

Sustainability Report

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● Letter to the Stakeholders

Tretau was founded with a clear ambition: to develop advanced technologies capable of meeting demanding industrial requirements while challenging established ways of working. This ambition continues to guide the company's development today.

In a highly technical and competitive industrial environment, long-term value depends on more than product performance. It is built through technical capability, consistent quality, safe operations and deliberate choices that consider risks, resources, people and impacts over time.

To support this approach, Tretau has progressively strengthened the structures that ensure consistency and accountability. Certified management systems, including ISO 9001, ISO 14001 and IATF 16949, together with governance tools such as the Model 231 framework and the whistleblowing system, provide a structured foundation for quality, compliance and ethical conduct.

People remain central to Tretau's performance. Technical capability and operational reliability depend on the skills, experience and engagement of those working within the company. For this reason, health and safety, working conditions and professional development are managed as core operational priorities.

This Sustainability Report describes how environmental, social and governance topics are integrated into Tretau's operations and how they inform everyday decisions, operational priorities and long-term planning.

In 2025, the company completed a €20 million Series C financing round and announced the establishment of its first production facility in the United States. These developments reflect Tretau's ongoing industrial and organizational growth.

For Tretau, sustainability is not a separate objective, but a guiding principle for how growth is managed and how long-term value is created, while maintaining technical integrity, operational reliability and strong governance.

Francesco Taiariol
Co-founder and CEO, Tretau



Reporting perimeter and scope

For the purposes of this Sustainability Report, “Tretau” refers to Tre Tau Engineering S.r.l., an Italian company.

The reporting perimeter covers the Pianezza facility, located in Pianezza (Province of Turin, Italy), which represents the entirety of the company’s operational activities during the reporting period. Unless otherwise explicitly stated, all qualitative and quantitative information included in this report relates exclusively to operations, processes, employees and impacts associated with this site.

The reporting period spans from 1 January 2025 to 31 December 2025.

The Fort Wayne facility, announced on 16 December 2025, is not included in the reporting perimeter, as it was not operational during the reporting period and did not generate measurable environmental, social or governance impacts within the timeframe covered.

No subsidiaries, joint ventures or additional operational sites are included in the scope of this report. Impacts related to the upstream or downstream value chain are considered where relevant and based on information available at the time of reporting.

Reporting framework

This Sustainability Report has been prepared on a voluntary basis. Tretau is not subject to the Corporate Sustainability Reporting Directive (CSRD), as it does not meet the criteria set out in Directive (EU) 2022/2464 for mandatory sustainability reporting.

The purpose of this report is to provide transparent, relevant and proportionate information on Tretau’s environmental, social and governance practices, taking into account stakeholder expectations and the nature, scale and complexity of its activities.

In defining the structure and content of the report, Tretau has considered, where relevant and proportionate, the logic, terminology and structure of the European Sustainability Reporting Standards (ESRS), as adopted by Commission Delegated Regulation (EU) 2023/2772. This reference is intended to support

clarity, comparability and dialogue with stakeholders, particularly business partners subject to CSRD obligations. Tretau does not claim compliance with the ESRS. The same principle applies to other referenced frameworks, which are used as guidance only and are not adopted as formal reporting standards.

The selection of topics and disclosures is based on Tretau’s materiality assessment, which identifies the sustainability topics most relevant in relation to its activities, impacts, risks and opportunities. ESRS topical standards that are not relevant or material have been excluded, with appropriate justification.

In preparing this report, Tretau has considered recognized sustainability frameworks and methodologies as reference points, without formally adopting them. These include, where applicable, the EFRAG Voluntary Sustainability Reporting Standard for SMEs (VSME) as a proportionality benchmark, the Global Reporting Initiative (GRI) Standards as a methodological reference, and selected international principles such as the OECD Guidelines for Multinational Enterprises and ILO core conventions, insofar as they are relevant to the company’s activities. These frameworks are used as reference points and are not adopted as formal reporting standards.

The report reflects Tretau’s existing management systems and governance frameworks, including ISO 9001, ISO 14001 and IATF 16949 certifications, as well as the organizational and control measures adopted pursuant to Legislative Decree 231/2001 and the whistleblowing system implemented in accordance with Legislative Decree 24/2023.

Methodological limitations

This report has been prepared using information and data currently available to Tretau. As a small, non-listed organization, sustainability reporting processes are still evolving and do not yet cover all aspects with the same level of granularity, standardization or historical depth as those of larger organizations subject to mandatory reporting.

Quantitative information is primarily derived from internal operational records, management systems and existing compliance and control processes. In certain areas, particularly with regard to the upstream and downstream value chain, information

is based on estimates or qualitative assessments. Where estimates are used, they reflect the best available information at the time of reporting.

Tretau’s sustainability reporting remains at a developing stage, and certain areas are not yet covered with the same level of depth, standardization or methodological consistency. In particular, the report does not yet include intensity-based environmental indicators, quantified Scope 3 greenhouse gas emissions, or product-level environmental performance assessments such as lifecycle analyses. In addition, supplier-related disclosures are primarily based on certification coverage and do not yet include fully developed due diligence metrics across all ESG dimensions. Where relevant, qualitative information or estimates are provided based on available data. These limitations reflect the current stage of development of internal data collection systems and the proportional approach adopted for a non-listed industrial organization.

This report does not include external assurance. Tretau’s sustainability management approach is based on structured operational practices and certified management systems. At the same time, certain elements of ESG governance, data collection and performance monitoring are still evolving. While core processes are established in areas such as quality, environmental management, health and safety and compliance, the integration of sustainability into formalized reporting and performance measurement remains at an intermediate stage of development. Internal controls, data validation processes and governance mechanisms are expected to be progressively strengthened in future reporting cycles.



1 Company overview Tretau

●
Redefining the industry,
achieving more with less.

Our mission

To revolutionize the wire industry by producing sustainable, solvent-free, high-performance magnet wire solutions that drive innovation and empower our customers to build a greener future.

Our vision

We envision a reality where our pioneering technology sets the standard for wire production, enabling widespread electrification while minimizing our carbon footprint.

Our values

Target Driven, Teamwork, and Transparency define who we are. They anchor our ambition, strengthen our collaboration, and ensure we act with accountability.

Tretau Group Overview

Global OEMs and Tier 1 suppliers choose us as their magnet wire partner for motors, generators, and transformers, enabled by our proprietary production technology.

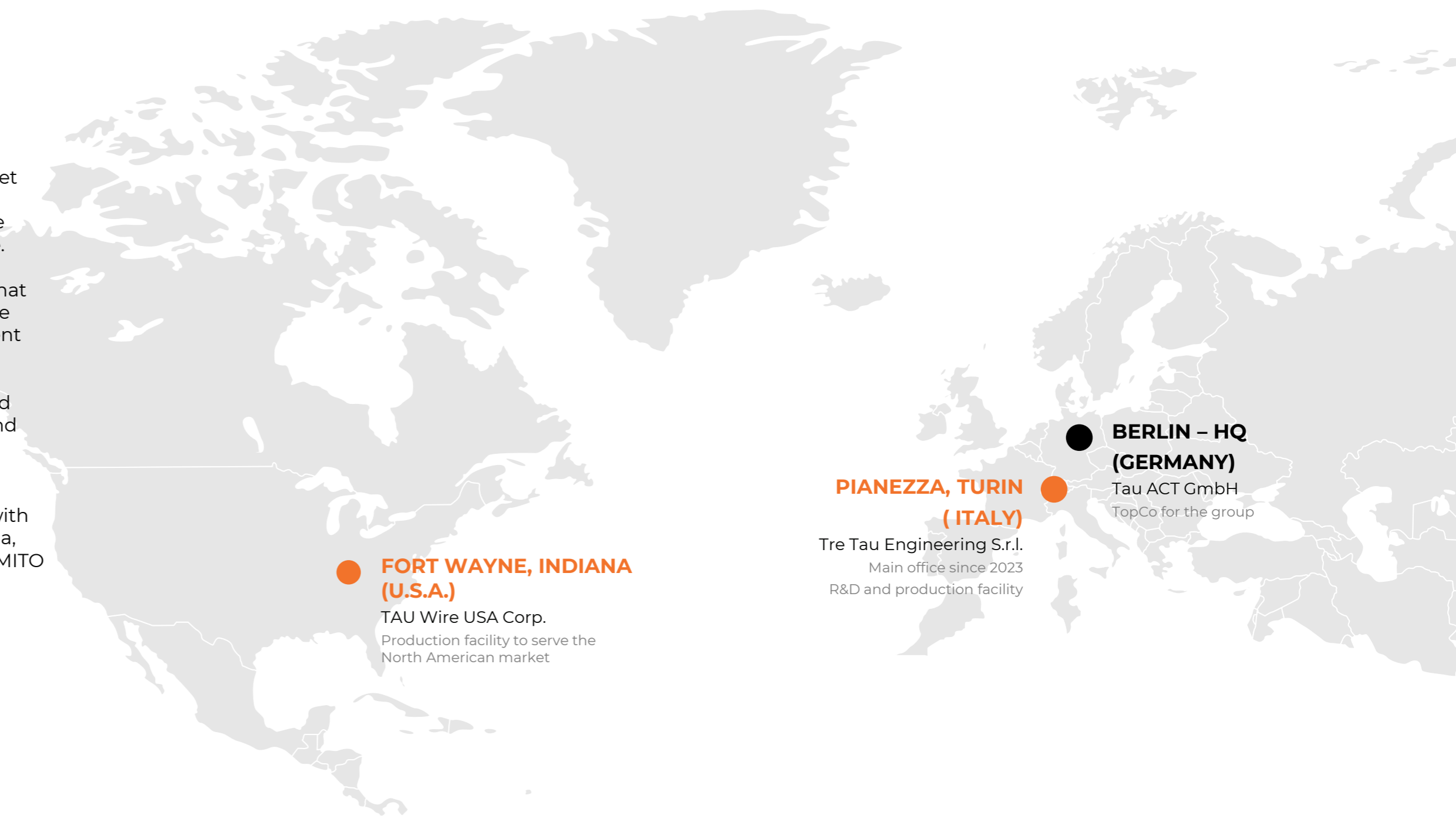
Tretau develops and produces solvent-free, high-performance magnet wire for applications in motors, generators and transformers. Its proprietary production technology enables industrial scalability while maintaining controlled process conditions and product performance.

At the core of Tretau’s technology is DryCycle®, a patented process that combines elements of enameling and extrusion while eliminating the need for solvent-based coatings. This approach supports more efficient manufacturing processes and reduces process-related emissions.

Since its establishment in 2014, Tretau has expanded its industrial and technological capabilities, building partnerships with global OEMs and Tier 1 suppliers across sectors including automotive and advanced manufacturing.

To date, the company has raised €56 million in equity investments, with support from corporate and venture capital investors including Altana, Syensqo, Finindus, CDP Venture Capital, T2Y Capital, Santander and MITO Tech Ventures.

As of 31 December 2025, Tretau employs over 80 people, including engineers, scientists and operational specialists, supporting the development, industrialization and scaling of its technology.



FORT WAYNE, INDIANA (U.S.A.)
TAU Wire USA Corp.
Production facility to serve the North American market

PIANEZZA, TURIN (ITALY)
Tre Tau Engineering S.r.l.
Main office since 2023
R&D and production facility

BERLIN – HQ (GERMANY)
Tau ACT GmbH
TopCo for the group

€56M

Equity Raised to Date

€20M

Venture Debt Secured

70+

Patents

80+

Employees

2

Facilities in Italy & USA

IATF/ISO

Certified

Our blueprint Pianezza facility

Tretau's Pianezza site serves as both the company's headquarters and its primary industrial platform. The facility integrates research and development, process engineering and manufacturing within a single operating environment, supporting the development and industrialization of solvent-free magnet wire technologies.

