health and Safety for workers in accordance with the provisions of Legislative Decree 81/08.

Activities performed in 2025

Training was provided in the field of quality management systems in accordance with ISO 9001:2015.

Coaching and team building activities for all employees at Rush Speed Arena. The training addressed the fight against discrimination, human rights, equal opportunities and social inclusion. The coaching activity aimed at stimulating workers in search of their own “talent”, bringing out the potential of each one. The event continued with a pizza lap and an electric Go Kart race.

Goals 2026

Currently in the planning phase. They will be reported in the 2026 impact report.

Specific purposes of common benefit



13 Support for the start-up and management of entrepreneurial start-ups whose purpose is in line with the principles of innovation towards sustainability.

14 Market research, opinion polls, trend studies and everything suitable to support the strategic positioning on the market of oneself or of customers.

Goals 2025

Start of a new production plant in the United States of America for the production of MVPS electrical substations.

Activities performed in 2025

During the course of 2025, a partnership was launched with the Mountain Ridge Energy Services company with the aim of being supported in starting and managing the business in America. The new production site has been identified in the State of Arkansas. The last quarter of 2025 was dedicated to the configuration of the production process, the installation of overhead cranes, the purchase of the necessary equipment and the search for personnel. A pilot project will be launched in January 2026 and then start serial production at the end of March 2026.

Goals 2026

Start of serial production of the MVPS, subject to verification and approval by SMA America.





Numbers & Highlights 2025

Corporate Sustainability

Corporate sustainability is an approach to managing organizations that focuses on creating long-term value through the integration of economic, environmental, and social strategies. This concept is based on the principle that organizations can prosper economically by contributing positively to society and progressively reducing their environmental impact.



Environmental

Companies must consider the impact of their operations on the environment. This includes reducing greenhouse gas emissions, using natural resources responsibly and adopting environmentally friendly practices..



Social

Social sustainability concerns the well-being of the people involved in the company, from employees to suppliers and the local community. This involves ensuring decent working conditions, promoting diversity and inclusion and supporting social initiatives.



Governance

Governance is the engine that guides the organization's choices for sustainable development. This includes transparency, ethics, risk management and accountability to shareholders and stakeholders, as well as economic growth. Companies must balance profits with responsible investments and sustainable growth strategies.

Environmental

Calculation of CO₂ Emissions

For the calculation of CO₂ emissions, the international standard GHG Protocol was considered, which categorizes the different types of emissions into three “Scopes”:

Scope 1

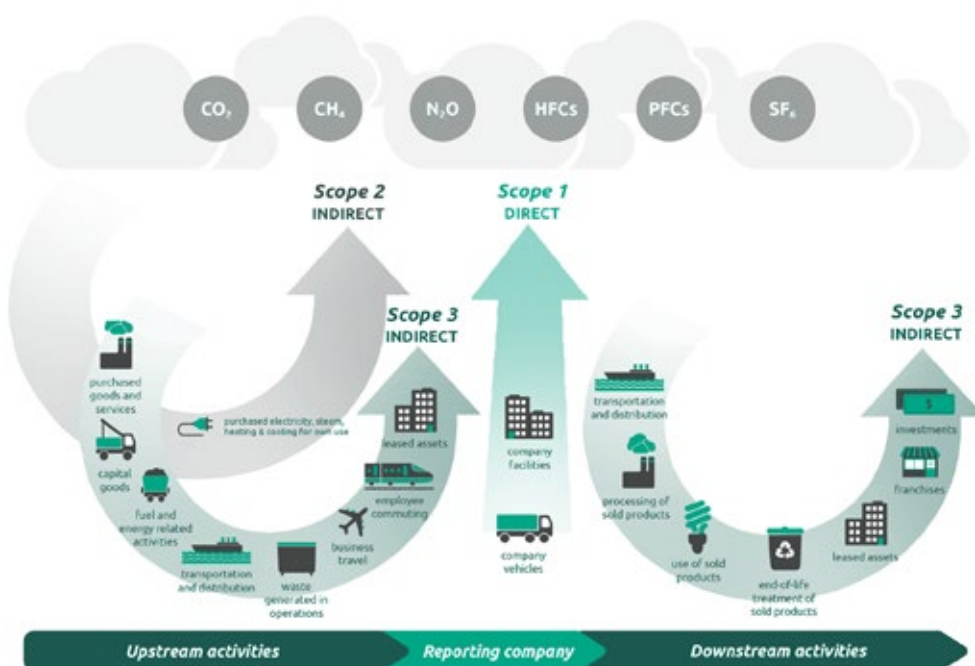
These relate to the direct emissions that the company produces in the course of its operations, such as those generated by the consumption of diesel fuel for company vehicles.

