
A large, decorative graphic consisting of several concentric, slightly irregular circular arcs in a dark blue color. Small dark blue dots are placed at various points along these arcs, creating a sense of motion or a circular path. The graphic is centered on the page and frames the central text.

El.En. Group

Double Materiality Analysis

A horizontal bar located directly beneath the title "Double Materiality Analysis". It is composed of three segments: a green segment on the left, a white segment in the middle, and a red segment on the right.

IMPACT MATERIALITY

ESRS	SUB-TOPIC	IMPACT MATERIALITY - Description of impacts	Stakeholders of reference	Actual/potential impact	Positive (+)/negative (-) impact	Direct/indirect	Time horizon	Scope	Materiality
ESRS E1	mitigation of climate change	In order to be carried out, the activities of El.En. Group require consumption of energy and therefore contribute to the emissions of Scope 1, 2 and 3 greenhouse gases (GHG) in the atmosphere, as a result of direct and indirect commercial activities. If energy-saving and emission reduction initiatives are not developed, the Group's activities could increasingly contribute to the effects of climate change on our planet.	Environment	actual	negative	Direct	Medium-long	Group	✓
ESRS E2	Pollution of water	The Group's companies, in their corporate activities, may unwittingly cause pollution of the water, compromising the quality of water resources and causing potential harm to the aquatic ecosystem.	Environment Suppliers	potential	negative	Indirect	Medium-long	Group	✗
ESRS E4 ESRS S3	Factors of direct impact on the loss of biodiversity Economic, social and cultural rights of communities	The procurement practices, in particular with regard to the purchase of raw materials, may entail a negative impact on the local communities in the countries in which such materials are extracted, as well as on the biodiversity of such areas.	Suppliers	actual	negative	Indirect	Medium-long	Group	✓
ESRS E5	Resource use and circular economy	The Group's activities and the end-of-life of products produce waste that, if not adequately disposed of, may generate negative effects on the environment due to the improper management of the products' end-of-life, the disposal of waste and any rejects in natural areas.	Environment	actual	negative	Direct/indirect	Medium-long	Production companies	✓
ESRS E5	Resource use and circular economy	Social and economic development thanks to the creation of an organisational process that involves the supply chain, promoting the principles of sustainable development, such as reuse, recycling, and reduction of materials.	Suppliers	potential	positive	Direct	Medium-long	Group	✓
ESRS E5	Resource use and circular economy	In the industrial sector, work performed with the Group's laser systems is highly significant in terms of reducing environmental impact due to a series of features that allow minimising waste, not generating fumes containing chemical additives and eliminating the use of glues, inks or solvents within the production processes. Machining performed with the Group's cutting systems instantly vaporise the material on which they act, making clean cuts in the material without producing swarf or other processing waste, while the marking systems allow for perforations or selective removal of thickness, reducing waste. In the field of conservation for the restoration of works of art, the Group's lasers make it possible to restore the global artistic heritage, enable effective conservation processes that respect artistic artefacts, reduce the use of chemicals and make for higher operator safety.	Environment Local communities Customers and consumers Employees	actual	positive	Direct	Short	Industrial sector	✓
ESRS E5	Resource use and circular economy	Contribution to the scientific development of the community through constant research and development to place innovative, efficient and circular economy-friendly products on the market.	Universities and research centres Local communities	potential	positive	Direct	Medium-long	Companies with R&D	✓
ESRS E5	Resource inflows, Outflows of connected resources and Waste	Should the Group fail to develop circular economy policies could entail the non-use of certain products, resulting in an increase in the quantity of production waste that are not properly reused in the production activities and increased dependency on virgin raw materials, that may even be hard to procure on the market.	Environment Suppliers	potential	negative	Direct	Medium-long	Group	✓