In a highly technical sector, industrial scalability depends on controlled processes, qualified personnel and reliable infrastructure. In 2025, the site increased production capacity through the installation of additional equipment and targeted technological upgrades.

During the same period, the organization expanded by approximately 40%, strengthening engineering, operational and support functions required to manage higher production volumes and increased technical complexity. Parallel investments were made in occupational health and safety, site security and IT infrastructure. Enhancements in digital systems, data management and process monitoring support operational continuity, information security and risk management as activities scale.

Certifications

Operations at the Pianezza site are governed by international management systems that support process control, regulatory compliance and continuous improvement. Tretau maintains: a Quality Management System certified to ISO 9001 and IATF 16949 for the automotive sector, as well as an Environmental Management System certified to ISO 14001.

These certifications confirm that management systems are independently audited against established international standards. They provide a structured framework for quality assurance, environmental performance, traceability and risk-based management.

For customers and partners operating in regulated and performance-critical sectors, these certifications provide assurance that production processes and controls are documented, monitored and externally verified.



simple
scalable
efficient

sustainable by design.

powerful
optimized
compact



DryCycle® Coating Technology

DryCycle® is Tretau's proprietary solvent-free coating technology to produce high-performance magnet wire. The process combines elements of enameling and extrusion while eliminating the need for solvent-based polymer layers used in traditional coating systems.

This technology is designed without the use of solvents, pre-treatments or other coating additives typically required in conventional processes. This approach is designed to reduce process-related emissions and simplify operational complexity compared to conventional solvent-based system.

Continuous in-line monitoring supports process stability and quality control throughout manufacturing. Real-time data collection enables consistent management of operational parameters, contributing to product conformity and traceability.

This technology is developed and engineered in-house. Tretau holds patents covering coating architecture, sensor integration and process efficiency, supporting ongoing refinement and internal control of critical process elements.

DryCycle® equipment is designed for industrial scalability, with a compact footprint and optimized energy use compared to conventional solvent-based systems. Integrated software tools support predictive maintenance, process optimization and production oversight.

Features	Characteristics
Solvent-free architecture	<ul style="list-style-type: none"> › No pretreatment, solvents or additives required › Monolayer coating structure › Processability of both thermoset and thermoplastic resins
Supported geometries	<ul style="list-style-type: none"> › Round, rectangular / flat, hollow conductors › Concentric coating › Eccentric (asymmetric) coating
Magnet wire characteristics	<ul style="list-style-type: none"> › Resulting coated wire adhesion stripping force ≥ 2.0 N/mm (PEEK coated wire) › Resulting coated wire minimum bending radius ≤ 1.0 mm (rectangular wire)
Process control and monitoring	<ul style="list-style-type: none"> › Continuous in-line sensor monitoring › Real-time control of operational parameters › Integrated production data analytics › Traceability across production stages
Industrial scalability	<ul style="list-style-type: none"> › Compact equipment › Designed and engineered in-house › Rapid production scaling capability › Continuous process optimization › Reduced process-related emissions compared to solvent-based systems



Global trends

Energy systems, industrial production and supply chains are undergoing structural transformation. Electrification, regulatory developments, resource constraints and digitalization are reshaping how components are designed, manufactured and verified.

For companies operating in performance-critical sectors such as motors, transformers and power systems, technical capability must increasingly be combined with environmental performance, material efficiency and process traceability.

These developments influence both market expectations and operational requirements. The following trends are particularly relevant to the sectors in which Tretau operates and inform the company’s strategic direction.¹

Trend	Description	Tretau’s approach
Electrification of Energy and Industry	The expansion of electric mobility, renewable generation and electrified industrial processes is increasing demand for reliable, high-performance electrical components. At the same time, power grids are undergoing structural change. Greater integration of intermittent renewable energy sources, distributed generation and energy storage systems requires grid reinforcement, improved efficiency and enhanced reliability across transmission and distribution infrastructure. These developments increase performance expectations for motors, transformers and generators, particularly in terms of thermal stability, insulation reliability and operational durability.	<ul style="list-style-type: none"> › Develop solvent-free coating technologies aligned with electrification requirements. › Support customers with performance-focused, traceable production processes. › Maintain certified management systems to meet regulated market expectations.
Efficiency and Power Density Requirements	Electrification and heavier grid and vehicle electrification loads are increasing demand for motors and components with higher power density and improved thermal performance. Policymakers and utilities are also prioritizing energy-efficiency measures across industry and buildings, which raises expectations for component-level efficiency and material performance. Recent IEA analysis emphasizes that energy-efficiency improvements remain central to meeting demand and emissions goals in the near term.	<ul style="list-style-type: none"> › Design coating systems that support compact conductor geometries and controlled insulation layers. › Focus on process stability to ensure repeatable electrical and mechanical performance. › Support customers seeking improved system efficiency through material innovation.
Material Constraints and Copper Utilization	Electrification, data-centre build-outs and infrastructure investment are materially increasing copper demand; several recent analyses identify a tightening copper market and the risk of supply shortfalls if supply and recycling do not scale. Reporting in 2025 highlights surging copper demand tied to electrification and AI/data-centre deployment and notes elevated price and supply pressure.	<ul style="list-style-type: none"> › Develop wire solutions that optimize copper utilization while maintaining performance parameters. › Support customers in improving material efficiency through coating architecture and conductor design flexibility. › Maintain structured sourcing and traceability processes.
Digitalisation and Process Transparency	In-line monitoring, real-time analytics and predictive maintenance are now standard levers for improving uptime, quality and traceability in advanced manufacturing. Academic and industry reviews in 2024/25 document rapid uptake of IoT-enabled condition monitoring and ML-driven predictive maintenance as means to reduce downtime and improve process reliability. These capabilities also support the traceability and auditability expectations of regulated customers.	<ul style="list-style-type: none"> › Integrate in-line sensor monitoring and real-time process control within DryCycle® systems. › Use production data analytics to support quality assurance and operational continuity. › Continuously refine digital infrastructure to strengthen process reliability.

¹ Global trend assessments referenced in this section are based on publicly available reports and analyses published in 2024/2025, including: International Energy Agency (IEA) reports on energy efficiency, renewable energy deployment and grid development. Industry and financial press reporting on copper demand and supply dynamics related to electrification and data-centre growth. Peer-reviewed and industry on digitalization, in-line monitoring and predictive maintenance in advanced manufacturing. These sources were used to contextualize structural market developments relevant to electrification, material efficiency and industrial process control.

Our strategy

Tretau’s strategy is based on technological control, operational discipline and long-term value creation. The company combines in-house engineering capabilities, structured partnerships and certified management systems to support scalable, solvent-free magnet wire production.

This approach is designed to ensure consistency in product performance, reliability in industrial operations and alignment with evolving regulatory and market expectations.

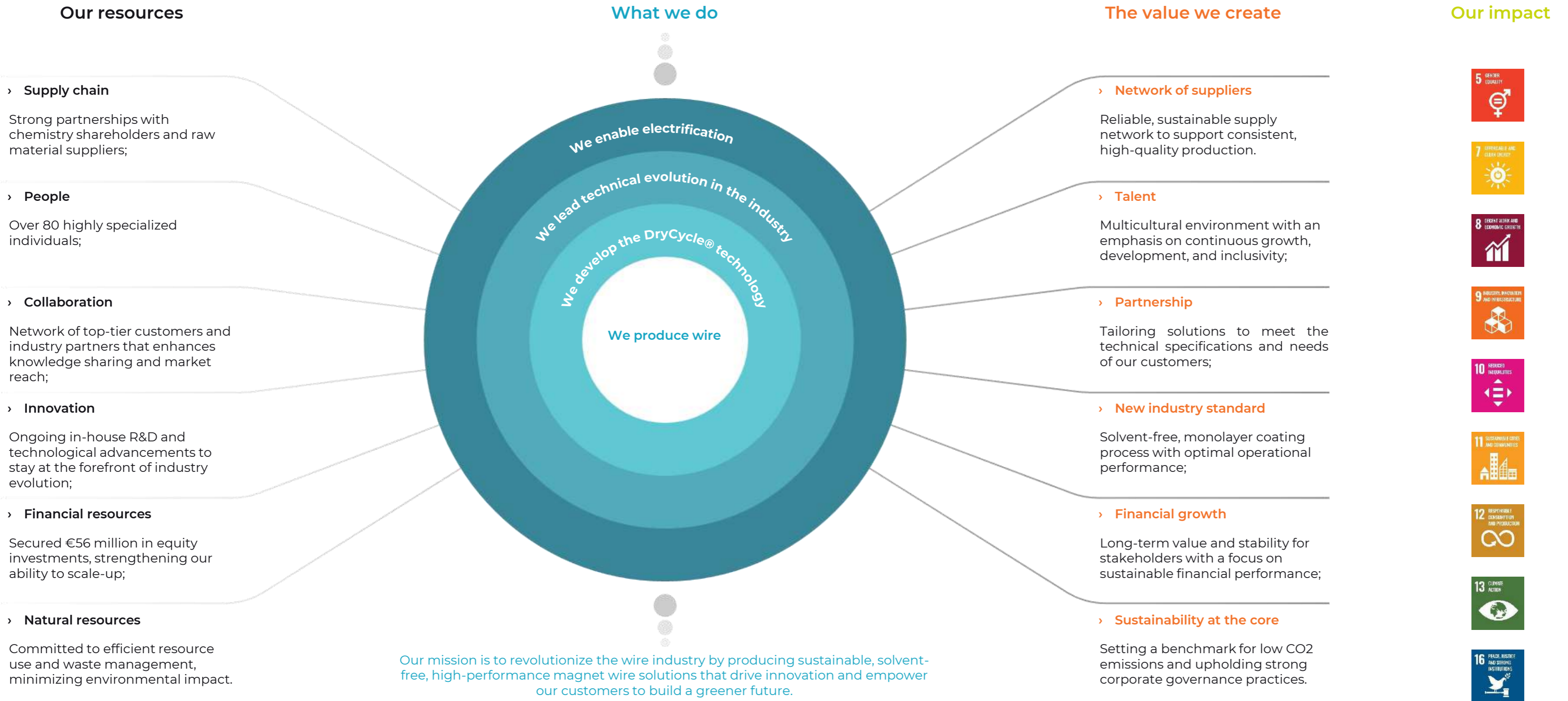
Within this framework, Tretau creates value by combining technological innovation with controlled industrial processes and structured operational practices. Its activities are centered on the development and production of solvent-free magnet wire, enabled by proprietary technology and supported by integrated engineering, manufacturing and quality systems.

Through this model, Tretau aims to enable electrification applications requiring high-performance components, improve process efficiency and material use within manufacturing, and support customers operating in performance-critical and regulated sectors.

Value creation is therefore linked to the company’s ability to maintain product performance, operational reliability and process consistency, while progressively integrating environmental and governance considerations into industrial activities.