Scope 2

This refers to indirect greenhouse gas emissions generated by business activities, but which are associated with the purchase of electricity or heat. These emissions are defined as indirect because they come from sources outside the organization, but are influenced by its energy purchasing decisions.

Scope 3

These are indirect emissions generated by business operations, but which are not directly controlled by the organization. Scope 3 emissions are also called “value chain emissions.” These emissions come from sources outside the company, such as the supply chain, transportation, use, or disposal of waste. They are the most difficult to measure and reduce because they involve factors outside the direct control of the organization.



Environmental

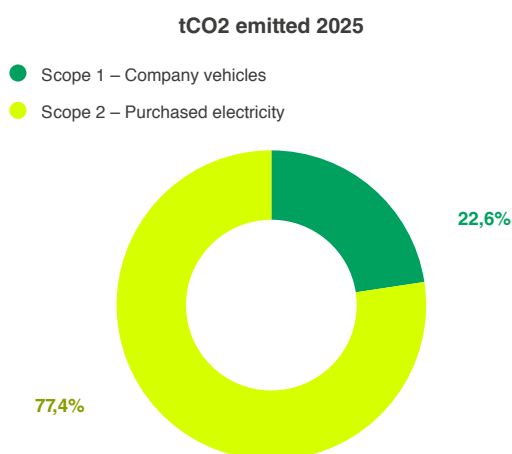
Methodological note

CO₂ emissions were analyzed and quantified following the GHG Protocol standard. With regard to the emissions generated by company vehicles, i.e. Scope 1 emissions, in order to obtain reliable values, the km traveled in 2025 were collected and multiplied by the actual consumption of each company vehicle (km/liter of diesel). The values obtained were in turn multiplied by the conversion factor 2.65 KgCO₂/litre, commonly used by ISPRA Ambiente, to determine the carbon footprint deriving from the consumption of diesel fuel.

The emissions deriving from the energy supply, therefore Scope 2 emissions, were quantified by considering the kWh purchased to meet part of the company's needs, since about 24% of the total is given by current photovoltaic systems [kWp = 97.50], and were multiplied by the conversion factor 0.4 kgCO₂/kWh.

Another important measurement method used in the energy sector are the "TOE" (Tons of Oil Equivalent) whose conversion factor with respect to the kWh produced is given by 0.187 toe/MWh, as approved by the Regulatory Authority for Energy, Networks and Environment (ref. Resolution EEN 3/08, art. 2). BEPs (Oil Equivalent Barrels) are calculated considering 7.3 bep/toe.

Scope	Emission variable	U.M.	2024	2025	Δ%
Scope 1	Company vehicles	tCO ₂	54,86	33,47	-39%
Scope 2	Purchased electricity	tCO ₂	99,20	114,57	+15%
Tot. tCO ₂			154,26	148,04	-4%



Data collected in 2025 shows that CEP SB Srl emitted a total of 148.05 tCO₂, a decrease of 4.02% compared to the previous year. This reduction is primarily due to the electrification of the company's vehicles and to the installation of the overhead cranes at the "Playa" logistics hub, which made it possible to decommission the "Belotti" container forklift.

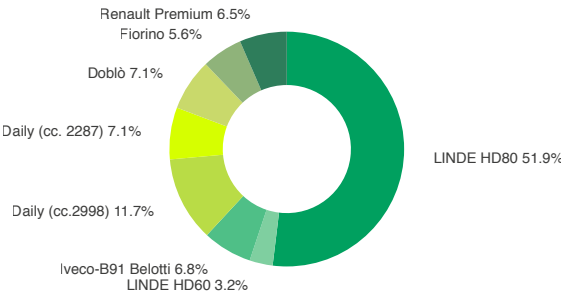
Environmental

Scope 1
Direct emissions
from manufacturing

Direct emissions from CEP SB Srl’s operations stem from the use of diesel-powered internal combustion engine vehicles. The calculation of tCO2 emissions for the year 2025 is shown below, totaling 33.47 tCO2. At the same time, investments in the purchase of fully electric forklifts have made it possible to increase the company’s productivity without incurring additional emissions.

