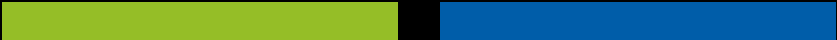


# SUSTAINABILITY REPORT

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THE SANDRINI GROUP





*Respect and fairness are important values to us,  
which represent the cornerstone of the social,  
economic and environmental responsibility we  
are pursuing.*

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**CEO**  
Lorenza Sandrini



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## SUSTAINABILITY REPORT

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# LETTER TO STAKEHOLDERS

Dear Stakeholders,

the document we present constitutes the first Sustainability Report of the Sandrini Group, through which we want to share with all our stakeholders our daily commitment in facing the challenges, as well as opportunities, which increasingly characterise our reality.

In recent years, our Group has achieved important goals in terms of growth with particular attention to the environment around us, the community in which we operate and the people who collaborate with us. Recent events at a global level have left a profound mark and continue to have an impact today both directly and indirectly on our daily lives. From all these events, we have understood how important it is to pursue sustainability in all our activities and provide, with a view to protecting and safeguarding the future of the next generations, a quality product and a reliable and efficient service to our customers. We would like to let you know how much we care about our people, who work for us and with us every day, our territory which hosts us and which we have always wanted to involve in the distribution of the value generated, the environment which we increasingly want to protect in everyone's interest, especially for the new generations.

Respect and fairness are values that we care about and represent the cornerstone of the social, economic and environmental responsibility that we are pursuing, in addition to the sense of trust for which we work every day, and which we want to give and receive from our collaborators, suppliers and our community. Our reliability comes from a constant commitment to sharing our objectives, which are clear and respectful of the earth, in all its aspects.

We know we have important tasks to carry out, difficult roads already travelled and to be followed, but we want to do all this together with all of you, with an even more high-performance and sustainable innovation and development perspective.

**CEO**  
Sandrini Lorenza



We don't aim for the best:  
**we aim further.**

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Nazareno Sandrini  
- 1973 -

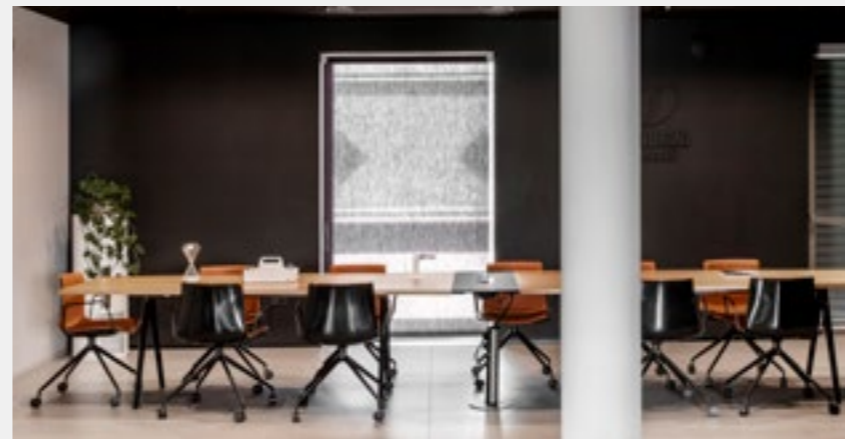


# HIGHLIGHTS 2022

THE KEY POINTS OF  
OUR ROADMAP

## ECONOMY AND GOVERNANCE

Organisation,  
Management and  
Control Model since  
2015



## Code of Ethics

**50%**  
Female share on the  
Board of Directors

Risk  
Management  
and Credit  
Committee

**3**  
Solar power plants



**23%**  
Raw material from  
recycling in 2022

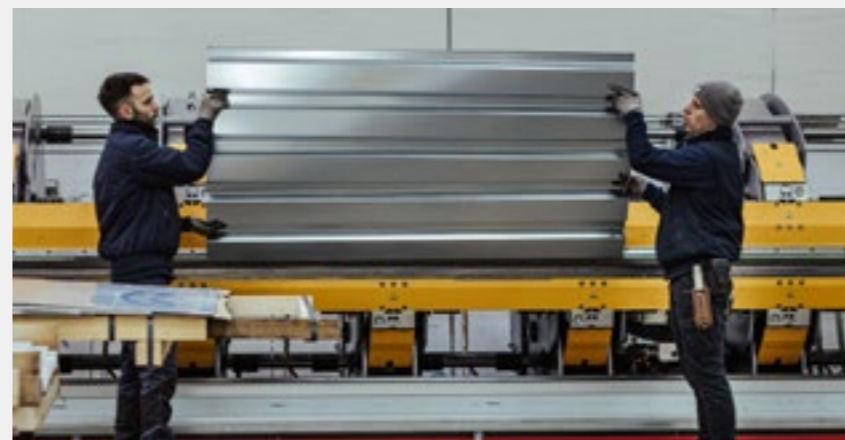
## ENVIRONMENT

**100%**  
Recyclable packaging

Recyclable  
products

**126**  
Employees

## PEOPLE



**66%**  
Permanent  
contracts

Female CEO

**37%**  
Staff under 30





# 01

## THE SANDRINI GROUP

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# HISTORY

This Sustainability Report reports the economic, social and environmental performances of the Sandrini Group; the latter is represented by the parent company Sandrini Holding Srl and the subsidiary Sandrini Metalli Spa.

Sandrini Metalli S.p.A. is a rapidly expanding company **that has been present on the market for over 70 years** in the roofing sector, specialised in the supply of corrugated sheets, coils and strips, architectural solutions.

In the 1950s, Sandrini Vittorio, together with his brother Nazareno, future founder of Sandrini Metalli, founded a small artisan business in Piamborno (BS), which specialised in carpentry work. In the 1970s, the good profitability of the business led to the opening of a new operational headquarters in Costa Volpino, with the purpose of developing its business also in the lower Sebino and in the Bergamo area, in addition to the Brescia area, which had not been reached until then, by purchasing the first machinery for sheet processing and dedicating itself to the new sector of sheet metal work with related laying. Thus, in 1973, OLLS (Officine Lavorazioni Lamiera Sandrini) was founded, which will lay the foundations of the current Sandrini Metalli. Later, at the end of the 1980s, the two brothers split: Vittorio continued his business in Piamborno, while Nazareno continued his business in Costa Volpino, also paving the way for the second generation with the entry of his daughter

Lorenza Sandrini (who will become the group's CEO). The company's growth was characterised by a strong spirit of initiative and entrepreneurship: in 2001, Nazareno, together with his daughter Lorenza and her husband Pier Franco Damioli, decided to build in Costa Volpino (BG) what is today the main headquarters of Sandrini Metalli, and formally and legally establish Sandrini Metalli Srl (which later became Sandrini Metalli Spa). The Building Division also took shape, which has developed to the present day, becoming a leading company in the corrugated sheet market. 2009 is the year in which the Pian Camuno plant was opened, where the Coils Division was subsequently introduced in 2014. With the growth of the business, investments did not stop; in 2017, Sandrini Metalli purchased a new headquarters in Chiari (BS), with the aim of expanding the Building Division, and subsequently also starting the Architecture Division, established with the aim of expanding and diversifying the offer on the market through products dedicated to the world of architecture and industry with the production of flattened sheets.

Today, Sandrini Metalli has 4 offices, more than 140 collaborators, a widespread commercial network and is a competent, ready and reliable partner for every project, thanks to the knowledge acquired in over seventy years of experience. From a generational point of view, the first transition began in 1988: the entry of Nazareno's daughter Lorenza and his son-in-law Pier Franco Damioli and their fundamental contribution constituted an important phase of growth and development, which would culminate in 2001 with the establishment of

Sandrini Metalli. In the following years, the third generation entered the company: Alberto, Nazzareno and Federica, children of Lorenza and Pier Franco. Each of them, equipped with a strong spirit of initiative, innovation and quality, decided to join the company with a lot of dedication, sacrifice and humility, as well as a high spirit of collaboration. In 2006 Alberto, the eldest son and at the time a nineteen-year-old boy, joined the company and with stubbornness, resourcefulness and great entrepreneurial spirit contributed significantly to the development and growth of the Group. Subsequently, Nazzareno and Federica joined the company, in 2011 and 2015 respectively, and, after a first adjustment period in which they worked on different company areas, they too began to gain important experience which would be very useful to them in the following years and, together with Alberto, they gave a decisive contribution to the reorganisation of the company also in terms of innovation, digitalisation and automation of processes.

Unfortunately, on 1 October 2021, after a short illness, **the company suffered the serious loss of Alberto**, a fundamental figure who will be sorely missed for his decisive contribution to the company as well as for his commitment, dedication, responsibility, intelligence and great passion for his work.

Despite this, the family continued with great commitment and determination the development and growth project of Sandrini Metalli Spa, gathering all the employees, who in the meantime amounted to over 100 units and who, thanks to their strong sense of duty, commitment and dedication, allowed the company to reach very high levels of quality, innovation and customer service. The organisation grew and so did its turnover, which reached 140 million Euro in 2022. A result that rewards all the efforts and makes the family and the entire company proud of what has been achieved over the years.

Today, Sandrini Metalli wants to be a symbol of responsibility, passion, hard work, but above all of that **"never give up"** concept which represents the peak of all the values transmitted from generation to generation, starting from Lorenza Sandrini and Pier Franco Damioli, passing through Alberto, unfortunately no longer with us, up to Nazzareno and Federica, who all carry on this development goal with great determination, embracing the changes and innovations introduced and increasingly orienting themselves towards sustainability topics.

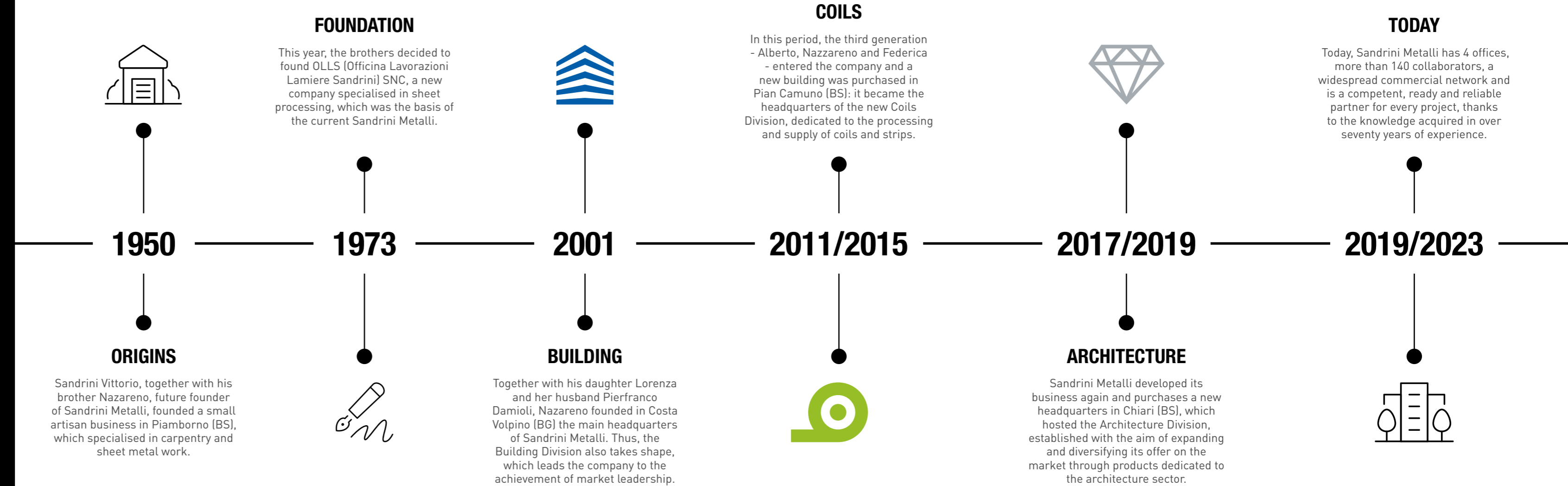
*The Sandrini family*



THE SANDRINI GROUP | Alberto Damioli

# OUR HISTORY

50 YEARS AT YOUR SIDE





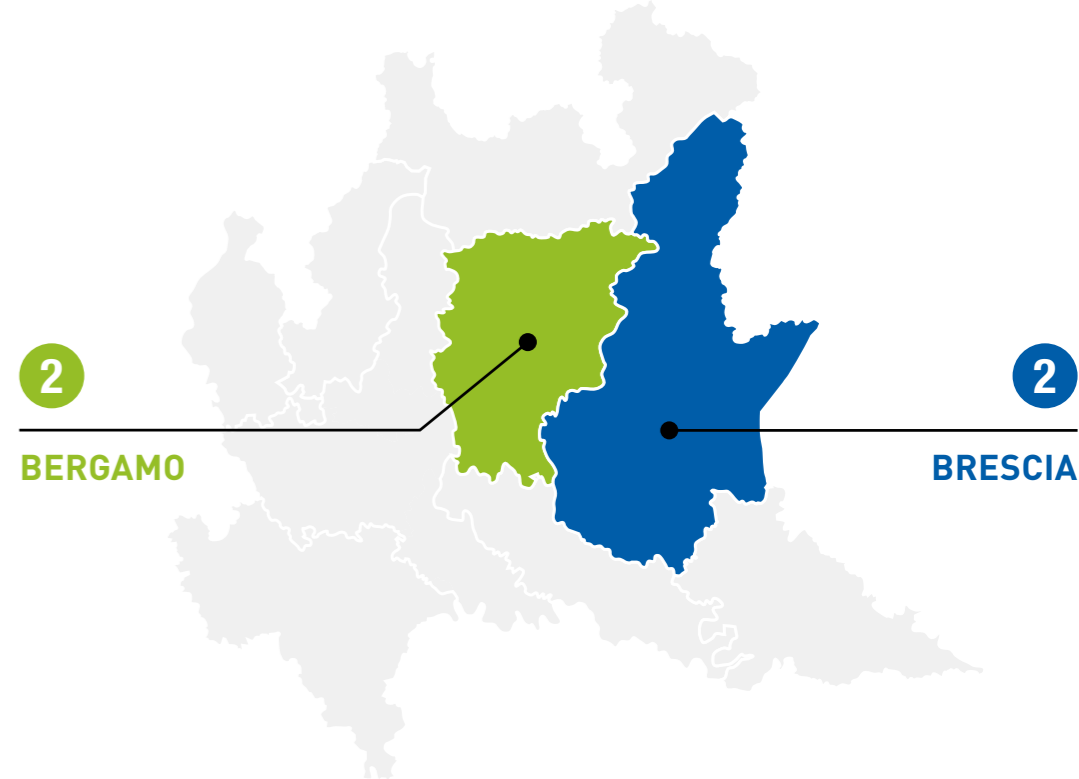


# GROUP STRUCTURE

The Sandrini Group is represented by the company Sandrini Holding Srl, with sole director Sandrini Lorenza, 90% parent company of the Sandrini Metalli Spa company, and the remaining 10% by Damioli Pier Franco, production management delegate of Sandrini Metalli Spa. The Sandrini Group carries out its business in 4 main locations between Bergamo and Brescia, as well as other locations used as offices and warehouses.