Strategic pillar	Description	Key components
Vertical Integration and Industrial Control	Tretau combines in-house machine design with strategic partnerships in materials and chemistry. This structure strengthens control over critical production stages and reduces dependency on external equipment suppliers. Integrated engineering and manufacturing capabilities support scalable production and controlled industrial expansion.	<ul style="list-style-type: none"> › In-house machinery design and engineering › Partnerships with chemistry and material suppliers › Reduced dependency on third-party production platforms › Structured scaling model
Proprietary Solvent-Free Technology	DryCycle® is central to Tretau’s industrial model. The solvent-free, monolayer coating process reduces operational complexity while supporting controlled and repeatable performance. Continuous process monitoring and in-house development capabilities enable ongoing refinement of coating architecture and production parameters.	<ul style="list-style-type: none"> › Solvent-free coating system › In-line monitoring and non-invasive quality control › Compatibility with thermoplastic chemistries › Proprietary technology portfolio and patents
Customer-Centric Product Development	Tretau works closely with customers to develop application-specific magnet wire solutions. In-house tooling and engineering capabilities enable customization across conductor geometries, coating configurations and performance requirements.	<ul style="list-style-type: none"> › Collaborative development with OEMs and industrial partners › In-house tooling and prototyping › Flexibility across geometries and material systems › Structured validation processes
Operational Efficiency and Modular Design	The company’s solvent-free, single-layer process architecture is designed to simplify production flow and reduce material handling steps. Modular factory layouts support scalability while maintaining process control and space efficiency.	<ul style="list-style-type: none"> › Streamlined production architecture › Compact equipment footprint › Reduced material handling and intermediate steps › Scalable, modular production configuration
Sustainable Value Creation	Sustainability at Tretau is embedded in operational and technological decisions. The company integrates environmental responsibility, resource efficiency and governance controls into its industrial model, with the objective of supporting long-term resilience and accountability.	<ul style="list-style-type: none"> › Environmental management system certified to ISO 14001 › Quality systems certified to ISO 9001 and IATF 16949 › Focus on material efficiency and solvent-free production › Continuous process improvement

Creating value



Stakeholders

For the purposes of this report, stakeholders are defined as individuals or groups that can affect, or are affected by, Tretau’s activities, products or services.

Tretau operates within interconnected industrial value chains. Its activities influence, and are influenced by, a range of stakeholders including customers, employees, suppliers, members of the financial community, and local communities and authorities.

Engagement with these stakeholders supports risk management, operational improvement and long-term value creation. The company seeks to maintain structured and consistent dialogue aligned with its governance framework and certified management systems.

The stakeholder groups considered most relevant to Tretau’s operations are identified based on their relationship to the company’s activities and their potential impact on operational and strategic outcomes.

Stakeholder Group	Relevance	Engagement
Customers and OEMs	Operate in performance-critical and regulated sectors such as automotive, energy and industrial applications. Their technical and compliance requirements directly influence product design and production processes.	<ul style="list-style-type: none"> › Technical collaboration and joint development projects › Product validation and performance testing › Quality audits and compliance reviews › Ongoing operational communication
Employees	Technical capability, safety and process reliability depend on skilled personnel across engineering, production and support functions. Workforce engagement directly affects operational performance.	<ul style="list-style-type: none"> › Structured onboarding and training programs › Occupational health and safety management › Performance reviews and internal communication channels
Suppliers and Material Partners	Provide critical raw materials, chemistry inputs and equipment. Supplier performance influences quality, traceability and environmental management.	<ul style="list-style-type: none"> › Supplier qualification processes › Long-term technical partnerships › Quality and compliance assessments
Investors and Financial Partners	Provide capital to support industrial scaling and technology development. Expect transparent governance, performance accountability and risk management.	<ul style="list-style-type: none"> › Periodic reporting and performance updates › Governance structures and financial oversight › Strategic alignment discussions
Local Communities and Authorities	Host industrial operations and are impacted by environmental performance, safety standards and employment practices. Regulatory bodies define compliance requirements.	<ul style="list-style-type: none"> › Regulatory compliance and inspections › Environmental management system controls › Employment and local economic participation

Materiality assessment

The Materiality Matrix is the structured outcome of Tretau's 2025 Materiality Assessment. It visualizes the relative positioning of environmental, social, governance and strategic topics based on two dimensions: their significance to stakeholders and their significance to Tretau.

The purpose of the matrix is not to determine which issues are relevant and which are not. All topics assessed are considered relevant within the company's sustainability framework. The matrix supports prioritization by identifying areas where stakeholder expectations and business impact converge most strongly, thereby guiding strategic focus, reporting depth and resource allocation.

In 2025, the assessment methodology was refined to better represent the relative importance of topics while maintaining a transparent and balanced approach. Stakeholder input was collected through a structured survey covering four ESG areas and involving customers, suppliers, employees, members of the financial community and other relevant stakeholders.

Participants were first asked to rate each topic on a scale from one to five, reflecting its absolute importance. They were then asked to rank their top priorities within each category. Final scores combine the average rating and a normalized ranking score through a weighted method that gives greater influence to the rating, while ensuring that ranking contributes to the overall outcome. This approach allows differences in priority to emerge without excluding any topic from consideration.

Materiality matrix

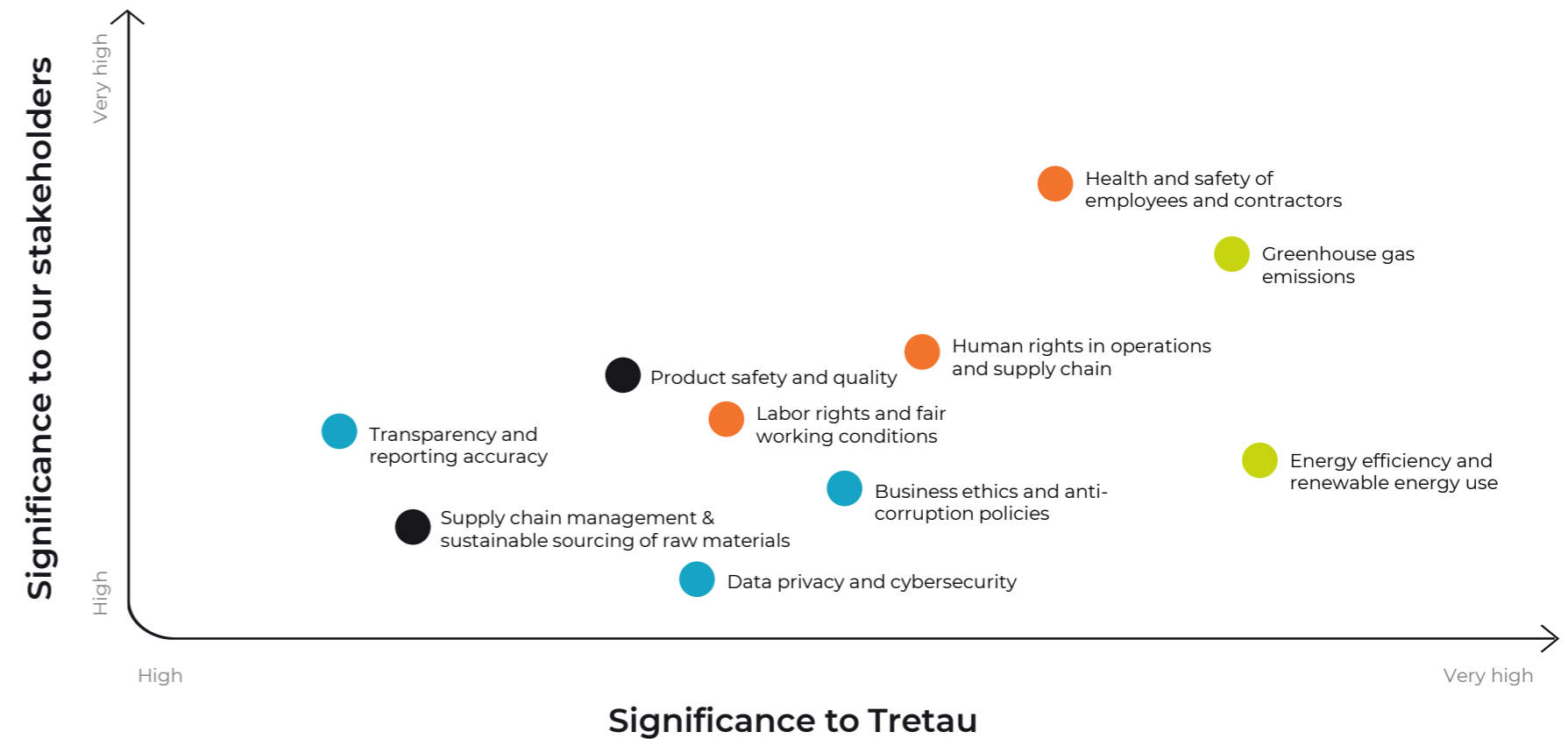
The matrix presented in this report includes only those topics that achieved an average score higher than 4 out of 5 in both dimensions. This threshold highlights areas of particularly high relevance at the intersection of stakeholder expectations and business priorities. Topics not displayed remain part of Tretau's broader sustainability scope and continue to be monitored and managed. Their exclusion from the visual representation does not imply reduced importance.

Compared to the 2024 assessment, the 2025 results indicate a broader distribution of relevance across environmental, social and governance dimensions. Environmental topics such as greenhouse gas emissions and energy efficiency continue to rank highly. At the same time, several human capital and governance-related topics have increased in significance. Topics related to employee health and safety, labor practices and workforce conditions have become more prominent, reflecting both organizational growth and increased stakeholder attention to operational resilience and workplace standards.

Data privacy and cybersecurity have also gained relevance, in line with the continued digitalization of manufacturing processes and increased expectations regarding data protection and operational continuity. In addition, human rights considerations within operations and supply chains have increased in priority, reflecting broader scrutiny across global value chains.

These developments indicate a more integrated understanding of sustainability, where environmental performance, workforce stability, digital resilience and governance practices are increasingly interconnected components of long-term value creation.

The materiality matrix is reviewed periodically to ensure alignment with stakeholder expectations, regulatory developments and Tretau's evolving operational footprint.



Environment

1. Greenhouse gas emissions
2. Energy efficiency and renewable energy use
3. Pollution control
4. Waste & Hazardous Materials Management
5. Impact on biodiversity and land use
6. Water consumption and water pollution control

Human Capital

7. Health and safety of employees and contractors
8. Human rights in operations and supply chain
9. Labor rights and fair working conditions
10. Community engagement and social impact
11. Diversity, equity and inclusion in the workforce

Business Model & Innovation

12. Product safety and quality
13. Supply chain management & sustainable sourcing of raw materials
14. Product design and lifecycle management
15. Business model resilience

Leadership & Governance



16. Transparency and reporting accuracy
17. Business ethics and anti-corruption policies
18. Data privacy and cybersecurity
19. Compliance with environmental and social regulations
20. Risk management

Sustainable development goals

The United Nations Sustainable Development Goals (SDGs) provide a globally recognized framework for addressing environmental, social and economic challenges. While governments are the primary actors responsible for achieving the 2030 Agenda, industrial companies play an important role through their technologies, operational practices and value chain decisions.

Tretau operates within sectors directly influenced by electrification, resource efficiency and industrial innovation. The company’s contribution to the SDGs is therefore linked to the development of solvent-free coating technologies, controlled manufacturing processes, responsible governance practices and collaboration across the value chain.

The SDGs are not treated as a standalone framework but are considered in conjunction with Tretau’s material topics, strategy and operational priorities. The following goals are those most closely connected to the company’s activities and long-term direction.