Furthermore, with the completion of the logistics hub and the installation of the two 4.0 overhead cranes, it was possible to decommission the Iveco-B91 Belotti container truck, whose fuel consumption and related emissions accounted for approximately 33% of total Scope 1 emissions.

Reference year 2025						
Variable	Unit of measure	Reference	Diesel cons. (liter)	tCO2	tep	bep
LINDE HD80	h	1500	6560,00	17,38	6,72	49,04
LINDE HD60	h	800	404,65	1,07	0,41	3,02
Iveco-B91 Belotti	h	810	855,10	2,27	0,88	6,39
Daily (cc. 2998)	km	3000	1473,68	3,91	1,51	11,02
Daily (cc. 2287)	km	4096	900,00	2,39	0,92	6,73
Doblò	km	3000	900,00	2,39	0,92	6,73
Fiorino	km	20000	711,19	1,88	0,73	5,32
Renault Premium	km	5000	824,15	2,18	0,84	6,16
Totale			12628,78	33,47	12,93	94,40



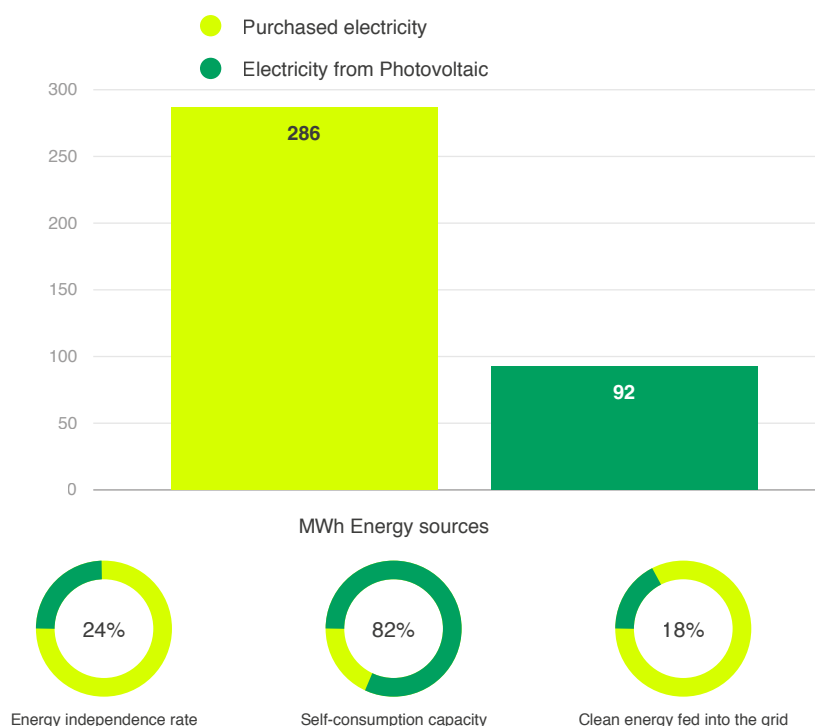
Environmental

Scope 2 Indirect emissions from energy supply

Monitoring of consumption and electricity production from PV Plants	U.M.	2025
Total electricity produced	MWh	112,05
Self-consumed electricity	MWh	92,43
Electricity fed into the grid	MWh	19,62
Total energy requirement	MWh	378,87
Electricity taken from the grid	MWh	286,44
Energy independence rate (autarchy)	%	24,40

The company uses 1 photovoltaic system whose total installed power to date is 97.50 kWp. The plant is equipped with an “Energy Storage System” of about 140kWh which allows the storage of electricity produced and not consumed during the day and then used as needed, thus optimizing the absorption of electricity from photovoltaic systems. Therefore, thanks to storage systems, the self-consumption capacity is equal to 82%, contributing to a lower use of energy produced from fossil fuels supplied.

The net production of electricity produced by the company's photovoltaic plants in the last twelve months was a total of approximately 112,050 kWh.