# 126

Number of collaborators as of 31 December 2022



## BERGAMO

**BERGAMO**  
**1. Registered office and production site**  
Costa Volpino (BG)  
**2. Historic headquarters and warehouse**  
Costa Volpino (BG)

## BRESCIA

**BRESCIA**  
**1. Production site**  
Pian Camuno (BS)  
**2. Production site**  
Chiari (BS)

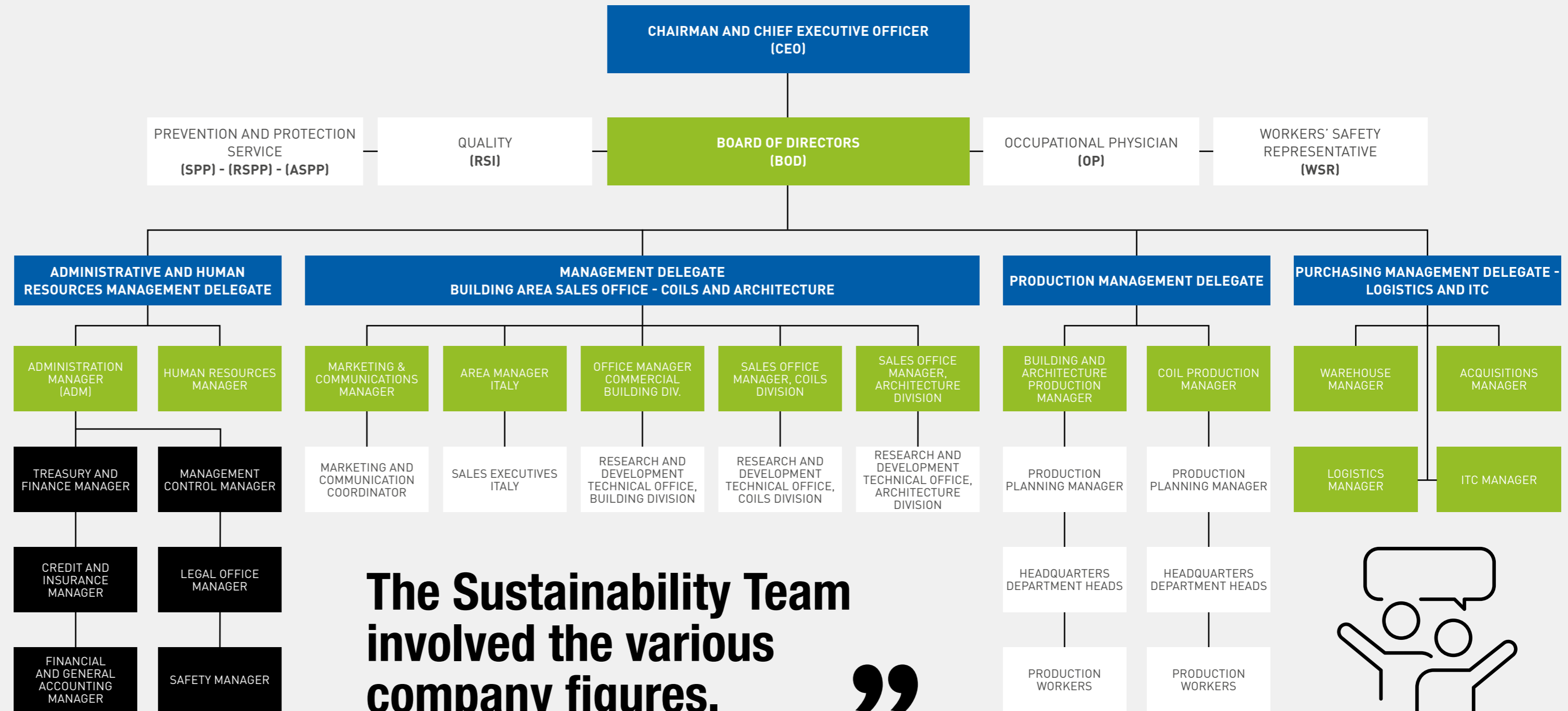


# BUSINESS ORGANISATION

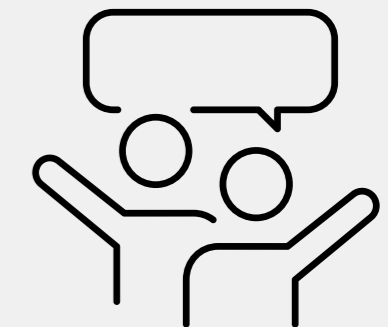
The governance body of Sandrini Metalli Spa is represented by a board of directors made up of six members.

The Board of Directors is invested with the broadest powers for ordinary and extraordinary management, in order to achieve the objectives defined by the organisation.

Below is the organisational chart, to better explain the company structure.



**The Sustainability Team involved the various company figures.**



## OUR MISSION

We strive to be a large company that is sensitive to the needs of all its customers, striving to improve itself to offer new technical and innovative solutions by making its know-how available to everyone. We work every day with enthusiasm to offer excellent and quality products and services. Humility, persistence and openness to dialogue have made us a reliable partners for all our stakeholders. We create social and economic value, we pursue an inclusive and sustainable choice, respecting people, the environment and the values in which we strongly believe.



Our values that characterise us and on which we **continue to work**.



### Reliability and Responsibility

We choose to always respond personally, taking care of the projects entrusted to us, operating with responsibility and diligence, in order to guarantee a reliable service to our customers.



### Honesty

Our company operates with all stakeholders in compliance with the principles of honesty. We like to communicate and act in an honest way, because we believe that honesty is the basis of every healthy and lasting collaboration, whatever it may be.



### Transparency

We work in partnership with our customers and suppliers, guaranteeing transparency of the conditions and methods with which work is carried out. **What we are is what appears from our every action!**



### Respect and Fairness

Sandrini guarantees respect in all relationships, both internal and external, between collaborators, customers, suppliers, operating with extreme fairness and in compliance with company rules and regulations.



### Humbleness and Passion

Humbleness has allowed us to grow and continues to be a founding value of our reality. Achieving our client's results is not a job but a true passion!



### Well being

We are committed to guaranteeing our collaborators a working environment that is safe, pleasant, stimulating where proposals, ideas and points of view are valued for the fulfilment of individual people.



### Resilience and Teamwork

We work together to provide you with brilliant solutions and ideas. Nothing is achieved by chance and hard work always pays off.



### Constant improvement

We work tirelessly to increase our expertise and that of our collaborators, developing innovative ideas through research and development. We are never satisfied!



## OUR VISION

In our vision, we want to increase our presence on both the national and international markets, also through commercial and industrial partnerships, developing increasingly new skills and capabilities through research, development and innovation, both for product and processes, while respecting the environment, offering new solutions to present and future customers, which allows them to carry out their business easily and quickly, for mutual profitable growth.



Our strengths are the result of **our values**.



### At your service

Our goal is to guarantee maximum attention to our customers, offering support and technical advice 365 days a year.



### Availability and Concreteness

Thanks to an always well-stocked and assorted warehouse of 35,000 sqm roofings and to the widespread sales network, we guarantee fast production and deliveries throughout the national territory. We are structured to offer solutions, even tailor-made, for all the needs of the sectors in which we operate.



### Reliability

The experience of over 70 years in the market, the skills we acquired, as well as the selection and constant training of our staff, make us a reliable partner and a point of reference in the sector.



### Innovation

We are a young and dynamic team, in step with the times and always updated on new technologies. We like to propose and design new solutions to offer the best experience to our customers.



### Quality

All our products are manufactured in compliance with the most recent regulations, using cutting-edge processes and plants. The traceability of raw materials and finished products is guaranteed at all stages of the supply chain.



### Speed

Punctuality is an essential value for us. This is why we respond to our customers' requests by respecting delivery times and processing orders in record time, also thanks to our efficient organic organisation.



## BUSINESS MODEL

The Sandrini Group retains an artisanal spirit, despite the more industrial structure it has acquired over time: the attention to detail, the high quality of the material and the services made available have in fact maximum customer satisfaction as main objective.

A further element is the constant technical training of the team, an internal Logistics Office that allows us to manage a high volume of requests in a short time, a widespread sales network as well as a wide and continuously updated range of products capable of meeting the needs of the current market.

In particular, the three divisions into which the Group is divided are specialised in different product categories, thus allowing us to dedicate the necessary attention to each of them.

The knowledge acquired in seventy years of activity in the metal sector, makes the Sandrini Group a fast, reliable, competitive and technologically advanced partner for small and large projects.



DIVISIONE  
**BUILDING**

Production and supply of  
corrugated sheets intended  
for every type of use



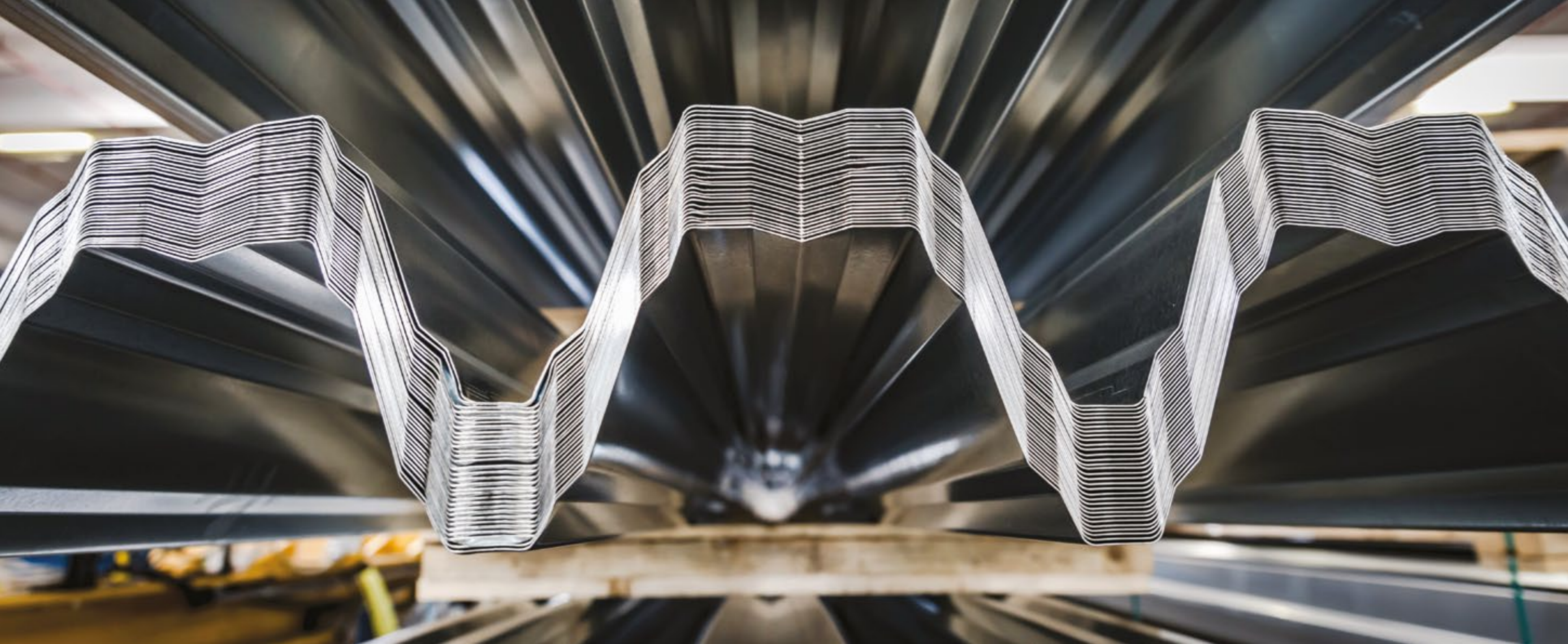
DIVISIONE  
**COILS**

Marketing and processing  
of coils, strips and flattened  
sheets



DIVISIONE  
**ARCHITECTURE**

Products intended for  
cladding and roofing with high  
architectural value



## Building Division

Sandrini received numerous awards during 2022, standing out among companies in Lombardy for the production of corrugated sheets, testifying to a stability that has guided the relationship between the Group and its customers for decades, based on the excellent quality of the products and services offered.

The company has over 30 models of corrugated sheets, to meet the needs that the market requires and intended for different applications: roofing and cladding, structural floors, composite floors and large spans.

In addition to the availability of a wide range of colours and materials, tailor-made colours are produced upon customer request.

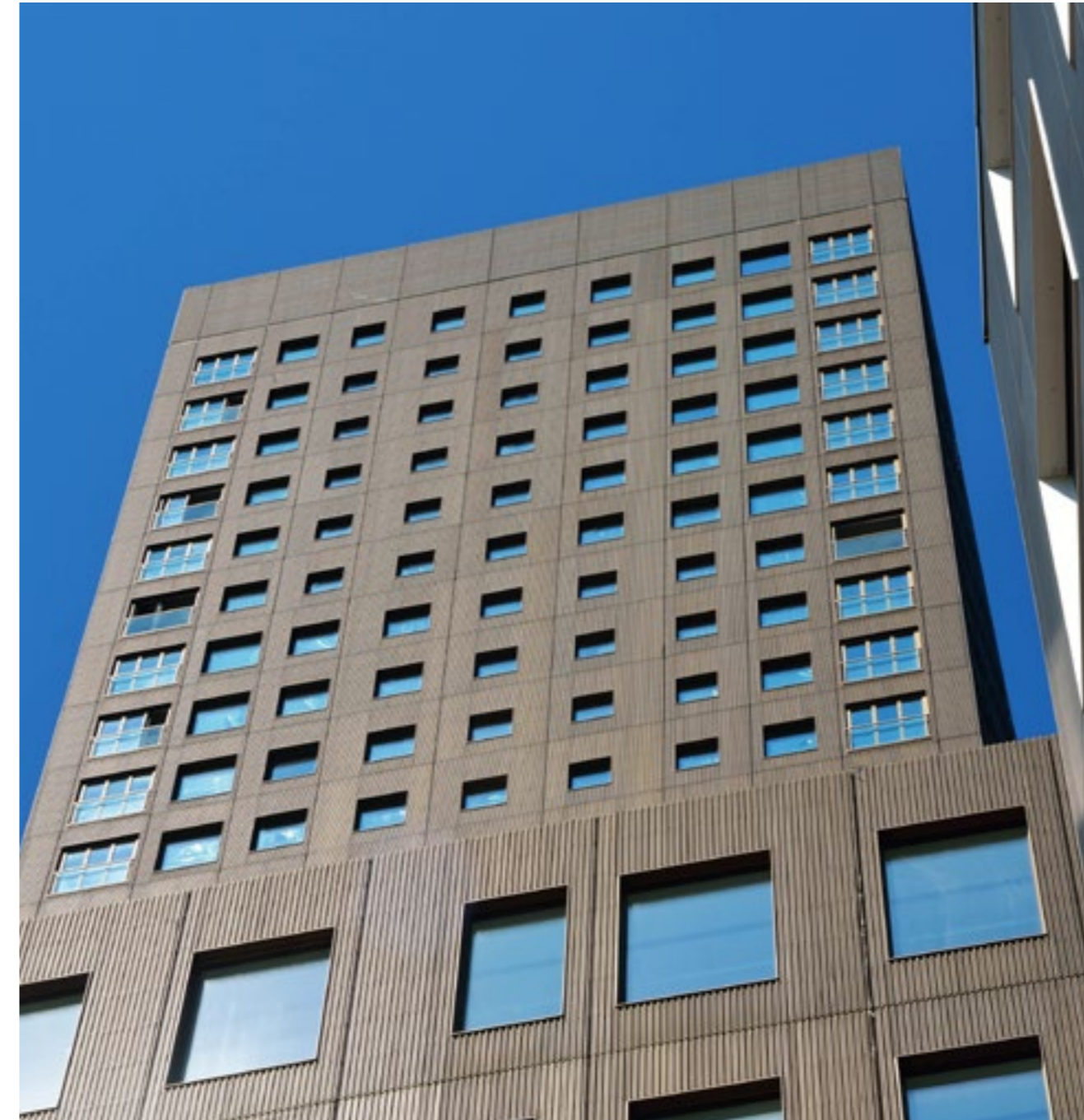
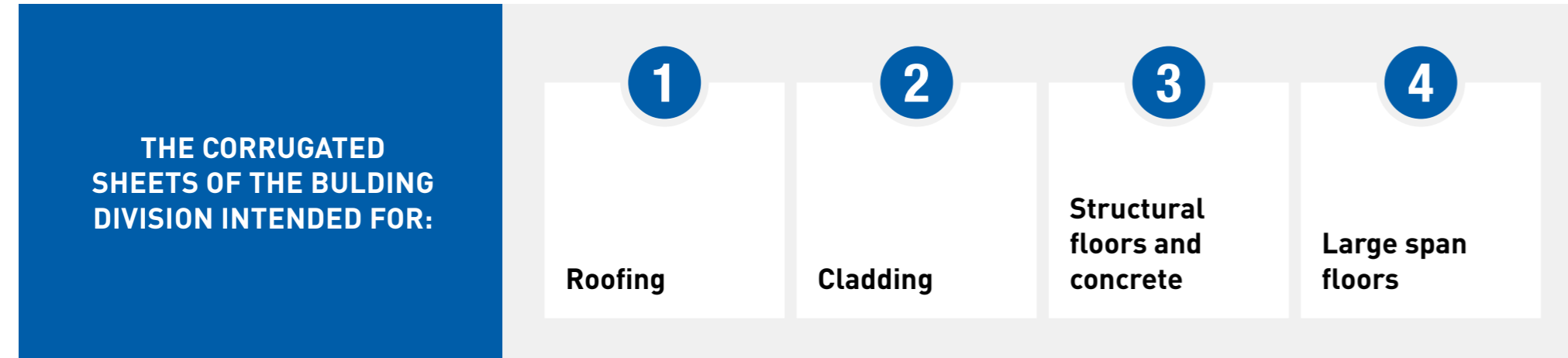
The flexibility and service-oriented approach, which is what has always set the company apart, make it the ideal partner for developing and executing both small- and large-scale projects. Furthermore, the proximity to the main road junctions in Northern Italy means that Sandrini can represent a reliable and easily reachable partner for both Italian and foreign customers.