SDGs	Approach
 Gender equality	Tretau promotes equal opportunity and non-discrimination across recruitment, career development and compensation practices. Workforce data indicates that women represented 22% of total employees and 29% of leadership roles in 2025. The decrease in overall representation is linked to hiring concentration in technical and production roles, where female participation remains structurally lower across the sector. The company continues to monitor gender balance and promote inclusive working conditions.
 Affordable and clean energy	Tretau contributes to SDG 7 through the development of solvent-free coating technologies designed to improve energy efficiency in manufacturing processes and enable electrification applications. In 2025, 46.31% of purchased electricity was derived from renewable sources. Energy consumption and emissions are monitored within the ISO 14001-certified environmental management system.
 Decent work and economic growth	Tretau supports decent work through compliance with national labor regulations and collective agreements, ensuring fair working conditions and employee protection. In 2025, the company experienced significant workforce growth and strengthened internal processes related to working time management, onboarding and performance evaluation. Health and safety are managed as core operational priorities, with no work-related injuries recorded during the reporting period.
 Industry, innovation and infrastructure	Tretau contributes to industrial innovation through the development of proprietary solvent-free magnet wire technology (DryCycle®), supported by in-house engineering and manufacturing capabilities. The company operates as an Industry 4.0 environment, integrating process control, in-line monitoring and data analytics to support scalability and reliability. As of 2025, Tretau holds over 70 patents supporting continuous technological development.
 Reduced inequalities	Tretau applies a non-discrimination principle across employment practices, ensuring that hiring and career progression are based on skills, qualifications and performance. The workforce includes multiple nationalities, contributing to a diverse working environment. The company complies with applicable regulations related to equal opportunity and labor protection.
 Sustainable cities and communities	Tretau contributes to local economic development through its industrial operations in Pianezza, including employment generation and compliance with environmental and safety regulations. The company maintains structured engagement with local authorities and operates under an ISO 14001-certified environmental management system to manage environmental impacts.
 Responsible consumption and production	Tretau integrates resource efficiency and waste management into its operations. In 2025, waste streams were monitored and classified, with approximately 86% of total waste directed to recovery processes. The company focuses on reducing material losses, improving process efficiency and enabling recyclability through product and process design. Product-level circularity metrics are still under development.
 Climate action	Tretau monitors greenhouse gas emissions associated with its operations, covering Scope 1 and Scope 2 emissions. Total emissions increased in 2025 due to higher production activity. Scope 3 emissions are not yet quantified. The company is evaluating methodologies to expand emissions reporting and improve data visibility across the value chain.
 Peace, justice and strong institutions	Tretau maintains a governance framework based on compliance, transparency and ethical conduct. In 2025, no incidents of corruption, regulatory non-compliance or data privacy violations were recorded. The company has implemented a whistleblowing system in accordance with applicable legislation and continues to strengthen internal controls through the progressive implementation of a Model 231 framework.



2 Sustainability at the core

Environmental footprint

Tretau recognizes that industrial manufacturing generates environmental impacts that must be actively managed, measured and progressively reduced. The company's environmental footprint is primarily associated with energy consumption, raw material use, process-related emissions and waste generation linked to operations at the Pianezza facility.

Environmental management is integrated into operational planning and daily activities through a structured framework aligned with ISO 14001. This approach supports regulatory compliance, systematic risk identification, performance monitoring and continuous improvement.

At this stage, environmental performance is primarily reported using absolute indicators. The development of intensity-based metrics is expected to be progressively introduced as data systems evolve. Tretau addresses its environmental footprint through four complementary areas:

Operational efficiency and emissions management

The company continuously works to improve production efficiency and optimize resource use. Operational controls and performance monitoring are applied to reduce energy consumption, minimize waste generation and limit emissions associated with manufacturing activities. Environmental considerations are embedded in process design, maintenance planning and investment decisions.

Sustainable manufacturing through innovation

Manufacturing processes are designed to improve material efficiency, reduce operational complexity and limit the use of environmentally critical inputs where technically feasible. This approach focuses on reducing environmental impact at source

through process design.

Resource use and circularity

Raw materials and process inputs are managed with attention to efficiency and recovery. Efforts focus on reducing material losses, improving yield and facilitating material separation and recycling where technically feasible. By integrating circular economy principles into manufacturing practices, Tretau aims to reduce environmental impact throughout the product lifecycle.

Tretau is developing product architectures aimed at enabling recyclability of copper conductors and polymer insulation. At this stage, recyclability is a design objective and has not yet been validated through product-level lifecycle assessments.

Supply chain and environmental responsibility

Environmental considerations extend beyond direct operations. Tretau engages with suppliers to promote compliance with environmental standards and alignment with sustainability expectations. Through structured supplier evaluation and collaboration, the company seeks to reduce environmental risks across the value chain and support more responsible sourcing practices.

Goals by 2030

100%
Climate neutral energy
 (target under development)

100%
Enable recyclability of copper used in Tretau's wire

≥ 95%
Share of renewable energy in wire production
 (indicative target)

100%
Enable recyclability of polymer used in Tretau's wire

Key points

- › Data-driven approach to sustainable growth;
- › Implement the adoption of environmentally conscious operations in logistics to reinforce our commitment to responsible supply chain;
- › Circular economy approach focused on enabling product recyclability;
- › These targets represent intended development directions based on current assumptions and are subject to refinement as methodologies, technical validation and data availability evolve.

Energy management

2024 represents Tretau’s baseline year for energy consumption and greenhouse gas emissions at the Pianezza facility.

In 2025, the company experienced approximately 40% growth in organizational and production capacity, which directly influenced energy demand.

Total energy consumption increased from 0.916 GWh in 2024 to 1.28 GWh in 2025. This variation reflects higher operational activity during the reporting period.

The composition of purchased electricity remained unchanged compared to the baseline year, with 46.31% derived from renewable sources, as reported by the energy distributor. Variations in total energy consumption and associated Scope 1 and Scope 2 emissions are therefore attributable to increased operational activity rather than changes in energy sourcing.

Direct energy use (natural gas) showed limited variation compared to the baseline year, while electricity consumption increased in line with expanded production volumes.

Energy performance continues to be managed within the ISO 14001-certified framework, with a focus on monitoring consumption, improving efficiency and progressively strengthening energy management practices.

Scope 1 – Direct energy use and emissions

Scope 1 emissions relate to direct energy consumption from natural gas used at the Pianezza facility. In 2025, natural gas consumption increased slightly compared to the 2024 baseline year, reflecting changes in operational activity. Scope 1 greenhouse gas emissions increased by approximately 4% year-on-year. This variation remains limited in absolute terms and reflects direct fuel use associated with site operations. Direct emissions continue to be monitored under Tretau’s ISO 14001-certified environmental management system, with attention to process optimization and responsible energy management.

Scope 2 – Indirect energy use and emissions

Scope 2 emissions relate to indirect greenhouse gas emissions from purchased electricity.

In 2025, electricity consumption increased significantly compared to the 2024 baseline year. As the composition of purchased electricity remained unchanged, the increase in Scope 2 emissions is attributable to higher electricity consumption rather than changes in the energy mix. Electricity use and associated emissions are continuously monitored, with the objective of improving efficiency and strengthening energy management practices as operations evolve.

Greenhouse Gas Emissions

Tretau monitors greenhouse gas (GHG) emissions associated with its operations at the Pianezza facility, focusing on direct emissions from natural gas consumption (Scope 1) and indirect emissions from purchased electricity (Scope 2). Total Scope 1 and Scope 2 emissions increased from 216.46 tCO₂e in 2024 to 308.59 tCO₂e in 2025. This increase reflects higher electricity consumption associated with expanded operational activity. Direct emissions showed limited variation, while indirect emissions increased in line with electricity demand.

Scope 3 emissions, including those related to upstream raw materials, third-party logistics, business travel and other value chain activities, are not yet quantified. The company recognizes that Scope 3 emissions may represent a relevant share of its overall environmental impact, particularly in relation to raw material sourcing and downstream applications. However, data availability and methodological complexity currently limit the ability to calculate these emissions with sufficient accuracy and consistency.

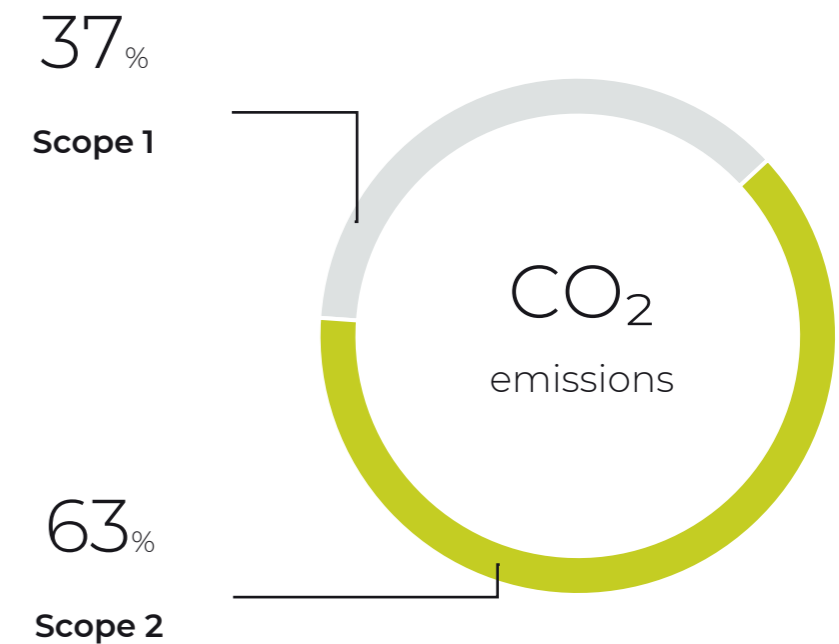
Tretau is evaluating approaches to improve data visibility across the value chain, including supplier engagement and alignment with recognized methodologies, with the objective of progressively expanding the scope and reliability of greenhouse gas reporting in future reporting cycles.

Transport and mobility

Transport-related emissions from company-owned vehicles are included within Scope 1 emissions. These relate primarily to fuel consumption associated with operational mobility.

Emissions linked to third-party logistics, inbound and outbound transport, and business travel are not currently quantified within Tretau’s reporting perimeter.

Tretau recognizes that transport represents an indirect environmental impact. Emissions related to third-party logistics, inbound and outbound transport and business travel are considered part of Scope 3 and are not yet included in the quantitative reporting perimeter. The company will continue to evaluate opportunities to improve data visibility in this area over time.



Waste & Hazardous Materials Management

Tretau applies a structured procedure to ensure proper handling, separation, storage and disposal of waste generated at the Pianezza facility. Waste streams are identified at source and classified according to the relevant European Waste Codes (CER), distinguishing between hazardous and non-hazardous materials. Dedicated storage systems and certified disposal partners support regulatory compliance and operational control under the ISO 14001-certified environmental management framework.

In 2024, total waste generated amounted to 43,724 kg. In 2025, total waste increased to 158,747 kg. This variation reflects higher production throughput during the reporting period.

Hazardous waste increased from 4,879 kg in 2024 to 9,800 kg in 2025. Non-hazardous waste rose from 38,845 kg to 148,947 kg. The shift in volumes is associated with expanded operational activity and changes in material flows linked to production scaling.

In terms of waste destination, 39,565 kg were sent to recovery and 4,159 kg to disposal in 2024. In 2025, recovery volumes increased to 137,342 kg, while disposal volumes rose to 21,405 kg. Recovery represented approximately 90% of total waste in 2024 and approximately 86% in 2025. The recovery rate decreased slightly compared to 2024, reflecting changes in waste composition associated with production scaling, while remaining the predominant waste management pathway.