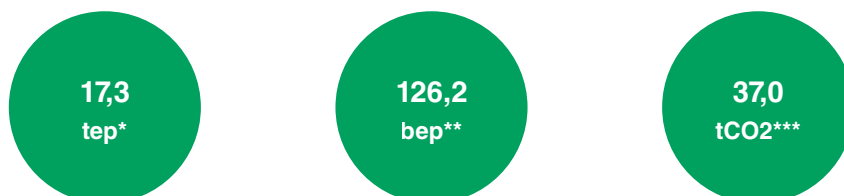
Environmental

Reduction of the environmental impact deriving from the use of photovoltaic systems

A useful indicator for quantifying the fuel savings resulting from the use of renewable energy sources is the conversion factor from electricity to primary energy [toe/MWh].

This coefficient identifies the toe (Tons of Oil Equivalent) required to produce 1 MWh of energy—that is, the toe saved by adopting photovoltaic technologies for electricity generation. The boe (barrels of oil equivalent), on the other hand, is a unit of energy measurement that corresponds to the approximate energy released by the combustion of one barrel of crude oil [7.3 boe correspond to 1 toe].

Furthermore, the photovoltaic system reduces atmospheric emissions of greenhouse gases, specifically carbon dioxide (tCO₂). Therefore, considering 92.43 MWh of self-consumed energy out of a total of 112.05 MWh produced, the following savings were achieved:



* Conversion factor: 0.187 toe/MWh
(Source: Resolution EEN 3/08, art. 2 - ARERA Regulatory Authority for Energy, Networks and Environment)

** Conversion factor: 7.3 bep/toe
(Source: Table of national standard parameters - ISPRA Environment updated to 2022)

*** Conversion factor: 0.44 kgCO₂/kWh
(Source: ISPRA Report 317/2020)

Environmental

CO₂ offsetting

Planting area	Tree typology	Unit of measurement*	Value	Tree Qty	Tot. tCO ₂
 Area Facility K2	Eucalyptus Viminalis	tCO ₂ /tree/year	0,1835	128	23,49
 Area Logistic Hub	Olive (European Olea)	tCO ₂ /tree/year	0,0306	57	1,74
* Fonte: CNR - Guidelines for planting specific tree species for nitrogen dioxide, fine particulate matter and ozone uptake				185	25,33

In the analysis and reporting process, CO₂ was also considered “offset” thanks to its own tree gardens located near the operational headquarters and logistics hub in Calatafimi-Segesta.

Trees, in fact, through the process of chlorophyll photosynthesis, absorb carbon dioxide (CO₂) from the atmosphere and water from the soil, while releasing oxygen, giving it to nature.

With the help of several studies carried out by the National Research Council, available on the web, and thanks to subsequent publications, it has been possible to determine empirical data useful for understanding the storage capacity of different types of trees, including the types belonging to CEP, i.e. Olea Europaea and Eucalyptus Viminalis.

The information published by the CNR relating to the two types of trees has therefore been adopted in this Report in order to estimate their CO₂ offsetting capacity, counterbalancing those emitted by the exercise of production activity. The analysis carried out therefore shows a total CO₂ compensation capacity of 25.33 tCO₂. Comparing it to the direct and indirect emissions previously calculated (equal to 148.05 tCO₂), it is possible to confirm that CEP SB Srl offsets about 17% of total Scope 1 and Scope 2 emissions.



Environmental

Milestones

From the point of view of reducing environmental impact, an important investment was made for the construction of a purification and phyto-purification plant useful for the treatment of wastewater and rainwater serving the K2 plant, located in the Z.I. Fegotto of Calatafimi-Segesta.

The purification plants planned are intended to reduce the environmental impact and the related costs deriving from the disposal of septic tank sludge, necessary for the collection and containment of wastewater from the building's toilets, considering that the Z.I. Fegotto does not have a useful sewage system.

As part of its production activity, the K2 plant does not use process water since the activities and production flows are essentially characterized by electromechanical assembly operations.