Corrugated sheets are made of various materials, including steel, aluzinc®, aluminium, magnelis® and copper. They can be single, double or multiple span. All corrugated sheets comply with CE standards and guarantee excellent parameters of resistance, load capacity and lightness as well as being produced from sustainable materials, which allow them to be recycled.

### Applications

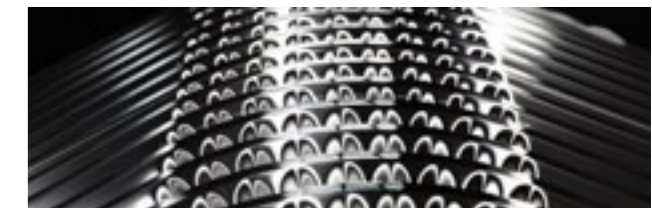
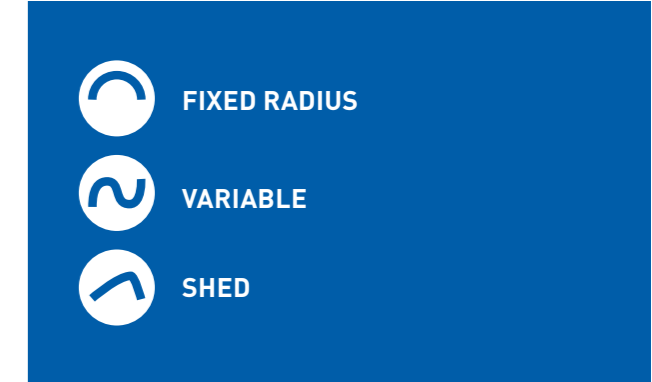
Specific applications can be provided for, to improve the performance of the product at a hygrometric and acoustic level:

- **SANDnodrip:** Particular non-woven fabric that allows the internal surface of the sheet to be very porous and with excellent moisture absorption properties, thus preventing any problems with condensation and dripping;
- **SANDcontrol:** Special non-woven fabric with increased density which, in addition to avoiding condensation and dripping problems, also allows the noise caused by external atmospheric agents to be significantly reduced.



## Bending

Depending on the type of sheet, it is possible to envisage bendings with a fixed radius, variable radius (different radii, and possibly interspersed with straight parts, on the same sheet) or shed processing.





 DIVISIONCOILS



## Coils Division

Thanks to the availability of cutting-edge slitter plants, the Sandrini Group is able to supply strips and sheets in different materials, widths and thicknesses, while two latest generation production lines allow the production of downpipes in all lengths and diameters required by the market.

A large, well-stocked warehouse and a well-run in-house logistics department deal with high demand in short time frames.

All Sandrini coils are cold rolled, i.e. following a technique used in the metallurgical industry, capable of transforming raw materials into metal coils, guaranteeing specific mechanical and dimensional properties.



### THE PRODUCTS OF THE COILS DIVISION

1

#### Coils

Coils and baby coils customisable in materials, thicknesses and colours as well as finishes

2

#### Strips

Coils can be cut to length to make strips and bands of different widths

3

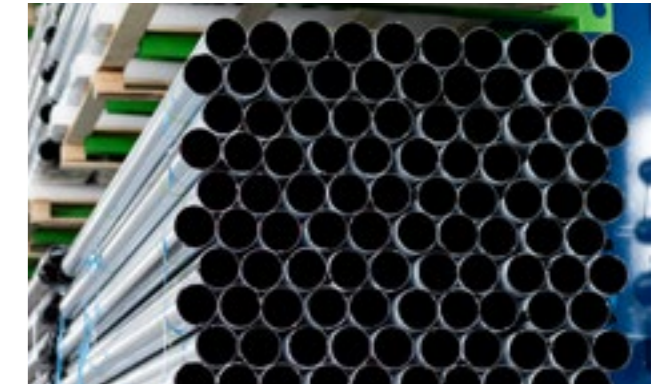
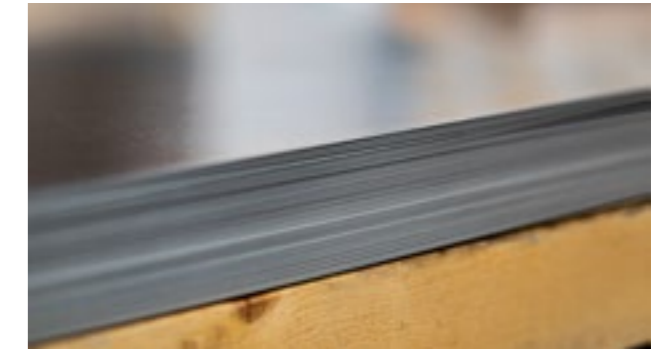
#### Sheets

Steel and aluminum flat sheets are useful products for industries, carpentry and many other sectors

4

#### Downpipes

Sandrini downpipes are available in all materials and colours available in the catalogue



At the Coils Division headquarters, Sandrini offers a wide selection of materials with over thirty variations of metals, finishing and colours, always ready in stock.

In addition to offering customised services for cutting coils into strips and straps, the company also uses these products in the production of downpipes and flattened steel and aluminum sheets.



## Architecture Division

The extensive experience acquired in the sheet metal and roofing sectors inspired Sandrini Metalli to take on a new challenge in 2019 – to market a new range of products for the **architecture sector**.

This is how the new Architecture Division takes shape, created to offer solutions for cladding and roofing with high architectural value, where the expertise of the technical office and the R&D department merges with the knowledge of metals and their characteristics. **SANDfuture** was therefore introduced, a standing seam roofing system, also applicable to facades and capable of providing long-term guarantees and durability, without the need for maintenance. Ideal for low-sloping roofing and therefore for flat roofs, it is also used on facades, thanks to its unique design and ease of assembly. This product breaks down boundaries by looking at the customer's needs: the sales network becomes the protagonist in distribution across the territory,

accompanied by design support and after-sales assistance. The innovative profiling of the system can also take place on site with special mobile and completely autonomous structures.

**SANDfuture** is a **continuous metal standing seam roofing system with draining joint and without external fixings**, specifically designed to adapt to the specificities of low-slope roofs.

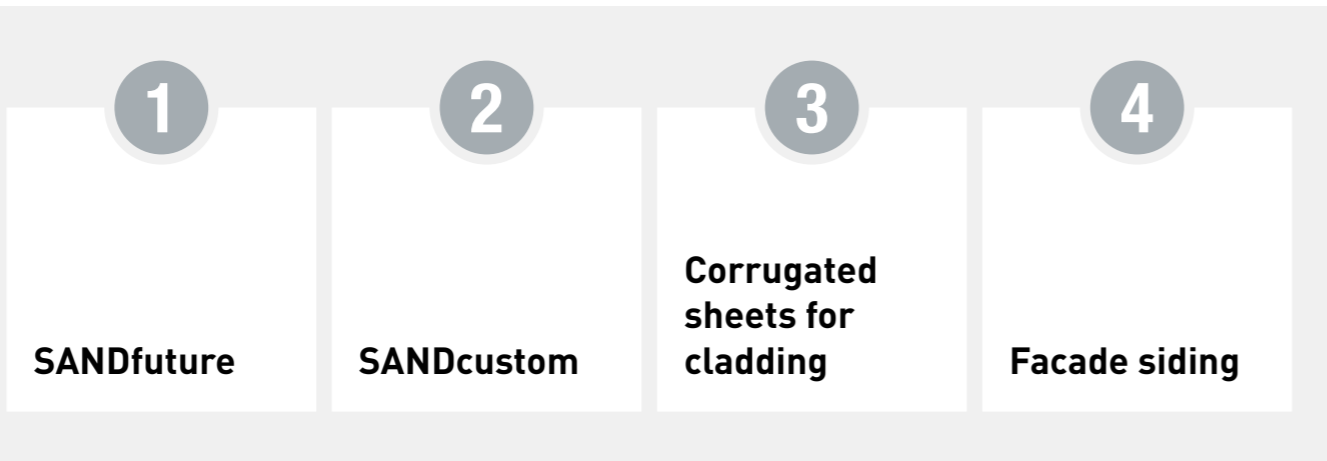
This system has several distinctive features:

- **Impeccable waterproofing:** SANDfuture manages to successfully address the main critical issue of low-slope roofs, i.e. the risk of infiltration, thanks to the draining joint;
- **Adaptability to minimal slopes:** the SANDfuture system can be used for roofs with a slope of up to 1.5%;

- **Easy installation:** The draining joint not only guarantees water tightness, but also acts as a connection element between the slabs via a pressure interlocking system;
- **No external fixings:** thanks to the innovative joint, all visible fixings are eliminated, guaranteeing safety against atmospheric agents and a minimalist aesthetic;
- **Zero maintenance:** unlike other roofings, the Sandrini Metalli system does not require repairs or periodic monitoring.

The multitude of materials in which SANDfuture can be produced is combined with a wide range of colours and finishes in which it can be customised to adapt to every taste and every architectural need.

BETWEEN AESTHETICS  
AND FUNCTIONALITY  
WITH THE ARCHITECTURE  
DIVISION:



## Facades

From facade siding to corrugated sheets and, starting from 2023, also thanks to the new SANDcustom service dedicated to custom metal profiles, Sandrini is able to offer innovative and tailor-made solutions for facade cladding, capable of adapting to the aesthetic and functional needs of a multiplicity of architectural contexts. All products, which are constructed from top-quality materials and designed to guarantee long-lasting performance, are fully customisable in terms of material, colour and finish, to meet the demands of each specific customer.

Facade cladding plays a fundamental role in modern architecture, it is the only element that is capable of truly transforming the external appearance of buildings.

## The new SANDcustom range

Diamonds, the inaugural design of the SANDcustom service, is the result of the comparison and synergistic exchange of ideas between collaborators, operational practices which in Sandrini are not just good habits, but general pillars on which we base our general approach to work.

Symbol of light, elegance & beauty – Diamonds captures the essence of the diamond and transforms it into matter to bring it into the world of architecture. The shapes, composed of alternating flat and angular surfaces, create a three-dimensional effect that embellishes the wall cladding with depth and dynamism. The profile thus becomes a symbol of the union between light and matter, between heaven and earth, between abstraction and concreteness, in perfect alchemy between functionality and aesthetics. Diamonds is the first design of a collection by Sandrini Metalli.



# RESEARCH, DEVELOPMENT & INNOVATION

The Sandrini Group has always strived to achieving and maintaining high quality standards. To achieve this objective, continuous tests are carried out on the products: load, reaction to fire and noise tests on the products.

In recent years, particular attention has been paid to **research and development**, which, as is known, is not necessarily capable of producing results in the short term, but certainly represents a **medium to long-term investment**. A dedicated team has been established and is continually strengthened, with the idea of increasing collaboration with universities and research centres, with the aim of developing **increasingly sustainable products and/or improving existing ones**. For example, the **CHOMgenius** project carried out by DABC - Department of Architecture, Construction Engineering and Built

Environment - of the Polytechnic University of Milan, in partnership with the companies BFC Sistemi Srl and WhiteTeam Srl, the collaboration of UNI (Italian National Unification), and the fundamental support of 20 other national and international companies including Sandrini Metalli S.p.A, which participated through the supply of materials necessary to carry out the project successfully, as well as active technical support to researchers at the university centre. The project is an industrialised housing system that arises from the recovery of disused maritime containers.

**Reuse and recycling** are the key words of the project, combined with multifunctionality, disassembly and modularity. These are housing units that develop the concept of living towards the evolution of the construction sector in terms of

sustainability and attention to the life cycle, with a view to a greener future. **Innovation is the engine of growth** and the driving force for **social and economic progress**. For years, and especially with the entry of the third generation into the company, the Group has paid particular attention to **product and process innovation**, achieving important results in the latter aspect. Process innovation is a path of continuous improvement that focuses on the identification and implementation of new ideas and technologies in order to guarantee high levels of efficiency and productivity of the company.

**Considered one of the key factors for the Group's success, over the years it has delivered the following results:**

## Planner

A continuously improving system that aims at automating all those repetitive and non-value-added processes.

Over the years, the automated control of material flows leaving the warehouse has been developed. In particular, through a computerised system on the machine, the operator is able to directly communicate the characteristics and quantities of the raw material used, automatically updating warehouse stocks and significantly optimising office activities.

Development of an app for uploading and archiving

## Sandrini SnapRoll app

photos relating to shipments organised by the company, material coming from suppliers at the time of unloading, particular productions, etc.

Everything happens through an automated process: the employee, by taking photos and entering the description, generates the document which is automatically sent to the archive. In this way, there is timely control of both incoming and outgoing product quality, saving time and efficiency along the entire work chain.

In order to keep track of the transfer of material within the various locations and have real-time

## Traceability of internal transfers

control of what is being used and what is available for production, a special procedure has been developed within the company management system, which ends with the generation of a document called TO (Transfer Order), making the movement of material within the company easy to identify and manage. In addition to a reduction in material handling, this results in a reduction in the number of transports.