Tretau continues to prioritize recovery and responsible treatment practices, while monitoring waste streams to identify opportunities for efficiency and reduction.

Water & Wastewater Management

Water use at the Pianezza facility is primarily associated with production support activities and civil uses. Water used in production accounts for a limited share of total consumption and is managed in accordance with applicable regulatory requirements. Water used for civil purposes, including sanitary services and general facility services, is discharged directly into the municipal sewer system, where it is managed by the competent public authorities.

In 2024, total water withdrawal amounted to 712.6 m³. In 2025, total withdrawal increased to 1576.4 m³. Water consumption rose from 691 m³ in 2024 to 1529.1 m³ in 2025. Water discharge increased from 21.38 m³ to 47.3 m³ over the same period.

The increase in water indicators is consistent with expanded operational activity during the reporting period. No environmental incidents or regulatory non-compliances related to water management were recorded in 2025.

Waste generated

Waste generated refers to the total quantity of waste produced by manufacturing and operational activities at the Pianezza facility during the reporting period. It includes both hazardous and non-hazardous waste streams, classified in accordance with European Waste Codes (CER).

Waste recovery

Waste recovery refers to the portion of generated waste that is diverted from disposal and sent to authorized recovery processes, including recycling, reuse or energy recovery.

This indicator reflects the effectiveness of waste segregation and the company's ability to channel materials back into productive use rather than landfill.

86%

Recovery



14%

Disposal

Water discharge

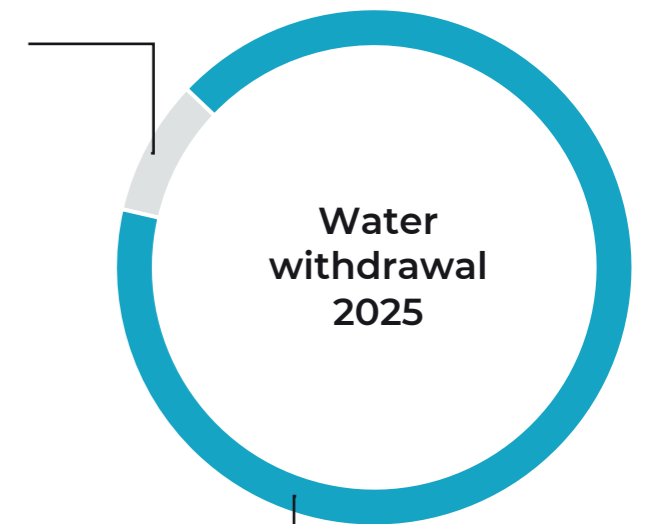
Water discharge represents the volume of water released from the Pianezza facility after use in civil activities. This includes water discharged to municipal sewer systems and managed by competent bodies.

Water consumption

Water consumption refers to the volume of water used during the reporting period for both production-related and civil purposes. It represents the portion of total water withdrawal that is consumed within operations and not returned to the original source. Within production processes, a limited share of water is disposed of as liquid waste stored in tanks at an authorized external disposal facility, while the majority is recirculated and reused within the system. This indicator supports monitoring of resource efficiency and responsible water use.

3%

Discharge



97%

Consumption



“Tretau is all about using
energy efficiently.”

Francesco Taiariol
Tretau's Co-founder and CEO

Responsibility within the supply chain

As a technology and manufacturing company, Tretau recognizes that the performance and integrity of its supply chain are fundamental to product quality, operational continuity and long-term value creation. Suppliers contribute directly to the materials, components and services that shape Tretau’s final products. For this reason, responsible sourcing and supplier management are embedded in the company’s governance framework.

Tretau selects suppliers through a structured qualification process that evaluates quality standards, operational reliability, regulatory compliance and ethical practices. This approach applies to suppliers of finished and semi-finished goods that directly influence product quality, reinforcing accountability across the value chain.

In 2025, the structure of Tretau’s direct supplier base remained unchanged compared to 2024, and no new direct suppliers were added. As a result, certification coverage among suppliers remained stable. As of the reporting year, 92% of relevant suppliers are certified under ISO 9001, 64% under ISO 14001, and 18% under IATF 16949, where applicable. These certifications support alignment with internationally recognized quality, environmental and industry-specific standards.

Supplier certification & performance	2025
ISO 9001	› 92%*
IATF 16949	› 18%* <small>required for automotive suppliers only</small>
ISO 14001	› 64%*
Vendor Rating (avg. score)	› 97.90/100

*Suppliers of finished and semi-finished goods that directly influence the quality of our products.

Screening and monitoring

Tretau maintains a structured screening and monitoring process to ensure suppliers align with its operational and ethical standards.

The initial qualification phase includes pre-evaluation of certifications, production capability and regulatory compliance. For critical suppliers, particularly those impacting final product quality, alignment with quality management standards is prioritized.

In 2025, ESG-related questions were formally integrated into the supplier qualification questionnaire for new suppliers. This update strengthens visibility over environmental, social and governance practices at the onboarding stage and supports a more structured assessment of sustainability-related risks and opportunities.

Supplier performance is reviewed periodically through operational indicators such as quality, logistics and commercial reliability, supporting continuous improvement and transparency.

Code of Conduct and responsible sourcing

Tretau expects suppliers to operate in accordance with principles of ethical conduct, legal compliance and responsible business practices. These expectations are reflected in supplier agreements and ongoing engagement.

Suppliers are expected to operate in accordance with principles of ethical conduct, legal compliance and responsible business practices. These expectations include adherence to labor standards, health and safety requirements, environmental regulations and anti-corruption principles.

Privacy and data protection

Tretau is committed to safeguarding the confidentiality and personal data of individuals and organizations involved in its supply chain. Personal data is collected and processed in accordance with applicable data protection regulations, including the General Data Protection Regulation (GDPR). Data processing serves contractual, operational and compliance purposes and is managed through appropriate technical and organizational safeguards. Tretau expects suppliers to adhere to equivalent standards of data protection and confidentiality, reinforcing trust and integrity across the supply chain.

Conflict Mineral Policy

Tretau maintains a Conflict Mineral Policy aligned with applicable regulations, including Section 1502 of the U.S. Dodd-Frank Act and EU Regulation 2017/821. Suppliers are expected to provide transparency regarding the origin of tin, tungsten, tantalum and gold (3TG) contained in supplied materials and to support traceability where required, in line with internationally recognized due diligence frameworks such as the OECD Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

Tretau does not source materials that, based on available information and supplier assessments, directly or indirectly finance armed groups or contribute to human rights abuses. Compliance is assessed as part of supplier qualification and ongoing evaluation processes.

Creating value in the supply chain

Beyond compliance, Tretau’s objective is to build stable, long-term partnerships with key suppliers. The company views its supply chain as an ecosystem where collaboration, transparency and shared performance standards contribute to mutual growth.

By integrating ESG considerations into supplier evaluation and reinforcing alignment with quality and regulatory standards, Tretau seeks to generate value across the entire supply chain. This includes enhancing operational resilience, strengthening technical capability and promoting responsible practices throughout the supplier network.

Through structured engagement and ongoing evaluation, Tretau aims to ensure that sustainability and performance objectives extend beyond its direct operations and contribute to long-term, shared value creation.



3 Our people and culture

Our people

Tretau considers its people a central driver of operational performance, innovation and long-term value creation. As a growing industrial company, the ability to attract, retain and develop talent is essential to sustaining technical capability and organizational resilience.

Tretau’s human capital approach is structured around three pillars: Attract, Retain and Develop. These pillars guide how the company builds its team, strengthens engagement and supports professional growth across all functions.

In 2025, the company experienced approximately 40% workforce growth compared to the baseline year. This expansion required adjustments to the organizational structure. The organizational chart was reviewed and updated to clarify roles, responsibilities and reporting lines, supporting accountability and operational efficiency as the company scaled. The introduction of a dedicated HR function further strengthened governance over people-related processes.

Attract

For Tretau, attracting talent means identifying individuals whose technical skills, professional standards and values align with the company’s operational requirements and growth trajectory.

In 2025, recruitment focused primarily on technical and production roles to support expanded operational activity. Hiring processes were structured to ensure consistency, transparency and compliance with applicable labor regulations.

Tretau applies a non-discrimination principle throughout the recruitment process. Candidate evaluation is based on skills, qualifications and professional experience, without distinction based on gender, age, nationality, religion or other personal characteristics unrelated to job performance. This approach supports equal opportunity and alignment with both Italian and European regulatory frameworks.

Tretau does not employ underage workers and complies with the provisions of Italian Legislative Decree 345/1999, implementing Directive 94/33/EC on the protection of young people at work.

Recruitment practices ensure adherence to minimum age requirements and applicable safeguards for young workers, reinforcing the company’s commitment to responsible employment standards.

Retain

Retaining talent means ensuring stability, clarity and fairness within a growing organization. As the workforce expanded significantly in 2025, maintaining organizational coherence and consistent working conditions became a priority.

All employees continue to be covered by the national collective agreement, ensuring alignment with applicable labor standards and regulatory requirements. During the reporting period, internal processes related to working time management, including overtime, attendance tracking and travel management, were reviewed to support transparency and operational control.

Health and safety remain central to employee retention. Procedures and operational practices are aligned with regulatory requirements, with ongoing attention to preventing workplace risks and maintaining safe working conditions. Regular one-to-one meetings between employees and management continued throughout the year. While not formalized as an engagement survey, these discussions provided direct channels for feedback, supporting alignment between operational objectives and individual expectations. Through these measures, Tretau aims to foster a working environment where employees can contribute effectively while operating within clear, compliant and structured processes.

Develop

Development means strengthening both individual capabilities and organizational maturity. Continuous improvement in skills, clarity of objectives and alignment between individual performance and company strategy are central to this pillar.

In 2025, the company reviewed its performance evaluation framework to increase transparency and consistency in how objectives are defined, monitored and assessed. This review aimed

to better align individual contributions with operational priorities during a period of organizational growth.

During the reporting period, the onboarding process was reviewed, formalized and further structured to improve clarity and consistency. The updated framework reinforces definition of roles, safety procedures, quality standards and organizational expectations from the outset, ensuring a more coherent integration experience across functions.

Professional development continues to focus on reinforcing technical expertise, operational reliability and safety awareness. As internal processes mature, Tretau aims to progressively formalize development monitoring tools to support structured growth and long-term capability building.

When employees leave, a structured offboarding process is applied, including administrative closure, knowledge transfer where relevant and an exit discussion. Feedback gathered during exit conversations is reviewed to identify improvement areas and support continuous organizational development.

Through this lifecycle approach, Tretau aims to strengthen capability, ensure accountability and support long-term organizational resilience.

Our workforce

In 2025, Tretau's workforce expanded significantly to support increased operational capacity and organizational complexity, with overall team size growing by approximately 40% compared to the baseline year.

The demographic profile of the workforce reflects a balance between experience and the integration of new professionals. The average age increased slightly from 34 in 2024 to 35 in 2025. The proportion of employees under 30 years of age increased from 20% to 36%, reflecting the recruitment of early-career technical profiles during the expansion phase. Employees aged between 30 and 50 represent 59% of the workforce, while 4% are over 50.

Tretau maintains a highly qualified workforce. In 2025, 57% of employees held at least a university degree, reflecting the technical and engineering-oriented nature of the company's activities.

The workforce includes eight different nationalities, contributing to a diversity of technical backgrounds and perspectives. During the reporting period, several senior and managerial roles were introduced or strengthened to accompany organizational growth. These strategic hires reinforced operational governance, technical oversight and human resources management in line with the company's scaling phase.