Environmental

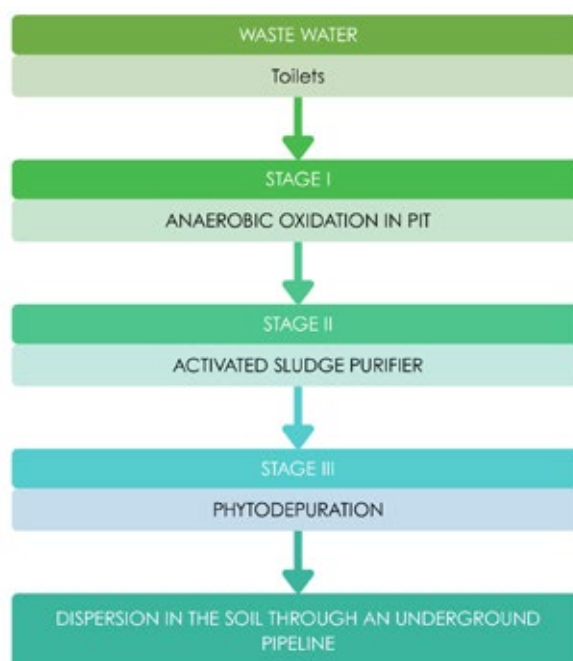
Wastewater treatment

The wastewater pipe of the toilets is connected via inspection manholes to the wastewater storage system consisting of an Imhoff pit and subsequent sealed tank. In particular, each toilet area discharges into an Imhoff tank and in turn the decanted spills into an adjacent sealed underground tank.

The water is then sent by lifting pumps to an above-ground activated sludge purification plant. Consequently, the water is purified and in particular the organic load is significantly reduced, so as to make the wastewater leaving the treatment plant compliant with table IV of Annex 3 to Part V of Legislative Decree 152/06 as amended.

To further reduce the volume of wastewater leaving the treatment plant and further reduce any residual organic load, the water is passed through a phytodepuration plant. It is a natural wastewater purification process that uses plants and their microorganisms to remove pollutants and purify water.

The water will be circulated in the phytodepuration plant to promote the evapotranspiration process by reducing the volume of water. In this way, the excess water coming out of the constructed wetlands is sent to an underground sub-irrigation pipe in the soil.



Environmental

Rainwater treatment

The rainwater from the roofs of the plant is conveyed, through downpipes, into an underground collection system that directs it to an underground concrete tank. Even the square, characterized by a waterproofed surface and equipped with collection grids, conveys rainwater to the same tank due to the effect of the prearranged slopes.

The accumulated water can be destined for external uses through dedicated withdrawal points, while the excess is disposed of through a dispersion pipe on the company ground, equipped upstream with an inspection well for periodic monitoring. An area of about 2,900 square meters, affected by the transit of vehicles for loading/unloading operations, is subject to specific treatment of rainwater due to the potential presence of contaminants (tire wear dust, oils and greases). The waters are divided into first rain and second rain, based on a reference value of 5 mm of precipitation. The first rainfall is conveyed into a 15 cubic meter underground storage tank, where it remains for a period of 24-48 hours in order to allow the sedimentation of the suspended solids.

Subsequently, a lifting system with an automated pump transfers the decanted water into the main rainwater storage tank, after filtration through an oil separator, which guarantees the removal of pollutants of oil and hydrocarbon origin.



Environmental

IMPACT MEASUREMENT

The environmental impact in terms of CO₂ emissions deriving from the disposal of sludge from septic tanks is estimated to be about 3.70 tCO₂ on an annual basis considering the purging operations by the intermediary in charge. Once fully operational, the plant will reduce these emissions by at least 80%, limiting the purging operations to cleaning only the organic matter decanted inside the aforementioned pits.

Furthermore, considering the low percentage of liquids in the remaining organic matter, it will potentially be possible to allocate it to authorized plants (or authorized intermediaries) as biomass. Therefore, it can be useful for the generation of electricity or heat by means of suitable systems.