## For the future

**Research, development & innovation**, the centre of growth and destined to never stop, are capable of bringing significant improvements to society as a whole. For this reason, the Sandrini Group has set itself two important objectives:



### CREATION

The creation of an internal quality laboratory, with qualified and equipped personnel, so that the products are subjected to continuous monitoring

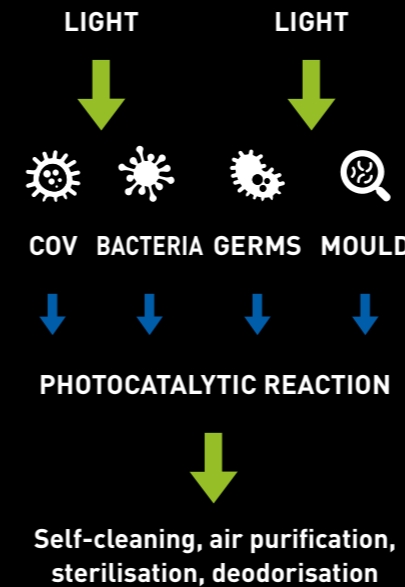


### STRENGTHENING

Further strengthening of the research and development office, through the training of dedicated staff



## USE LIGHT TO CLEAN THE AIR AND BUILDINGS



## SANDactive

**Product innovation** and **sustainability** are two concepts that go hand in hand and are the synthesis of the collaboration between the Sandrini Group and Pureti Group.

SANDactive is the result of this collaboration and constitutes the new Sandrini Metalli treatment against dirt and pollution. Innovative and sustainable, it can be applied across the entire product range and is ideal for facade cladding and roofing. The process uses photocatalysis, an oxidising chemical reaction activated by solar energy, to decompose atmospheric pollutants such as NOx, SOx and VOCs, helping to improve air quality and preserve the aesthetic appearance of materials. SANDactive does not limit itself to manufacturing ecologically neutral products, but it transforms them into active allies of the environment.

It is a liquid treatment that is micro-nebulised (using specific equipment) creating a Nano Network that acts as a catalyst.

Like other strong points, in addition to allowing to reducing pollution and purify the air, it eliminates odours and allows to preserve and keep clean the products treated with it, also guaranteeing time and cost savings in the long term.

The treatment is produced in the USA by the company Pureti Group LLC, distributed in Europe by Nanoair solutions s.l.u, based in Barcelona and in Italy by the company Cav.Vittorio Scipioni Srl, with which the Sandrini Group has signed an **exclusive supply** contract, in order to offer its customers **innovative and sustainable products**.

A project in which we strongly believe, it represents our ever-increasing commitment to guaranteeing innovative products with low environmental impact, with the aim of ensuring sustainable development.



# CERTIFICATIONS

Due to the constant search for high quality standards and compliance with current regulations, the Sandrini Group's products boast a vast range of certifications. The following are included:



### ENVIRONMENTAL PRODUCT DECLARATION (EPD)

Environmental Product Declaration (EPD): Born in Sweden, but of international importance, the Environmental Product Declaration is a voluntary certification used by companies to objectively describe the environmental impact of their products or services. Sandrini has subjected its products to specific LCA (Life-Cycle Assessment) studies with the purpose of understanding and having control over each phase of the process, thus identifying the aspects that can be optimised and obtaining EPD certification for its products starting from 2020. It is a process that does not stop, as production is continuously and constantly monitored, resulting in periodic updating of the EPD certification. The study was conducted considering the life cycle "from the cradle to the customer's premises" - "from cradle to gate with option" - also including the optional transport phase to the customer. The study includes the phases of resource extraction, production of raw materials, their transport to the factories, the subsequent processing carried out by the organisation and subsequently the packaging and transport of the finished products to the customer's premises, reported as follows: <sup>1</sup>

#### A1 UPSTREAM

- A1 RAW MATERIALS**
- Coil production and related pre-processing (galvanisation, pre-painting, etc.)
  - Production of the SANDnodrip membrane
  - Production of energy carriers (electricity and natural gas)

#### A2-A3 CORE

- A2 TRANSPORT**  
Transport of coils and raw materials
- A3 PRODUCTION**
- Sheet working
  - Production of packaging
  - Production of auxiliary materials
  - Transport and disposal of factory waste

#### A4 DOWNSTREAM

- A4 TRANSPORT OF THE PRODUCT**  
Transport of the product to customers

### UNI EN ISO 9001:2015 CERTIFIED

The ISO 9001 standard defines the minimum requirements that an organisation's Quality Management System must demonstrate and meet to guarantee the level of quality of the product and service offered. Possession of this certification defines our commitment to always supply products with high quality standards, focusing our analysis on a few elements: attention to customers, leadership and involvement of people.

### UNI EN 1090

To guarantee the quality and safety of metal products for structural uses, the Group is committed to ensuring that the requirements and criteria imposed by the legislation are always complied with. A commitment made concrete through the certification of conformity of factory production control, the so-called UNI EN 1090, which the company has obtained for the Costa Volpino and Chiari offices, where these products are manufactured.

<sup>1</sup> <https://api.environdec.com/api/v1/EPDLibrary/Files/4c15425b-072f-42a7-8978-e23468e48efc/Data>

# AWARDS AND RECOGNITIONS

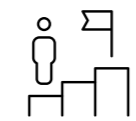
The growth path of the Sandrini Group over the years has been accompanied by countless prestigious awards and prizes, which attest to the excellent management of the company and the achievement of important economic and financial results.

The most recent ones are presented below:

## FELIX INDUSTRY A competing Italy

Felix Industry Study Centre - Sole 24 Ore - LUISS

For the third consecutive year, Sandrini Metalli obtained the Alta Onorificenza di Bilancio award of the national Industria Felix - Italy for 2022, being among the 203 most competitive and reliable Italian companies in Italy and among the 6 in the Metals. The initiative, in its third national edition, by analysing and assessing their creditworthiness through Cerved Group Score Impact (one of the main rating agencies in Europe), rewarded all Italian companies that during the year stood out for:



Growth



Financial reliability



Innovation, research and education



Sustainability and ecological transition



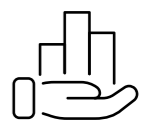
Average growth rate



MORE (Multi Objective Rating Evaluation) Rating



Constant growth rate in the three-year period 2018-2021



Organic expansion



Management performance



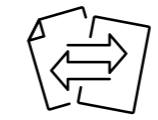
Solvency and security



Digitalisation and competitiveness



Welfare and social impact



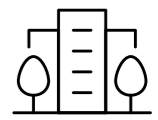
Average NFP/EBITDA ratio



Profitability & Net result



Stable increase in employment



Possession of the registered office in Italy

## WINNING BUSINESSES 2022

Intesa Sanpaolo

Sandrini Metalli was identified by Intesa San Paolo in its "Winning Enterprises" programme as an example of entrepreneurial excellence. The fourth edition, inspired by the growth lines of the National Recovery and Resilience Plan, focuses on the territories and corporate development or transformation projects, which have enabled companies to react successfully to the particular difficult moment. These companies distinguished themselves in the following areas:

## CHAMPION COMPANIES 2022

Italy Post

Sandrini was awarded the "Impresa Champion 2022" award, together with a thousand other companies that stood out for an **above-average performance** between 2014 and 2020, representing an encouragement for the companies that stimulated the Italian economy during the difficult first year of the pandemic. The research carried out by the Italy Post Study Centre, in collaboration with Corriere della Sera - L'economia, was based on the financial statements filed by companies in the period analysed, paying attention to:

## SAMPLES OF GROWTH 2023

ITQF - La Repubblica

Sandrini was classified among the excellences of the Italian economy according to the German Institute for Quality and Finance (ITQF), which, in collaboration with the Repubblica Affari & Finanza, awarded 800 companies among the 50,000 examined on the national territory, characterised by a high development rate in the three-year period 2018-2021. The factors analysed were:



# 02

## SUSTAINABILITY OF THE SANDRINI GROUP

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The Sandrini Group pursues sustainable development to create long-term value in a responsible way, implementing practices and strategies that integrate environmental, social and economic principles into its corporate strategy and daily decisions. This first Sustainability Report represents the start of a broader commitment by the Directors to formalise a Sustainability Policy, laying the foundations of the Group's approach to this matter. This approach is based on Governance, Environment and People - three pillars where the Group believes to be able to give a stronger contribution in creating value, both for its own reference sector and for the benefit of the entire Group.

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THE SANDRINI GROUP



# SUSTAINABILITY OF THE SANDRINI GROUP

Sustainability is the ability to satisfy one's own needs without compromising the ability of future generations to satisfy their own. It is a commitment that the Sandrini Group pursues by minimising the environmental impact and maximising the positive effects on local communities, through the use of renewable energy sources, the reduction of greenhouse gas emissions, the preservation of natural resources and the promotion of healthy and ethical lifestyles.

**The environmental aspects** of sustainability concern the responsible management of natural resources, the reduction of greenhouse gas emissions, the efficient use of energy and water, waste management and the implementation of responsible production and consumption practices in order to preserve the environment and mitigate climate change.

**The social aspects** of sustainability concern respect for human rights, protection of employee health and safety, creation of fair working conditions, training and career development, promotion of diversity and

## COMMITMENTS OF THE SANDRINI GROUP

Disseminate the sustainability culture both inside and outside the Group, through the involvement of stakeholders and the dissemination of good practices.

Share the values and objectives of the Sandrini Group with suppliers, customers and the territory, for the creation of value in the long term. Promote research and innovation for social and economic progress.

Spread the principles of transparency, fairness and respect for corporate values both among collaborators of the Sandrini Group and along the entire supply chain.

Analyse and improve the sustainability of the products sold by the Sandrini Group: from the purchase of the raw material to delivery to the customer.

Increase the use of eco-sustainable, recyclable, biodegradable, renewable materials, thus reducing environmental impact. Constantly reduce the use of non-renewable natural resources, in particular energy produced from non-renewable sources.

Reduce the quantity of waste produced and ensure the correct disposal of recyclable waste, in order to minimise emissions into the atmosphere.

Offer customers excellent products and services by responding to their needs with the utmost attention and punctuality.

Motivate the people who work with the Sandrini Group and contribute every day to the success of the company through a relationship inspired by respect for the individual and giving value to diversity, considering the safety and rights of employees and collaborators as an absolute priority.

Contribute to the spread of well-being (economic, social and psycho-physical), aware of the social role of the company and its responsibility as part of the community.



**GOVERNANCE**



**ENVIRONMENT**



**PEOPLE**

inclusion, promotion of social responsibility towards the communities in which the Group operates and transparency in relationships with customers, suppliers and other stakeholders.

**The economic** and governance aspects of sustainability focus on creating long-term value through sound financial management, risk management, research and innovation activities and business ethics.

## The Group's commitments Sandrini for sustainability

On 25 September 2015, the United Nations approved the Global Agenda for sustainable development and the 17 Objectives - the Sustainable Development Goals (SDGs) - divided into 169 Targets to be achieved by 2030.

The implementation of the Agenda requires a strong involvement of all components of society, from businesses to the public sector, from civil society to universities and research centres, from information operators to culture.

Below, we highlight the link between the issues relevant to the sustainability of the Sandrini Group and the contribution to achieving the UN 2030 Agenda's Goals and Targets.

## PILLARS - SDG - MATERIAL TOPICS CONNECTION TABLE

### PILLARS



### SDGS



### MATERIAL TOPICS

- Ethics and integrity in business
- Product and process research and innovation
- Customer satisfaction
- Integrated management system
- Stakeholder involvement
- Economic value generated and distributed

- Reduction of energy consumption
- Use of energy from renewable sources
- Reduction of water consumption
- Fight against climate change
- Reduction of emissions into the atmosphere
- Waste production and recycling
- Raw material consumption, recovery and reuse

- Respect for human rights
- Sustainability of supply chains
- Employee well-being
- Training and career development
- Health and safety of workers
- Protection of diversity and non-discrimination
- Attention to local communities

## Sandrini Group's sustainability plan

The Group is called to play an increasingly social role, that is also aware and responsible of the social and environmental impacts generated by its activities, through ethical and transparent behaviour.

A transparency that is also achieved through a clear sharing of medium-long term objectives and commitments, summarised in the Sustainability Plan.

### Sustainability Plan

2023 - 2025 OBJECTIVES

Everything is aimed at contributing to sustainable development, which takes into account the expectations of stakeholders, guarantees compliance with applicable laws and international standards of conduct, which is integrated and coherent across the entire value chain.

- 1 Dissemination of the Sustainability Report and the culture of sustainability within the company structure
- 2 Carry out research and studies also with university institutions on solutions that reduce the environmental impact of new processes or products
- 3 Greater dissemination of the code of ethics among employees, companies and institutions in which the company operates
- 4 Continuous employee involvement and training on the topic of the Organisational Model 231

- 1 Hypothesis of creating a Green price list, in order to encourage the dissemination of products manufactured with low emissions
- 2 Increase the purchase of raw materials with a high percentage of recycling
- 3 Pursue the commitment to purchase low-emission and recyclable packaging. Hypothesis of pallet collection in the area
- 4 Purchase of new low-emission means of transport

- 1 Design a new site that can offer increasingly innovative and complete services and content, in order to facilitate stakeholder involvement
- 2 Review the employee welfare plan, increasing well-being programmes that include initiatives for the physical and mental health of employees, initiatives to support parenting
- 3 Increase in training hours for the development of technical and professional skills, as well as on sustainability issues
- 4 Coaching and training to develop the soft skills of managerial figures and leadership skills
- 5 Organisation of meetings, also through associations, aimed at raising awareness among collaborators regarding issues of gender equality, diversity and inclusion



## GOVERNANCE

- 5 Improvement and efficiency of credit risk management systems
- 6 Introduction of reporting channels for phenomena governed by the provisions of the so-called "whistleblowing"
- 7 Encourage and promote women's involvement in the Group's growth and development projects



## ENVIRONMENT

- 5 Purchase of only recycled paper and all stationery that is produced with highly sustainable recycling processes
- 6 Reduction in the use of non-renewable energy sources and increase in the installation of solar power plants
- 7 Contribute both through volunteering and through donations to initiatives aimed at preserving the environment
- 8 Create collaboration agreements with third-party companies that operate in the waste disposal sector to find solutions aimed at increasing their recycling



## PEOPLE

- 6 Enhancement of people: annual monitoring of the analysis of the company climate and performance evaluation
- 7 Agreements with gyms and other sports centres to encourage the physical activity of collaborators, also by equipping a space to be dedicated to an internal gym for light physical activities
- 8 Corporate reorganisation and promotion of a healthy and balanced lifestyle, also through the reduction of overtime hours
- 9 Sponsor and actively act in voluntary activities for disadvantaged people and the community
- 10 Promote sociality among employees through company events, team building events and recreational activities



# MATERIALITY ANALYSIS

The depth and detail of the various topics presented and reported in this Sustainability Report reflect the result of a materiality analysis, i.e. the identification and evaluation of the topics that represent the most significant impacts of a company on the economy, on environment, on people - including impacts on human rights - and which reveal its contribution to the sustainability of development.

The list of material topics was identified by evaluating actual and potential<sup>1</sup>, negative and positive<sup>2</sup> impacts, and evaluating their significance considering the entire value chain of the Group. Materiality analysis is an important tool for identifying the most relevant environmental and social priorities for stakeholders, consistently with one's strategy and business impacts, identifying and managing opportunities according to the Global Reporting Initiative (GRI) international reporting standard. In line with the update of the most recent GRI Universal Standards 2021, the Group followed the new methodological approach in carrying out the materiality analysis, which includes the concept of due diligence and strengthens the impact concept, in order to outline a complete picture of the business risks and long-term value creation. In particular, **the new GRI 3 - Material Topics 2021 emphasises the need for organisations to identify the effects that the organisation itself has or may have on the economy, the environment and people, including on their human rights, which in turn can indicate their contribution (negative or positive) to sustainable**

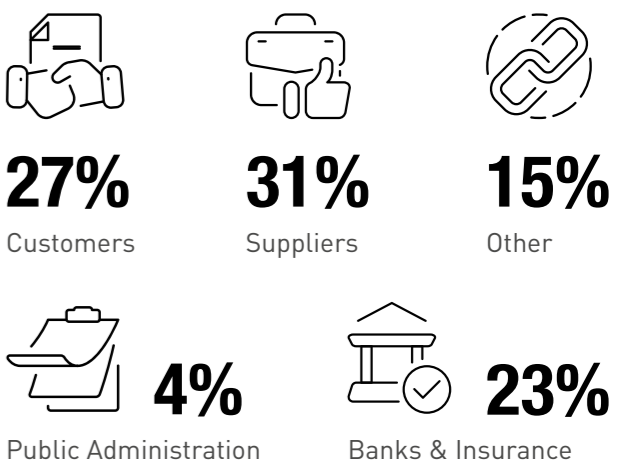
**development.**  
The analysis was carried out by the Sandrini Group with the support of a specialised company, following a structured process that involved the entire organisation.