At year-end 2025, women represented 22% of the total workforce, compared to 31% in 2024, reflecting a decrease of 10 percentage points. This variation is primarily linked to the concentration of new hires in technical and production roles, where female participation remains lower across the industrial sector.

Women represented 29% of leadership positions in 2025, compared to 20% in 2024, corresponding to a 9-percentage point increase. Leadership positions include employees with formal managerial or supervisory responsibilities within the organizational structure.

All employees remain covered by the national collective labor agreement, ensuring consistent application of labor standards and regulatory compliance across the organization.

Workforce expansion required adjustments to reporting lines and reinforcement of management capacity. The strengthening of

leadership and HR governance supported clearer accountability, structured decision-making and alignment between operational growth and internal processes.

Workforce planning continues to align with operational requirements, technical capability development and long-term organizational resilience.

Engagement and internal communication

Tretau promotes direct and transparent communication across the organization, recognizing that structured dialogue supports alignment, accountability and continuous improvement.

Regular one-to-one meetings between employees and management remain a central component of internal communication. In 2025, all employees participated in at least one individual meeting during the reporting period, corresponding to full participation across the workforce.

These discussions provide an opportunity to review objectives, address operational topics and gather individual feedback. While not formalized as a structured engagement survey, these meetings represent an important channel for ongoing dialogue and organizational alignment.

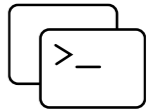
In parallel, internal communication tools have been strengthened to support information flow across functions. An internal newsletter is used to share operational updates, organizational changes and relevant documentation, improving accessibility and transparency. Taupedia, Tretau's intranet, serves as the central repository for company information. It includes departmental objectives, organizational structure, internal policies, company culture and branding guidelines, as well as an anonymous suggestion channel.

These tools aim to reinforce cohesion and ensure that employees remain informed about the company's direction during a period of growth. Through a combination of direct dialogue and structured communication channels, Tretau seeks to maintain clarity, engagement and alignment across the organization.



Employee interviews

100% of employees that participated in one-to-one meetings with top management



Taupedia

Internal platform with regular updates, materials and anonymous digital suggestion box



Health, safety and environment

Health, Safety and Environment (HSE) management at Tretau is based on the principle that a safe workplace is a non-negotiable condition for operational continuity and responsible growth. The company's approach focuses on preventing injuries, identifying risks before they result in incidents and continuously strengthening safety awareness across all roles. All HSE activities described in this section refer to the Pianezza facility.

Policies and governance framework

Tretau's health and safety management system is structured in accordance with Italian legislative requirements, including the preparation and regular updating of the *Documento di Valutazione dei Rischi* (DVR), the legally required Risk Assessment Document. The DVR identifies workplace hazards, evaluates associated risks and defines mitigation measures for each role and operational activity.

In 2025, the HSE function was strengthened through the appointment of a dedicated HSE Manager. During the year, the DVR was reviewed and aligned with updated organizational responsibilities following workforce expansion. To reinforce preventive culture, Tretau adopted structured safety monitoring tools. The Heinrich Pyramid model, which links minor unsafe acts and near misses to the prevention of major incidents, was integrated as a conceptual framework to support early risk identification. In addition, a Safety Cross visual management system was introduced to improve daily monitoring and awareness of safety performance.

Training and awareness

Training remains a central element of Tretau's HSE strategy. In 2025, all employees received training on health and safety policies and procedures, corresponding to full workforce coverage. All new hires completed HSE onboarding training as part of their integration process. Over the course of the year, a total of 466 hours of health and safety training were delivered, covering operational procedures, risk prevention measures and emergency protocols.

HSE performance indicators

The effectiveness of Tretau's health and safety management is monitored through performance indicators. During the reporting period, no work-related injuries were recorded, and the fatality rate remained at zero.

In 2025, as part of its HSE monitoring system, Tretau introduced the Heinrich Pyramid, expanding the focus from recorded incidents to the identification of unsafe acts and near misses. During the reporting period, 18 near-miss events and 17 unsafe acts were recorded. These figures reflect the progressive strengthening of on-site HSE practices and increased employee awareness, rather than a deterioration in safety conditions.

As the adoption of preventive monitoring tools continues, the number of reported near misses and unsafe acts is expected to increase, supporting the development of a proactive safety culture focused on early risk identification and incident prevention.

2025 initiatives and outlook

Beyond routine safety management, 2025 marked a transition toward more structured and proactive HSE governance. The strengthening of the HSE function, the revision of the DVR and the integration of preventive monitoring tools were key steps in aligning safety management with organizational growth.

Looking ahead, Tretau plans to further optimize plant layout to enhance operational safety and introduce dedicated software to support waste management and HSE governance. These measures aim to improve traceability, reduce human error and reinforce preventive culture as the organization continues to evolve.



100%

of employees took part in HSE training in 2025.

4 Governance and compliance

Corporate governance

As part of its governance framework, Tretau has established an Advisory Board to support the company’s strategic direction and long-term development. The Board provides independent expertise and guidance, reinforcing oversight and accountability during a phase of organizational growth. It maintains a consultative role and does not engage in day-to-day management. Its mandate is to provide guidance on industrial development, financial sustainability and risk alignment, ensuring that growth decisions remain consistent with long-term objectives.

In 2025, T2Y invested in Tretau, strengthening the company’s capital structure and governance framework. As part of this development, Dr. Andreas Haindl, Co-Founder and Director of T2Y, joined the Advisory Board, bringing experience in private equity, investment banking and strategic advisory. His background in financial structuring and growth transactions supports the reinforcement of strategic oversight as the company scales. Mauro Sacchetto also joined the Advisory Board as an Independent Member. With over 25 years of experience as CEO of leading industrial companies, he provides strategic guidance and executive-level mentorship to the founders and executive management team.

Advisory board

Thomas Kostka	Hans Maenhout	Peter Vanlaeke	Gregorio Rodriguez	Andreas Haindl	Filippo Veglia	Mauro Sacchetto
PhD, Head of Corporate Venturing @ ALTANA AG	Investment Director @ Finindus	PhD, Partner @ Syensqo Ventures	PhD, Investment Manager @ CDP Venture Capital	Co-Founder, Director @ T2Y Capital	Chairman of the Board and the representative of the founders	Independent Advisory Board Member and Senior Strategic Advisor to the founders
						

Executive management team



Francesco Taiariol

Founder, CEO

MSc in Mechanical Engineering Politecnico di Torino & CentraleSupelec



Filippo Veglia

Founder, CRO

MSc in Mechanical Engineering Politecnico di Torino & MBA from Center for Financial studies of Madrid



Piero Degasperi

Founder, COO

MSc in Mechatronics Università di Trento & CentraleSupelec



Artyom Golodnov

Early investor, CFO

MBA, ex. Goldman Sachs, skilled in financial modeling, risk mgmt; raised over €1B for corporates & start-ups

Risk and opportunity management

Tretau recognizes that operating in a dynamic industrial environment requires a structured approach to identifying and managing both risks and opportunities. Risk management supports operational continuity, regulatory alignment and long-term value creation, while opportunity management enables innovation, efficiency and strategic development.

Risk and opportunity assessment is embedded across the organization and integrated into strategic planning and operational reviews. The objective is to anticipate potential challenges, evaluate their impact and implement preventive or corrective measures where necessary.

Risk-based thinking

Risk-based thinking is integrated into Tretau’s management processes and decision-making practices. It involves evaluating internal and external factors that may influence the achievement of business objectives, including market developments, technological evolution, regulatory changes and operational complexity.

This approach follows a continuous improvement logic: risks and opportunities are identified, assessed, addressed and periodically reviewed. By embedding this mindset into operational and strategic discussions, Tretau seeks to strengthen resilience and adaptability in a changing environment.

In 2025, organizational growth and structural reinforcement, including strengthened leadership roles and expanded operational capacity, required continuous monitoring of operational and governance-related risks to ensure alignment with strategic objectives.

Managing risks and identifying opportunities

Risk analysis at Tretau considers both potential adverse impacts and improvement opportunities. This dual perspective enables the company to anticipate regulatory and compliance-related challenges, monitor operational risks associated with production

processes, and identify efficiency gains and innovation pathways. Risk considerations are integrated into management reviews and planning activities, supporting alignment between operational decisions and long-term priorities.

This process is supported by regular discussions involving key functions, including the executive management team, operations, finance and legal. Through this cross-functional approach, risks and opportunities are continuously identified, assessed and monitored within existing management processes. While not yet formalized through dedicated risk committees, this structure enables effective coordination, timely decision-making and the integration of risk considerations into day-to-day operations, while supporting the ongoing development of the company’s governance framework.

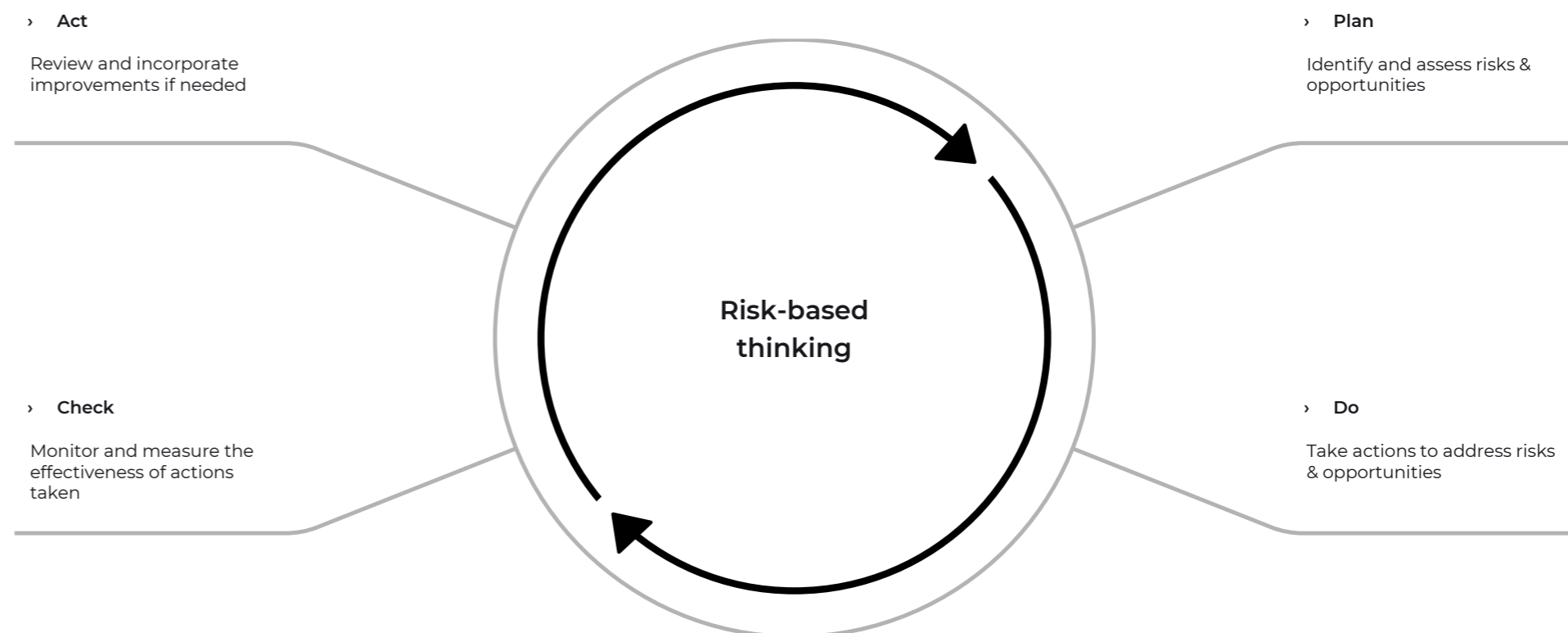
Environmental and operational risks

Environmental risks are assessed in relation to energy use, emissions, waste management and regulatory compliance. Operational risks include workplace safety, process reliability and supply chain stability. Monitoring mechanisms and internal controls support early identification of deviations and the implementation of corrective actions where required.