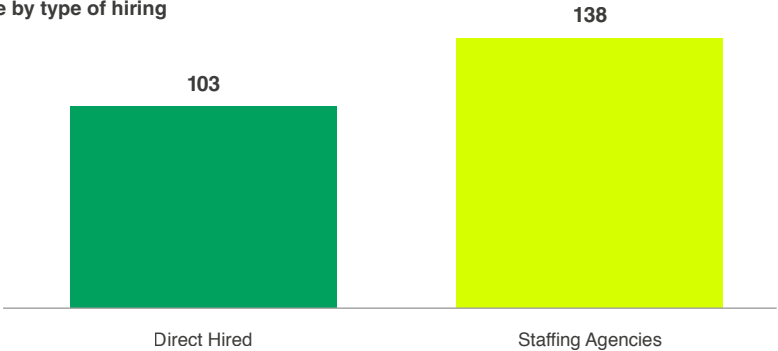
Social

Our Team Members

Employees	Women on fixed-term contracts	Women on permanent contracts	Men on fixed-term contracts	Men on permanent contracts	Total
Direct Hired	0	2	0	101	103
Hired through Staffing Agencies	0	24	1	113	138
					241

In 2025, we saw a consolidation of production performance despite a slight reduction in headcount compared to the previous year; this was primarily due to balancing staffing levels with CEP Italia SB Srl and to voluntary resignations by employees who secured positions through public competitions or needed to relocate to other parts of Italy.

Workforce by type of hiring



The table below shows the total workforce, distinguishing between direct hires and those employed through temporary staffing agencies.

Social

Corporate Welfare

Social sustainability concerns the well-being of everyone involved with the company, from employees to suppliers and the local community. This involves ensuring decent working conditions, promoting diversity and inclusion and supporting social initiatives. That is why, in 2025, we remained committed to our employees' well-being through an innovative and practical corporate welfare system, investing in a series of welfare measures that provide financial support, opportunities for growth and incentives for the overall well-being of our team. So that a solid and responsible company is not just a workplace for our employees, but a true community where every member feels valued and, above all, supported at every stage of their life.

In 2025, the company allocated a flexible benefits package distributed through the Edenred platform to allow employees to take advantage of their preferred fringe benefits and additional services, such as travel, books, electronics, clothing.

Family support

Supporting our employees through the most important stages of their lives means accompanying and assisting them in concrete and meaningful ways. For this reason, in 2025 we renewed the following:

- **Baby Bonus:** a € 150.00 incentive for each birth or adoption (€ 2,250.00 paid in total during the year), a tangible sign of our commitment to supporting parenthood and the growth of CEP families.
- **Wedding Bonus:** € 1,000.00 for each employee who gets married (€ 9,000.00 paid in total during the year), to help make this moment even more special and support the couple on this important day.
- **Employee Bonus for Work Commitment:** € 500.00 was paid to all company employees in recognition of their work commitment and productivity.
- **Seniority Bonus:** € 100.00 was paid to employees with more than fifteen years of service with the company.
- **Child Bonus:** for each dependent child, the company allocated € 50.00 to support CEP families. In 2025, CEP SB Srl reaffirmed its commitment to mandatory corporate welfare, in accordance with the metalworking industry contract, by providing € 200.00 per employee through the Edenred platform, for a total of € 132,600.00. These funds are available in the form of vouchers that support employees and their families through services such as gas vouchers, grocery vouchers or recreational activities.

Cultural experiences and team building

CEP SB Srl is not just about work: as a company, we believe in the importance of sharing culture and art, in the tools that help strengthen the bonds between colleagues and their teamwork, and in sharing recreational activities that also involve their families. For this reason, we have invested in special experiences such as:

- **CEP Takes You to the Theater:** employees and their families were given the opportunity to attend a play staged by the Piccolo Teatro Alcamo.
- **Christmas Party:** a Christmas party was organized at CEP to provide an opportunity for all employees and their families to exchange holiday greetings. The event included fun activities for the children of each family, led by Frappè Animazione, while also allowing our employees to share their workplace with their spouse or family members.
- **Rush Event:** a gathering focused on topics such as team building, talent recognition and emotional intelligence, both personal and within work groups. The event consisted of two distinct segments: an initial training session followed by a time for sharing and refreshments.
- **Social welfare based on solidarity:** through a theatrical production staged by the company's theater troupe, composed of our employees, we supported a project benefiting the Salesian mission in Alcamo with a donation of € 5,000.00.
- A donation of € 700.00 was made to the Alcamo/Trapani chapter of the Italian Association for People with Down Syndrome to fund the production of calendars.
- A donation of € 150.00 was made to support the sports and recreational activities of USD Calatafimi Don Bosco.
- A grant of € 150.00 was provided to support ANFFAS Trapani, an association for families and individuals with intellectual disabilities.
- A grant of € 300.00 was provided to ASDP Pegaso Palermo for the promotion and organization of the 15th Salvo D'Acquisto Memorial Run.
- A charitable donation of € 5,500.00 was made to support the activities and projects of the Piccolo Teatro Alcamo cooperative.

