



SUSTAINABILITY REPORT 2023

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STAKEHOLDER LETTER

Dear Stakeholders,

I am delighted to present our latest Sustainability Report, which reflects CrestOptics' unwavering dedication to creating long-term economic, environmental, and social value for all stakeholders and future generations. Our commitment extends beyond financial gains, driving us to advance scientific research and improve lives through innovative optical technologies and scientific instruments.

This past year has been particularly momentous for CrestOptics, marked by significant achievements in key areas:

Success of the Cicero Launch: We are thrilled to announce the success of Cicero, our latest product. Cicero has proven to be a flexible and accessible solution, significantly advancing the adoption of advanced microscopy techniques in previously unreachable countries and applications. This success not only underscores our innovation capabilities but also reaffirms our mission to democratize access to cutting-edge scientific tools.

Expansion and Redesign of Workspaces: Our recent office expansion has allowed us to redesign our workspaces, enhancing functionality and fostering collaboration. The new layout includes expanded laboratory areas and thoughtfully designed spaces to promote interaction among colleagues. This environment is aimed at boosting creativity, productivity, and overall job satisfaction, reinforcing our commitment to providing a conducive workplace.

Investment in People: Investing in our people has been a top priority. We are proud to have participated in the Great Place to Work survey, gaining invaluable insights into our workplace culture and actionable feedback directly from our employees. Additionally, we have completed several mentorship and coaching programs tailored to develop and nurture talent within the company. These initiatives reflect our belief that our people are our greatest asset, and their growth is fundamental to our success.

These achievements are the result of our commitment to realizing our medium to long-term objectives in the key areas of our company:

- Innovation, Research, and Development
- Enhancing, Training, and Developing Employees' Skills
- Corporate Welfare and Well-being

By continuing our dedication to these areas, we will ensure the creation of a sustainable and fulfilling workplace, driving long-term success for the business.

Furthermore, we are currently engaged in a collaborative effort with the progressive involvement of all company employees to redefine and update our corporate values. This initiative aims to achieve high engagement and trust from our entire workforce towards guiding principles that will support us in realizing our mission and vision.

This Sustainability Report serves as a voluntary and strategic disclosure tool, providing a comprehensive overview of CrestOptics' activities and transparently communicating the objectives we have set for the future. It is a testament to our belief that elements such as quality, research and innovation, inclusivity, environmental stewardship, and legal compliance are fundamental to sustainable and enduring business growth.

We thank you, our valued stakeholders, for your ongoing support and trust in CrestOptics. Together, we are poised to embrace the challenges of the future and achieve our shared goal of a better tomorrow.

Best regards,
Renato Giacobbo Scavo

METHODOLOGICAL NOTE

This document represents the second Sustainability Report of CrestOptics S.p.A.

It contains information on economic, environmental, and social issues that is useful for ensuring an understanding of the activities carried out by CrestOptics, its performance, its results, and the impact produced by them.

The Sustainability Report has been prepared by reporting a selection of the "GRI Sustainability Reporting 2021" published by the Global Reporting Initiative (GRI), as indicated in the GRI Content Index of this document, according to the "Referenced" reporting option.

It should be noted that CrestOptics does not fall under the scope of Legislative Decree No. 254 of December 30, 2016. This Sustainability Report is therefore prepared on a voluntary basis and is not a Non-Financial Statement. The general principles applied in the preparation of the Sustainability Report are those established by the GRI Standards: relevance, inclusiveness, sustainability context, completeness, balance between positive and negative aspects, comparability, accuracy, timeliness, reliability, clarity and verifiability.

The performance indicators selected are those included in the adopted reporting standards, representative of the specific areas of sustainability analyzed, and consistent with the activities carried out by CrestOptics and the impacts it produces. These indicators were selected on the basis of an analysis of their materiality, as described in the "Materiality Analysis" section.

In the different sections of the Sustainability Report, quantitative information for which estimates were used is reported.

The reporting scope of qualitative and quantitative data and information refers to the performance of the company CrestOptics S.p.A as of December 31, 2023.

The Sustainability Report is prepared annually. The process of preparing the Sustainability Report involved the involvement of the heads of different functions of CrestOptics.

The Sustainability Report was approved by the Board of Directors of CrestOptics S.p.A. on July 15, 2024 and has not been audited by an independent auditor.

**The Sustainability Report
is published on the Company's
corporate website at the
following address:**



MATERIALITY ASSESSMENT

The Role of Stakeholders

Stakeholders are those parties (individuals or groups) who express different interests in a company and with whom a company interacts in the conduct of its business. Engagement and discussion with stakeholders (stakeholder engagement) allows not only to understand their needs, expectations and evaluations, but also enables the enterprise to better define business strategies and objectives, assessing change, risks and opportunities.

CrestOptics' system of relations with its stakeholders includes differentiated tools and channels of dialogue for different categories of stakeholders, consistent with the level of interdependence and influence on the organization.

Approach to stakeholder engagement		
Stakeholder	Involvement method	Stakeholder needs and expectations
Employees	Regular team and corporate meetings ("All Hands"), internal communication channels, annual performance review, coaching program	Workplace health and safety, Professional growth, business stability, skills enhancement and pay improvement, communication, transparency and collaboration
Board of Directors	Periodic meetings	Business growth, Transparency in communication and performance management
Partners	Administrative and controlling bodies	Transparency in communication and performance management
Suppliers and consultants	Periodic meetings, email contacts	Business stability, procurement planning, soundness in payments
Customers	Regular meetings, technical product trainings, satisfaction surveys, company policy dissemination, email contacts, conference participation, dedicated communication and support channels, dedicated initiatives (webinars or in-person training sessions)	Business stability, product quality, product innovation, technical support, lead generation for end users, training to expand technological know-how
Universities and research centers	Collaborative contracts for project development/co-funding scholarships	Support for scientific research through kind and monetary contributions, availability of innovative and high-tech products in response to scientific needs

Material issues

Governance

- Economic and financial performance
- Business transparency, ethics and integrity
- Innovation, research and development
- Quality, compliance and product safety
- Sustainable supply chain selection and management

Environmental responsibility

- Reduction of CO₂ emissions
- Management of indirect environmental impacts
- Development of environmentally sustainable products from a circular economy perspective
- Management of raw materials

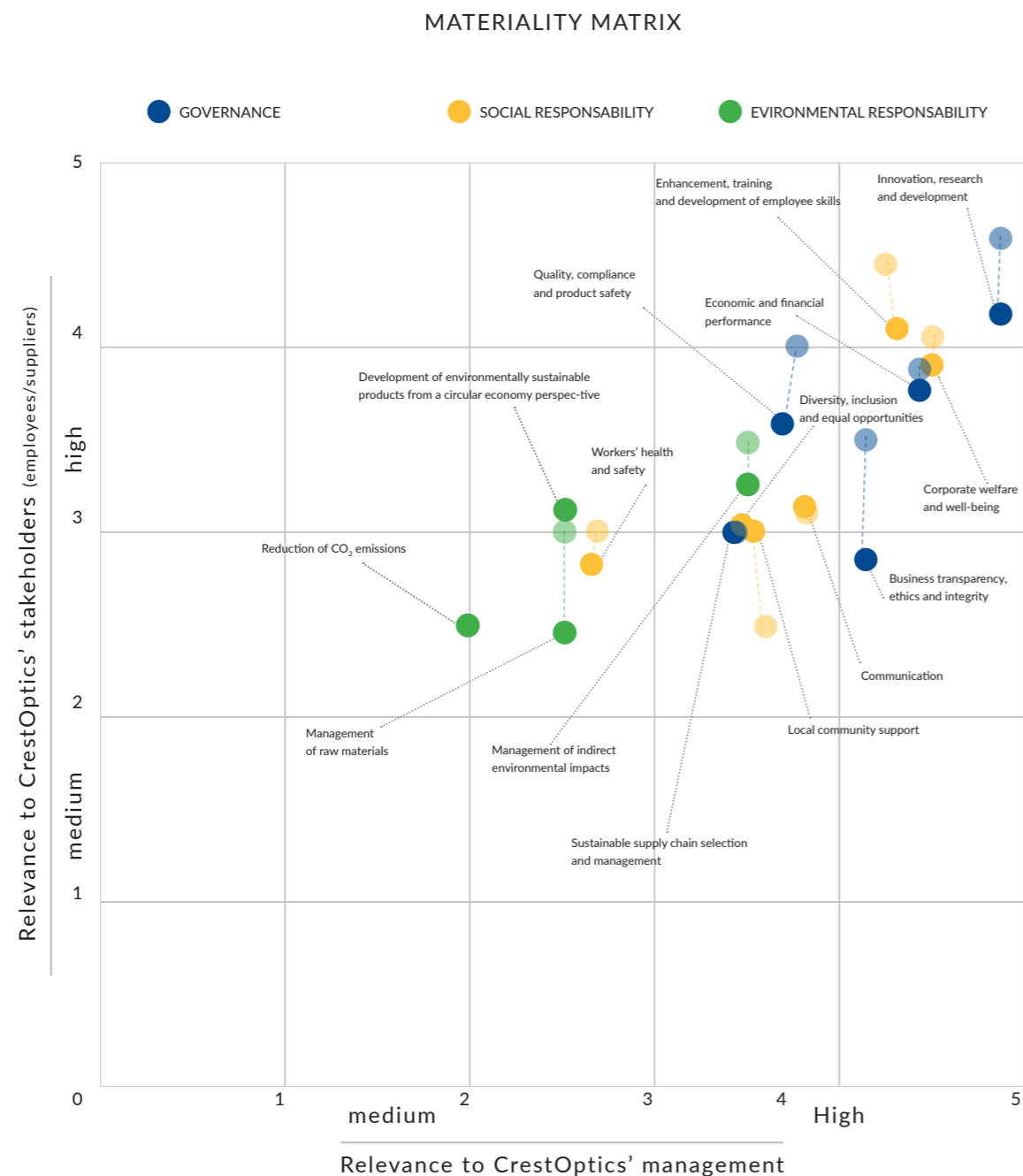
Social responsibility

- Enhancement, training and development of employee skills
- Corporate welfare and well-being
- Diversity and equal opportunities
- Employee health, safety and welfare
- Local community support (civic welfare)
- Communication

In defining the areas and issues to be reported within its Sustainability Report, CrestOptics conducted a materiality analysis aimed at identifying and prioritizing issues considered relevant and significant to its business and stakeholders. These issues are defined as "material" because they reflect the economic, social and environmental impacts of the organization and may influence the decisions of internal and external stakeholders.

To realize the matrix in 2023, CrestOptics decided to start a stakeholder engagement process starting with the supplier category. In fact, a moment of discussion was organized in which a questionnaire was administered to enhance the issues from the perspective of priority for action and to jointly design strategies to improve sustainability in CrestOptics.

Broadening the audience of stakeholders by also addressing external stakeholders was the way chosen by the company to ensure greater transparency and co-participation in the definition of CrestOptics' future strategic plan. With the questionnaire, the people involved were asked to give a weight from 1 to 5 to the themes identified; from the intersection of the results, the following materiality matrix was generated:



Comparing the matrix made with suppliers against the previous year's matrix made with employees (see in the graph in transparency the 2022 ratings and in brighter colors the 2023), we can immediately see that the results are more or less aligned.