Continuous monitoring and improvement

Risk and opportunity management is an ongoing process rather than a periodic exercise. Performance indicators, management reviews and structured monitoring tools support regular evaluation of implemented measures.

By integrating risk and opportunity thinking into strategic and operational processes, Tretau aims to protect long-term value, enhance operational efficiency and maintain organizational resilience.



Ethics and compliance

Tretau conducts its activities in full compliance with applicable Italian, European and international regulations. Governance mechanisms are designed to ensure integrity, transparency and accountability across all operations.

Code of Ethics

Tretau's Code of Ethics defines the principles that guide the company's conduct. These include integrity, transparency, fairness, impartiality, independence and respect for human rights, labor standards and environmental protection.

The Code sets expectations for business conduct in relationships with customers, suppliers, partners, public authorities and the broader community. It prohibits corruption, collusive behavior, conflicts of interest and any unlawful practice. It also establishes commitments related to environmental responsibility, occupational health and safety, non-discrimination, equal opportunity, freedom of association, protection of personal data, confidentiality and intellectual property.

The pursuit of company objectives does not justify conduct that is inconsistent with the Code of Ethics.

Code of Conduct

The Code of Conduct translates these principles into operational rules applicable to all employees and collaborators. It defines standards of professional behavior, including duties of diligence, loyalty and responsibility.

The Code covers areas such as conflict-of-interest management, relations with customers and suppliers, interactions with public administration, gifts and benefits, use of company assets, confidentiality, intellectual property protection, use of IT systems and social media, occupational health and safety obligations and environmental responsibilities.

It also addresses working conditions, including respect for dignity,

prohibition of harassment and discrimination, compliance with labor regulations and collective agreements, and protection of workers' rights.

Disciplinary Code

The Disciplinary Code defines the measures applicable in cases of non-compliance with the Code of Ethics or Code of Conduct. It provides a graduated system of sanctions, ranging from verbal warnings to dismissal in cases of serious misconduct, in accordance with applicable labor legislation and collective agreements. This framework ensures that corrective measures are applied proportionately, consistently and transparently.

During the 2025 reporting period, no violations of the Code of Ethics or the Code of Conduct were registered, and no disciplinary measures related to ethical, or compliance breaches were imposed.

Monitoring and Compliance

Tretau monitors governance-related indicators as part of its compliance and oversight framework. Monitoring activities cover potential incidents related to corruption, anti-competitive behavior, regulatory non-compliance, fiscal matters and ESG-related events that could result in financial or reputational impact.

In 2025, no incidents of corruption involving the company or its representatives were recorded. No legal actions related to anti-competitive conduct occurred, and no significant instances of non-compliance with laws or regulations were identified. No fiscal fines or penalties were imposed during the reporting period.

Whistleblowing System

Tretau has implemented a whistleblowing system in accordance with Italian Legislative Decree 24/2023, which transposes EU Directive 2019/1937.

The system enables employees and external stakeholders to report potential violations confidentially and, where applicable,

anonymously. Reports may concern breaches of legal requirements, internal policies or ethical standards.

All reports are managed through defined procedures to ensure confidentiality, impartial review and protection against retaliation. Oversight of the whistleblowing process is assigned to the Legal Department, which is responsible for receiving and managing reports, ensuring the confidentiality of information and coordinating any necessary follow-up actions.

Governance strengthening

Governance processes are subject to continuous improvement. In late 2024, Tretau initiated a preparatory analysis for the implementation of an Organizational, Management and Control Model pursuant to Legislative Decree 231/2001. In 2025, this initiative progressed into its formal implementation phase, with the objective of further structuring internal control mechanisms and strengthening the prevention of corporate offences through systematic risk mapping and defined control procedures.

The implementation remains ongoing and forms part of a broader effort to reinforce governance, internal controls and ESG-related management systems in line with the company's organizational development.

Data privacy & cybersecurity

The protection of information assets, personal data and digital infrastructure is essential to operational continuity, regulatory compliance and stakeholder trust. As digital systems support production, administration and communication processes, cybersecurity and data protection are integrated within the broader governance framework.

Data protection and digital governance framework

Tretau’s digital governance framework is based on a combination of regulatory compliance and internal policies. The company processes personal data in accordance with applicable Italian and European regulations, including the General Data Protection Regulation (GDPR).

The principles governing data protection, confidentiality and information security are also embedded in the Code of Ethics and the Code of Conduct. These documents define obligations relating to the protection of employees’ personal data, confidentiality of proprietary information, safeguarding of intellectual property, responsible use of IT systems and appropriate conduct in digital communication, including social media.

The framework is further supported by specific instruments, including a Privacy Policy, a Cookies Policy governing website data practices, and internal procedures regulating access control, data retention and confidentiality obligations. In 2025, the company formalized and published its Terms of Use, further clarifying rights and responsibilities associated with the use of its digital platforms.

Monitoring and incident management

Cybersecurity risks are monitored through internal IT oversight and access control mechanisms. During the 2025 reporting period, no data breaches were recorded and no incidents related to customer or employee privacy were identified.

Targeted external spam campaigns were detected during the year. No employees were compromised, and reporting procedures were activated promptly, demonstrating internal awareness and responsiveness.

Continuous improvement

During 2025, internal IT infrastructure was reinforced to enhance system resilience and improve security standards. Network architecture improvements increased protection levels and supported stronger monitoring of digital activities.

At the end of 2025, Tretau began integrating selected artificial intelligence tools into internal processes. The introduction of these tools was carried out within the boundaries of existing data protection, confidentiality and intellectual property policies. Their use is subject to internal oversight and aligned with company rules governing responsible digital conduct.

AI integration remains limited to controlled internal applications and is monitored to ensure consistency with regulatory requirements and ethical standards.

In parallel, internal communication initiatives were carried out to reinforce awareness of digital systems, data protection responsibilities and secure use of company IT tools. These campaigns aimed to strengthen employee understanding of cybersecurity risks and promote responsible digital behavior across the organization.

As operations continue to evolve, Tretau intends to further enhance digital governance mechanisms, progressively strengthening monitoring capabilities and protection standards to ensure that technological development remains aligned with regulatory requirements and organizational growth.



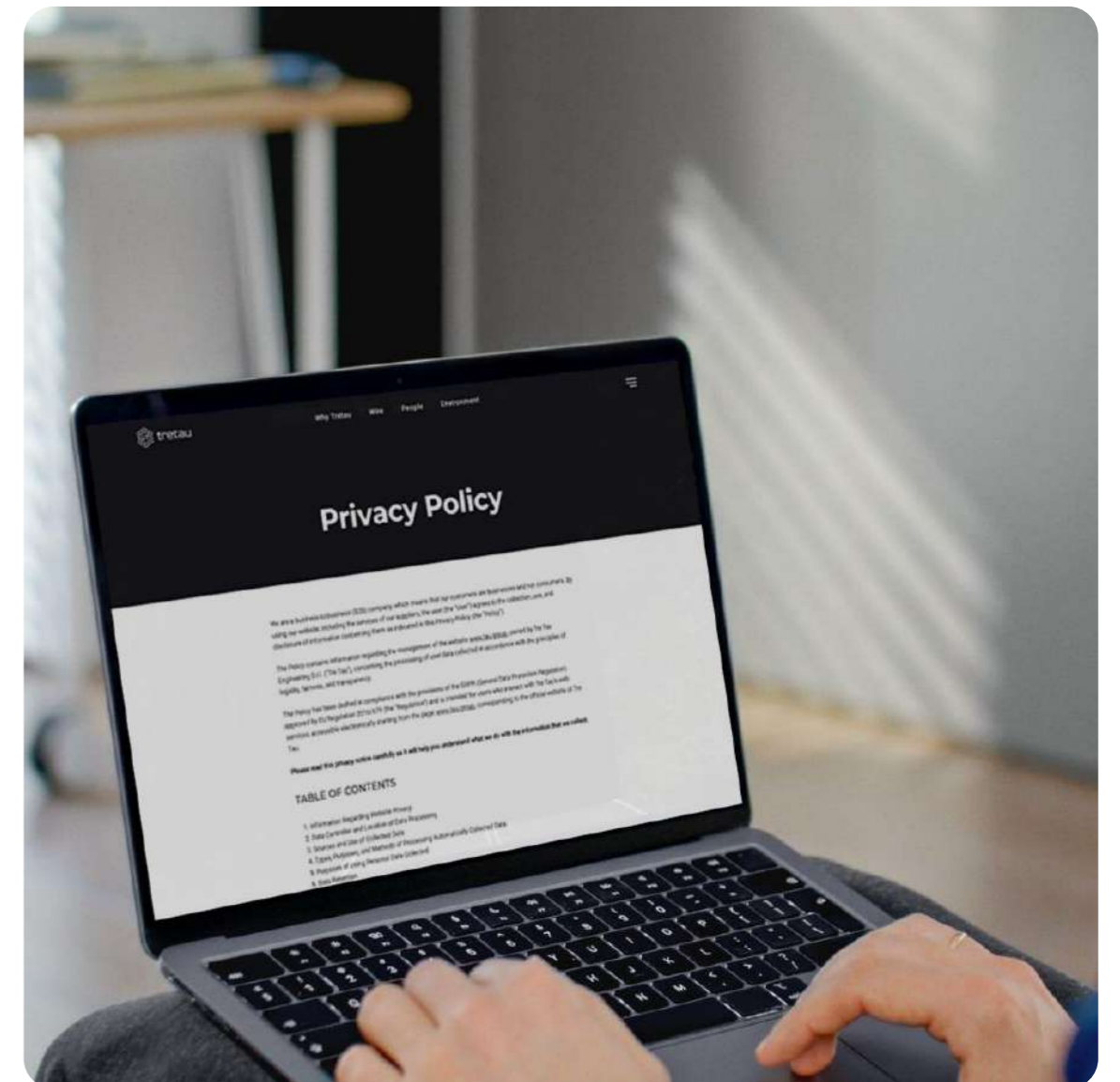
Monitoring

No data breaches or data privacy violations were recorded in 2025.



Framework

DPR alignment, Code of Ethics, Privacy Policy, Cookies Policy and Terms of Use integrated into IT oversight



Our commitments & goals

Tretau has defined a sustainability roadmap outlining the company's long-term direction in energy use, resource efficiency and material management.

As part of this roadmap, the company has identified indicative targets for 2030, including:

- › increasing the share of renewable energy used in operations
- › progressing toward a predominantly renewable energy mix
- › improving energy efficiency of production processes
- › reducing waste generation and increasing recovery rates
- › enhancing material efficiency and recyclability within product design

The quantitative targets presented reflect internal estimates based on current assumptions and available data. These targets define the company's intended direction of development and remain subject to ongoing validation.

Tretau is progressively strengthening data collection systems, measurement methodologies and operational visibility. Intermediate milestones and implementation pathways are being further defined and may be refined over time to ensure alignment with operational development, technological feasibility and data reliability.