Governance

The Context

With regard to the performance that characterized fiscal year 2025, we note that for our Company the year just ended was a period of consolidation and further resilience. Despite persistent challenges in the photovoltaic sector, due to the stabilization of electricity prices, interest rate volatility and a global economic landscape that remains complex, CEP SB Srl maintained a solid performance, confirming its ability to outperform the industry average.

This result is particularly significant given that 2025 was marked by geopolitical events that continued to influence investments and medium-term prospects: the evolution of conflicts in Ukraine and the Middle East, the long-term consequences of political instability in Europe, including the lingering effects of elections and reforms in Germany and the U.S., and the need to redefine global supply chains.

2025 proved to be a pivotal year for climate protection, with global warming continuing its upward trend and once again exceeding critical reference thresholds. The extreme weather events that occurred throughout the year further highlighted the dramatic consequences of climate change, underscoring the urgency of structural action. However, international efforts, including successive climate summits, have shown slow progress in translating commitments into concrete and rapid action, making the role of private companies even more critical.

In our sector, integrated solutions for large-scale photovoltaic systems performed exceptionally well, consolidating the positive trend begun in previous years and setting new milestones for CEP SB Srl. We have intensified our efforts to streamline costs and simplify our corporate structure, further improving our efficiency metrics. Particular attention has been given to reviewing our product and solution offerings, rapidly adapting them to market changes and promptly capitalizing on new customer needs and emerging business opportunities.

Governance

Our business model

We have implemented advanced measures to optimize inventory and accounts receivable management, resulting in a significant improvement in liquidity and inventory turnover. Sustainability, in all its various dimensions, remains the cornerstone of our strategy.

Thanks to our constant focus on market dynamics, our ongoing commitment to R&D and our strategic partnerships with leading European players to develop innovative solutions, we have expanded our presence, supplying products to over 70 countries worldwide. This result was achieved thanks to the fundamental elements of our business model:

- **Human Resources:** developing our human capital remains a core principle. We have strengthened our commitment to ongoing training to enhance skills and have expanded our corporate welfare program, designed to promote the professional, personal and family well-being of our employees.
- **Innovation and Change:** our drive for innovation extends beyond products to include process optimization. The consistent adoption of lean management techniques and continuous improvement has enabled us to increase productivity and operational efficiency, strengthening our competitive edge over rivals.
- **Technological evolution:** our commitment to innovation is the distinguishing factor that enables us to successfully respond to the rapid technological evolution of the sector. In this context, we have resolutely addressed issues related to BESS and Storage, high-capacity batteries for the power grid, integrating them with solar and electric mobility solutions to promote digitalization and improve the management of the growing complexity of electricity distribution.
- **Infrastructure:** the main objective we achieved was to move forward with infrastructure investments, generating high and sustainable production potential while reducing the inefficiencies associated with growth. We have also laid a solid foundation for the implementation of environmental analysis and strategic forecasting processes that will guide our evolution in the coming years.

Governance

CEP SB Srl

An Ethical and Reliable Governance Model

In 2025, CEP SB Srl consolidated its governance model through strategic initiatives aimed at ensuring effective, sustainable and forward-looking corporate management. The company has placed particular emphasis on generational transition, strengthening leadership and the gradual adoption of the 231 Organizational Model, which provides for the introduction of protocols governing the corporate structure and process management, with dedicated internal control and compliance functions, a code of ethics and systematic risk assessment procedures aimed at preventing predicate offenses, thereby promoting a corporate culture based on integrity and legality.

Organization and Compliance

During 2025, the Supervisory Body was established, the managers to whom responsibilities for their respective roles would be delegated were identified, the protocols setting out the compliance guidelines to be followed in the conduct of business were formalized, and the Organizational Model (MOG) was established in both its general and special sections.

The 231 Organizational Model, the formalization of delegated authority to management and employee training in these areas will be finalized and implemented during 2026.