The materiality analysis process was divided into four phases, defined by GRI 3 – Material Topics 2021:

- **Understanding of the context** through an analysis of the Group's activities, business relationships, the sustainability context in which these take place and the relevant stakeholders, with the aim of collecting the information necessary to identify the actual and potential impacts .  
From this phase, a series of Environmental, Social, Economic and Governance topics were identified.
- **Identification of the nature of actual and potential**, negative and positive, short and long term, predictable and non-predictable, reversible and irreversible impacts on the economy, the environment and people, including impacts on human rights, resulting from the activities of the organisation and business relationships analysed in the previous phase;
- **Assessment of the significance of the impacts identified** through a quantitative and qualitative analysis through interviews with the managers of the various company functions, who were asked to evaluate the combination of the severity of the potential impact and the probability of occurrence of the residual risk, i.e. net of the activities

implemented or planned by the Group that allow the impacts to be managed;  
• **Prioritisation of the most important impacts for reporting**, taking into account the assessments expressed by the different categories of stakeholders, who were involved in the assessment process, mediating them with the results of the impact assessment conducted internally.

## STAKEHOLDERS INVOLVED IN THE EXTERNAL ANALYSIS



<sup>1</sup> Potential impacts are impacts that may occur but have not yet occurred, while actual impacts have already occurred.  
<sup>2</sup> Negative impacts are impacts that cause harm to individuals, communities and the environment, and therefore undermine sustainable development, while positive impacts contribute to sustainable development.

## Description and evaluation of impacts

Below are the **sustainability topics**, describing their main **positive** and **negative impacts**, distinguishing between actual (generated) and those that can be generated on the economy, the environment and people.

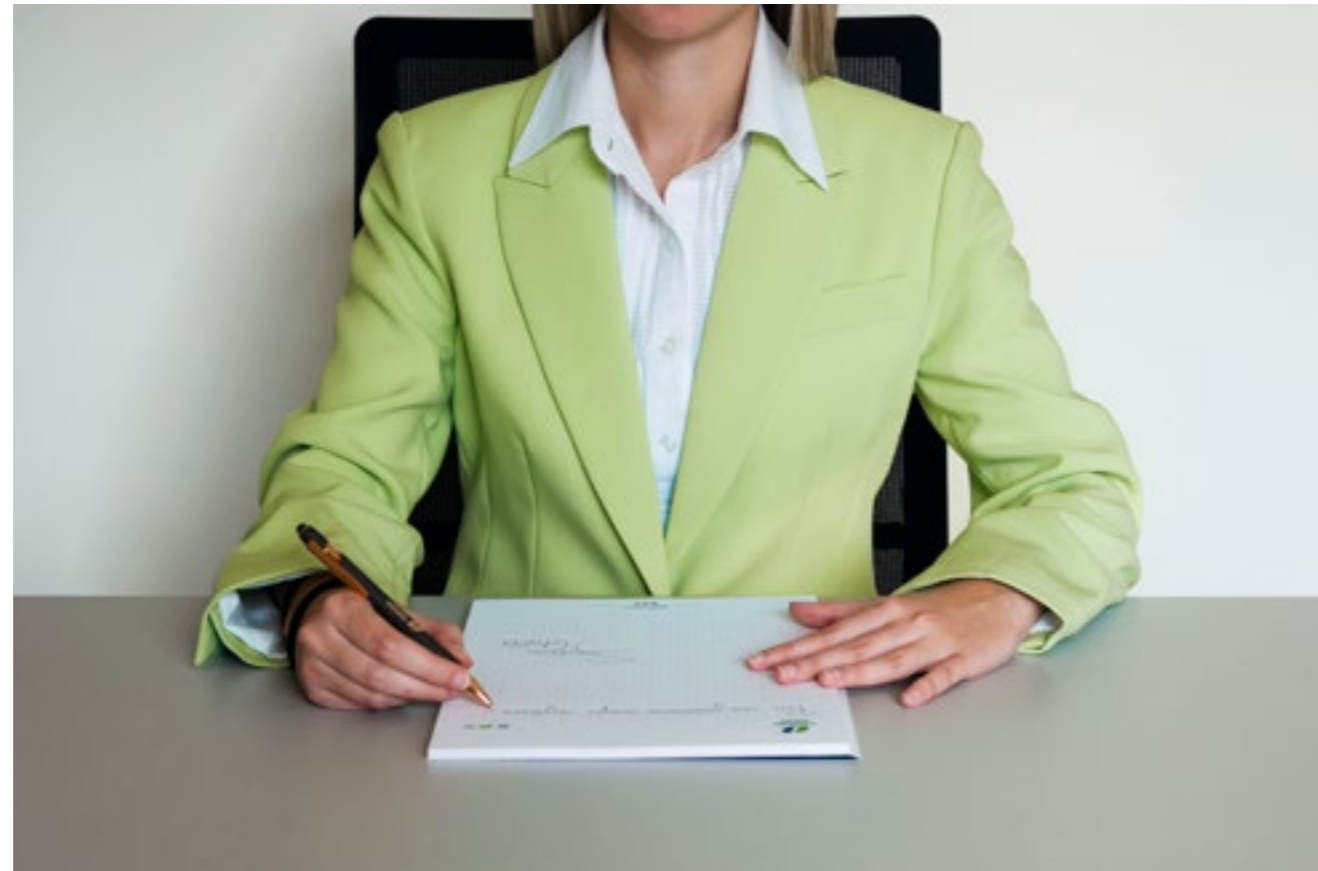
Positive impacts are those that derive from careful management of the issues under consideration: a high level of materiality means that the Sandrini Group, through good management practices, is able to bring significant benefits.

The same good practices determine the reduction of the risks of generating possible negative impacts. In addition to actual impacts, **potential impacts**, positive and negative, were also analysed; the former can be considered as “opportunities” and the latter as “risks”.

The Sandrini Group then identified any financial implications linked to certain impacts, as suggested by the concept of double materiality, recognising the interconnection between the non-financial and financial dimensions of the different topics, dimensions which influence each other in

determining the long-term trend term of a company. These interconnections determine an economic impact for the Group for almost all of the material topics identified: health and safety at work, employee well-being, support for local communities, product and process research and innovation, customer satisfaction, economic value generated and distributed, use of energy from

renewable sources, waste recycling, etc. these are just some of the issues that require investment by the Group, for the benefit of the Group itself and the community. Business ethics and integrity, respect for human rights, protection of diversity and non-discrimination, stakeholder involvement are, however, some of the material issues that generate a marginal economic impact on the Group.



## Actual impacts GENERATED

TOPIC	MATERIAL TOPIC	IMPACT GENERATED	IMPACT INTENSITY
PEOPLE	<b>Health and safety at work</b>	Integrated management system, measures for the prevention and management of accident risks in the workplace.	● ● ●
	<b>Employee well-being</b>	Careful monitoring of the company atmosphere, provision of services to employees to ensure psychological and physical, economic and social well-being (e.g. Yoga, Help Desk, etc.).	● ● ●
	<b>Respect for human rights, protection of diversity and non-discrimination</b>	Dissemination, both internally and externally to the structure, of the fundamental principles of the person, promotion of inclusion policies and support of equal opportunities through fair remuneration policies, which reward skills without gender distinction.	● ● ●
	<b>Support for local communities</b>	Direct and indirect support to the community and the area in which it operates.	● ● ●
GOVERNANCE	<b>Product and process research and innovation</b>	Development of products and processes that increase efficiency and effectiveness within the company, with positive impacts on the environment, the economy and people.	● ● ●
	<b>Customer satisfaction</b>	High level pre and post-sales assistance service, thanks to the experience we have acquired over the years. Profitable and long-lasting relationships with customers.	● ● ●
	<b>Business ethics and integrity</b>	Sharing of objectives, transparency and fairness are the values underlying the management of the Group.	● ● ●
	<b>Economic value generated and distributed</b>	Growth of the economic value produced and distributed to the different stakeholders with an increase in the financial solidity of the Group and maintenance of a high quality of relationships.	● ● ●
ENVIRONMENT	<b>Use of energy from renewable sources and reduction of energy consumption</b>	Three solar power plants for the production and consumption of energy from renewable sources.	● ● ●
	<b>Raw material consumption, recovery and reuse</b>	Use of raw materials with a good percentage of recycling. Contribution to the creation of the circular economy model with positive effects on the environment and people.	● ● ●
	<b>Waste production and recycling</b>	100% of waste destined for recycling.	● ● ●

Potential negative impacts - **RISK**

TOPIC	MATERIAL TOPIC	POTENTIAL NEGATIVE IMPACT	IMPACT INTENSITY
<b>PEOPLE</b>	<b>Health and safety of personnel</b>	Increase in accidents due to failure to accurately manage health and safety in the workplace and inadequate training.	● ● ●
	<b>Employee well-being</b>	Worsening of the corporate climate and reduction of work productivity; increased turnover; low attractiveness in recruitment; lowering the quality of life of employees.	● ● ●
	<b>Respect for human rights, protection of diversity and non-discrimination</b>	Inadequate remuneration policies and diversity management not in line with company values.	● ● ●
	<b>Training and career development</b>	High company turnover and loss of unrecognised talent. Company skills not suited to the needs and demands of the market with risk of loss of competitiveness.	● ● ●
<b>GOVERNANCE</b>	<b>Product and process research and innovation</b>	Failure to innovate may lead to the loss of market share to competitors.	● ● ●
	<b>Customer satisfaction</b>	Low customer satisfaction; decrease in product attractiveness; increase in complaints; lower corporate reputation.	● ● ●
	<b>Stakeholder involvement</b>	Closure towards the contributions that stakeholders can make to the pursuit of the Group's mission and strategies with negative impacts on people, the environment and the economy.	● ● ●
<b>ENVIRONMENT</b>	<b>Environmental impacts of logistics</b>	Incorrect management of logistics contributes to the increase in GHG emissions.	● ● ●
	<b>Raw material consumption, recovery and reuse</b>	Dependence on the external supply chain resulting in increased vulnerability and risk of difficulties in supplying raw materials. Failure to reduce the use of raw materials and reduce waste with negative effects on the environment.	● ● ●

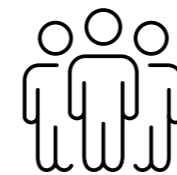
Positive potential impacts - **OPPORTUNITIES**

TOPIC	MATERIAL TOPIC	POTENTIAL POSITIVE IMPACT	IMPACT INTENSITY
<b>PEOPLE</b>	<b>Training and career development</b>	Increase in company know-how and improvement of employee skills.	● ● ●
	<b>Respect for human rights, protection of diversity and non-discrimination</b>	Protection of people's rights, enhancement of different talents and inclinations. Spread of a culture of inclusiveness. Company facilitated in recruitment activities; positive social impact due to the greater work, career and personal autonomy involvement of the less represented gender.	● ● ●
	<b>Support for local communities</b>	Community initiatives; increase in responses to social issues; increase in well-being perceived by the community.	● ● ●
	<b>Product and process research and innovation</b>	Continuous investments to support product and process innovation, in order to make internal systems more efficient with positive impacts on the community and the environment.	● ● ●
<b>GOVERNANCE</b>	<b>Customer satisfaction</b>	Customer satisfaction evaluation systems, to seize opportunities for improvement.	● ● ●
	<b>Business ethics and integrity</b>	Monitoring systems for reports of the code of ethics and violation of company regulations.	● ● ●
<b>ENVIRONMENT</b>	<b>Use of energy from renewable sources and reduction of energy consumption</b>	Increase in company solar power plants and energy consumed from renewable sources, lower environmental impact.	● ● ●
	<b>Reduction of water consumption</b>	Adoption of good practices for reducing water consumption.	● ● ●
	<b>Raw material consumption, recovery and reuse</b>	Increase in the percentage of recycling contained in the raw material purchased, offer of green certified products.	● ● ●

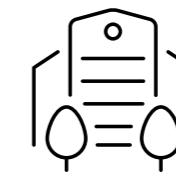


## THE STAKEHOLDERS OF THE SANDRINI GROUP

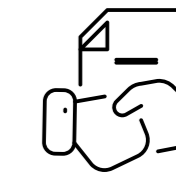
The main categories of stakeholders of the Sandrini Group are presented below:



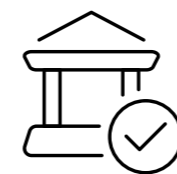
**Employees**



**Group shareholders**



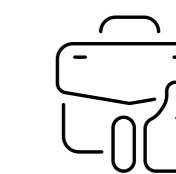
**Customers**



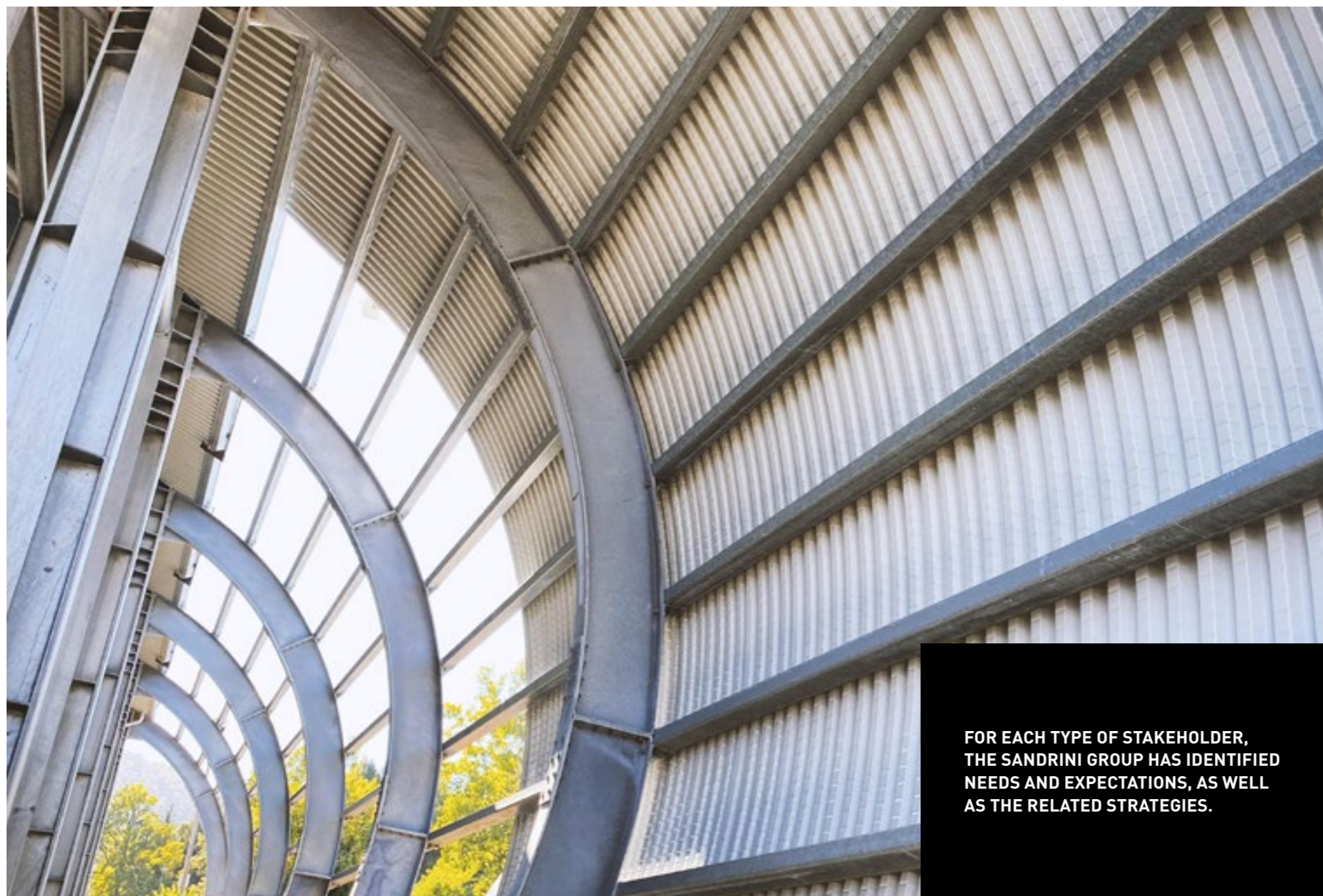
**Banks & Insurance**



**Public institutions & local communities**



**Suppliers**



**FOR EACH TYPE OF STAKEHOLDER, THE SANDRINI GROUP HAS IDENTIFIED NEEDS AND EXPECTATIONS, AS WELL AS THE RELATED STRATEGIES.**

## STAKEHOLDERS

### GROUP SHAREHOLDERS

## NEEDS AND EXPECTATIONS

The Group's Shareholders require stability, process efficiency and continuous innovation, satisfactory and growing economic-financial performance, compliance with management systems.