In fact, environmental issues are less of a priority than governance and social issues: this is because the company is not energy intensive and is housed in a building where all utilities are centralized and it is therefore difficult to be able to improve in the short term from this point of view. The environmental issue that had the highest rating is the one related to indirect impacts, understood as the employees' commute to work, on which improvement projects can be created.

The issue that is most strategic for management, employees and strategic suppliers of CrestOptics is innovation, research and development. Indeed, it emerged from the focus group to be the strength that distinguishes the company in the market according to the suppliers. For a company that makes advanced fluorescence microscopy systems, it is essential to pay special attention to research, development, and evolving scientific applications.

Even in 2023, with external stakeholders, two closely related social issues emerge as preponderant: valuing, training and developing employees' skills and corporate welfare and well being. It is strategic to work on the relationship with employees and their training to keep the environment united and peaceful and, at the same time, stay abreast of skills to be competitive and reliable.

Economic performance and the issue of quality, compliance and product safety are also strategic for the company to remain competitive in the market.

Material topic

Main impact

Innovation, research and development

Continuous innovation of services offered and processes with positive impacts on people and economic systems.

Service quality, compliance and safety

Offering the highest quality services and products with a positive impact on customers' lives.

Economic performance

Developing products and services with a positive impact on the community and people. Improving planning and opening up to new markets.

Indirect impacts

Create improvements on the transportation side, both inbound and outbound goods and the home-work commute of employees.

Corporate welfare and well-being

Contribution to a better quality of life for employees through high levels of inclusiveness and meritocracy in the workplace. Work-life balance through flexible schedules. Professional development also linked to growth objectives.

Enhancement, training and development of employee skills

Provide training and development paths for employees to improve skills and give a consistently distinctive offering in the market.





1 THE COMPANY



Employees
58 in 2023



Global presence
40 countries
features
our products



R&D expenditure
25%+ of turnover
per year



**Corporate
Headquarter**
2.000+ mq
in Rome



Workplace
Great Place To
Work - 2023

0 occupational
accidents



**Continuous
Improvement**
Focus on
customers

CrestOptics S.p.A. is a leading company in the development and manufacture of advanced systems for fluorescence microscopy. Thanks to our strength in R&D and engineering, our technology supports the research community and life science industry with highly customized solutions, paying special attention to our customers needs and constantly evolving scientific applications.

CrestOptics is located at 66 Torre Rossa Street in Rome. Apposite Capital LLC is the main shareholder (>50%) through its subsidiary Galileo Topco LTD.

Our story

CrestOptics was created in 2011 with the vision of creating accessible high end solutions for the life science industry based on spinning disk confocal technology. The founders rapidly created a team of physicists, biologists, engineers, designers and highly specialized technicians coming from both the research and the industrial world, establishing the know-how required to build those high end confocal systems that are now essential in the research community for advanced biological discoveries.

CrestOptics' products are supported globally by an experienced network of distributors and integrated as OEM components in prestigious and highly complex equipment.

Since inception CrestOptics has had significant involvement from public and private investment funds which has supported rapid business expansion. In 2014 CrestOptics established the Joint Lab in collaboration with the Italian Institute of Technology (IIT) to develop new diagnostic solutions for a variety of applications.

This collaboration is a further demonstration of CrestOptics' technological and scientific expertise and in October 2021 this venture was spun off into a newly created company, D-TAILS, to continue the development of such products in a focused way.

In November 2021 Apposite Capital, a specialist international healthcare and life science investor, acquired a majority shareholding in CrestOptics in order to partner with the management team and CrestOptics employees to accelerate market penetration globally and launch new products.

In 2022, CrestOptics has been recognised as developing one of the ten best microscopy innovations in the 2022 Microscopy Today Innovation Awards. Every year, Microscopy Today, an industry-leading publication run by the Microscopy Society of America, select ten innovations that are deemed to be able to provide better, faster, easier, or entirely new methods of analysis using a microscope or microanalytical instrument.

With the launch of DeepSIM, followed in 2023 by the launch of the CICERO, CrestOptics expanded the Company's portfolio and reinforced Company's mission to increase accessibility of high-end performing and reliable solutions expediting the endeavours of the scientific community.

Thanks to continued investment in innovation, research and development, and the market launch of CICERO, the company has experienced business growth despite a difficult market context. In addition, in 2023 CrestOptics hired new key personnel, strengthening the organizational structure but also increasing the number of internal company resources.



CrestOptics is a GREAT PLACE TO WORK!

CrestOptics has been selected as one of the prestigious Top Companies to work for and received the esteemed Great Place To Work® certification. The company prioritizes the needs and well-being of everyone, placing them at the forefront of all our operations. CrestOptics strives to foster a culture of open communication, listening, and flexibility to accommodate and address the unique needs of the team members.

Participation in the Great Place to Work® initiative marks the beginning of a journey towards establishing a robust system for monitoring employee feedback and satisfaction, allowing the company to regularly assess business climate and gather valuable insights for improvement, as part of its ESG strategy.

Governance

The Board of Directors is vested with the broadest powers for the ordinary and extraordinary management of the company, with the power to perform all acts deemed appropriate for the implementation of the corporate purpose, with the sole exclusion of those that company bylaws and/or the law reserve to the competence of the shareholders. The Chairman of the Board of Directors and the Chief Executive Officer, as well as the other directors to whom management powers have been delegated within the limits of the powers conferred on them and, in any event, for the execution of the resolutions adopted by the Board of Directors, shall be jointly and severally entitled to sign on behalf of the company vis-à-vis third parties and in legal proceedings.

Moreover, the Board of Directors set up internal committees to support, consult and make proposals in the management of specific topics.

In particular, the Remuneration Committee and the Audit Committee, both composed of members of the Board of Directors, were established.

The main task of the Remuneration Committee is related to advising on appointments and compensation of directors, general managers and managers with strategic responsibilities, as well as proposing and validating the guidelines for the strategic management of employee talent in compensation and professional development.

The main task of the Audit Committee relates to assessments and decisions regarding the internal control and risk management system and decisions regarding the approval of the periodic financial and non-financial reports.

For the strategic decisions related to ESG issues, the Board of Directors appointed one ESG Champion among its members and set up an operative ESG Committee made up of four members internal to the company.

Committees that are part of the highest governing body:

- **Board of Directors**
- **Board of Statutory Auditors**
- **Remuneration Committee**
- **Audit & Risk Committee**
- **Strategy & M&A Committee** (established in 2023, with functions to support the Board of Directors in evaluations and decisions related to the Company's competitive positioning in the markets, business and product development, and M&A opportunities, with specific reference to their research, preliminary evaluation thereof, and proposal to the Board of Directors)
- **ESG Champion** (a non-executive member of the Board of Directors)
- **ESG Committee** (made up of 4 resources of the Company)
- **Supervisory Board** (Supervisory Board appointed in accordance with MOGC 231)

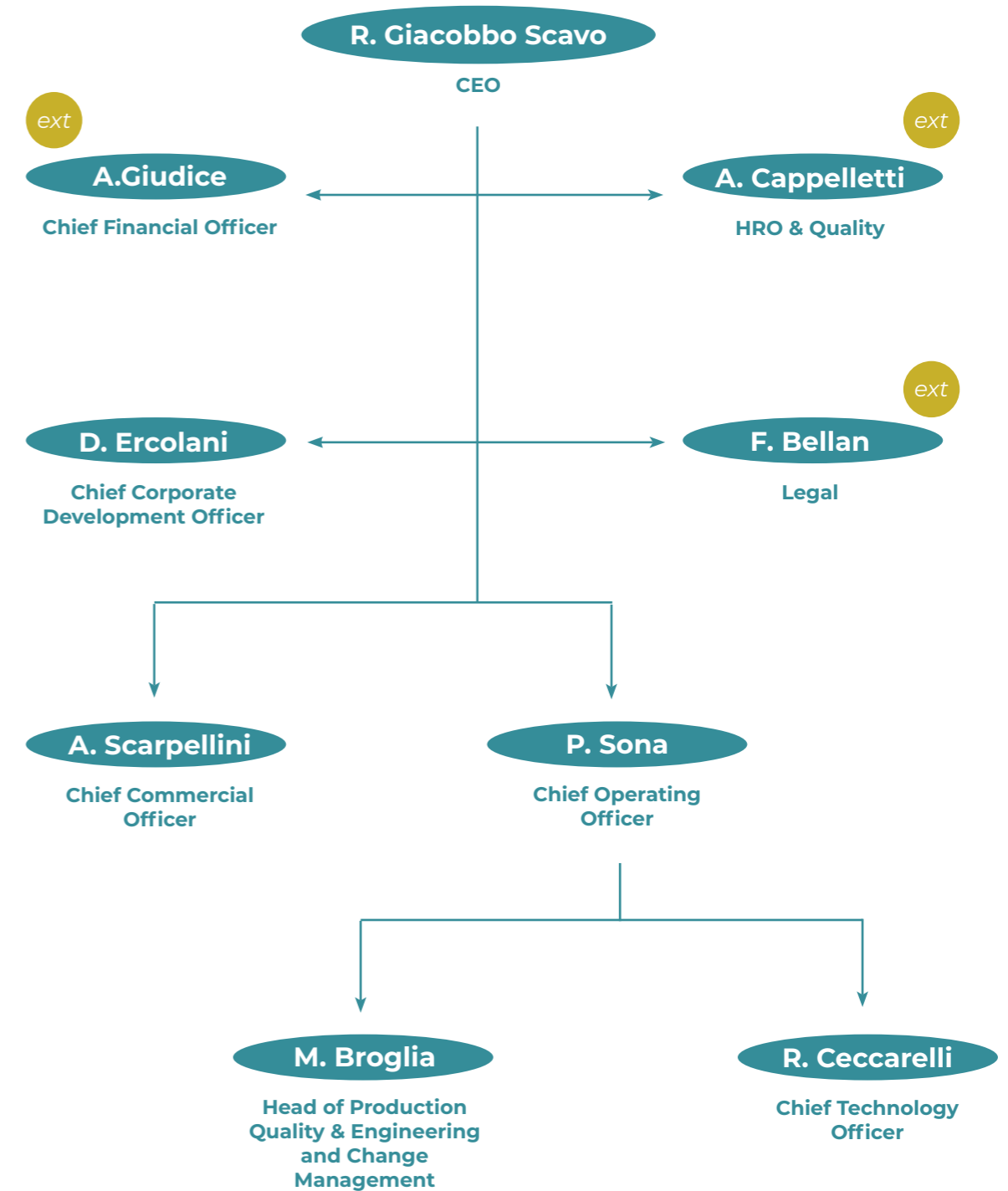
Organization chart

The Board of Directors was appointed on 10th Nov 2021 for the next three fiscal years. It is made up of 8 members:

- Only 1 has an executive role
- 3 members, including the Chairman, are independent
- 1 out of 8 is a woman
- 1 of the members, appointed ESG champion, is President of a benefit company operating in the consulting industry for sustainable design and project management

According to the bylaws, the Chairman of the Board of Directors is an independent director of the company with no executive duties.

The 8 members are appointed in the Shareholders' meeting and represent the three shareholders categories: 4 appointed by Class A shareholders (of which 2 independent), 2 by Class B shareholders (of which 1 independent) and 2 by Class C shareholders. The appointment of Independent Directors is preceded by a good faith consultation between Class A Shareholders, Class B Shareholders and Top Management.



