



# SUSTAINABILITY

## Report 2023

*"The 2023 Metalcontrol Sustainability Report highlights the company's commitment to environmental, social, and economic sustainability. The company has implemented various strategies to reduce environmental impact, promote employee well-being, and enhance corporate transparency. The document reflects Metalcontrol's dedication to ensuring production quality while integrating sustainable practices for a better future, all while maintaining high operational standards and innovation."*

## Summary

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## 0. LETTER FROM THE PRESIDENT

“Our world is what moves the world!”

In every corner of your home, in every tool that touches your hands, there is a piece of Metalcontrol's heart. We do not just build objects; we instill them with passion and values passed down through generations.

Our story begins with a family and its vision. With steel, bronze, and brass—not only forged but also loved—we create products like family members: strong, reliable, and designed to last.

The flexibility and strength of our metals reflect the family ties that unite us. From the steel in the infrastructures that support cities, to the bronze components that harmonize melodies, and to the brass ornaments that embellish technology—each creation is a tribute to the tradition and innovation that coexist in our workshops.

But our commitment goes beyond forging metal. It's a commitment to building a sustainable future for the generations to come, a world where our children can grow and thrive. Because when we talk about family, we also talk about a bond that includes our planet.

The generational transition is a difficult but necessary change. It's a family relay, as the common dream is to grow the company from generation to generation. It's wonderful to carry forward something created by your parents from scratch and make it grow. We don't throw away the past; we must respect those who have made the history of the company, learn from them, but to grow, we must move away from the artisanal model, look to the future, and invest in the youth.

The difficulty lies in teaching how to delegate, trusting new skills, believing in innovation, listening to collaborators, investing in training, and involving the staff. If a team is well-integrated and feels good, the company benefits, improves, and grows.

I dream of a flexible, innovative company that fosters the development of an effervescent environment of ideas and well-defined processes. The company must allow us to give value to our work. It must create sustainable development over time, constant and in continuous improvement.

Luciano Marmioli

## 1. METALCONTROL AND SUSTAINABILITY

### 1.1 Who We Are

#### 1989 | Foundation

Luciano Marmioli founded Mabal snc in Sorbolo, starting in a small workshop where he began working on rotors. In the following years, the client base expanded with the integration of new ironworking machines.

#### 1997 | Expansion

With increased production, the need arose to purchase a new facility in Poviglio, thus Metalcontrol srl was born.

#### 2005 | Mabal snc

The founding company “Mabal snc” remained the owner of all operational and logistics structures, maintaining its family management.

#### 2006 | New Acquisition

The Marmioli family acquired “La Romilia” and expanded production, incorporating existing clients, machinery, and staff, completing the rotor production cycle.

#### 2015 | Nuova Sede

A new facility was built on Via Volta, Poviglio, designed from scratch for larger components (Ø600 to Ø1400), focusing on renewable energy with the installation of photovoltaic panels producing 150 kW.

#### 2020 | Nuova Immagine

In response to the challenges of 2020, the Marmioli family relaunched the company with a renewed corporate image, ready for the new decade.

### Our Numbers



## 1.2 Organizational Context

### 1.2.1 Our Processes

Boring  
Gear Cutting  
Milling  
Grinding  
Turning  
Deep Drilling  
Treatments



All company activities are supported by an IT system: from warehouse management to the planning of operations, process control, and finally, the final inspection.

### 1.2.2 Materiali Lavorati



Steel



Aluminum



Plastics

STEEL

ALUMINUM

FERRITIC STAINLESS STEEL

BRONZE

BRASS

PLASTICS

### 1.2.3 Our Metrological Laboratory

The constant quality standards control places Metalcontrol S.r.l. at the forefront both in the measurement methodologies adopted and in the high-precision instruments used.

#### Wide range of instruments

- **Mitutoyo Crysta Apex 3D**
- **RENISHAW PH10** electronic probe
- **Mitutoyo SJ 400** roughness tester
- Digital height gauge with granite base
- Rockwell and Brinnell **digital hardness tester**
- **Mitutoyo Contracer C3200** profilometer

Internally, we offer a calibration service for all measuring instruments in operation within the company, using reference equipment such as grade 0 parallel gauge blocks, reference plates for roughness and hardness checks, sample spheres, and more.

## 1.2.4 Ensuring a Complete and Controlled Supply Chain

Metalcontrol positions itself as an active partner for every production need, supporting the customer at every stage—from design to delivery—relying on a team of specialists capable of meeting every requirement with comprehensive assistance and support service.