## STRATEGIES

The strategy adopted by the Group is to increase the level of attention to market dynamics, seek new markets and areas of development, with a goal-oriented approach, guided by technological innovation and continuous investments.

### EMPLOYEES

Employees ask for employment guarantees, competitive remuneration, health and safety at work, professional qualification, a positive organisational climate, flexible working hours and participation in the company culture.

To meet the needs of employees, the Group implements a continuous review of the organisational structure to keep up with staff needs, to offer continuous professional development and constant performance evaluation. In addition to offering welfare initiatives for employees, recognition for the work done, technological innovation and updating of equipment and software.

### CUSTOMERS

Customers ask for quality and reliability of the products purchased, competitive prices and a high-quality pre- and post-sales assistance service. Respect for workers' rights and contractual conditions are essential conditions in supply relationships.

In order to guarantee a high level of customer satisfaction by offering quality products, the Group carries out laboratory tests to evaluate performance and continuously strengthens the quality office. To offer a service that is in line with expectations, it uses an internal legal office for contract management and constantly monitors response and production times. It works to ensure there are no violations of the code of ethics, sharing it with the entire structure.

### SUPPLIERS

For profitable collaboration with suppliers, the Group's solvency, punctual payments and compliance with contractual conditions must be guaranteed.

The Group encourages continuous dialogue with its suppliers and continuous updating of the supply chain. Payments are monitored on a weekly basis by the treasury office, in order to guarantee their punctuality.

### BANKS & INSURANCE

Credit institutions and insurers are attentive to the solidity of the Group, requiring excellent financial performance and transparency of the information requested and received.

The Group's structure operates with an objective-oriented approach, with constant and daily monitoring of financial performance, collaborating directly with credit institutions and insurance companies by providing them with timely, correct and transparent information. The Group has a solid financial position and balanced source structure, with credit risk monitored by the Credit Committee.

### PUBLIC INSTITUTIONS AND LOCAL COMMUNITIES

The public institutions and the community represented ask the Group, in carrying out its activities, to guarantee an improvement in the quality and conditions of life, respect for the environment, positive relationships and mutual collaboration.

One of the Group's objectives is to be an active part of the territory and support both economically and socially the sustainability of the territory, offer work to the community and contribute to the protection of the environment.



## Stakeholder involvement

The Sandrini Group believes that constant and active dialogue with its stakeholders is fundamental to maintain relationships based on the principles of collaboration, fairness and mutual respect.

The Group is committed every day to cultivating relationships with all its stakeholders in order to be able to meet their expectations and generate value along the entire value chain.

The Group involves its stakeholders through different communication channels and different methods of engagement.

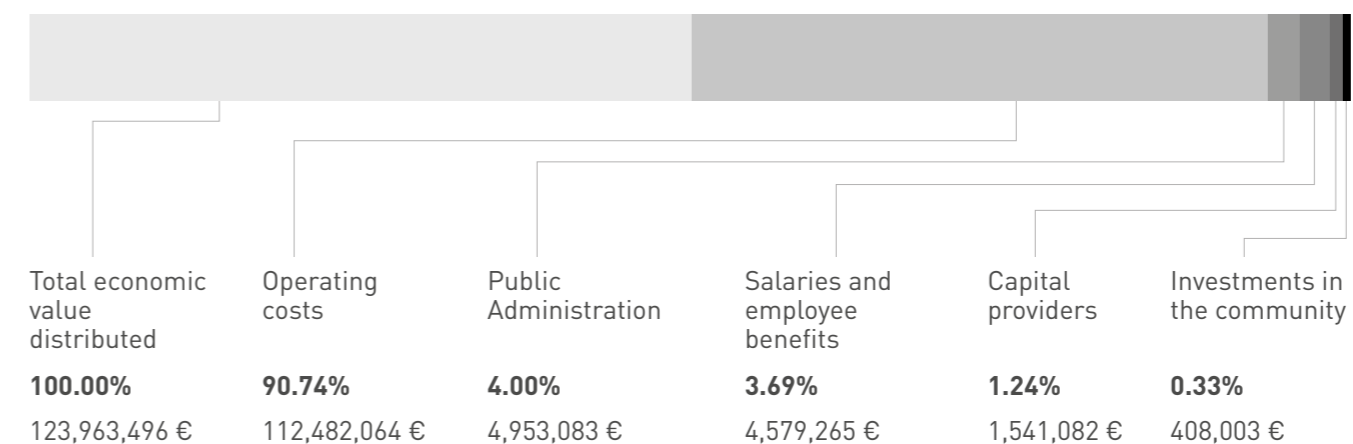
The following table shows the main ones:

## Economic value produced and distributed

The Sandrini Group recognises the relative importance of distributing the value produced with its own activities to the stakeholders who have directly and indirectly contributed to its creation.

The analysis of the economic value generated and distributed highlights the flow of resources produced by the company and addressed to its employees, suppliers, shareholders and financiers, public administration and community, as well as those retained by the company to finance itself.

STAKEHOLDERS	METHODS OF INVOLVEMENT
<b>GROUP SHAREHOLDERS</b>	Financial statements Meetings and events organised by the Group
<b>EMPLOYEES</b>	Internal communications channels (Teams, email) Web portal and noticeboard Internal regulations and disciplinary system Linkedin accounts Constant communication with the HR office Meetings and events organised by the Group
<b>CUSTOMERS</b>	Institutional site Sector trade exhibitions Communication campaigns Pre and post-sales service Financial statements Visits to the factory
<b>SUPPLIERS</b>	Institutional website Presentations and questionnaires Meetings and events organised by the Group Financial statements Visits to their factories Communications with the Purchasing office
<b>BANKS &amp; INSURERS</b>	Financial statements Meetings and events organised by the Group Continuous communication with the Treasury & Insurance offices
<b>PUBLIC INSTITUTIONS &amp; LOCAL COMMUNITIES</b>	Institutional website Linkedin accounts Formal and institutional communications



The value generated by the Sandrini Group is largely redistributed to the local territory, mainly in Italy, through the creation of employment and the choice of local suppliers.

In 2022, the economic value generated was equal to €144.4 million, an increase compared to the previous year by 29%. However, the economic value distributed amounted to €123.9 million.

The difference between the economic value generated and the one distributed represents the retained economic value, equal to €20.4 million, invested in the Group to guarantee its continuity.

**The economic value distributed in 2022 is divided among the following stakeholders:**

- the largest amount, €112.4 million, relates to the costs incurred for the purchase from suppliers of raw materials, materials and services necessary for the company's business;
- approximately €4.6 million was distributed to employees for salaries and benefits, social security and pension contributions;
- 1.5 million Euro refer to payments to capital providers, shareholders and financiers, in the form of profits and interest;
- 4.9 million Euro were paid to the public administration in the form of taxes and duties;
- 408 thousand Euro to communities in the form of donations, sponsorships of sporting activities aimed at encouraging youth gatherings.

ECONOMIC VALUE GENERATED AND DISTRIBUTED	2020	2021	2022
<b>A. ECONOMIC VALUE GENERATED BY THE COMPANY</b>	<b>67,068,542</b>	<b>112,114,761</b>	<b>144,420,407</b>
Total revenues	67,044,524	112,020,163	144,408,534
Financial income	24,018	94,597	11,873
<b>B. ECONOMIC VALUE DISTRIBUTED BY THE COMPANY</b>	<b>57,522,314</b>	<b>96,890,446</b>	<b>123,963,496</b>
Operating costs	51,307,098	86,131,823	112,482,064
Employee wages and benefits	3,002,260	3,706,615	4,579,265
Payments to capital providers	62,233	1,747,774	1,541,082
Payments to the Public Administration	2,793,338	5,065,917	4,953,083
Investments in the community	357,386	238,317	408,003
<b>(A-B) RETAINED ECONOMIC VALUE</b>	<b>9,546,228</b>	<b>15,224,315</b>	<b>20,456,910</b>

# 144,420,407 €

ECONOMIC VALUE  
GENERATED 2022



# 03

## GOVERNANCE, ETHICS AND INTEGRITY

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# GOVERNANCE, ETHICS AND INTEGRITY

The Corporate Governance system adopted by the Sandrini Group is inspired by the highest standards of transparency and fairness in the field of business management.

It is divided into a set of rules, regulations, practices and procedures structured to make the Group's activities effective and transparent with the aim of protecting the rights of its associates, increasing the value of their participation and supporting the credibility and reputation of the Group.

The Group is committed to maintaining the highest standards of corporate governance in order to create sustainable value over time for associates and all stakeholders. This allows the management group, to which the ownership has entrusted the definition of growth and development strategies, to plan medium and long-term actions to continue growing in the reference sector.

## UN TARGETS

### Gender equality

**5:** Achieve gender equality and the empowerment of all women and girls.

### Decent work and economic growth

**8:** Encourage long-lasting, inclusive and sustainable economic growth, full and productive employment, decent work for all.

### Reduce inequalities

**10:** Reduce inequality within and between the nations.



### Peace, justice and solid institutions

**16:** Promote peaceful and more inclusive societies; offer access to justice for all and create efficient, accountable and inclusive bodies at all levels.



# GOVERNANCE HIGHLIGHTS 2022 TO 31<sup>ST</sup> DECEMBER

Organisation, Management and Control Model since 2015

50%

Female representation on the Board of Directors

Risk Management and Credit Committee

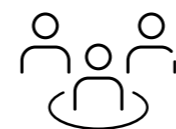
Code of Ethics



## CORPORATE GOVERNANCE

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The Corporate Governance model adopted by the Sandrini Group is a “traditional” administration and control system, in compliance with the provisions of the Italian Civil Code, which provides for the presence of:



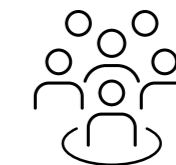
### Board of Directors

Management body



### Board of Statutory Auditors

Control body



### The statutory auditing company

Auditing body and accounting control

Furthermore, within the internal control system, **the main bodies and functions involved are:**

#### THE MANAGEMENT

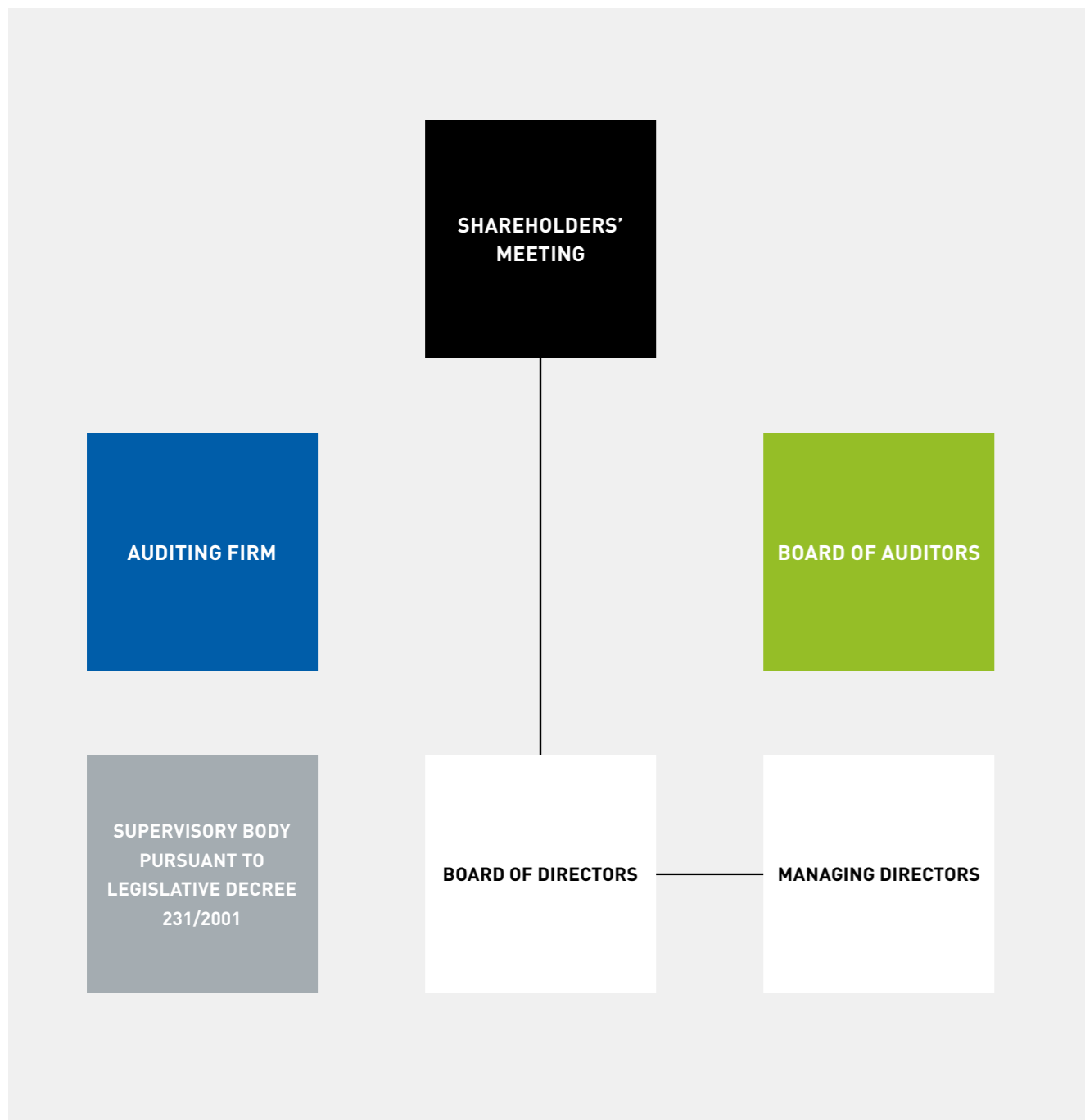
Made up of members of the Board of Directors, it meets weekly in order to analyse and discuss the **company’s objectives and strategies**, as well as assess operational issues with a view to providing timely and efficient responses to the entire company structure.