Impact management control

Approval and updating of strategies, policies, and goals related to Sustainable Development are addressed regularly at board meetings. In addition, a Strategy Day involving the entire board and top management is held at least once a year.

At board meetings, at least nine during each fiscal year, a CEO report session is covered in which top management provides information on control processes and performance management results, including through consolidated KPIs.

In 2023, the Board of Directors requested the ESG committee to conduct an impact assessment of its products and involve key suppliers in the definition of the Materiality Matrix. Starting in 2024, KPIs on ESG and Sustainable Development issues will be established and reviewed quarterly by the Board of Directors.

An ESG Committee, composed of four internal resources, has the task of coordinating the Company's activities in ESG issues, such as participation to local initiatives and information collection for the draft of yearly reports. Moreover, the committee meets regularly with the ESG Champion appointed among directors and keeps the BoD informed on the results of ESG KPIs monitoring and results from special initiatives such as the Impact Valuation report

The Company is committed to generate value for the scientific community and stakeholders at large. Following the Theory of Change framework, the Company identified 4 pillars on which to ground its impact strategy:

- **Enhance quality of research**
- **Make the technology accessible**
- **Bring to market advanced technology**
- **Easily configurable and versatile products**

Moreover, the ESG Committee developed an ESG Manifesto which has been shared among employees to reinforce its commitments to introduce new criteria in its day-to-day business management and corporate development planning.

ESG Manifesto

It is commonly recognized that today's companies are constantly changing and evolving; it is this ability to evolve that enables companies to be competitive and grow, not only in terms of organisation and technology competences, but also in terms of business value.

Nowadays, the concept of value for a company is no longer limited to the evaluation of financial aspects or the ability to generate profits; the business objectives of the past have expanded, including factors that were once overlooked, such as environmental, social and governance, meaning the complex corporate organisational structure.

CrestOptics has chosen to embrace these objectives and to introduce new criteria in its day-to-day business management and corporate development planning, with the aim of also making a positive contribution to its stakeholders and society.

This new approach, expressed by the acronym ESG (Environment, Social and Governance), is based on the UN definition of sustainable development: "a development able to satisfy present needs without compromising the capacity of future generations" and is summarized with the identification of the 17 Sustainable Development Goals.



Membership of associations

Unindustria: the leading nationwide organization representing industrial enterprises.

ALDA - Analytical, Life Science & Diagnostics Association: is the industry trade association for companies that develop and supply life science, analytical and diagnostics products and services.

Italian tech Alliance: is the association of those who invest, innovate, experiment and discover new technologies to make Italy grow. It represents and advances the demands of venture and corporate capital, business angels, family offices, startups and innovative SMEs.

Products



DeepSIM super resolution

Super resolution microscopy that answers the deep biological questions effortlessly

At CrestOptics, we believe that super-resolution should be accessible for all scientists to progress their research. This is the reason we have developed DeepSIM, the first super-resolution module that is compatible with any existing upright or inverted microscope with a camera port. It's as easy to use as a confocal microscope enabling scientists to access deep data from their biological samples.

The DeepSIM super resolution module is easily integrated into existing microscope systems to provide structured localization imaging of complex biological specimens and to enable the effortless study of live-cell dynamics using routine sample preparation protocols.

The DeepSIM is designed to work with samples of thicknesses comparable to those used in confocal microscopy, giving super-resolved data over 50µm Z in depth in non-clarified samples. This means that more meaningful data can be obtained from native heterogeneous complex samples using routine preparation protocols. DeepSIM enables the effortless study of live-cell dynamics through a temporal resolution greater than 10fps (1024x1024 px FOV), allowing biological changes to be tracked at cellular and subcellular levels.



X-Light V3 is the next generation of X-Light spinning disk confocal series.

It relies on the cutting-edge technology, advanced optical design approach and engineering solutions developed by CrestOptics to meet the very high-end specifications required by most of the modern fluorescence microscopy applications. The spinning disk design together with the careful design of the optical layout enhances sensitivity and image clarity. The first confocal unit which allows dual camera imaging at the full field of view of 25 mm on both cameras.



X-Light V2

Universal plug-in spinning disk for fast and gentle imaging To guarantee each laboratory greater productivity without compromising the data quality, CrestOptics has created the X-Light V2, the most accessible spinning disk solution for fast and gentle confocal imaging. The X-light V2 is a truly enabling technology where the high-performance is combined with the application flexibility and a universal compatibility with any upright and inverted microscopes with a camera port. The X-light V2 enables researchers to routinely perform challenging live-imaging experiments for extended periods of time. The highest spinning disk rotation on the market allows to follow ultra-fast cell dynamics with an acquisition speed of over 1000 fps on full FOV. The multi-beam spinning method offers not only high-speed imaging but significantly reduced photo bleaching and phototoxicity. This gentle illumination combined with advanced optical sectioning makes the X-light V2 the standard tool for 3D live cell imaging.



CICERO

CICERO is a complete widefield and spinning disk solution, it can be integrated into any imaging setup transforming it into a user-friendly and reliable confocal system. Life sciences, metrology, and material sciences are among the disciplines relying increasingly on high-resolution 3D imaging. CICERO spinning disk solution delivers fast image acquisition speed (15K rpm) and sensitivity, easily enabling live cell imaging and large-scale 3D object imaging. Due to its large field of view (up to 22mm FOV), CICERO offers a minimal scanning process and can capture large samples in a single frame.

CICERO is a reliable and flexible solution compatible with both LED and Laser as illumination sources. Moreover, the wide spectral range enables a large variety of applications. For this, CICERO allows to address both entry-level and challenging applications.

Countries served

As the map below highlights, CrestOptics' products are sold almost all over the world



Certification

For CrestOptics, certifications are a confirmation that what it does and what it offers to its customers has been done according to the highest standards of quality, safety and respect for the environment. Every project and every manufacturing process inherently carries with it the values that distinguish and identify the company as excellence.

CrestOptics has always based the production of its products and the structure of its processes on high quality standards this has made it possible to obtain quality certification, according to the **ISO 9001:2015** (Quality management system) standard and, over the years, has been able to raise its standards distinguishing itself more and more in the market.



In addition, CrestOptics holds a number of product certifications:



CE Mark: The letters 'CE' appear on many products traded on the extended Single Market in the European Economic Area (EEA). They signify that products sold in the EEA have been assessed to meet high safety, health, and environmental protection requirements.



CEI EN 60825-1:2017

IEC 60825-1: Safety of laser products



ISTA 3A: Packaged-product test, simulation test for individual packaged-products shipped through a parcel delivery system.

Mission

CrestOptics enables any customer to upgrade easily to advanced microscopy which increases their ability to make breakthroughs faster.

Vision

CrestOptics wants a future where advanced microscopy is commonplace so that anyone, anywhere has the potential to make groundbreaking discoveries

Values, principles, standards, and norms of behavior

The Company has issued an internal regulation governing the code of conduct. Also, the Board of Directors approved the implementation of the Organizational Model according to 231 decree including the development of a Code of Ethics which is published online and made available to all commercial partners, also in English. The code of conduct and Code of Ethics are distributed to all the employees as part of their onboarding process.

The Company developed an internal set of values to ensure alignment among its employees. These values are published on internal channels and are printed on the wall of the main meeting room at Company's HQ.

A continuous focus on organizational culture and ethos plan is sustained during day-to-day interactions, company events and quarter meetings

The HR department is the natural focal point for consulting on ethical and legitimate behaviour. Moreover, as part of its duties, the Supervisory Body collects information on potential illicit behaviour and should inform immediately the Company executives in order to proceed with the appropriate measures.

Our Values

Stay young, informal and productive

Never lose the garage startup attitude

Be more curious and ambitious than our clients

We make products to observe better.

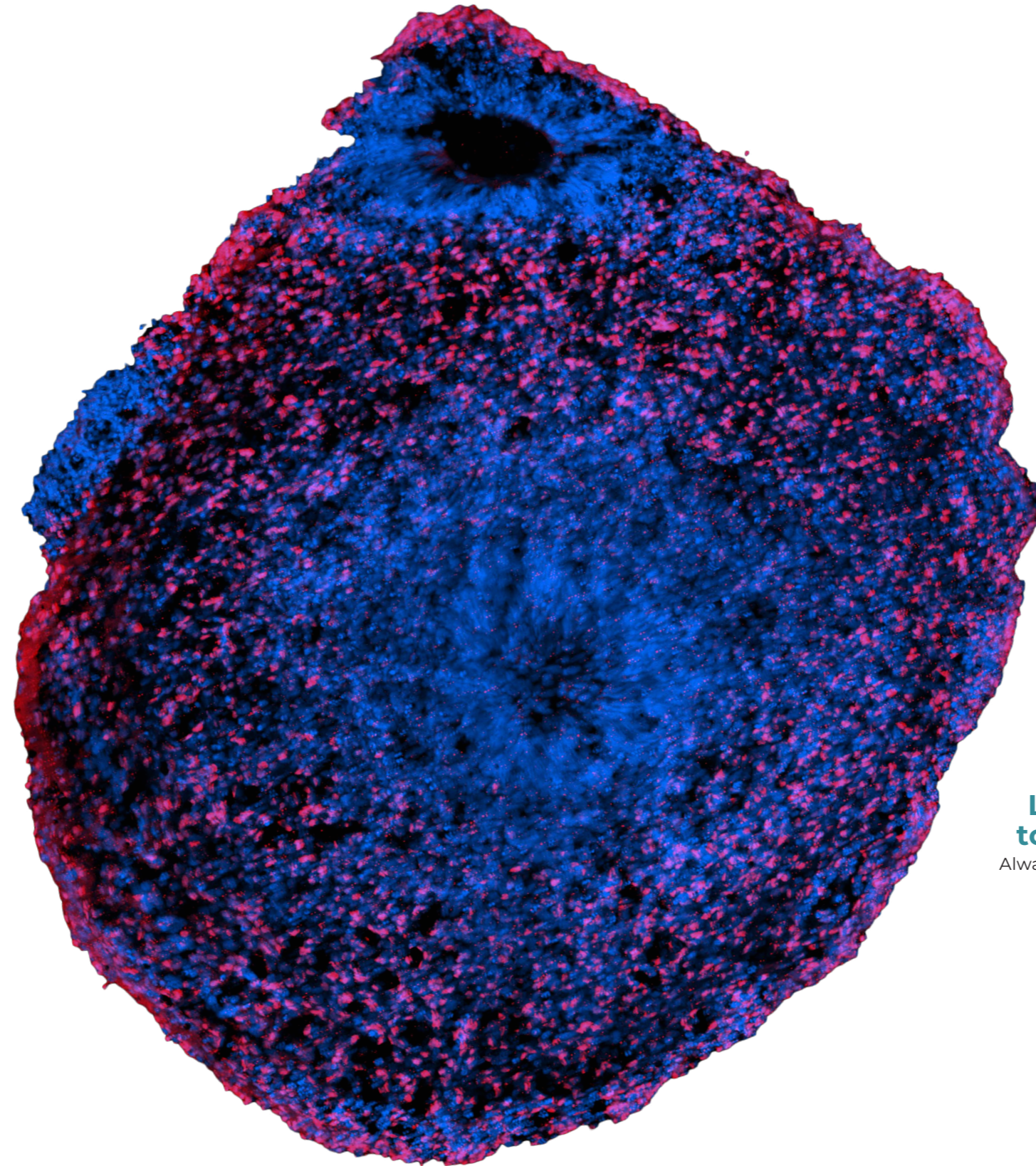
Be ready to anticipate what clients might know in the future.