ESRS E5 ESRS E2	Resource inflows, Outflows of connected resources and Waste substances of concern	Failure to design eco-compatible products could result in the organisation not complying with the European regulatory framework regarding the design of eco-sustainable products structured to improve the circularity of products, energy performance and other environmental sustainability aspects (e.g., increased use of recycled materials, reduced use of substances of concern, etc.), with a consequent environmental impact related to the raw materials and the actual production processes (BaU).	Institutions and regulatory bodies Customers and consumers Shareholders and investors	potential	negative	Direct	Medium-long	Companies with R&D	✓
ESRS S1	Work conditions	The corporate activities may entail an impact on the health and safety of the companies' employees because they expose them to various risk related to the performance of their tasks (e.g., physical risks, risk related to ergonomics, etc.).	Employees	actual	negative	Direct	Short	Group	✓
ESRS S1	Work conditions	El.En. Group guarantees its employees personal and professional growth on all levels thanks to continuous training, so as to boost and improve staff skills, respond efficiently to the market's demands and allow the organisation to grow, generating value for all stakeholders.	Employees	actual	positive	Direct	Short	Group	✓
ESRS S1	Work conditions	In order to remain competitive on the market compared to other organisations in developing countries, the Group may seek to reduce staff costs, increase working hours and not look after the working environment, resulting in non-compliance with its work standards.	Employees Institutions and regulatory bodies	potential	negative	Direct	Medium-long	Group	✓
ESRS S1	Work conditions	The inefficient management of compensation and benefits (e.g., non-competitive wage policies, unclear or inconsistent performance evaluation systems, benefit offers not aligned with the employees' needs) may have negative consequences on employee satisfaction, with a possible effect on talent retention.	Employees	potential	negative	Direct	Medium-long	Group	✓
ESRS S1	Equal treatment and opportunities for all	The Group may participate in the creation of specialisation pathways and professional profiles in line with the needs of the area in which its companies are established. The organisation of specific training pathways for the creation of the skills required by the sector could lead the Group to contribute to the development of the local area and to be able to use professional profiles that are in line with the requirements of its supply chain.	Employees Local communities	actual	positive	Direct	Short	Group	✓
ESRS S1	Equal treatment and opportunities for all	The skills required to perform certain types of work mean that the organisation strives to create an inclusive environment that can make the best use of employee diversity. The staff recruitment and management procedures adopted by the Group rather than the geographical location of certain subsidiaries may disadvantage certain categories of people, generating a negative impact in terms of inclusion and equal opportunities for employees.	Employees	actual	negative	Direct	Medium-long	Group	✓
ESRS S1	Working conditions and Other labour-related rights	The Group's business activities involve the creation of jobs along the entire value chain, generating a positive impact for the communities in which it operates and contributing to their economic and social development.	Employees Local communities	actual	positive	Direct	Short	Group	✓
ESRS S1	Other labour-related rights	Failure to protect the rights of workers (in relation to topics such as forced labour, child labour and the respect of human rights) could lead to employee dissatisfaction with the risk of protest, such as strikes or rallies.	Employees Shareholders and investors Institutions and regulatory bodies	potential	negative	Direct	Medium-long	Group	✓
ESRS S1 ESRS S4	Equal treatment and opportunities for all Safety	The nature of El.En. Group's business requires the presence in the company of highly specialised professionals who are up-to-date on the latest regulations. A deficiency in the ability to train adequate professional profiles and to keep them in the organisation could have negative consequences also on the quality and safety of the Group's products.	Employees customers and consumers	potential	negative	Direct	Medium-long	Group	✓