**Planning:** Tailored assistance service to optimize provided projects or create them from scratch.

**Warehouse:** A large material warehouse ensures optimal processing times.

**Assembly:** Suitable workspaces for mechanical assembly ensure complete service.

**Painting:** Every component is finished and painted for durability and mechanical perfection.

**Delivery:** “Turnkey” delivery, guaranteed punctuality throughout Italy thanks to our delivery network.

**Support:** Ongoing support throughout the product lifecycle, from installation to maintenance.

## 1.2.5 Technology: Precision Machinery

We use the best machines to ensure guaranteed quality for our products.

Some of our machines:



## 1.3 Vision and Mission

### VISION

#### Diversity and Inclusion

Aiming for a work environment with equal gender opportunities starting from the Selection and Hiring (Recruiting) process, leading to professional growth regardless of gender, religious belief, and culture.

#### Economic Responsibility

Ensuring careful economic and financial analysis, aiming to offer a service/product that is advantageous from a technical and economic standpoint and meeting the expectations of the stakeholders.



#### Environmental Responsibility

Promote and implement the philosophy of Circular Economy in business processes, working in full compliance with environmental standards and sustainable development targets, preventing all forms of pollution, and pursuing continuous improvement of environmental performance when economically and technically feasible.

#### Workplace Health and Safety Responsibility

Striving for the best possible working conditions for health and safety, operating in accordance with protection requirements, and adhering to principles of prevention and continuous improvement, in an environment where people can grow professionally, feel part of a united and motivated team, and where challenges fuel the recognition and respect in the market.

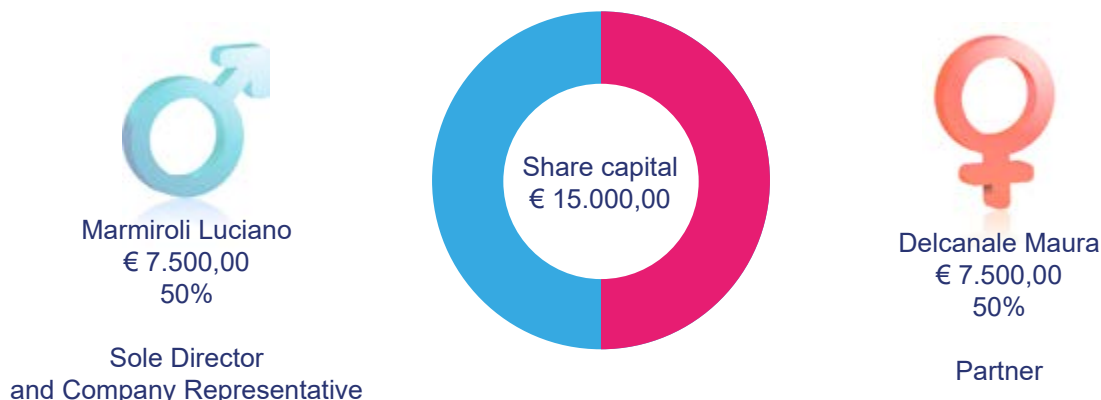
### COMPANY MISSION

Metalcontrol, to enhance the value of the products it creates, adheres to various guidelines for processing and production. Our commitment is to provide every customer with products guaranteed over time for effectiveness and construction quality. With over thirty years of experience, we ensure effective and efficient products and services, from client consultation to the production of each piece according to their designs/specifications, ensuring traceability of materials and processes. We hire people with diverse backgrounds, pursuing gender equality in recruitment while emphasizing meritocracy.

## 1.4 Corporate Governance

|                   |                                                |
|-------------------|------------------------------------------------|
| Registered Office | Strada Orsoline 69/B – Sorbolo Mezzani (Parma) |
| N° REA            | PR-202363                                      |
| Registration Date | 18th September 1997                            |
| Code ATECO        | 25.62                                          |
| Code NACE         | 25.62                                          |