Be sure someone is in charge

If you are not, ask who is. If there is no one accountable, something will go wrong.

Bottleneck: ALARM

Wait and see is not a solution; instead, let's address roadblock and find effective ways to streamline processes.



Reduce waste

Time, space, resources are valuable assets.

Smartworking, handle with care

Distance work is important but don't forget the value of proximity and group.

Think big & for scale

Aspire to continuous improvement, every little helps to sustain growth.

Listen, and demand to be listened

Always respect colleagues and seek feedback.



2 ECONOMIC VALUE

CrestOptics considers the distribution of the value generated by its business to its stakeholders to be of primary importance.

Through the analysis of distributed economic value, CrestOptics shows the flow of resources addressed to its employees, its suppliers of goods, services and capital, public administration and the communities in which it operates. CrestOptics focuses on the local communities with which it is in close contact. The team that works closely with the CEO consists of eight resources, five of which come from the local community, a sign of the strong bond that the company has with the territory. The business recorded revenues of euro 15.2 million Euros, registering an increase of 22.8% over the previous year. The increase in revenues led to a more than proportional increase in operating costs; therefore, the year ended with a profit of euro 1.9 million Euros, an undoubtedly positive result, although lower than in 2022.

After a year of strong growth like the previous one, 2023 presented from the outset the challenge of consolidating the revenue levels achieved in 2022 and confirming the positive margins of the previous year. A result that the company substantially achieved, despite the turbulence encountered in the end markets due mainly to the physiological settling of orders from the major players in the sector, after the big boost recorded coinciding with the investments in diagnostics following the spread of the Covid-19 pandemic.

The year was also marked by participation in industry trade fair events, resulting in increased visibility in the market and the consequent opening to new business relationships.

Intensive efforts in research and development and technological innovation activities continued in 2023 on numerous projects that went to different stages of advancement.

Economic value generated and distributed (Euro)	2023	2022
Revenues	15.179.624	12.050.676
Directly generated economic value	15.179.624	13.688.978
Operating costs	8.244.859	7.221.496
Employee compensation	3.944.548	3.376.214
Remuneration to capital providers	363.850	31.677
Remuneration to Public Administration	756.734	944.888
Investments in the community	1.050	0
Economic value distributed	13.311.042	11.574.276
Economic value withheld	1.868.582	2.114.702

CrestOptics has been ranked by “La Repubblica – Affari & Finanza” among the 800 Italian companies with a higher rate of annual growth in the three-year period 2018-2021. The study “I campioni della crescita 2023” has been conducted by the “Istituto Tedesco Qualità e Finanza” (ITQF) taking into account strict criteria, such as the “Compounded Average Growth Rate”.

Rules Regarding Remuneration

The remuneration of the members of the board of directors is determined by resolution of the company's shareholders at the shareholders' meeting.

The compensation of senior executives and top management is discussed in the Remuneration Committee, which regularly proposes compensation policies to the Board of Directors.

Particularly, it is established practice to set annual targets linked to the variable component of compensation at the company level. The definition of the relevant metrics and the final calculation are proposed by the Remuneration Committee to the Board of Directors.

The definition of a sustainability strategy and its implementation are part of the metrics defined for the variable component of top management and all the employees compensation.

231 Organizational model

CrestOptics has adopted the Organization, Management and Control Model pursuant to Legislative Decree 231/01, which aims at representing the system of operational and behavioral rules that govern the Company's activities, as well as the additional control elements that the company has adopted in order to prevent crimes and administrative offenses for which the Decree is applicable, committed by individuals in top management positions and by individuals subject to their area or supervision, from which the administrative liability of the company itself may result, in application of the provisions of Decree 231.

The main objective of Model 231 is to prepare an organic and structured system of principles, procedures and controls, aimed at preventing the commission of the offenses-prescribed in Legislative Decree 231/2001.

Conflict of interest

Conflict of Interest Management, implemented through the 231 Organizational Model, is a preventive activity: it identifies those areas of the company in which managers or employees might choose to act in the interest or to the advantage of the company, harming a number of widespread and legally relevant interests.

Transactions with Related Parties are reserved matters to the Board of Directors.

Directors must communicate to the Board the existence of any conflict of interest and will abstain from the related resolutions.

Transactions with Related Parties are reported in the Explanatory Note in the Financial Statements according to Italian law and IAS 24.

Communication and training on anti-corruption policies and procedures

Anti-corruption communication and training has been lavished on the entire board and the entire management team. Policy on anti-corruption has been posted on the website and reported as a clause on suppliers. The document has been communicated to all employees and is available on the bulletin board. In 2023, a new whistleblowing platform was implemented in line with current regulations. This platform is an important step forward in protecting workers' rights and promoting transparency within organizations. The main goal is to create a safe environment in which employees can report misconduct without fear of retaliation.

Communication and training on policies and anti-corruption procedures



Proportion of senior managers hired from the local community

The significant operational headquarters is located in Rome. "Senior management" refers to the team reporting to the CEO, Chief Financial Officer, Chief Commercial Officer, Chief Operating Officer, HR Director, Chief Corporate Development Officer, Chief Technology Officer, consisting of 6 internal or external resources. Four out of six, thus 67%, come from the local community, that is, they were born in Lazio.

Legality Rating

Within the broader theme of sustainability, the Legality Rating is a synthetic indicator developed by the Antitrust Authority (AGCM), in agreement with the Ministries of the Interior and Justice, which recognizes rewards to companies that operate according to high standards of legality, transparency and social responsibility. The legality rating is a tool for Italian companies aimed at promoting and introducing principles of ethical behavior in the business environment. It is a certification introduced in 2012 that attests the degree to which companies comply with high standards of legality and the degree of attention placed on the proper management of their business, through the attribution of an indicator to companies that have applied for it. The legality rating, measured in "stars," is valid for two years after issuance, renewable upon request.

The Authority resolved to award CrestOptics the Legality Rating with the following score: two stars out of a maximum of three.





3 SUPPLY CHAIN

CrestOptics operates in close collaboration with a well-established network of suppliers, fostering relationships grounded in seriousness, trust, mutual respect, and technical cooperation. Over time, these strong partnerships have become a cornerstone of CrestOptics' success, underlining the strategic importance of a reliable and proficient supply chain.

Recognizing the critical role of its suppliers, CrestOptics is dedicated to maintaining strong relationships with major national and global players. This commitment is reflected in the company's careful and thorough supplier selection process, ensuring that only the most qualified and dependable partners are chosen. This meticulous approach allows CrestOptics to leverage collective knowledge, skills, and experience within its structured supply chain, reinforcing its position as a leader in the industry.

The primary attributes of CrestOptics' suppliers include:

- **Quality:** Ensuring high standards in all goods and services provided.
- **Fairness:** Upholding ethical business practices.
- **Professionalism:** Maintaining a high level of competence and conduct.
- **Reliability:** Consistently meeting CrestOptics' expectations.
- **Resilience:** Adapting to challenges and changes effectively.
- **Competitiveness:** Remaining innovative and market-driven.
- **Customer Orientation:** Prioritizing the needs and satisfaction of clients.

These characteristics are essential for fostering a supply chain that supports CrestOptics' goals and enhances its market reputation. CrestOptics is committed to continuously monitoring the quality of performance and the goods/services provided by its suppliers. When necessary, the company implements improvement plans and offers training to support its supply chain partners, ensuring that all parties are equipped to meet evolving industry standards.

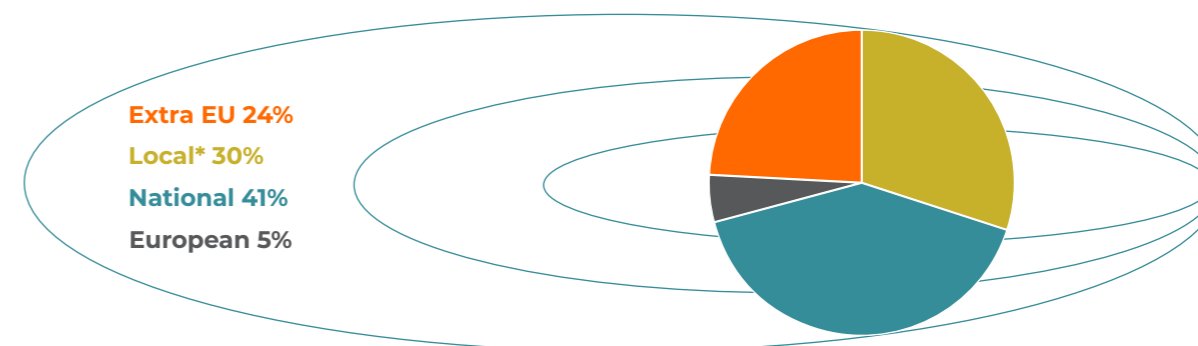
Suppliers are encouraged to adhere to CrestOptics' Code of Ethics, which mandates:

- **Seriousness in Business:** Conducting business with integrity and responsibility.
- **Respect for Workers' Rights:** Upholding labor rights and fair working conditions.
- **Investment in Quality:** Committing to the continuous improvement of products and services.
- **Environmental and Social Responsibility:** Managing the impact of their operations on society and the environment responsibly.

In 2023, CrestOptics used the expertise of 335 total suppliers (were 109 in 2022), for materials, services, packaging, transport and insurance. Seventy-one percent of the supply expenditure is destined for Italian suppliers. 30% of the total spend is destined for suppliers located in Lazio and therefore almost a third of total spend is deemed local.

Supplier categories 2023	Spending/expenditure total	N° suppliers
Raw materials	57,6%	46
Services	37,2%	224
Packaging	0,9%	2
Transport	3,1%	61
Insurance	1,2%	2
Total	100%	335

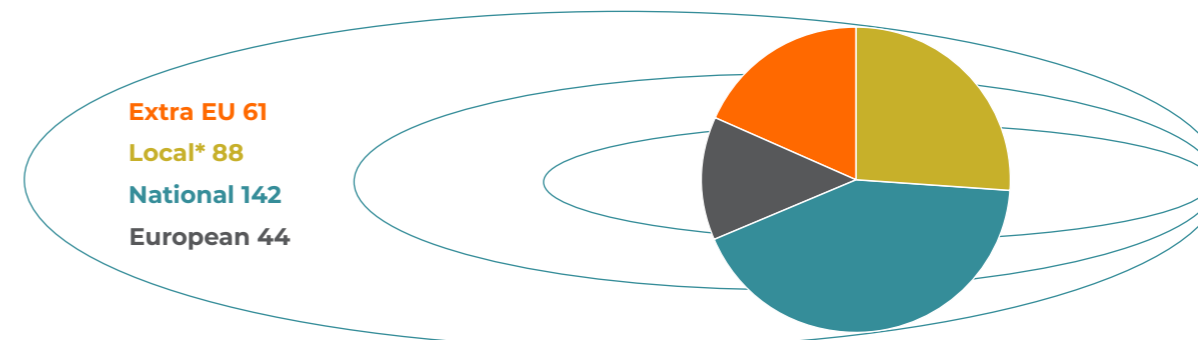
Expenditure by geographic area



*Local: Lazio

In 2022, it had not been possible to collect the data with the macro-area division so in-depth: in fact, only data by raw material and services had been collected. Moreover, this year's report expands the analysis of suppliers and expenditures to include all company suppliers, not just the key ones.