The company's approach is based on continuous improvement, with targets expected to evolve as reporting processes and governance structures mature.

Targets to 2030 ¹		Status (2025)
Energy	≥ 95%	Share of renewable energy in wire production <i>(indicative target)</i> 46.31% renewable share of purchased electricity (energy mix)
Emissions	100%	Progress toward climate-neutral energy supply <i>(long-term target, subject to methodology definition)</i> Scope 1 and Scope 2 emissions monitored; total emissions 308.59 tCO ₂ e (Scope 3 not yet quantified)
Circularity	100%	Design objective for recyclability of polymer insulation and copper conductor <i>(subject to technical feasibility)</i> . Monitoring under development; no quantitative indicator currently defined

¹ Quantitative targets are based on internal estimates and are subject to refinement as methodologies, data availability, technical feasibility and operational conditions evolve.



●
Annex

Description of material topics (1/2)

	Topic	Description
Governance	Greenhouse gas emissions (Scope 1, 2 and 3)	This category covers direct (Scope 1) emissions from owned or controlled sources; indirect (Scope 2) emissions from purchased electricity, heat, or steam; and other indirect (Scope 3) emissions from the value chain, including upstream and downstream activities. It involves measuring, reporting, and reducing emissions across all scopes in line with climate goals. Managing GHG emissions mitigates regulatory risks, reduces environmental impact, and drives climate leadership.
	Energy efficiency and renewable energy use	This category addresses reducing energy consumption and increasing the share of renewable energy in operations. It includes initiatives such as upgrading equipment, optimising processes, investing in renewable energy generation or purchase, and aligning energy strategy with climate commitments. Improvements in this area lower operational costs, decrease emissions, and contribute to energy security.
	Waste and hazardous materials management, waste reduction, circular economy practices	This category involves the reduction, safe handling, recycling, and disposal of waste and hazardous substances produced by company activities. It promotes waste minimisation strategies and circular economy practices that transform waste into resources and reduce environmental impact. Compliance with waste regulations, risk mitigation, and innovation in resource use fall under this area.
	Water consumption and water pollution control	This category focuses on responsible management of water resources, including reducing consumption and preventing contamination of water bodies. It includes tracking water use, improving efficiency, treating wastewater, and protecting aquatic ecosystems. Managing water-related impacts supports regulatory compliance and preserves stakeholder trust, especially in water-stressed regions.
	Impact on biodiversity and land use	This category concerns the company's effects on natural habitats, ecosystems, species diversity, and land resources. It covers land use planning, habitat protection, restoration efforts, and mitigation of negative impacts from operations or supply chains. The category recognises biodiversity as critical to ecosystem services, regulatory compliance, and societal expectations.
	Pollution control (air emissions, soil contamination)	This category addresses limiting pollutants released into air, soil, and surrounding environments. It includes management of emissions such as volatile organic compounds, particulate matter, chemicals, and waste residues. Preventing pollution protects human health, ecosystems, and ensures adherence to environmental regulations and permits.

	Topic	Description
Human capital	Labor rights and fair working conditions	This category covers respecting workers' rights including fair wages, reasonable working hours, freedom of association, and prevention of forced or child labor. It involves ensuring decent conditions, grievance mechanisms, and compliance with labor standards throughout operations and supply chains. Promoting labor rights reduces social risks and enhances employee loyalty.
	Health and safety of employees and contractors	This category addresses protecting workforce wellbeing by minimising workplace hazards, accidents, and occupational illnesses. It includes safety training, hazard control, reporting systems, and health promotion. Strong health and safety practices reduce injuries, improve morale, and comply with legal requirements.
	Diversity, equity and inclusion in the workforce	This category promotes representation, fair treatment, and inclusive culture for all employees regardless of gender, ethnicity, age, disability, or other characteristics. It covers recruitment, career development, anti-discrimination policies, and creating equitable opportunities. Embracing diversity drives innovation, employee satisfaction, and social value.
	Community engagement and social impact	This category encompasses dialogue, partnerships, and investments that support local communities impacted by company activities. It includes social programmes, philanthropy, stakeholder consultation, and assessment of social outcomes. Meaningful engagement builds trust, mitigates conflicts, and contributes to positive societal contributions.
	Human rights in operations and supply chain	This category focuses on respecting internationally recognized human rights principles within both direct operations and extended supply chains. It includes preventing abuses such as forced labor, discrimination, and unsafe conditions, through due diligence, monitoring, and remediation mechanisms. Upholding human rights safeguards reputation, legal compliance, and ethical responsibility.

Description of material topics (2/2)

	Topic	Description
Leadership & Governance	Business ethics and anti-corruption policies	This category involves establishing and enforcing standards to prevent unethical behaviour, bribery, fraud, and corruption within the organisation. It covers policies, training, whistleblower mechanisms, and compliance systems that promote integrity, trust, and legal adherence. Strong ethics mitigate risks and enhance corporate reputation.
	Transparency and reporting accuracy	This category addresses the quality, completeness, and honesty of disclosures related to sustainability performance and impacts. It includes data integrity, adherence to reporting standards (e.g., GRI, SASB), and responsiveness to stakeholder information needs. Accurate transparency underpins credibility, informed decision-making, and regulatory compliance.
	Data privacy and cybersecurity	This category covers protecting the confidentiality, integrity, and availability of company and stakeholder data. It involves implementing safeguards against breaches, cyberattacks, and misuse of personal or sensitive information. Compliance with data protection regulations and building stakeholder trust are key elements.
	Compliance with environmental and social regulations	This category focuses on fulfilling applicable laws, permits, and standards related to environmental protection and social responsibility. It involves monitoring legal requirements, managing risks of non-compliance, and proactively adapting to new regulations. Ensuring compliance safeguards the company from penalties and reputational harm.
	Risk management	This category addresses identifying, assessing, and mitigating environmental, social, and governance (ESG) risks that could impact the company's operations, finances, or reputation. It includes climate risks, regulatory changes, stakeholder pressures, and operational hazards. Effective risk management supports resilience, strategic planning, and value preservation.

	Topic	Description
Business model	Product safety and quality	This category addresses ensuring that products meet or exceed safety standards to protect consumers and end-users from harm or defect. It covers design, manufacturing, testing, and quality assurance processes to maintain product integrity, functionality, and reliability throughout their intended use. The category includes compliance with regulatory requirements, management of recalls or safety incidents, and reputational risks related to product performance.
	Product design & lifecycle management	This category encompasses the integration of sustainability principles in product development, from raw material selection through end-of-life disposal or recycling. It involves designing products that minimise environmental impact, enable reuse or recycling, and extend lifespan. Lifecycle management assesses environmental, social, and economic impacts across production, use, and disposal phases. It promotes circular economy strategies that reduce resource consumption and waste generation, aligning products with evolving stakeholder expectations and regulatory pressures.
	Business model resilience	This category evaluates the company's capability to adapt and thrive amid market, environmental, and social changes including climate risks, technological disruption, and shifting consumer preferences. It involves scenario planning, diversification, innovation, and risk mitigation strategies that maintain business continuity and competitive advantage. Resilience includes financial, operational, and reputational dimensions, ensuring the company's long-term viability in a rapidly evolving sustainability context.
	Supply chain management & Sustainable sourcing of raw materials	This category deals with the oversight and optimization of suppliers' social, environmental, and ethical performance throughout the supply chain. It includes supplier selection, monitoring, audits, capacity building, and collaboration to ensure compliance with standards and reduce risks such as forced labor, environmental degradation, or operational disruption. Effective supply chain management enhances transparency, reduces Scope 3 emissions, and supports sustainable procurement goals.

Performance data tables

Workforce demographics	Baseline (2024)	2025
Aged < 30	› 36%	› 37%
Aged 30-50	› 62%	› 59%
Aged > 50	› 2%	› 4%
Gender gap	› 31% of women vs. 69% of men in total workforce › 20% of women vs. 80% of men in leadership roles.	› 22% of women vs. 78% of men in total workforce › 29% of women vs. 71% of men in leadership roles.
Occupational health and safety		
Total workplace fatalities	› 0	› 0
Human rights		
Gross human rights violations	› 0	› 0
Supply chain		
Average vendor rating score	› 97.75	› 97.90
Certified suppliers		
› ISO 9001	› 92%*	› 92%*
› IATF 16949	› 18%* required for automotive suppliers only	› 18%* required for automotive suppliers only
› ISO 14001	› 64%*	› 64%*

*Suppliers of finished and semi-finished goods that directly influence the quality of our products.

Description	Baseline (2024)	2025
Number of incidents of corruption caused by the company itself or its representatives	› 0 incidents	› 0 incidents
Number of legal actions, pending or completed, caused by actions of the organization or employees that can result in collusion with potential competitors, with the purpose of limiting the effects of market competition	› 0 incidents	› 0 incidents
Number of significant instances of non-compliance issues with laws and regulation in a year	› 0 incidents	› 0 incidents
Number of events related to sustainability (ESG-related accidents) that caused financial or reputational damage to the company	› 0 incidents	› 0 incidents
Number of instances, trials, fines due to non-compliance with the national fiscal regulation	› 0 incidents	› 0 incidents
Number of incidents of non-compliance with existing legal regulations regarding the protection of customer privacy	› 0 incidents	› 0 incidents
Number of incidents of non-compliance with existing legal regulations regarding the protection of employee privacy	› 0 incidents	› 0 incidents
Data breaches	› 0 incidents	› 0 incidents

Performance data tables

Composition of electricity*	
Natural gases	> 42.99%
Carbon	> 5.27%
Renewable sources	> 46.31%
Oil products	> 0.9%
Nuclear power	> 0%
Other	> 4.53%

*data was provided by a third-party service distributor

Conversion factors

Greenhouse gas emissions for Scope 1 and Scope 2 are calculated using available operational data and recognized reference sources.

Scope 1 emissions, primarily related to natural gas consumption for heating and sanitary use, are calculated using supplier data and standard emission factors, including IPCC guidelines and Italian national sources.

Scope 2 emissions, related to electricity consumption, are calculated using data from electricity supplier invoices and emission factors provided by ISPRA.

While every effort is made to ensure accuracy, calculations are based on standard emission factors and available data, and may be updated as methodologies and data quality improve. This approach ensures consistency in emissions monitoring over time.

	Unit	Baseline (2024)	2025
Direct energy			
Natural gas – Scope 1	GWh	0.502	0.519
Indirect energy			
Pianezza manufacturing plant – Scope 2	GWh	0.414	0.757

Emissions			
305-1 Direct (Scope 1) GHG emissions	tCO ₂ e	109.881	113.891
305-2 Indirect (Scope 2) GHG emissions	tCO ₂ e	106.574	194.705
GHG emissions (Scope 1 & Scope 2)	tCO₂e	216.456	308.596

Waste management			
Hazardous waste	kg	4,879	9,800
Non-hazardous waste	kg	38,845	148,947
Waste generated	kg	43,724	158,747
Disposal	kg	4,159	21,405
Recovery	kg	39,565	137,342

Water & wastewater management			
Water discharge	m ³	21.38	47.29
Water consumption	m ³	691.22	1,529.11
Water withdrawal	m³	712.6	1,576.4



Tretau has prepared this report based on information available to the company, including information derived from public sources that have not been independently verified. Every care has been taken to ensure the correctness of the information contained in this presentation, but no liability can be accepted for any errors or omissions. We reserve the right to make technical changes.

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