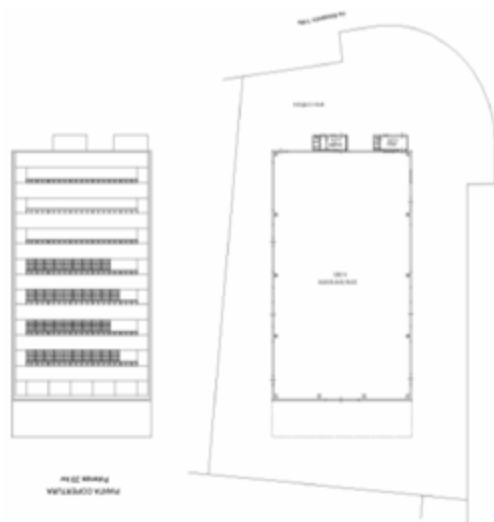
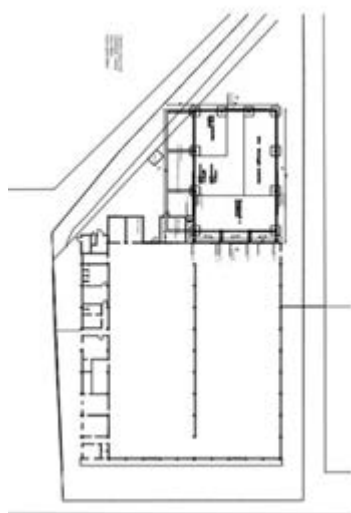
Our Board of Directors consists of:



## Our Operational Headquarters

Via Alessandro Volta – Poviglio (RE)  
1.000 m²

Via Grande, 4/5 – Poviglio (RE)  
3.000 m² of which ♦ 100 m² are offices



## External Infrastructure

We are located in the center of Poviglio. It is conveniently accessible via the bypass road that skirts the town and is just a few kilometers from the A1 motorway exit - Terre di Canossa.

## 1.5 Materiality Matrix

We created an anonymous online questionnaire to be filled out by the company's internal resources (see § 3 for details on Metalcontrol's Human Resources).

Subsequently, we also involved Customers and Suppliers who have an impact on the Organization.

## 1.6 Stakeholders and their expectations

| Stakeholderse                                            | Expectations                                                                                                                                             |
|----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| Authorities (e.g., ASL, Fire Department, ARPA, Province) | Compliance with legal requirements regarding workplace safety and the environment                                                                        |
| Suppliers and Outsourcing Providers                      | .Continuity of supply<br>.Timely payments<br>Clear and timely information necessary for product supply or service provision                              |
| Clients                                                  | Meeting their needs by providing a quality and reliable product, supporting them with after-sales technical assistance, and ensuring timely deliveries   |
| Employees                                                | Clear definition of roles, appropriate working environment and equipment, adherence to safety regulations, proper training, job security, and continuity |
| Company Ownership                                        | Ensuring business contribution margins and solvency                                                                                                      |
| Environment                                              | Ensuring compliance with relevant environmental regulations while maintaining the natural context                                                        |
| Banks                                                    | Corporate solvency                                                                                                                                       |
| Insurance Companies                                      | Activating prevention measures to avoid potential damages                                                                                                |

## 1.7 Agenda 2030: Sustainable Development Goals

METALCONTROL S.r.l. is committed to pursuing the principles of the 17 Sustainable Development Goals (SDGs), which encompass every aspect of social, economic, and environmental development, promoting an integrated and synergistic approach. Therefore, we have identified the following Sustainable Development Goals (SDGs):



- Ensure the full and effective participation of women
- Promote social inclusion for all



- Promote workplace safety
- Reduce the number of accidents
- Ensure employee well-being
- Improve overall resource efficiency
- Guarantee adequate levels of economic productivity through diversification, technological upgrading, and innovation



- Promote innovation and fair, responsible, and sustainable industrialization
- Increase energy efficiency and the share of renewable energy

## 2. GOVERNANCE

### 2.1 Economic Performance

Our primary market is mainly Emilia Romagna and Veneto.

Below, we present the impact of costs on revenues:

|                                         |        |
|-----------------------------------------|--------|
| Suppliers                               | 29,31% |
| Employee Costs                          | 36,57% |
| Costs for the Use of Third-Party Assets | 11,60% |
| General Costs                           | 28,89% |

The following table shows the incidence of suppliers, both in value and number

| Suppliers                                    | Nr of Suppliers | Incidence of <b>Nr of Suppliers</b><br>on Total Suppliers | Incidence of Purchase <b>Value</b><br>on Total Purchases |
|----------------------------------------------|-----------------|-----------------------------------------------------------|----------------------------------------------------------|
| <b>Services (Transport, Outsourced Work)</b> | 35              | 42,68%                                                    | 26,53%                                                   |
| <b>Material</b>                              | 31              | 37,80%                                                    | 57,27%                                                   |
| <b>Tools</b>                                 | 16              | 19,51%                                                    | 16,20%                                                   |

We aim to build trustworthy relationships, striving for proactive, long-term collaborations that benefit all parties involved.