Governance

Sustainability Rating

After CEP Italia SB Srl, CEP SB Srl also obtains certification for sustainability according to the ESG-SDG:2022 Standard Rating whose purpose is to “measure” companies from an Environmental, Social and Governance point of view taking into account the 17 Sustainable Development Goals. This assessment is carried out through a meticulous Third Party Audit aimed at assessing the Company Management System in the progressive reduction of risks related to ESG factors and initiatives undertaken in the field of sustainability.

The Rating obtained as part of the certification is 62.93% with AA- classification, i.e. “Company with a structured path towards Sustainability.”

Below are the assessments of the individual Sustainable Development Goals that apply.



B Impact Assessment

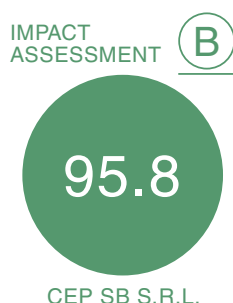
The B Impact Assessment is a tool for assessing the impact of any organization, managed by the American Certification Body B LAB, whose assessment topics reflect the requirements set out in Annex 5, Article 1, paragraph 378 of Law No. 208 of 28 December 2015, which explains the areas of analysis that Benefit Corporations must annually assess, or:

- **Governance**
- **Workers**
- **Environment**
- **Other stakeholders**, who in the B Impact Assessment are identified in the Community and Customer categories.

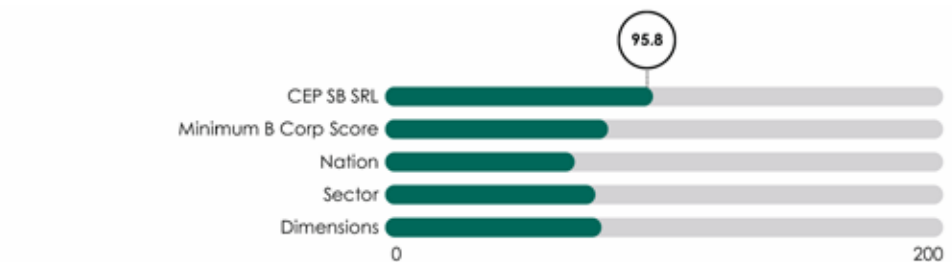
The B Impact Assessment, therefore, is the assessment tool that CEP SB has chosen to use to measure and monitor its impact over time in environmental, social and governance terms, also comparing them with reference Benchmarks by Sector, Size and Country.

Therefore, it was possible to see how the evaluation of our company assumes values above the average of these Benchmarks, thus confirming that it is on the right path for its sustainable development.

In this Impact Report, we publish the results of the Assessment with reference to the year 2025 from which it is possible to appreciate an overall score of **95.8** out of 200 achievable points.



Policies and Practices relevant to their mission, ethics, responsibility and transparency



Governance

Policies and practices relevant to its mission, ethics, accountability and transparency.



Workers

The financial, physical, professional, and social wellbeing of employees.



Community

Economic and social wellbeing of the communities in which it operates.



Environmental

General environmental management.



Customers

Value created for customers and direct consumers of your products and services.





Conclusions

For CEP SB Srl, the B Impact Assessment serves as an important measure of our concrete commitment to generating value not only for the company, but for all stakeholders and the community in which we operate. Our mission goes beyond simply achieving financial results: we aspire to a model of sustainable development that combines business growth, innovation, and social responsibility.

2025 was a year of significant milestones, not only in terms of economic and financial performance but also in the adoption of sustainable strategies, the consolidation of a corporate approach based on ethics, integrity, and transparency, and the strengthening of policies promoting people's well-being. At the same time, we have intensified our commitment to reducing our carbon footprint by adopting targeted measures to improve energy efficiency and resource management.

But our journey does not end here. We look to the future with determination, setting new ambitious goals to accelerate the transition toward an increasingly sustainable and inclusive business model capable of creating a positive impact for the company, the region, and local communities.

As always, we will act with the utmost transparency and diligence, reporting on the progress we have made and the impact we have generated through the publication of future Impact Reports, with the goal of ensuring continuous improvement and inspiring tangible change in the sector in which we operate.



**we
take care
of energy**





Impact Assessment
CEP SB SRL
2025

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