Number of suppliers by geographic area



*Local: Lazio

Raw materials and components used in the production of finished products were supplied by 46 suppliers of which 26 are based in Italy.

In terms of service provision, 71% of suppliers are based in Italy. Local supply spending stands at 34% for services and 28% for materials.

From the initial stages of product development and throughout the entire product life cycle, CrestOptics is dedicated to the responsible management of all sustainability-related aspects. The company places particular emphasis on complying with national and international standards across various markets, as well as adhering to contractual requirements and technical specifications.

CrestOptics implements a comprehensive process that prioritizes:

- **User Safety:** Achieving the highest standards to ensure product safety for all users.
- **Environmental Impact Minimization:** Reducing the environmental footprint of products through sustainable practices.
- **Supply Chain Involvement:** Engaging the entire supply chain in sustainability efforts, fostering collaboration and shared responsibility.

This process underscores company's commitment to sustainability, ensuring that all products meet rigorous safety and environmental standards.

A key value that sets CrestOptics apart is its dedication to developing products tailored to its customers' needs. The company continuously looks to the future, creating high-performance devices that meet evolving technological demands. This forward-thinking approach requires a supply chain that is agile and responsive to the changing needs of product components. The supply of materials for CrestOptics products often necessitates close collaboration with specialized suppliers. These partnerships are crucial for developing custom products that meet the specific technological requirements of company's systems.

To facilitate this, when selecting and cultivating supplier relationships, CrestOptics highly values:

- **Proximity:** located close to the company, enabling efficient communication and collaboration.
- **Design Skills:** capable of developing design skills in line with CrestOptics' requirements, ensuring components meet the necessary standards and specifications.

Clients

Historically, CrestOptics has 2 main B2B models to deliver its product to the market:

- **Original Equipment Manufacturer (OEM):** CrestOptics provides custom design of advanced optical components to be integrated into OEM partners' final products. OEM partners have their own distribution channels serving Pharma & Biotech companies, Hospitals & Clinics.
- **Original Design Manufacturer (ODM):** Own-branded products to be integrated into assembled microscope systems by system integrators, typically a complete system includes CrestOptics product, microscope body, light source and camera. System integrators sell complete microscope systems to Academics & Research Institutes primarily through tenders.

Recently, with the launch of CICERO and a sustained focus on delivering accessible, versatile, and easily configurable products, CrestOptics has introduced a third B2B model to foster the adoption of advanced microscopy instrumentation:

- **Hybrid:** CrestOptics embeds its technology in products provided to manufacturers who wish to upgrade their systems to confocal microscopy. This requires only minimal adaptation and little to no engineering work, allowing own-branded products to be easily integrated into commercial partners' final solutions. Our partners, who have their own distribution channels, serve Academic and Research institutes as well as Pharmaceutical and Biotech companies.



4 PEOPLE

People represent the most important resource of CrestOptics, which has always paid great attention to the enhancement of the individual and his or her human and professional growth, aiming to reward merit and ensure a serene and collaborative working environment.

Within the company, all people are treated with the same respect and dignity and are entitled to the same opportunities for professional and career development. In fact, CrestOptics firmly believes in diversity and inclusion in its work teams and considers it a strategic lever to achieve a culture of learning, better customer understanding, and improved financial results.

Human Resource Management is focused on the well-being of the individual and on a path of professional growth guided by the criterion of merit and aimed at developing aptitudes while taking into account the professional aspirations of each employee. Decisions about the assignment of positions or roles of greater responsibility are made on the basis of the professional profile and the individual employee's actual competence and ability to contribute to the achievement of individual and company goals.

CrestOptics is convinced that principles related to ethics, honesty and business integrity constitute fundamental values and believes it is necessary to imprint transparent relationships and pursue the well-being of the people who work and collaborate with the company.

The company fully embraces and is committed to the four core labor standards of the International Labor Organization (ILO), as set forth in the Declaration on Fundamental Principles and Rights at Work:

- **freedom of association and the right to collective bargaining;**
- **elimination of all forms of forced or compulsory labor;**
- **effective abolition of child labor;**
- **elimination of all forms of discrimination in employment and occupation.**

It is strictly forbidden to hire foreign employees who are not in compliance with the residence permit. The information requested is closely linked to the verification of the aspects provided for by the professional and psycho-attitudinal profile, respecting the private sphere and the opinions of the candidate. The Company, within the limits of the information available, takes appropriate measures to avoid favoritism, nepotism or forms of clientelism in the selection and recruitment processes.

Employees and non-employees	2023			2022		
	Total	Women	Men	Total	Women	Men
Employees	58	19	39	48	13	35
Agents/VAT/Collaborators	5	0	5	7	0	7

CrestOptics consists of 58 employees (in 2022 were 48) of whom 19 are women (33%) and 39 are men (67%). To these must be added the 5 members of staff in the roles of CEO, Legal, HRO, CFO, Chief Corporate Development Officer.

The company's workforce consists mainly of office workers (67%), 12 laborers, 6 managers, and one director.

Professional figure and gender employees	Total	Women	Men
Director	1	0	1
Manager	6	3	3
White Collar	39	16	23
Blue Collar	12	0	12

77.5% of contracts are Indefinite Time and 95% full-time. This underscores the company's desire to build strong, long-term working relationships that provide stability for CrestOptics' workforce.

Employee contract type	2023			2022		
	Total	Women	Men	Total	Women	Men
Fixed-term	1	1	0	0	0	0
Indefinite time	45	15	30	36	10	26
Apprendistato	12	3	9	12	3	9

Employee work modes	2023			2022		
	Total	Women	Men	Total	Women	Men
Part-time	3	3	0	4	4	0
Full-time	55	16	39	44	9	35

Employees mainly concentrate in the 30-50 age group (70%) with the overall average being 35 years old.

The data detailing the age of CrestOptics' employees highlights how it is a young company. Competent young people and teamwork: these are the employees that CrestOptics, a global player in advanced fluorescence microscopy system solutions, has managed to attract with increasing success, so much so that it has a widespread presence in all company divisions, making a major contribution to the company's innovation and competitiveness. Only four employees, in fact, are over 50 years old.

Gender and age groups	2023			2022		
	Total	Women	Men	Total	Women	Men
<30	13	2	11	15	2	13
30-50	41	17	24	31	11	20
>50	4	0	4	2	0	2
TOT.	58	19	39	48	13	35

Recruitment and turnover

In 2023, 7 people terminated their employment with CrestOptics and 10 were hired, matching the 2022 numbers. Positive turnover is 20 percent while negative turnover is 14 percent.

Recruitment and turnover	2023			2022		
	Total	Women	Men	Total	Women	Men
Terminations	7	3	4	6	1	5
< 30	2	0	2			
30-50	5	3	2			
> 50	0	0	0			
New Hires	10	6	4	11	2	9
< 30	3	2	1			
30-50	7	4	3			
> 50	0	0	0			

The enhancement of diversity is a key factor for the involvement of people in corporate objectives, the conscious management of which creates a competitive advantage for CrestOptics and fuels its shared value.

Parental leave

In 2023, 4 female resources took parental leave. All employees returned to work at the end of the period and are still on staff 12 months after return. This figure shows a 100% return-to-work and retention rate.

Parental leave	Total	Women	Men
Employees who took parental leave during the reporting period	4	4	0
Employees returned to work in the reporting period, after leave ended	4	4	0
Employees still in the organization's employ 12 months after returning to work, when leave has ended	4	4	0

Welfare

Aware of the increasingly important role of corporate welfare, CrestOptics has a system of benefits and protections that respond to timely needs and extend contractual provisions by promoting employee welfare and family-work balance.

The benefits reserved for employees reflect the values of the company: hourly flexibility and smart-working where aligned to the assigned job duties, give employees the opportunity to better organize and reconcile work-life balance.

The Edenred Welfare platform is active for all employees, which provides the use of tax-deferred bonus wages at Edenred partners through the platform, and the activation of ad hoc initiatives such as the provision of fuel vouchers to the employees proportionally to the distance between where they live and the workplace.

Meal vouchers in the amount of €6 per day are provided to all employees who work in attendance. They are delivered in electronic format for greater convenience, to reduce the usage of paper and simplify the distribution.

Moreover, following the requests from some employees, in the first trimester of 2023 the company installed the Foorban fridge, a sustainability-driven dispenser of healthy and seasonal pre-packaged meals, snacks and beverages. With a contribution of expenses from the company, the employees benefit from a 20% discount on list price and the purchase can be done also through Edenred meal vouchers.

There is a long-term incentive system based on participation instruments, aimed at a limited but substantial number of employees. The company has implemented a variable compensation system (through premio di risultato and MBOs) that allow to annually reward the employees proportionally to the business performance achieved. Goals are set and reviewed with employees annually, in line with the company's growth objectives and in order to have every employee aligned on the most important priorities.

Monthly, the company rents soccer and beach volleyball courts, a team-building-style incentive, to foster in play and sports interdepartmental interactions among employees outside working hours. Additionally, directors and managers are provided with company cars for both personal and professional use, adhering to a policy that permits only hybrid or fully electric vehicles.

New spaces in CrestOptics

CrestOptics is experiencing a period of rapid growth. This expansion has led to the acquisition of new spaces at their Headquarters in Rome, increasing the office area by 50% to over 2,000 square meters. This significant growth reflects CrestOptics' new vision and ambitious perspectives for the future.

The expanded headquarters symbolizes more than just physical growth; it marks CrestOptics' strategic positioning for scalability and greater opportunities. With increased capacity and resources, the company is now better equipped to handle larger projects, foster innovation, and explore new markets. This move is a testament to CrestOptics' forward-thinking approach and its readiness to embrace future challenges.

One of CrestOptics' proudest achievements is maintaining a flawless track record of zero accidents. This impeccable safety record underscores the company's commitment to providing a safe and secure work environment for all employees. CrestOptics' dedication to safety not only protects its workforce but also solidifies its reputation as a responsible and caring organization.

The newly acquired space allows CrestOptics to dedicate additional areas to highly specialized technical work. These dedicated areas will enable the company to enhance its technical capabilities, improve precision in its projects, and foster an environment where innovation can thrive. This focus on technical excellence is essential for CrestOptics to maintain its competitive edge in the industry.

The new headquarters is designed to facilitate group work and enhance collaboration among employees. With spaces specifically reserved for teamwork, employees can work more effectively together, share ideas, and drive collective success. Furthermore, areas dedicated to leisure and community building are set to improve team morale and overall well-being. These spaces provide employees with opportunities to relax, bond, and recharge, fostering a positive and productive workplace culture.

In conclusion CrestOptics' headquarters expansion is a significant milestone in the company's journey. It reflects a strategic vision for growth, a steadfast commitment to safety, and a dedication to enhancing employee well-being. As CrestOptics continues to grow and evolve, these new spaces will play a crucial role in supporting its ambitious goals and maintaining its status as a leader in the optical engineering industry.