#### CREDIT COMMITTEE

Coordinated by the figures of Senior Credit Manager and Junior Credit Manager, it meets monthly with the sales managers of the various company divisions, the administrative manager, the business director and the managing director, in order to analyse the various credit positions and monitor the **credit risk**.

#### RESPONSIBLE COMMITTEE

Made up of the company’s managerial figures, it meets weekly to discuss the various important points, operational problems and projects that all functions have in common, generating proposals to be presented to the Management at the monthly management meeting extended to all managers.



## Governance and control bodies

### SHAREHOLDERS' MEETING







The Shareholders' Meeting meets to periodically decide on topics defined by the Company's Articles of Association and in compliance with current laws. The main tasks of the Assembly are the appointment of the Board of Directors, the Board of Statutory Auditors and the approval of the Financial Statements.

### BOARD OF DIRECTORS

The Board of Directors is responsible for company management and is appointed by the Shareholders' Meeting. It constitutes the highest decision-making body of the Company, which is granted full powers for ordinary and extraordinary management. Some of its responsibilities can be exercised by proxy. The Board of Directors (BoD) of Sandrini Metalli SpA, in compliance with the provisions of the Articles of Association, was appointed on 30 April 2022. Currently, it is made up of six members, of which five are executive and one external non-executive. They will remain in office until the date of the Ordinary Assembly, which will approve the financial statements closing on 31 December 2025. All directors have distinguished themselves in their respective areas of professional expertise and have provided significant contributions to the Board of Directors in their respective areas of specialisation. The Board of Directors carries out its functions by carrying out all the actions necessary or useful for the implementation and achievement of the corporate purpose, with the exception of those reserved for approval by the Shareholders' Meeting by law or by the Articles of Association. In particular, it is responsible for defining the general strategy as well as examining the operational and financial performance of the Group. It assesses

and decides on all aspects relating to the Group's general strategy, strategic objectives, annual budgets, annual and interim results, approval of major significant transactions and other operational and financial aspects. The Board of Directors is also responsible for **defining** and **monitoring** the Group's **sustainability strategy** and ensuring the implementation of an **adequate internal control** and **risk management system**.

As regards the participation of the less represented gender, the current composition includes **three**

Chairman of the Board of Directors		+50 years old
Managing Director		30/50 years old
Director (male)		+50 years old
Director (male)		+50 years old
Director (female)		-30 years old
Director (female)		30/50 years old

# 50%

Percentage of representation female on the Board of Directors

**female members out of six**, and is aligned with the European requirements on gender equality which provide for the obligation to appoint at least 1/3 of the members of the Council of directors among candidates of the less represented gender.

In 2022, **the participation rate in the meetings of the Board of Directors** - with reference to almost all directors - was **100%**, with the exception of a single member with a participation rate of 75%.

### BOARD OF AUDITORS

The Board of Auditors supervises compliance with the law, the Articles of Association, as well as compliance with the principles of correct administration in carrying out corporate activities. It also checks the adequacy of the organisational, administrative and accounting structure implemented by the company, the effectiveness of the internal audit system and the independence of the statutory auditor. The Board of Statutory Auditors ("SC") is currently made up of three standing members - including the Chairman - and two deputies, all male (of the members, two over the age of 50 and one between the ages of 30 and 50 years), appointed by the Shareholders' Meeting on 27 April 2023, in compliance with the current provisions of the Italian Civil Code, for the three-year period corresponding to the financial years 2023-2025 and therefore until the date on which the Ordinary Meeting will be held, which will approve the financial statements for the year ended on 31 December 2025.

In 2022, the percentage of **participation** of this body in the meetings of the Board of Directors was close to **100%** with reference to all its members in office.

### AUDITING FIRM

Chairman of the Board of Statutory Auditors		-50 years old
Auditor		+50 years old
Auditor		+50 years old
Alternate auditor		+50 years old
Alternate auditor		+50 years old

# 100%

Percentage of attendance at meetings of the Board of Directors

The Sandrini Group recognises the importance of the statutory audit of the accounts, as a guarantee of the truthful and correct representation of the economic, equity and financial situation of the Group and as support in the assessment of the risks inherent to the control systems.

The current Auditing Firm was appointed on 27 April 2023, with office until approval of the financial statements as of 31 December 2025.

## Ethics and integrity

The Sandrini Group has always recognised the importance of conducting business and professional negotiations, at different organisational levels, with **integrity** and **transparency**. The Group acts in a **professional, fair** and **honest** manner, in full awareness that these values are the demonstration of a strong sense of **social responsibility**.

### ORGANISATIONAL, MANAGEMENT MODEL AND CONTROL

The Sandrini Group, in compliance with Legislative Decree no. 231/2001, implemented the Organisation, Management and Control Model (Organisational Model 231) in 2015. The Group structured an organic system of procedures, rules and controls aimed at preventing and/or systematically reducing the risk of committing the offences envisaged by the decree in the performance of sensitive activities. Consequently, the Integrated Management System has been updated by inserting the reference to the safeguards required by the Organisational Model 231 with regards to the already existing procedures and with the introduction of new procedures where necessary and requested for the effective implementation of the Model. The company's Organisational Model 231 is **constantly updated** in compliance with both organisational and legislative changes that have occurred over time. The Sandrini Group, in compliance with the provisions of Law 179/2017 "Provisions for the protection of the authors of reports of crimes or irregularities of which they have become aware in the context of a public or private employment relationship" (the so-called "**whistleblowing**"), has **committed itself to implement** suitable measures to ensure that confidentiality regarding the identity of those who transmit information to the **Supervisory**

**Body** is always guaranteed. In fact, any form of retaliation, discrimination or penalisation against those who report anything to the Supervisory Body is prohibited. The Group reserves the right to take any action against anyone who violates the protection measures of the whistleblower or makes unfounded reports maliciously, for example with the purpose of slandering and/or defaming another collaborator, or with gross negligence. All employees of the Group have the opportunity to report facts or behaviours that do not comply with fairness criteria to the Supervisory Body via a dedicated e-mail address.

**No reports were received during 2022**, nor were any investigations underway or concluded regarding reports from previous years.

### SUPERVISORY BODY

The Supervisory Body, vested with autonomous powers, has the power to implement, verify and guarantee **the effectiveness of the Organisational Model 231**.

In particular:

- It supervises the effectiveness of the model, promoting the implementation of control procedures for specific actions or deeds deemed sensitive.
- It carries out periodic checks to evaluate the efficiency and adequacy of the model.
- It reviews upgrade opportunities.
- It ensures the correct sharing of information with other company functions, promoting initiatives aimed at raising awareness and promoting understanding of the Model within the company.

The Supervisory Body, established in 2015 in collegial form, is made up of three members appointed by resolution of the Board of Directors dated 25

November 2021 for the three-year period 2022/2024.

### RISK MANAGEMENT

The Sandrini Group, thanks to the involvement of the various functions, and external specialists when necessary, is **constantly updated** on legislative and regulatory developments, to allow the timely adaptation of processes and procedures and reduce the risks of non-compliance to minimum levels.



The Group has structured its internal control system understood as a process carried out by the administrative body of the Group, the management and the corporate structure. This process aims at providing reasonable assurance that the set control objectives will be achieved.

In particular, Sandrini's Board of Directors is committed to the continuous **refinement** of the **internal control and risk management system** by verifying the functioning of its main components, consisting of:

- Scope of control;
- Risk assessment and management;
- Control activity;
- Information and communication;
- Continuous monitoring of control systems.

The internal control system is aimed at ensuring the **protection of company assets**, the efficiency and effectiveness of processes, **the reliability of the information provided to the corporate bodies and the market**, compliance with laws and regulations, as well as the social status and that of internal procedures.

The internal control and risk management system involves, each for its own responsibilities, the Board of Directors, the Board of Auditors and the Supervisory Body, as well as all the managers of the different areas, who have the main task of implementing processes and procedures that allow the achievement of company objectives while **minimising risks** for the company through an adequate control system.





### CODE OF ETHICS

The Sandrini Group believes that respect for **ethical principles** is a fundamental pillar underlying its **values** and **success**, as well as representing an important tool for promoting its **reputation**, the latter being a primary and essential value for the Group.

The Code of Ethics and Conduct constitutes an official document, approved by the Board of Directors, containing all the rights, duties and responsibilities of the Group towards all its stakeholders, which include shareholders, members of the governance and control bodies, employees, customers, suppliers, Public Administration, and all those who directly or indirectly establish relationships in various capacities with the Company. In 2015, these principles were formalised in the Sandrini Code of Ethics and Conduct. This Code, the cornerstone of the governance model and shared with all employees, collaborators and suppliers, contains the guiding principles of the organisation and is supported by a series of procedures that aim at transforming **values** into **daily actions**. The implementation and application of the Code of Ethics and Conduct are essential for achieving the Group's primary objective, which consists in **creating long-term value** for members, employees, customers and the community as a whole. The Group promotes awareness of it through various means (online publications and/or direct communications). The updated version of the Code of Ethics was approved by the Board of Directors of Sandrini S.p.A. on 23 March 2023 and has become, by explicit declaration of the corporate body, an integral part of the Organisational Model 231/2001.

### ANTI-CORRUPTION POLICY

The Anti-Corruption Policy strengthens and integrates, without replacing it, the Code of Ethics by explaining in greater detail what the Group

implements to prevent crimes relating to corruption in relations with the Public Administration and, in compliance with the provisions of article 25-ter of Legislative Decree 231/01, what it does to prevent private corruption and instigation to corruption between private individuals.

The Organisational model, in compliance with Legislative Decree 231/2001 has mapped the areas of risk of committing corruption crimes, and has established specific principles of conduct to which

the managers of the various functions, as well as Sandrini employees, are required to follow in order to avoid the commission of crimes.

The Supervisory Body plays an important role in anti-corruption activities by collecting information and data that can allow potentially risky behaviour to be identified.

### CODE OF ETHICS

The group believes and operates according to the principles of:



In 2015, these principles were formalised in the Sandrini Code of Ethics and Conduct.

## Integrated management system and certifications

The choice to implement an Integrated Management System - through the implementation of internationally recognised standards and certifications - is due to the importance that the Group attributes to the quality of services provided to its customers, health and safety in the workplace, energy efficiency, environmental protection and social responsibility.

Risk Based Thinking is the starting point used for the implementation of the Integrated Management System. On the basis of Risk based thinking, the assessment of **risks and opportunities** is then developed, which provides the information necessary for planning and implementing the actions that allow the company to face the opportunities and related risks.

The Integrated Management System allows the Sandrini Group to identify, maintain and improve a dynamic organisational model. Furthermore, it operates in a unitary and functional perspective to the needs and specificities of the different sectors and manages to make the most of the possible strategies, in compliance with the numerous national and international regulations and legislation.

The performance of the company and all stakeholders is **continually improving**, in particular those relating to **safety, environmental protection** and **customer satisfaction**. This is thanks to continuous monitoring and prompt implementation of corrective and improvement actions.

Management is committed to implementing a policy that focuses on the complete fulfilment of the

expectations of all those who intervene, directly or indirectly, in the cycle of generated output (clients, employees, suppliers) and gives all areas the mandate to continuously and systematically improve the quality of the service and product being offered.

The Integrated Management System complies with the requirements of the following rules and regulations:

- ISO 9001: Quality Management Systems - Defines the requirements for a quality management system for an organisation;
- EUROPEAN REGULATION N.305/2011 and subsequent amendments: determines the conditions relating to the placing of construction products on the market. It also defines performance assessment criteria for these products and the conditions of use of the CE marking;
- Ministerial Decree 17.01.2018 and subsequent amendments: technical standards for construction;
- UNI EN 1090-1: requirements for the assessment of conformity of the performance characteristics of CE marked steel and aluminum structural components;
- Legislative Decree. 231/01 and subsequent amendments (Organisational Management and Control Model);

**THE INTEGRATED MANAGEMENT SYSTEM REGULATES THE PROCESSES CARRIED OUT WITHIN THE COMPANY IN A SYSTEMATIC, PLANNED, AND DOCUMENTED MANNER THAT TENDS TO THE ACHIEVEMENT OF THE FOLLOWING GOALS:**

**1**

### Internal climate

Creation of an internal "climate" suitable for guaranteeing well-being for employees

**2**

### Flexibility

Guarantee maximum flexibility in the creation of products

**3**

### Safety

Manage work in full compliance with legislation on safety and health in the workplace

**4**

### Monitoring

Continuously monitor the activity to ensure compliance with delivery times

**5**

### Improvement

Carry out process improvement

**6**

### Risk based thinking

Apply risk based thinking to eliminate risks or reduce the likelihood of them occurring

## Patents

In order to encourage research and promote the development and dissemination of innovation, over the years Sandrini has equipped itself with a patent system, with the aim of:

**1.**

**Safeguarding its freedom of implementation, to protect its customers**

**2.**

**Improving its reputation and corporate image towards its customers**

**3.**

**Incentivising researchers with a remuneration system that is not just economic**

In addition to the objectives mentioned, owning a large portfolio of patents is proof of the Group's high level of quality, specialisation and technological capacity, raising its positive image. The main patents include:

**SANDfuture European patent**

Metal sheet with draining joint for roofing and cladding with high aesthetic value

**Italian Future Safety Staff patent**

Structural system for anchoring lifeline devices on SANDfuture roofing







# 04

## ENVIRONMENT

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# ENVIRONMENT

The Sandrini Group considers environmental protection a crucial issue for our planet. In recent decades, we have witnessed a steady increase in pollution and destruction of natural resources, with serious consequences for human health and global ecosystems. In order to preserve the environment, the Sandrini Group is committed to adopting responsible and sustainable behaviour, both through small daily actions and through structured plans. This involves reducing energy, water and resource consumption, as well as using recyclable products. This commitment aims at ensuring sustainable development in the long term and at providing examples of good practices for the community. Concretely, the Group uses renewable energy sources instead of fossil fuels to reduce greenhouse gas emissions and reduce dependence on non-renewable energy sources. Furthermore, it promotes

energy efficiency in the workplace to reduce energy waste and manages water resources responsibly. In compliance with current legislation, the Group introduced a recycling policy throughout the facility years ago, installing containers for separate waste collection. This practice contributes not only to reducing the quantity of waste produced, but also to reducing air, water and soil pollution. Considering the properties of steel and aluminium, which are 100% and infinitely recyclable, the Group Management incentivises and encourages the purchase of raw materials with a high percentage of recycling, promoting the recycling policy also within the Group's Supply Chain.

## UN TARGETS

**Clean water and sanitation**  
**6:** Guarantee the availability and sustainable management of water and sanitation facilities for all.

**Clean and accessible energy**  
**7:** Ensure access to affordable, reliable, sustainable and modern energy systems for all.

**Sustainable cities and communities**  
**8:** Make cities and human settlements inclusive, safe, durable and sustainable.