We ensure our suppliers timely payments, in accordance with commercial agreements. During negotiations, we avoid imposing unjustifiably burdensome contractual conditions.

We prioritize working with local suppliers to enhance a short supply chain, promote local development, and reduce environmental impacts.

## 2.2 Compliance and Anti-Corruption

### COMPANY CODE OF ETHICS



The foundation of the Code of Ethics is the essential principle of respecting current laws and regulations. The Code describes the ethical, social, and environmental behavior standards that all stakeholders must follow. We should aim for personal growth by creating value for the company and society through our decisions and everyday actions. It confirms our ethical vision and clearly expresses the principles guiding our interactions with the community, employees, and stakeholders. Procurement practices and support for the local supply chain.

## 2.3 Our Certifications

Metalcontrol is committed to implementing and maintaining a Quality Management System in compliance with the UNI EN ISO 9001:2015 standard.

It also meets the requirements related to Environment, Safety, and Gender Equality.



## 3. METALCONTROL'S HUMAN RESOURCES

### 3.1 Diversity and Equal Opportunities

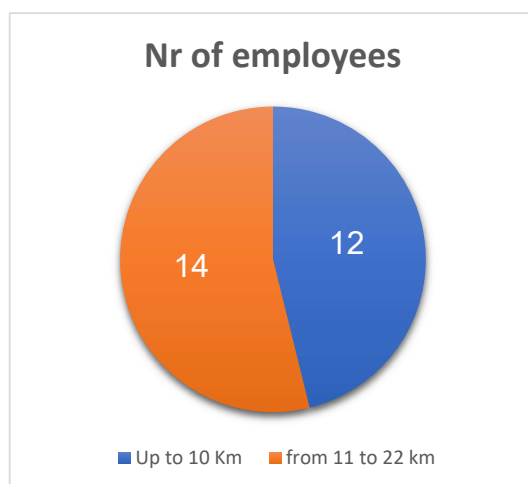
100% of METALCONTROL S.r.l. employees are hired based on the National Collective Agreement for workers in the metalworking industry in Italy. Therefore, they benefit from both government and supplementary health coverage, as provided by the relevant sector fund.

Our staff is composed as follows:

| Age Range in Years                    | Men  |       |       |      | Women |       |       |      |
|---------------------------------------|------|-------|-------|------|-------|-------|-------|------|
|                                       | ≤ 29 | 30-39 | 40-49 | ≥ 50 | ≤ 29  | 30-39 | 40-49 | ≥ 50 |
| Temporary Workers                     | 1    |       |       |      |       |       |       |      |
| Permanent Workers                     | 3    | 7     | 2     | 3    | 1     | 1     | 1     | 4    |
| Apprentices                           | 3    |       |       |      |       |       |       |      |
| Full-time                             | 7    | 7     | 2     | 3    | 1     |       | 1     | 2    |
| Part-time                             |      |       |       |      |       | 1     |       | 2    |
| Administrative Employee               |      |       |       |      |       |       | 1     |      |
| Back office employee                  |      |       |       |      |       |       |       |      |
| Technical area                        |      | 1     |       |      |       | 1     |       |      |
| Logistics                             |      |       |       |      | 1     |       |       |      |
| Sales                                 |      |       |       |      |       |       |       | 1    |
| Production                            | 7    | 5     | 2     | 2    |       |       |       | 3    |
| Warehouse                             |      | 1     |       | 1    |       |       |       |      |
| Seniority in the company: ≥ 10 years  |      | 2     | 2     | 2    |       | 1     |       | 4    |
| Seniority in the company: 9 - 6 years | 1    |       |       | 1    |       |       |       |      |
| Seniority in the company: 5 - 3 years | 2    | 1     | 1     |      | 1     |       |       |      |
| Seniority in the company: ≤ 2 years   | 4    | 3     |       |      |       |       | 1     |      |