Training

The development of CrestOptics coincides in large part with the journey of growth of its people.

The development of the technical-professional and transversal skills of CrestOptics' employees has always been a cornerstone for meeting the challenges coming from the context and the market.

Annually, based on the analysis of identified training needs, CrestOptics designs, plans and implements the Training Plan for all employees, proposed by the Training and Human Resources Development department through interviews with area chiefs.

Training hours	Total hours	Women	Men
Directors	0	0	0
Manager	107	58	49
White-collar	686	311	375
Blue collar	196	0	196
Total	989	369	620

In 2023, total training hours were 989, dedicated to professionalizing and soft skills training.

The average number of training hours devoted to refresher programs was 19.5 hours for women and 16 for men.

All employees receive annual performance evaluations.

Remuneration

On the subject of remuneration, the company strongly promotes fair wages for its employees in line with local legislation. The RAL disparity is due to job duties and seniority.

Contractual level	Δ% RAL woman/man
Directors	N/A
Manager	+20%
White-collar	+12%
Blue collar	N/A

Occupational health and safety

For CrestOptics, people are at the center of the sustainable development strategy and the ability to achieve sustainability goals is based on them. That is why health and safety protection in the workplace is an indispensable factor in the performance of every activity.

CrestOptics is committed to ensuring its employees and collaborators suitable work environments to safeguard their health, safety and physical and moral integrity, in accordance with the laws and regulations in force.

The system applied complies with 81/08 regulations and is specified in the DVR(Risk Assessment Document). The presence of the RLS ensures the channel through which workers can report the presence of any risks in the workplace. As part of its functions, the RLS (Workers' Safety Representative) ensures the anonymity of reports and provides for informing the employer and RSPP (Health and Safety Officer).

100% of workers are covered by the occupational health and safety management system.

Training hours on health and safety issues were 464 in 2023 and included all employees, for an average of 8 hours each.

Safety training hours				
Type of course	People involved	Hours per person	Total hours	Mandatory
mandatory general training	58	4	232	Yes
mandatory training specific	58	4	232	Yes

Customer health and safety

The company performs all testing according to CE product certification, which covers aspects related to electromagnetic emission and the use of RoHS-compliant products. In addition, CrestOptics also conducts tests for laser safety (according to IEC 60825-1) with related risk assessment attached to the use of laser sources.

The company has never received noncompliance inherent in regulations and/or self-regulatory codes regarding the impact on product or service health and safety.

Occupational health services

Through the competent physician, designated by the employer, checkups provided for in the Health Surveillance Program, drawn up annually by the same competent physician, are regularly provided. In order to facilitate access for all workers, medical examinations are arranged on site except for any specialist checkups that must be carried out at the specialist's office.

In addition, within the framework of the relevant collective employment agreement, the company adheres to the "Fondo EST" to which the employee can access and benefit from full or partial reimbursement of basic health care benefits. The RLS appointed by and representing the workers holds regular meetings with the RSPP and employer. The frequency is currently set at once a year.

Safety training is provided to all workers through a certified platform that issues certification of training that complies with legal requirements.

There were no cases of occupational diseases or deaths attributable to them during the reporting period. There were no occupational accidents in 2023.

Territory and community support

Sustainability for CrestOptics also embraces the aspect of relations with the territory. The goal is the adoption of sustainable behavior at all levels, towards the realities with which the company relates.

CrestOptics actively contributes to the growth of the local community through participations, donations, and sponsorships to the development of the territory.

For example, in 2023 CrestOptics participated in Race for the cure to support cancer research and prevention. Race for the cure is the largest event to fight breast cancer in Italy and around the world.

At Christmas, the company supported the Heal Foundation, an organization that funds research projects to fight childhood brain tumours and complex diseases, supporting doctors and researchers.

5 ENVIRONMENT

Our focus on the environment

All companies have a role to play in protecting Earth's natural resources and the countless ways in which they make human life possible. It is therefore critical to monitor the impact that CrestOptics' activities generate on natural capital.

Safeguarding the environment is a commitment and a prerequisite of any form of innovation because sustainability and modernization come through the protection of the territory. To do this, CrestOptics is committed to operating in a manner that complies with current laws and regulations and implements actions to reduce its environmental impacts and prevent any risks.

Realizing that businesses today play a key role in the transition to a zero-emissions economy, the company is determined to do its part.

CrestOptics is committed to spreading and consolidating a culture of ecosystem protection, promoting responsible behaviour, and giving adequate information and training for the purpose of energy conservation and proper management of waste and recyclable materials.

The company pursues continuous improvement goals with respect to its environmental impact as an integral part of its business and as a strategic objective. In particular, it is committed to:

- **meet the requirements arising** from applicable legislation, internal regulations and any other signed commitments;
- **continuously improve** its environmental performance;
- **reduce its environmental impacts** - particularly with regard to waste management, energy consumption and related greenhouse gas emissions; and
- **constantly monitor environmental risks and performance** by communicating them in a transparent and timely manner to its stakeholders through sustainability reporting;
- **establish environmental awareness** and training programs for staff at all levels that include the dissemination of environmental culture;
- **identify and disseminate** within the company specific improvement objectives and related implementation programs.

The company is headquartered in a building on Via di Torre Rossa in Rome, property of a real estate management fund, where several other companies are based.

All utilities are centralized and it was not possible, for the year 2023, to have the actual consumption of CrestOptics alone. Through the analysis of utility bills, however, it was possible to estimate the company's water, electricity and gas consumption.

Energy

Efficiency in the use of energy resources plays a key role in the company's environmental impact management strategy. The energy carriers with the greatest impact on consumption are electricity and natural gas, resources to which improvement and optimization initiatives will therefore be primarily directed.

CrestOptics' energy consumption refers to the consumption of gas and electricity used to operate its offices in Rome, in addition to the common condominium consumption of the building in which the office is located.

The electricity consumed within the organization for 2023 is 258,477 kWh, of which 40% comes from renewable sources according to the energy mix disclosed in the invoice.

In addition, natural gas consumption for office heating was found to be 17,494 smc (standard cubic meters).

All these data were derived from condominium bills and dividing the annual expenditure of gas and electricity by the average price of these two energy carriers in 2023.

Greenhouse gas emissions

Fighting climate change (Goal 13) is one of the 17 Sustainable Development Goals (SDGs) defined in the UN's 2030 Agenda to ensure a sustainable future for the Planet. In line with this goal, the company has begun a journey to monitor its emissions, which will be increasingly timely, starting with deriving the actual and not estimated consumption of corporate offices.

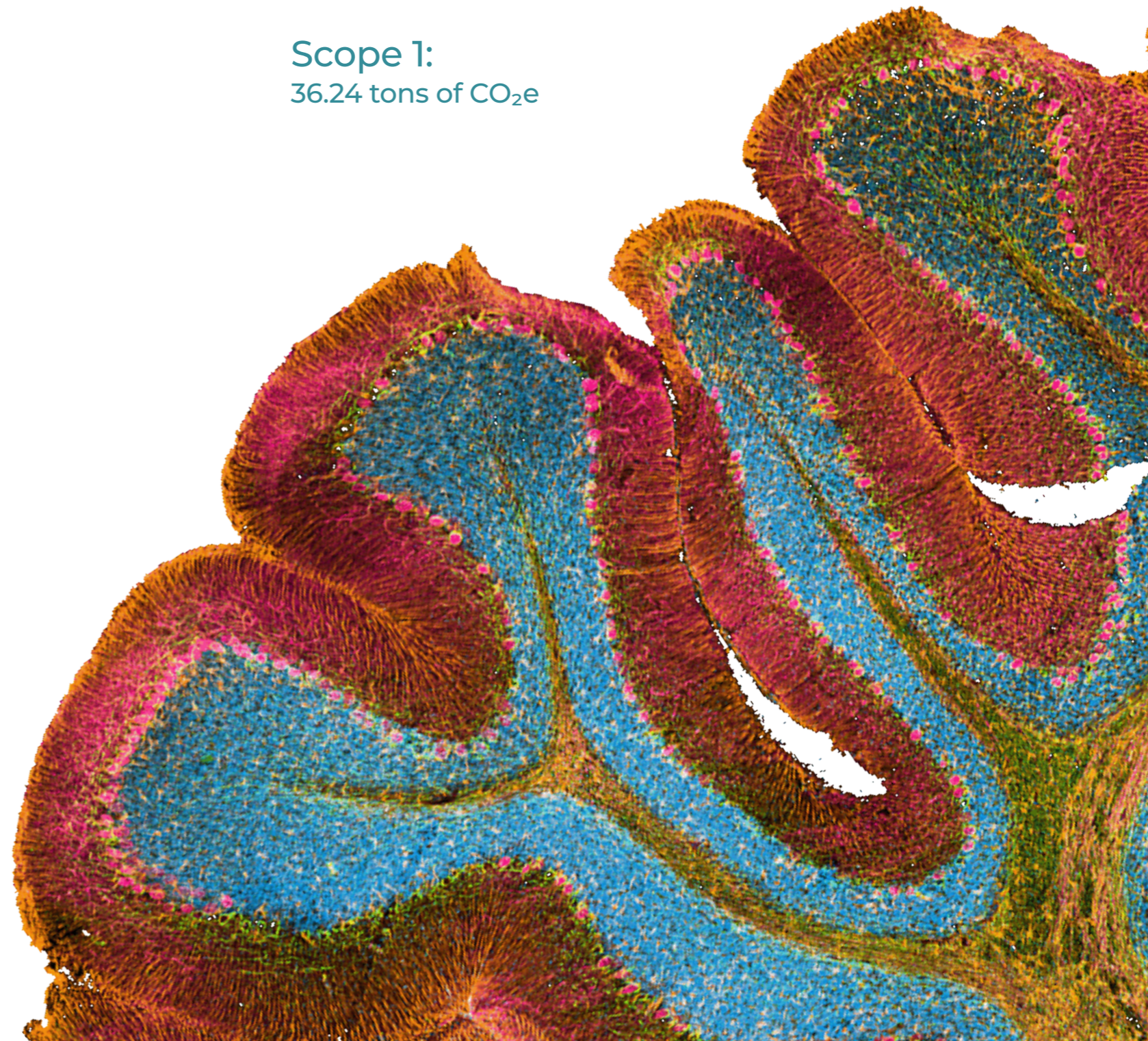
Through the Global Reporting Initiative (GRI) methodology, consumption was divided into Scope 1, Scope 2 and Scope 3 based on where emissions from the production or consumption of energy sources were generated.

Scope 1

Scope 1 includes direct emissions from sources owned or closely controlled by the company. In the case of CrestOptics, these emissions include those related to the use of natural gas within the company and emissions from combustion produced by transportation equipment owned or leased by the company.

For 2023, Scope 1's total emissions amount to about 36.24 tons of CO₂e. Of these, 0.88 tons of CO₂e were emitted from the combustion of fuel from the hybrid company's vehicles, approximately 13,000 kilometres in 2023, and 35.36 tons of CO₂e come from the combustion of natural gas for heating buildings.