ESRS S2	Working conditions and Other labour-related rights	The Group's activities involve a high number of suppliers and operations throughout the world, that may not operate in full compliance with workers' rights. The Group's activities may, therefore, even unintentionally, contribute to unsafe working conditions for individuals employed by foreign suppliers.	Suppliers Shareholders and investors Institutions and regulatory bodies	potential	negative	Indirect	Short-medium-long	Group	✓
ESRS S2	Working conditions and Other labour-related rights	Increased negative social impacts due by the implementation by the companies, along the Group's supply chain, of practices that do not guarantee adequate working conditions, practices against inequality, equal treatment and equal opportunities and lack of respect for human rights and sustainable practices due to a failure to monitor their supply chain in terms of governance, health and safety, human rights and working condition policies.	Suppliers	potential	negative	Indirect	Medium-long	Group	✓
ESRS S3	Economic and cultural rights of communities	Managing and maintaining relations with scientific and university research centres and schools and institutes in the local area, as well as sponsoring social and cultural events and donating equipment and know-how contribute to the development of scientific knowledge and the economic and social development of the community.	Universities and research centres Local communities	actual	positive	Direct	Short	Group	✓
ESRS S4	Safety	In the medical sector, the daily commitment that the Group dedicates to research and development of new or improved medical and aesthetic laser applications translates into the availability of tools and solutions that improve people's state of well-being and patients' quality of life, reducing both physical and aesthetic health problems and the associated psychological issues. In the surgery sector, the Group's minimally invasive laser systems minimise pain, side-effects, surgical procedure risks and hospitalisation days. In the aesthetics sector, the Group's laser systems meet the growing desire of people to improve their appearance, while also reducing pathological or painful imperfections.	Local communities Customers and consumers	actual	positive	Direct	Short	Medical sector	✓
ESRS S4	Personal safety of consumers or end users	Unclear and non-transparent communication about product information provided to customers, including information on sustainability, such as incomplete information about the products sold, could lead customers to buy products because of their characteristics and negatively affect customer satisfaction. Furthermore, non-compliance with legislative requirements imposed on product labelling and traceability could negatively affect the quality of the final service provided.	Customers and consumers Agents and distributors	potential	negative	Direct	Medium-long	Group	✓
ESRS S4 ESRS E5	Personal safety of consumers or end users Resource use and circular economy	Decreased quality and safety of the products and services supplied to the market may generate negative impacts on people and on the environment.	Customers and consumers Environment	potential	negative	Direct	Short-medium-long	Production companies	✓
ESRS S4 ESRS E5	Personal safety of consumers or end users Resource use and circular economy	The Group may fail to monitor or exploit technological innovation that can improve the quality of products and processes from the point of view of environmental impact and offer more competitive and sustainable solutions. Failure to digitalise processes could have negative impacts on the attractiveness, traceability, quality, and safety of the products.	Customers and consumers Shareholders and investors	potential	negative	Direct	Medium-long	Companies with R&D activities	✓
ESRS G1	Corporate culture	Failure to protect projects related to the development of innovative solutions not yet tied to a patent requires particularly strict protection: the dissemination and/or use of confidential projects would lead to the theft of intellectual property, with negative impacts on the patent owners.	Shareholders and investors Employees	potential	negative	Direct	Medium-long	Companies with R&D	✓
ESRS G1	Corruption and bribery Protection of whistleblowers	The sub-optimal handling of disputes, lack of whistleblower protection systems, anti-competitive behaviour and potential corruption events can generate a negative impact on the community in which the Group operates (e.g., limiting the effects of competition and more expensive products of lower quality).	Everyone except the environment and local communities	potential	negative	Direct/indirect	Short-medium-long	Group	✓

FINANCIAL MATERIALITY

ESRS	SUB-TOPIC	FINANCIAL MATERIALITY - description of risks/opportunities	Time horizon short-medium-long	risk/opportunity	Direct/indirect	MATERIALITY
ESRS E1	Adaptation to climate change	An increase in extreme weather events could lead to a reduction or interruption of business due to the occurrence of extreme events (floods, landslides, coastal storms, torrential rain, snowstorms) or damage to the infrastructure of the Group or its operating partners, which could result in business interruption. Such events could lead to an overloading of power grids and blackouts with a decrease in productivity of offices and establishments, as well as possible damage to infrastructure due to the sudden power outage, with consequent possible business interruption. The effects would be a decrease in revenues, an increase in infrastructure repair costs, and a potential increase in insurance premiums.	medium-long	risk	direct	✓
ESRS E1	Adaptation to climate change	The organisation may fail to establish, test or update a business continuity plan and business recovery strategies, impacting its ability to continue production and/or provide essential services in the event of a catastrophic event resulting in its incurring unnecessary operating costs, but more importantly, having to suffer total or partial production downtimes (due to damage to its own facilities or to those of strategic business partners) that would result in a decrease in revenues. This situation could be exacerbated by the potential costs of damage to assets due to extreme weather events.	medium-long	risk	direct	✓
ESRS E1	Adaptation to climate change	The effects of global warming could result in permanent changes, such as rising temperatures, which could also lead to a reduction in productivity and possibly the resistance of certain materials and/or systems. The effects would be a decrease in revenues, an increase in infrastructure repair costs, an increase in energy supply costs related to higher thermal or electrical consumption, and a potential increase in insurance premiums.	medium-long	risk	direct	✗
ESRS E1	Adaptation to climate change	Rising temperatures could lead to a significant increase in demand for aesthetic and dermatological treatments. People may be more inclined to seek solutions for skin problems related to sun exposure, such as spots, wrinkles, etc. or other dermatological conditions. This increased demand could translate into increased revenues, improving our market position, and strengthening our ability to invest in new technologies to meet customer needs.	medium-long	opportunity	direct	✗
ESRS E1	Energy	Failure to implement energy-saving and emission reduction initiatives could lead to loss of trust and damage to the Group's reputation, resulting in reduced revenues, possible exclusion from sustainability ratings or worsening of ESG rating rankings, and increased consultancy costs to implement emission reduction actions and produce supporting documentation.	short medium-long	risk	direct	✗
ESRS E1	Adaptation to climate change	Failure to meet the targets for reducing GHG emissions into the atmosphere within the Sustainability Plan could contribute to worsening the Group's reputational image among all stakeholder categories, especially where shareholders/investors are concerned.	medium-long	risk	direct	✗