Distance from the office:

| Location                  | NR of employees | Distance from the office - Km |
|---------------------------|-----------------|-------------------------------|
| Boretto                   | 2               | 7,5                           |
| Borgosatollo <sup>2</sup> | 1               | 74                            |
| Campegine                 | 1               | 7,5                           |
| Castelnuovo Sotto         | 1               | 4,7                           |
| Gattatico                 | 1               | 14                            |
| Merano <sup>3</sup>       | 1               | 260                           |
| Novellara                 | 1               | 20                            |
| Parma                     | 1               | 22                            |
| Poviglio                  | 7               | 0                             |
| Sorbolo Mezzani           | 8               | 15                            |
| Viadana                   | 2               | 12                            |

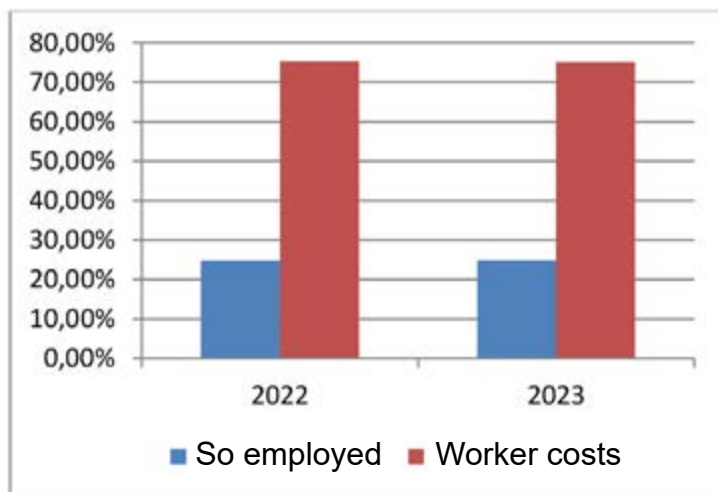


<sup>1</sup> Values updated to March 12, 2024

<sup>2</sup> Domicile 15 km from the office

<sup>3</sup> Domicile 7.5 km from the office

The table below shows the personnel costs for 2022 and 2023, divided between employees and production staff:



## 3.2 Health and safety in the workplace - Employees

To make workplaces safer and minimize risks related to accidents, injuries, or occupational diseases, we implement preventive measures and clear company practices aimed at promoting responsible and safe behavior from everyone.

We regularly prepare the Risk Assessment Document (DVR), according to Legislative Decree 81/2008. The document is continuously updated whenever necessary due to organizational changes or to further improve the company's safety system. Metalcontrol Srl also works with a competent doctor to assess health risks, conducting regular medical check-ups for employees. Additionally, Metalcontrol Srl refers to the Safety Representative (RLS), elected to represent workers on health and safety matters. The company aims to transfer knowledge and procedures to employees and other prevention and protection system members, helping them acquire the necessary skills for safely performing their tasks and identifying, reducing, and managing risks.

The table below shows the accidents over the last two years:

|                  | Nr of Workplace Injuries | Nr of Serious Injuries | Nr of Fatal Injuries |
|------------------|--------------------------|------------------------|----------------------|
| <b>Year 2022</b> | 1                        | 0                      | 0                    |
| <b>Year 2023</b> | 2                        | 0                      | 0                    |

## 3.3 Internal Client – Monitoring of the Workplace Climate

It's hard to find the right people; the culture of mechanical engineering has been lost. It is thought to be physical work, but it is actually a profession that is mental, technical, and creative. Yet, it's all around us. We live surrounded by mechanical products; everything, from furniture to everyday objects, is created through mechanics. We engage and animate the environment, helping it grow and setting tangible goals.

The toolmakers have started the journey toward CNC programming. We have increased and enhanced quality controls on suppliers and internal production. The well-being of people deserves attention and care. We respond to the needs of our human resources and are willing to enter into part-time contracts.

METALCONTROL Srl offers its employees flexible working hours to balance business and personal needs.

To further engage and retain talent, we have implemented:

- A company canteen with a small contribution
- Performance bonuses (PB) paid upon achieving profitability and efficiency goals (e.g., reduced scrap, machinery productivity index)
- Annual Allowance
- Saturday morning work bonuses
- Monthly wage increases
- Parental leave in accordance with contract and legal provisions.

At the beginning of 2024, we conducted a workplace climate survey. To ensure freedom of judgment, we opted for anonymous responses.