Scope 1:
36.24 tons of CO₂e



Scope 2

Scope 2 emissions encompass all indirect emissions resulting from the purchase of electricity from external sources by the company. The calculation employs the location-based method, which incorporates an emission factor derived from Italy's national energy mix for purchased electricity. In 2023, the company's total electricity consumption amounted to 258,477 kWh. Scope 2 emissions attributable to purchased electricity totalled approximately 57.82 tons of CO₂e.

Scope 2:
57.82 tons of CO₂e

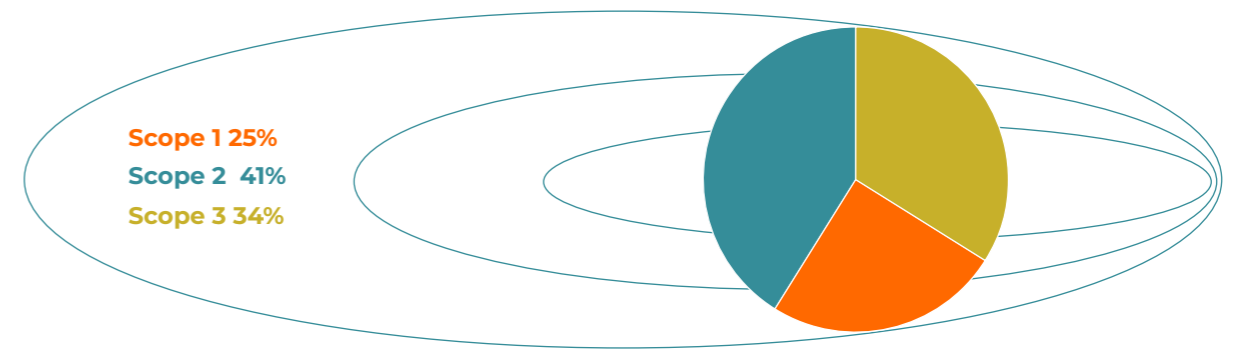
Scope 3

Scope 3 emissions, which encompass indirect emissions not directly controlled by the company, amounted to 48.27 tonnes of CO₂ equivalent in 2023. This includes 14.15 tonnes from logistics activities between January and May 2023, and 34.12 tonnes from logistics activities between June and December 2023. These emissions primarily stem from downstream transportation and distribution, as well as upstream contracting processes.

Scope 3:
48.27 tons of CO₂e

Overall, including scope 1, 2, and 3, CrestOptics generated 142.33 tonnes of CO₂ equivalent.

GHG emissions



Water

For the company, water consumption is related to sanitation, water distribution systems and not related to production. Water withdrawal always refers to water from civil water supply for sanitary and firefighting use therefore for civil use. Discharge is directly to the sewerage system.

In 2023, water consumption was **3,796 m³**.

Materials

Materials purchased by CrestOptics in 2023 are all materials and components for product manufacturing and product packaging.

Material	kg 2022	kg 2023	Recyclable	% of total purchases
Optical components	232	241,6	Yes	2,1%
Electronic Components	957	996,6	No	8,7%
Plastic	29	30,2	No	0,3%
Metal	8.381	8.727,8	Yes	76,1%
Foam	783	815,4	Yes	7,1%
Cardboard	638	664,4	Yes	5,8%

Waste management

CrestOptics does not generate any hazardous waste. Annually, the company generates approximately 550 kg of paper, 625 kg of plastic, and 375 kg of mixed waste. These figures are estimated based on daily waste generation assumptions and the number of available working days.

Waste separation is conducted internally within the company, with all waste appropriately sorted and placed into municipal waste bins.

RE-CIG Project

RE-CIG® is the first licensed cigarette butt collection company in Italy and Europe. It transforms the butts into a plastic material (cellulose acetate) that can be used to produce new objects and provides an exclusive service for the recovery of this waste to companies, venues and public places, working synergistically with public administrations and management companies.

CrestOptics, believing in promoting responsible waste management practices, decided to join this initiative by installing smokers points, designer ashtrays in the company to collect butts that will then be reused to create design objects.

The report after 4 months of installation gave the following results:



1,67
Kg of butts
collected



5.566
Number
of equivalent
cigarettes




0,84
Kg of Re-Ca®
products



3,99
Kg of CO₂
equivalent
avoided*

*Data obtained through process LCA performed on 2023 production estimates. These data will be verified and confirmed at the end of 2024 following actual consumption of one year of processing



6 IMPACT ASSESSMENT

As part of the sustainability reporting journey undertaken by CrestOptics, it was decided to delve into some of the impacts generated by the organization and to do so through the tool of Impact Assessment. The objective is to identify the change, the impact, generated by the use of the products made by CrestOptics on some relevant stakeholders. Thus, an analysis that has at its basis the use of the principles of Impact Valuation and in particular process analysis through the input-output-outcome sequence (Theory of Change) and the reconstruction of the chain of impacts.

Using the tools offered by the social sciences and economic sciences, a set of original indicators useful for ongoing monitoring of the impacts and outcomes generated by the company's products was created. Then an Impact Assessment was initiated according to an established and scientifically used scheme, the Theory of Change, which involved this sequence of work:

- 1. Setting up the analysis: gathering information, data and materials useful for the definition of boundaries, fields and key players involved in the project.**
- 2. Explanation of the theory of change: identification of premises to be verified during the impact assessment.**
- 3. Identification of stakeholders: on the basis of materiality analysis, the main stakeholders involved in the resulting process of change are identified.**
- 4. Reconstruction of the impact chain: explication of the causal relationships between resources invested, activities carried out, and changes achieved by stakeholders [both pre-and postinterview].**
- 5. Identification of KPIs by means of targeted interviews with certain stakeholders (researchers, facility managers and distributors).**
- 6. Data collection via a questionnaire based on the KPIs identified.**
- 7. Data analysis and commentary.**
- 8. Sharing of results.**
- 9. Initiation of the ongoing monitoring process.**

During 2023, work was done on items 1 through 6, while in 2024 work will be completed up to item 9, and the results will be reported in the next Sustainability Report, the 2025 report covering 2024 data.

The impact assessment arose from a number of premises that were identified in collaboration with CrestOptics staff:

1. Enhance quality of research

CrestOptics' technology enhances basic, clinical, and pharmaceutical research outcomes by enabling advanced imaging techniques, critical for drug validation and innovative treatments. Over 400 research articles have been published thanks to CrestOptics products

2. Make the technology accessible

CrestOptics' products empower researchers worldwide to conduct research projects that were previously constrained by budget or technology availability. Compared to competitors, CrestOptics' products have a lower price point, allowing a broader audience access to these advanced tools that were previously inaccessible.

3. Bring to market advanced technology

The company's products are cutting-edge, offering the fastest spinning disk available in the market and a wide field of view. Additionally, these products enable high-resolution and in vivo imaging applications. Recently, CrestOptics has focused on enhancing image resolution through the development of an innovative product, DeepSIM, recognized with the Microscopy Today Innovation Award 2022

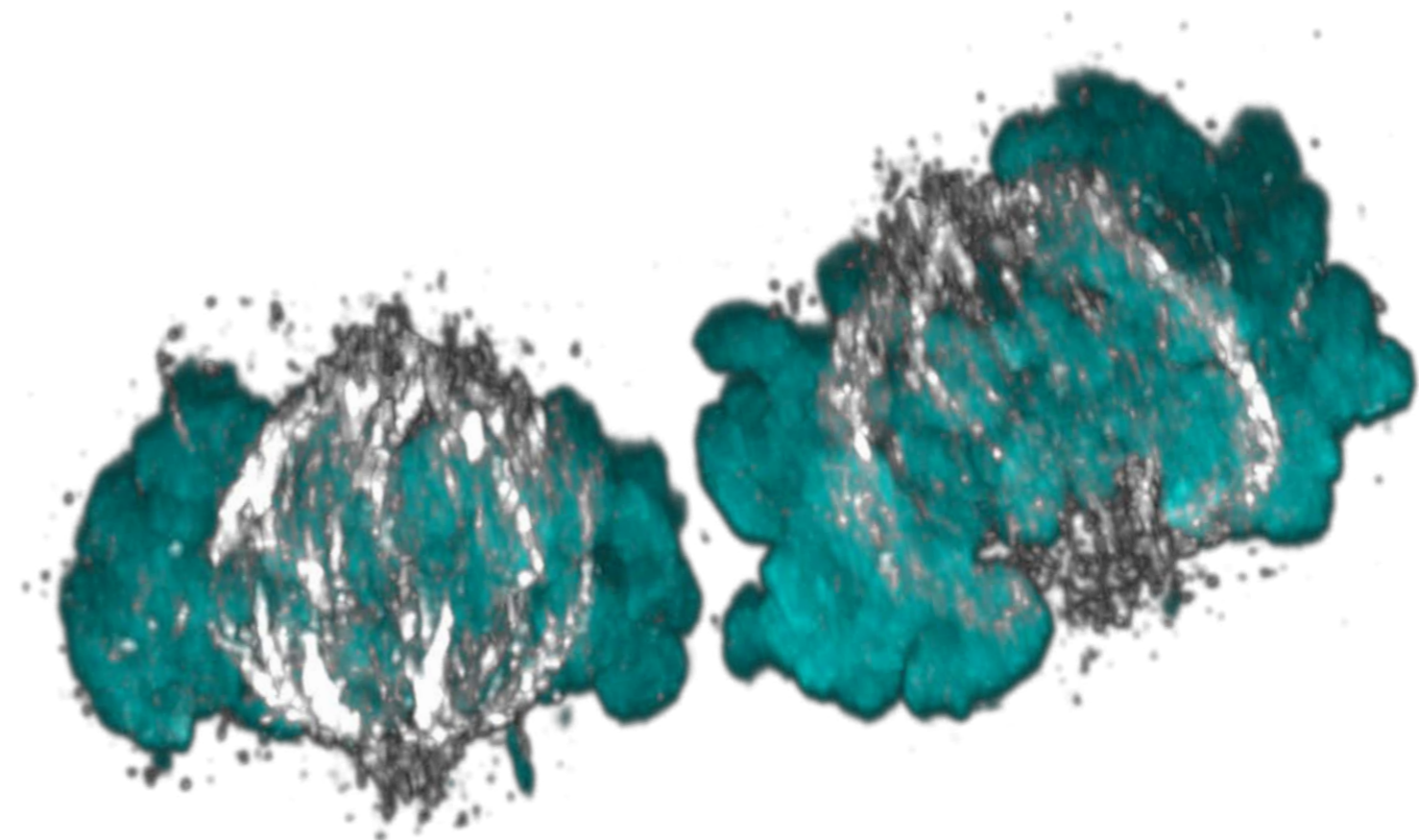
4. Easily configurable and versatile products

By prioritizing easily configurable and versatile products, CrestOptics offers tailored solutions to meet the unique requirements of research groups, thereby streamlining workflows and minimizing expenses associated with procuring multiple instruments or constructing bespoke systems. This emphasis on adaptability enables continual adjustments and enhancements to accommodate evolving research demands from different groups, ensuring optimal performance and longevity for our customers.

The planned areas of investigation are related to several dimensions, specifically with regard to 5 dimensions:

1. Quality of outcome
2. Timing of processing
3. Flexibility
4. Economic aspects
5. Customization

In addition, an attempt will be made to measure the benefits generated by the use of CrestOptics products in addition to an analysis of the 'change' generated between the previous situation and the current one, thus arriving at the creation of a questionnaire useful for the continuous measurement of a series of indicators useful for monitoring the different dimensions identified.