ESRS E1	Energy	The use of low-emission sources through the installation of renewable energy systems (photovoltaics) or the purchase of energy from renewable sources could have a positive impact in terms of reputation and, consequently, increase the demand for products and thus the Group's revenues in line with the expectations of consumers, who are increasingly sensitive to climate change issues.	medium-long	opportunity	direct	✗
ESRS E2	Pollution of water	Economic and reputational risk linked to water contamination incidents and possible fines, with possible negative effects on the local area and on the company's ability to attract stakeholders, particularly investors.	medium/long	risk	indirect	✗
ESRS E5	Waste, Resource outflow	Risk of causing environmental impacts that adversely affect the local area or taking inadequate measures to mitigate such environmental impacts: failure to comply with environmental standards could lead to reputational damage and financial penalties, reducing the attractiveness to stakeholders, particularly investors.	medium/long	risk	direct	✗
ESRS E5 ESRS G1	Resource outflows Corporate culture	New regulatory obligations with regard to the environment (introduction of air emission limits, introduction of new environmental standards and regulations, and introduction of new reporting requirements) could lead to a failure of the Group to comply with regulatory requirements or an untimely response to what is required, with the following consequences: - increased operational and consultancy costs to ensure compliance with regulations and to produce mandatory reporting; - Increased staff costs to comply with new regulations and implement new internal procedures; - increased costs for possible adaptation of non-compliant or more efficient installations (heating, water, lighting, air conditioning); - introduction of taxes or charges linked to the emissions produced. Failure to comply with new regulatory requirements could also result in possible reputational damage due to non-compliance with rules and/or regulations with consequent loss of revenues.	short	risk	direct	✗
ESRS E5 ESRS G1	Resource inflows Management of relations with suppliers	The lack of a structured approach regarding the evaluation and selection of suppliers from an environmental point of view may lead to the selection of unsuitable business partners whose shortcomings could create increased costs for the organisation through lawsuits, fines, penalties or reputational damage. A supply chain that has not been adequately assessed on environmental aspects could cause delays or blockages in supplies, leading to reduced or lost revenues and increased procurement costs, while supplies or services related to the energy transition, due to highly unstable markets and/or limited supplier capacity could cause delays, cancellation of orders or increased costs of supplies.	short medium-long	risk	direct	✗
ESRS E5	Resource inflows	The difficulty in obtaining raw materials useful for the production of finished products planned by the Group can be caused either by the scarcity of resources (supply lower than demand) or by political or economic unrest, such as international conflicts, which create disruptions or changes throughout the supply chain. This could cause delays or blockages in supplies, a decrease in the quality of supplies and lead to a reduction or loss of revenues and an increase in procurement costs.	short medium-long	risk	indirect	✗
ESRS E5	Resource inflows, Waste	The development of a sustainable and sustainability-aware value chain offers numerous advantages. First of all, the implementation of sustainable practices leads to greater operational efficiency, reducing costs by optimising resources and minimising waste. From a reputational point of view, companies that adopt sustainable practices gain customer trust, attracting investments and partnership opportunities. This commitment to sustainability also stimulates innovation, leading to the development of new eco-friendly products, thus increasing competitiveness in the market.	medium-long	opportunity	direct	✗