The following analysis shows:

| Strengths                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Suggestions for Improvement                                                                                                                                                             |                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Employee Request                                                                                                                                                                        | Actions Taken                                                                                                                                                                                 |
| <ul style="list-style-type: none"> <li>• Emphasize your personal and professional qualities</li> <li>• Opportunities for professional growth</li> <li>• Protection of rights</li> <li>• Availability of tools and equipment to perform the job at best and in complete safety</li> <li>• Sharing of company goals and values</li> <li>• Organizational roles and work tasks are clear and well defined</li> <li>• The presence of the organization and colleagues guarantees support to the employee</li> </ul> | <ul style="list-style-type: none"> <li>• Corporate initiatives aimed at improving flexibility in working hours</li> <li>• Foster stronger teamwork among qualified personnel</li> </ul> | <p>Focus on technical training to ensure there are more backup figures, so that the employee feels reassured that their possible absence does not create internal organizational problems</p> |

## 4. ENVIRONMENTAL SUSTAINABILITY

### 4.1 Energy Resource Management

Below is the detailed breakdown of electricity consumption and production:

|             | Electricity used in Kwh | Energia elettrica prodotta in Kwh | Delta  |
|-------------|-------------------------|-----------------------------------|--------|
| <b>2021</b> | 376906                  | 62988                             | 313918 |
| <b>2022</b> | 419704                  | 41515                             | 378189 |
| <b>2023</b> | 375006                  | 47867                             | 327139 |

Here are listed the suppliers and the respective quantities of energy products drawn from the network.

### PRODUCED MATERIAL

|             | Pieces Sold Nr | Raw Material Processed Kg | Quantity of Chips Kg | Turnover €  |
|-------------|----------------|---------------------------|----------------------|-------------|
| <b>2022</b> | 445.907        | 874.979,58 kg             | 214.454,00 kg        | € 3.851.066 |
| <b>2023</b> | 355053         | 1.277.056,64 kg           | 170.650,00 kg        | € 3.376.345 |

Here are listed the suppliers and the respective quantities of energy products drawn from the network:

### ENERGY DEMAND

|             |                      | Electricity Purchase                         | Self-consumption Electricity | Natural Gas            |
|-------------|----------------------|----------------------------------------------|------------------------------|------------------------|
| <b>2022</b> | Supplier             | Duferco Energia S.p.A.<br>Axpo Italia S.p.A. | -                            | Duferco Energia S.p.A. |
|             | Quantity withdrawn   | 419.704,00 kWh                               | 32594,00 kWh                 | 15.568,00 Sm3          |
|             | Cost (excluding VAT) | € 80.594,79                                  | -                            | € 16.408,14            |
| <b>2023</b> | Supplier             | Axpo Italia S.p.A.                           | -                            | Duferco Energia S.p.A. |
|             | Quantity withdrawn   | 375.006,00 kWh                               | 25386,00 kWh                 | 12.722,00Sm3           |
|             | Cost (excluding VAT) | € 95.333,81                                  | -                            | € 10.507,06            |

## Energy Needs Analysis

|             | Energy Vector    | Quantity       | TEP (Tonnes of Oil Equivalent) | CO2 (Tonnes) |
|-------------|------------------|----------------|--------------------------------|--------------|
| <b>2022</b> | Electric Energy  | 419.704,00 kWh | 78,485                         | 78,485       |
|             | Self-consumption | 32594,00 kWh   | 6,017                          | 17,307       |
|             | Natural Gas      | 12.708,00 Sm3  | 10,626                         | 24,234       |
| <b>2023</b> | Electric Energy  | 375.006,00     | 69,233                         | 199,128      |
|             | Self-consumption | 25.386,00      | 4,687                          | 13,48        |
|             | Natural Gas      | 12.722,00 Sm3  | 10,432                         | 25,037       |

## 4.2 Responsible Waste Management

We consider it important to properly manage the waste generated during our processes. Below is a summary table of the total waste produced:

|             | Oily, emulsion-soaked, and/or processing residue cloths (in bags) | Oil residues in the tank (in liters) |
|-------------|-------------------------------------------------------------------|--------------------------------------|
| <b>2021</b> | 6.540 Kg                                                          | 6.210                                |
| <b>2022</b> | 780 Kg                                                            | Data Not Available                   |
| <b>2023</b> | 860 kg                                                            | 4.179                                |

### Circular Philosophy

Scrap represents a highly valuable production waste, transformed into a precious resource and reintegrated into the production cycle. The scrap is carefully selected and diversified. Its use provides numerous advantages from both an environmental and economic perspective, reducing the exploitation of natural resources.

<sup>4</sup> Tonnes of Oil Equivalent