GOALS

Governance

- **Initiation of the Assessment of impacts generated by the products offered** 50%

what we have done:
Continuous monitoring efforts will develop in 2024 with new surveys and customer interviews

- **Development of the system for selecting and managing suppliers according to sustainability criteria** 20%

what we have done:
Collection of best practices for the market in order to review internal procedures

Social

- **Employee feedback and business climate** 60%

what we have done:
Commitment that led to the implementation of the Great Place to Work project and an ongoing dialogue

- **Gender equality certification** 10%

what we have done:
initiated benchmarking of the most relevant certifications

- **Increase accessibility of advanced scientific instruments** 70%

what we have done:
The commercial launch of CICERO has contributed to this goal, and all technology development and commercial partnership activities aim to increase the accessibility of the tools. This aspect will be continuously monitored through some dedicated KPIs

Environmental

- **Detailed collection of data on consumption and direct and indirect environmental impacts** 30%

what we have done:
The company is collaborating with the property owner and the energy supplier to improve the monitoring of energy consumption.

- **Analysis of employees' home-work routes and actions to reduce and mitigate their impacts** 30%

what we have done:
The company has installed electric car charging stations in the office parking lot and only allows hybrid or electric company cars according to company policy.
Beyond home-work routes, the company has started a collaboration with BizAway, a platform for managing staff travel and recording the emission data generated by each employee on a mission, was launched in 2023

GRI CONTENT INDEX

"Statement of use"	CrestOptics has reported in accordance with the GRI Standards for the period [reporting period start and end dates].
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	n/a

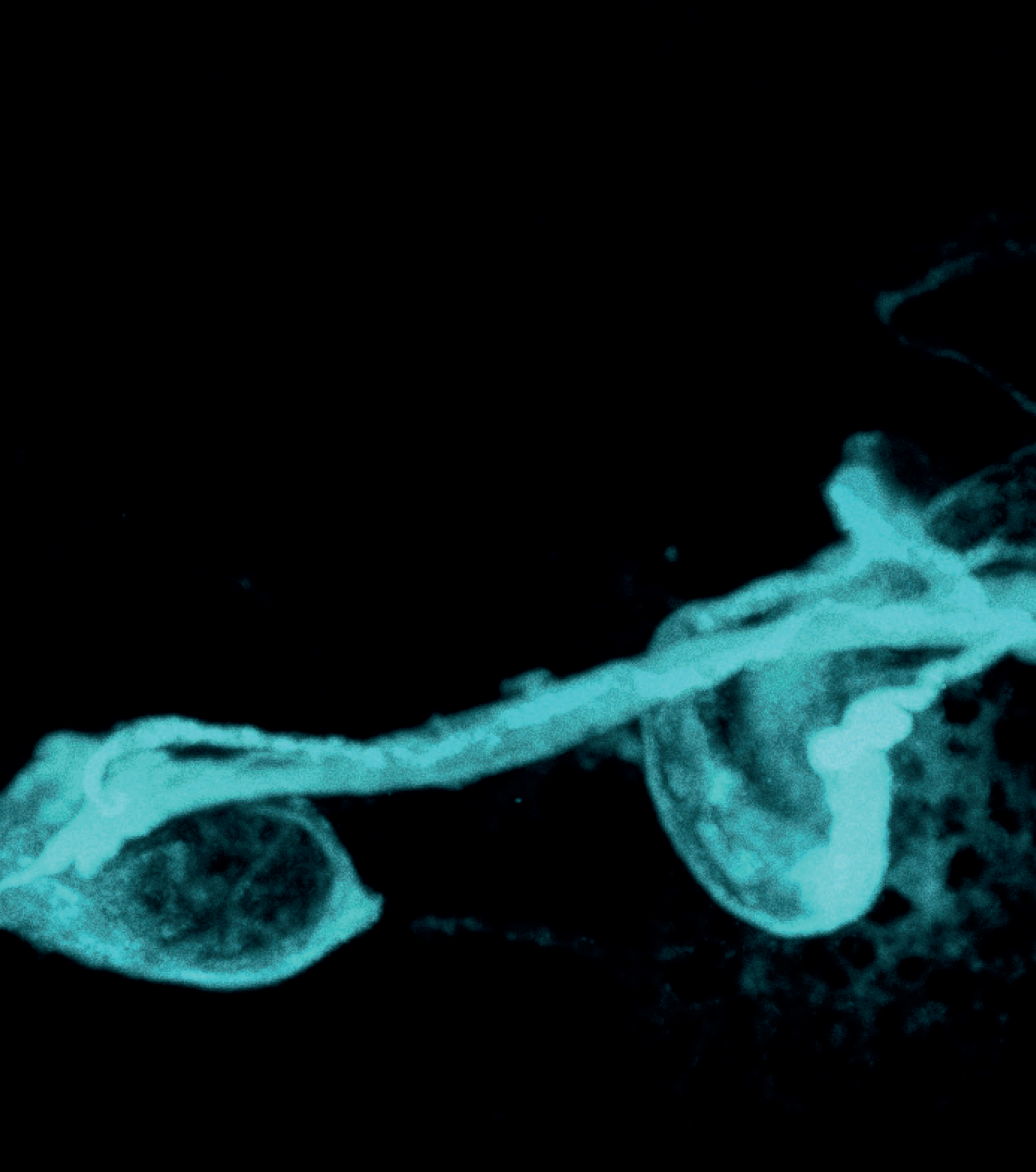
General Disclosures		
Gri standard/ other source GRI 2: General Disclosures 202	2-1 Organizational details	15
	2-2 Entities included in the organization's sustainability reporting	6
	2-3 Reporting period, frequency and contact point	6
	2-4 Restatements of information	6,7
	2-5 External assurance	unnecessary
	2-6 Activities, value chain and other business relationships	38-43
	2-7 Employees	44-47
	2-8 Workers who are not employees	44-47
	2-9 Governance structure and composition	19,20
	2-10 Nomination and selection of the highest governance body	22
	2-11 Chair of the highest governance body	22
	2-12 Role of the highest governance body in overseeing the management of impacts	22
	2-13 Delegation of responsibility for managing impacts	22
	2-14 Role of the highest governance body in sustainability reporting	35
	2-15 Conflicts of interest	35
	2-16 Communication of critical concerns	19,20
	2-17 Collective knowledge of the highest governance body	Not relevant
	2-18 Evaluation of the performance of the highest governance body	34
	2-19 Remuneration policies	Information not available
	2-20 Process to determine remuneration	Information not available
	2-21 Annual total compensation ratio	4,5
	2-22 Statement on sustainable development strategy	341

	2-23 Policy commitments	12, 23, 28, 29, 30, 31
	2-24 Embedding policy commitments	12, 23, 28, 29, 30, 31
	2-25 Processes to remediate negative impacts	12, 23, 28, 29, 30, 31
	2-26 Mechanisms for seeking advice and raising concerns	12, 23, 28, 29, 30, 31
	2-27 Compliance with laws and regulations	12, 23, 28, 29, 30, 31
	2-28 Membership associations	24
	2-29 Approach to stakeholder engagement	8
	2-30 Collective bargaining agreements	46
Material Topics		
"GRI 3: Material Topics 2021"	3-1 Process to determine material topics	10
	3-2 List of material topics	9
	3-3 Management of material topics	11, 12
Economic performance		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	34
	201-2 Financial implications and other risks and opportunities due to climate change	Not relevant
	201-3 Defined benefit plan obligations and other retirement plans	Not relevant
	201-4 Financial assistance received from government	Information not available
Market presence		
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Information not available
	202-2 Proportion of senior management hired from the local community	37
Indirect economic impacts		
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Information not available
	203-2 Significant indirect economic impacts	Information not available
Procurement practices		
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	41
Anti corruption		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	36
	205-2 Communication and training about anti-corruption policies and procedures	36
	205-3 Confirmed incidents of corruption and actions taken	None
Anti-competitive behavior		
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	None
Tax		

GRI 207: Tax 2019	207-1 Approach to tax	Not relevant
	207-2 Tax governance, control, and risk management	Not relevant
	207-3 Stakeholder engagement and management of concerns related to tax	Not relevant
	207-4 Country-by-country reporting	Not relevant
Materials		
GRI 301: Materials 2016	301-1 Materials used by weight or volume	59
	301-2 Recycled input materials used	59
	301-3 Reclaimed products and their packaging materials	59
Energy		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	56
	302-2 Energy consumption outside of the organization	56
	302-3 Energy intensity	Not relevant
	302-4 Reduction of energy consumption	Information not available
	302-5 Reductions in energy requirements of products and services	Information not available
Water and effluents		
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	59
	303-2 Management of water discharge-related impacts	59
	303-3 Water withdrawal	59
	303-4 Water discharge	59
	303-5 Water consumption	59
Biodiversity		
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not relevant
	304-2 Significant impacts of activities, products and services on biodiversity	Not relevant
	304-3 Habitats protected or restored	Not relevant
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not relevant
Emissions		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	57
	305-2 Energy indirect (Scope 2) GHG emissions	58
	305-3 Other indirect (Scope 3) GHG emissions	58
	305-4 GHG emissions intensity	Information not available
	305-5 Reduction of GHG emissions	Information not available
	305-6 Emissions of ozone-depleting substances (ODS)	Information not available
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Information not available

Waste		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	60
	306-2 Management of significant waste-related impacts	60
	306-3 Waste generated	60
	306-4 Waste diverted from disposal	60
	306-5 Waste directed to disposal	60
Supplier environmental assessment		
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	40
	308-2 Negative environmental impacts in the supply chain and actions taken	None
Employment		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	48
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	49, 50
	401-3 Parental leave	48
Labor/management relations		
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Information not available
Occupational health and safety		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	52
	403-2 Hazard identification, risk assessment, and incident investigation	52
	403-3 Occupational health services	53
	403-4 Worker participation, consultation, and communication on occupational health and safety	52
	403-5 Worker training on occupational health and safety	52
	403-6 Promotion of worker health	52
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	52
	403-8 Workers covered by an occupational health and safety management system	52
	403-9 Work-related injuries	52
	403-10 Work-related ill health	52
Training and education		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	51
	404-2 Programs for upgrading employee skills and transition assistance programs	51
	404-3 Percentage of employees receiving regular performance and career development reviews	51
Diversity and equal opportunity		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	46
	405-2 Ratio of basic salary and remuneration of women to men	51

Non-discrimination		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	None
Freedom of association and collective bargaining		
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Not relevant
Child labor		
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Not relevant
Forced or compulsory labor		
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Not relevant
Security practices		
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Not relevant
Rights of indigenous peoples		
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Not relevant
Local communities		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	62-65
	413-2 Operations with significant actual and potential negative impacts on local communities	62-65
Supplier social assessment		
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	40
	414-2 Negative social impacts in the supply chain and actions taken	None
Public policy		
GRI 415: Public Policy 2016	415-1 Political contributions	None
Customer health and safety		
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	52
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	None
Marketing and labeling		
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Not relevant
	417-2 Incidents of non-compliance concerning product and service information and labeling	None
	417-3 Incidents of non-compliance concerning marketing communications	None
Customer privacy		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	None



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TO POWER DISCOVERY**

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