ESRS E5 ESRS E1	Resource inflows, Outflows of connected resources and Waste Energy	The development and expansion of options to increase the use of recycled or recyclable materials and reduce energy use and waste generation could lead to increased revenues due to a growing demand for more sustainable products from customers, investors, and other stakeholders.	medium-long	opportunity	direct	✗
ESRS E5 ESRS E1 ESRS E4	Resource inflows, Outflows of connected resources and Waste Energy Factors of direct impact on the loss of biodiversity	Failure to implement or inadequate implementation of circular economy policies by the Group could result in the inability to transition to a new economic model that envisages: elimination of wastefulness and waste, circulation of products and materials, and regeneration of nature. This could lead to environmental performance stalling or declining (because no approaches are followed to reduce CO2 emissions or to reduce wastefulness and waste) and a worsening in the use of available energy and resources (and, therefore, higher costs). Failure to contribute to the protection of the environment and the lack of a drive for innovation would lead to a deterioration of the company's image and reputation with consumers and institutions, which are increasingly attentive to the issue of sustainability, with a consequent decrease in revenues and gross margin.	medium-long	risk	direct	✗
ESRS E5 ESRS E1	Resource inflows, Outflows of connected resources and Waste Energy	Failure to design eco-compatible products could result in the organisation not complying with the European regulatory framework regarding the design of eco-sustainable products structured to improve the circularity of products, energy performance and other environmental sustainability aspects. This could lead to both an increase in operating costs to comply with new or more stringent regulations, increased consultancy costs to produce the mandatory reporting, increased staff costs to comply with new regulations, and a decline of the company's image and reputation with consumers and institutions, who are increasingly aware of the issue of sustainability, resulting in a decrease in revenues and gross margin.	medium-long	risk	direct	✗
ESRS E5 ESRS G1	Resource inflows Management of relations with suppliers	Dependence on a limited number of suppliers subjects the Group to the risk of being vulnerable to external damage and/or operational interruptions (including downtimes due to supply chain disruptions) due to special events (e.g., strikes or fines), geopolitical incidents, environmental and/or social non-compliance, compromising the continuity and efficiency of business operations. Such risks would result in delays or blockages in supplies, which could lead to increased procurement costs or reduced revenues.	short medium-long	risk	indirect	✗
ESRS S1	Work conditions	Potential accidents and an increase in work-related injuries and illnesses could be due to the failure to implement a proper corporate risk analysis, resulting in the non-implementation of all essential accident prevention measures. The increase in accidents and work-related injuries could also result from a lack of dissemination of a health and safety culture. All this can lead to work inefficiencies, increased legal costs, penalties, increased training costs, and reputational damage with loss of revenues.	short	risk	direct	✗
ESRS S1	Work conditions	Strengthening and improving staff skills, and developing talent and promoting welfare policies to improve the well-being of the Group's people could lead to numerous benefits, such as increased productivity, the reduction of costs related to recruitment programmes, the ability to attract key staff and talent and the reduction of employee turnover.	short	opportunity	direct	✗
ESRS S1	Equal treatment and opportunities for all	The lack of adequate training for the job profiles that are in demand within the organisation can affect employee satisfaction, which could lead to numerous disadvantages, such as decreased productivity, increased costs related to recruitment programmes, failure to attract qualified staff and an increased employee turnover rate. This could of course affect the Group's ability to innovate and competitiveness and result in the non-implementation of corporate objectives, reducing the organisation's ability to compete in the market and its financial results.	short	risk	direct	✗

ESRS S1	Work conditions	Failure to adhere to appropriate working standards, such as increased working hours or lack of care for the working environment and people's well-being, could affect employee satisfaction and lead to decreased productivity and increased costs for recruitment programmes. Such issues could not only increase costs for lawsuits and penalties, but also greatly affect the organisation's reputation, resulting in a deterioration of the company's image and a consequent decrease in revenues and gross margin.	medium-long	risk	direct	✗
ESRS S1	Work conditions	Non-competitive salary policies, unclear or inconsistent performance appraisal systems, benefit offers not aligned with employee needs could have an impact on employee satisfaction with consequent disadvantages such as decreased productivity, increased costs related to recruitment programmes, failure to attract qualified staff and an increased employee turnover rate. This could of course affect the Group's ability to innovate and competitiveness and result in the non-implementation of corporate objectives, reducing the organisation's ability to compete in the market and its financial results.	medium-long	risk	direct	✗
ESRS S1	Equal treatment and opportunities for all	The lack of social sustainability practices within the organisational structure and business model, such as valuing diversity, respecting equal opportunities and non-discrimination principles, can lead to a potential increase in legal costs, increased employee turnover rates and decreased ability to retain key personnel.	medium-long	risk	direct	✗
ESRS S1	Other labour-related rights	The lack of social sustainability practices within the organisational structure and business model, including respect for human rights, can lead to a potential increase in legal costs, employee turnover, and reduced ability to retain key personnel.	medium-long	risk	direct	✗
ESRS S1 ESRS S4	Equal treatment and opportunities for all Safety	Lack of ability to attract or recruit suitable professional profiles or deficiencies in the management and retention of qualified staff can have repercussions on employee satisfaction: inability to ensure adequate levels of training that enable employees to have profiles in line with the tasks they have to perform, decreased productivity, increased costs related to recruitment programmes, failure to attract qualified staff and an increased employee turnover rate. The lack of adequate professional skills could also lead to both a decrease in innovative capacity and a decrease in product quality, reducing the Group's competitiveness and the achievement of corporate goals. The above considerations would lead to a reduced ability to compete in the market and a decrease in financial performance.	medium-long	risk	direct	✗
ESRS S2	Working conditions and Other labour-related rights	Lack of social sustainability practices within the value chain (suppliers, agents, etc.) may cause dissatisfaction and lack of commitment to co-operation on the part of the organisation's own employees or the white collar workers of external suppliers, affecting the organisation's reputation as a sustainable partner, increasing costs for lawsuits, fines and reputational damage.	short medium-long	risk	Indirect	✗
ESRS S2	Working conditions and Other labour-related rights	Lack of respect for human rights and sustainable practices along the value chain could lead to delays or blockages in supplies due to legal sanctions, protests, disruptions in supplier operations, difficulties in finding alternatives, and additional checks and audits. These factors compromise the stability and reliability of the supply chain, adversely affecting the timing of deliveries, leading to reduced or lost revenues.	medium-long	risk	indirect	✗

ESRS S3	Economic and cultural rights of communities	The creation of specialisation paths for the transmission of know-how to new generations, contributing to the creation of professional profiles in line with their needs and organising specific training paths for the transmission of the skills required by the sector could lead to numerous advantages, such as the reduction of costs related to recruitment programmes, the ability to attract key staff and talent, reduced employee turnover, and, consequently, increased productivity.	short	opportunity	Direct	✗
ESRS S3	Economic and cultural rights of communities	Supporting cultural, social and educational initiatives in favour of the community contributes to strengthening the relationship with the local area and the positive perception of the Group by the community. This leads to a greater economic development of the areas in which the Group operates, a greater ability to attract new talent with a reduction in costs related to recruitment programmes and a greater attraction of key personnel.	short	opportunity	Indirect	✗
ESRS S3	Economic and cultural rights of communities	Supporting community-based educational initiatives contributes to the creation of professionalism and thus jobs along the entire value chain, generating a positive impact for the communities in which the Group operates and contributing to their economic and social development.	short	opportunity	Indirect	✗
ESRS S3	Economic, social and cultural rights of communities	Constant research and development in the medical sector lets El.En. Group bring innovative or improved technological solutions to the market that increase people's state of well-being and patients' quality of life, as well as contributing to the development of scientific knowledge worldwide. Thanks to this, the Group maintains and increases a high level of reputation, which increases the demand for its products and thus the Group's revenues. The ability to generate positive social impacts on people and the community through day-to-day research and development work also leads to an increased ability to attract new talent with reduced costs related to recruitment programmes and increased attraction of key personnel.	short	opportunity	direct	✗
ESRS S3	Economic, social and cultural rights of communities	Constant research and development in the industrial sector (also including the restoration niche) allows El.En. Group to market innovative or improved technological solutions that make it possible to further reduce the environmental impact of production processes, minimising waste, fumes, the use of chemical additives and eliminating the use of inks, glues, solvents, guaranteeing ever greater safety for the operator. Thanks to this, the Group maintains and increases a high level of reputation, which increases the demand for its products and thus the Group's revenues. The ability to generate positive social impacts on people and the environment through day-to-day research and development work also leads to an increased ability to attract new talent with reduced costs for recruitment programmes and increased attraction of key personnel.	short	opportunity	direct	✗
ESRS S3 ESRS E5	Economic and cultural rights of communities Resource inflows	The organisation may fail to establish, test, or update a business continuity plan and business recovery strategies, impacting its ability to continue production and/or provide essential services during extraordinary geopolitical events and/or particular economic conditions, resulting in its incurring unnecessary operating costs, total or partial production stoppages that would result in a decrease in revenues and possible financing.	short medium-long	risk	indirect	✗
ESRS S3 ESRS E5	Economic and cultural rights of communities Resource inflows	Failure to update business continuity plans and business recovery strategies could impact the organisation's ability to continue production and/or provide essential services in the event of extraordinary socio-cultural events (e.g., global financial crises, wars, cyber attacks, health crises, etc.). Failure to plan the actions to be taken following such events or to monitor them in their entirety could therefore lead to interruptions or delays in the procurement of materials and thus delays in production, resulting in difficulties in keeping to what was planned and impacting on customer activities and patient care.	medium-long	risk	indirect	✗

ESRS S4	Personal safety of consumers or end users	Any missing or incomplete information on the products sold and/or non-compliance with the legislative requirements imposed on product labelling and traceability could affect consumer behaviour with a reduction in demand for the products/services offered and also have repercussions in terms of harm to the organisation's reputation due to a lack of information requested by stakeholders, a reduction in the Group's market share due to the entry of products that are more circular and that better meet stakeholder requirements, with a consequent reduction in revenues and margin.	short medium-long	risk	indirect	✗
ESRS S4	Personal safety of consumers or end users	Inadequate or inefficient monitoring processes may not detect product anomalies in a timely or correct manner, leading to a decrease in the perception of quality, safety and innovation of our products, and thus to a loss of image and reputation with a consequent decrease in financial performance; increased health and safety risks may lead to increased costs for litigation, compensation and/or penalties. Failure to meet customer needs can lead to a reduction in market share with loss of revenues.	medium-long	risk	indirect	✓
ESRS S4	Personal safety of consumers or end users	The emergence of new technologies, the failure to adapt or the delayed adaptation of innovation and digitalisation of the Group's products, services and processes, or the failure to react/delayed reaction to changes required by the market could lead the organisation to fail to proactively identify, understand and respond to changes in strategy, business model, operations and activities of competitors, including barriers to entry, new competitors and business disruptions. Competitors might anticipate sudden and challenging changes in the market and regulatory scenarios by developing more technologically innovative products, establishing a sustainable competitive advantage, and El.En. might not be able to offer the same solutions, resulting in reduced revenues. This would lead to a decrease in revenues and margin.	medium-long	risk	direct	✗
ESRS G1	Corporate culture	Failure to implement cyber protection of sensitive data may expose the organisation to possible risks/opportunities related to intellectual property theft. The risk of circulating confidential designs would have a negative impact on future revenues related to the market launch of innovative products before competitors.	short medium-long	risk	direct	✗
ESRS G1	Corporate culture	The circulation of erroneous or not entirely truthful information could have possible consequences in terms of non-compliance (e.g., EU Directive 2024/825, so-called greenwashing) and, in the event a non-compliance is found, considerable operational and reputational damage.	short	risk	direct	✗
ESRS G1	Corruption and bribery	El.En. Group is subject to national and European competition and anti-corruption regulations (e.g., the European Union's Antitrust Regulation, which prohibits anti-competitive practices such as abuse of a dominant position, the Anti-Corruption Directive, which aims to prevent corruption and ensure transparency in business practices). Failure to comply with these regulations could result in the Group running the risk of sanctions, fines or reputational damage.	short	risk	direct	✗
ESRS G1	Corporate culture	If the specific targets that El.En. Group has identified in the Sustainability Plan were not achieved, this could have negative repercussions, both on a reputational level, by reducing the attractiveness of the Group for stakeholders, especially investors, and on the level of declining sustainability ratings. This could lead to an increase in operating costs and consultancy costs to implement projects to align stakeholder expectations and improve related reporting, increased staff costs to follow up on these projects, and a deterioration in the company's image and reputation with other stakeholder groups, which are increasingly concerned about sustainability, resulting in a decrease in revenues and gross margin.	medium-long	risk	direct	✗

ESRS G1	Corporate culture	If the independent sustainability ratings for which El.En. Group is assessed were to deteriorate, this could have negative reputational repercussions, reducing the Group's attractiveness for stakeholders, particularly investors. This could lead to an increase in operating costs and consultancy costs to implement projects to align stakeholder expectations and improve related reporting, increased staff costs to follow up on these projects, and a deterioration in the company's image and reputation with other stakeholder groups, which are increasingly concerned about sustainability, resulting in a decrease in revenues and gross margin.	short medium-long	risk	direct	✖
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Industrial and Medical Laser Solutions

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