**Sustainable consumption and production**  
**12:** Guarantee sustainable production and consumption models.

**Fight against climate change**  
**13:** Take urgent measures to combat climate change and its consequences.



# ENVIRONMENT

## HIGHLIGHTS 2022 TO 31<sup>ST</sup> DECEMBER

**Recyclable products**

**3**

Solar power plants

**22%**

Electricity needs satisfied by the three solar power plants

**23%**

Raw material coming from recycling, recyclable products and packaging

**100%**

Non-hazardous waste intended for recovery

**-44.82%**

Percentage of paper consumed in 2022 compared to 2021



# ENVIRONMENTAL POLICY

The Group is aware of the impact that each of us has on climate change, and for this reason it concretely invests in **energy efficiency** projects and initiatives, with the aim of **reducing its consumption** and the consequent greenhouse gas emissions, contributing positively to the global challenge to stop climate change.

An efficient and updated environmental policy, in addition to the important role played in benefiting the ecosystem, contributes to strengthening the corporate reputation and saving on energy and material costs, improving the long-term economic sustainability of the Group.

**THE GROUP'S ENVIRONMENTAL POLICY CONFIRMS THE COMMITMENT OF THE TOP MANAGEMENT AND THE COMPANY'S DETERMINATION TO MAKE EVERY EFFORT TO PURSUE CONTINUOUS IMPROVEMENT OF PERFORMANCE IN THE ENVIRONMENTAL FIELD THROUGH:**



## Responsibility

The responsibility of the Company Management and the participation of staff towards environmental performance, also through the systematic monitoring of the conduct of operational activities.



## Compliance

The constant guarantee of compliance with all laws, regulations, requirements on environmental matters and with all compliance obligations identified for the Companies.



## Monitoring:

The careful monitoring and control of atmospheric emissions, water discharges, noise produced as well as the quality and quantity of waste produced, encouraging its differentiation and recovery.



## Resource sharing

Sharing resources in pursuing environmental objectives, respecting mutual autonomy.



## Transparent communication

Transparency in communication, open and constructive dialogue both between the companies and with all partners in the area and stakeholders.



## Minimisation of waste

The development and application of production processes with lower environmental impact.

## Consumption of raw materials, recycling and reuse

The main raw materials used for production are **steel, aluminum** and **copper**.

One of the distinctive characteristics of steel is its **high recyclability**. It can be melted and recycled countless times without significant loss of its mechanical properties. This characteristic makes steel an ideal material for a **circular approach**, where steel products are collected, recycled and transformed in new products. Steel recycling contributes significantly to the reduction of solid waste, the preservation of natural resources and the reduction of CO2 emissions.

In 2022, there was a percentage of recycled steel of 19%, down compared to 2021 only due to a different source of supply.

Similar to steel, aluminum also plays a significant role in the circular economy, thanks to its characteristics suitable for a sustainable approach. Aluminum is part of a closed material cycle: aluminum products at the end of their useful life can be collected, recycled and used to create new aluminum products. Furthermore, the products sold are designed to be easily dismantled and recyclable, with components that can be easily separated, facilitating the process of recycling and reusing materials.

In 2022, **the percentage of recycled aluminum stands at 63%**, with an energy requirement of 5% compared to primary aluminum production.

As regards copper purchases, the tonnes purchased during the three-

year period 2020-2022 are marginal and the incidence of secondary copper on the total purchased is zero, as they were sporadic purchases to meet particular customer requests.

**23%** Raw material from recycling in 2022

CONSUMPTION OF RAW MATERIALS	
<b>TOTAL RAW MATERIALS</b>	
<i>new material</i>	
<i>recycled material</i>	

UdM	2020	2021	2022
<b>[t]</b>	<b>51,648</b>	<b>58,849</b>	<b>56,209</b>
[t]	66%	73%	77%
[t]	34%	27%	23%

**Note:** the data represented were obtained on the basis of the certifications provided by the suppliers.

## Packaging

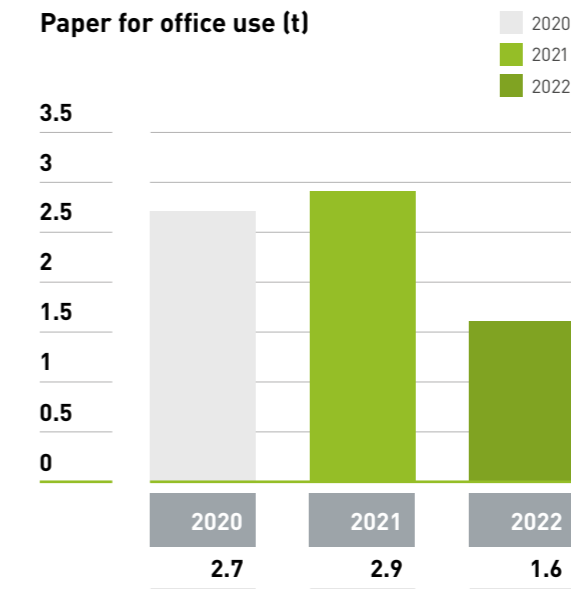
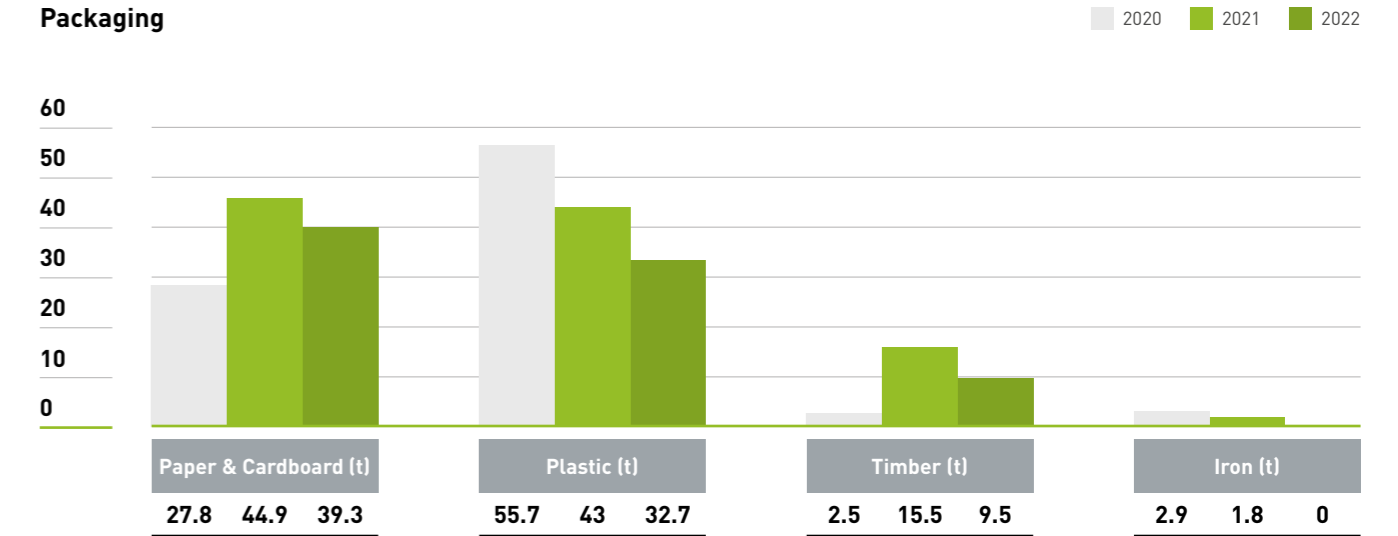
Optimal packaging management is a crucial aspect for the Group, in order to reduce costs and improve environmental sustainability. Special attention is devoted to using packaging efficiently, avoiding excessive dimensions and quantities compared to the needs of the product, thus minimising waste. The types of packaging used by the company are mainly paper, cardboard, rigid plastic, protective plastic films, wood and iron. 100% of the packaging is easily separable from the finished product, allowing it to be sorted and 100% recycled. The Group, pursuing a strategy of optimising the consumption of resources while respecting the environment, in 2022 highlighted a decrease in tonnes of packaging equal to 22.4% less compared to 2021.

### Paper for office use

As regards the use of paper within the offices, the entire structure is aware of responsible consumption, and the use of recycled paper is encouraged, while discouraging printing where it is not necessary.

The result is a decrease of 44.82% between 2021 and 2022 in paper used, and therefore also in the quantity of waste produced.

Furthermore, special bins for separate waste collection have been present for years throughout the facility, all aimed at monitoring and managing the waste produced in a correct and responsible manner.



**-44.82%**

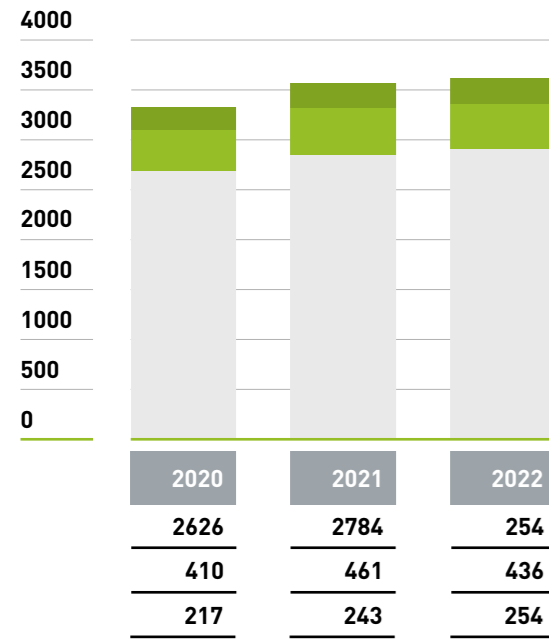
Percentage of paper consumed in 2022 compared to 2021

# Energy consumption and renewable sources

The Sandrini Group, made up of non-energy-intensive entities, aims at reducing environmental impact and improving energy efficiency through constant research into the best solutions and technologies available.

Overall energy consumption in 2022 was equal to **3,538 GJ**, a slight increase (+1.4%) compared to the previous year.

Total energy consumption [GJ]

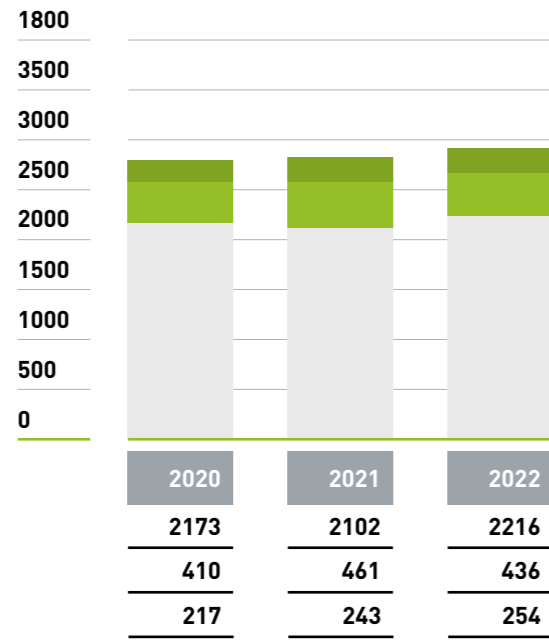


■ ELECTRIC ENERGY  
■ METHANE FOR HEAT PRODUCTION  
■ DIESEL FOR HANDLING

The energy mix used by the company is made up of approximately 80% electricity, 13% methane for heat production and the remaining 7% diesel consumption for product handling with a proprietary carrier.

In 2022, **18 %** of the total energy consumed (and 22% of electricity consumed) comes from energy self-produced by solar power plants.

Energy consumption from non-renewable sources [GJ]



■ ELECTRICITY DRAWN FROM THE GRID  
■ METHANE FOR HEAT PRODUCTION  
■ DIESEL FOR HANDLING

The Sandrini Group produces electricity through solar power plants installed in the following locations:

- Costa Volpino (BG), with a power of 150 kW
- Pisogne (BS), with a power of 100 kW
- Pian Camuno (BG), with a power of 75 kW

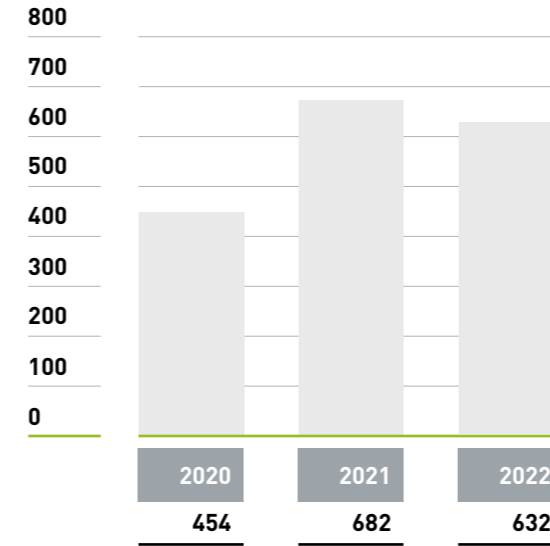
## 3 Locations

with solar power plants

# 22%

Electricity consumed from solar power plants

Energy consumption from renewable sources [GJ]



■ ELECTRICITY CONSUMED BY THE PRODUCTION OF SOLAR POWER PLANTS

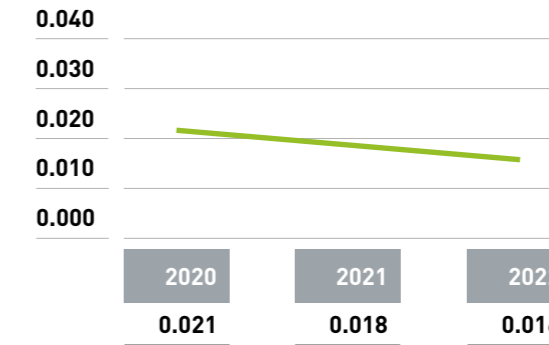
The energy intensity indicator calculated as the ratio between overall energy consumption and hours worked (GJ/h) shows a decreasing trend over the three-year period.

Thanks to the energy efficiency activities carried out, the increase in energy consumption was less than proportional to the increase in hours worked.

Electricity produced by the solar power plants [GJ]

	2020	2021	2022
Total energy produced	642	991	947
Self-consumed	454	682	632
Fed into the grid	188	309	314

KPI - Energy intensity index [GJ/h]



■ ENERGY INTENSITY INDEX

The process of optimising the use of natural resources does not stop, the Group's activities include:



## INSTALLATION

Installation of solar power plants on three different locations.



## REPLACEMENT

The process, still ongoing, of replacing old generation lamps with LED lighting fixtures, also allowing a reduction in waste to be disposed of, as the useful life of new LED lamps is much longer than traditional ones.

## Water withdrawals and water discharges

The sites where the Sandrini Group operates are not classified as areas characterised by water stress. The use of water, taken from the aqueduct, is comparable to domestic water as it is not used for production purposes, and therefore even water discharges do not pollute the aquifers and do not constitute a risk to the health of people and the environment.

In 2022, a decrease in withdrawal of 24.23% was recorded, as the year 2021 was characterised by greater water consumption for tests involving the Architecture Division and for expansion works. The slight increase in consumption from 2020 to 2022 concerns the increase in workforce and size of the group.

WATER WITHDRAWALS <sup>1</sup> (ML)
Aqueduct
<b>TOTAL WATER WITHDRAWALS</b>

2020	2021	2022
1.14	2.6	1.97
<b>1.14</b>	<b>2.6</b>	<b>1.97</b>

WATER DISCHARGES <sup>2</sup> (ML)
Wastewater channelled into public sewerage
<b>TOTAL WATER DISCHARGES</b>

2020	2021	2022
1.14	2.6	1.97
<b>1.14</b>	<b>2.6</b>	<b>1.97</b>

### 24.23%

Percentage of decrease in water withdrawals in 2022

**The total wastewater is channeled into public sewers.**

## Waste management

All the waste produced by the Sandrini Group is non-hazardous and is mainly constituted of:



Glass



Timber



Paper and Cardboard



Iron and Steel



Mixed material packaging



Waste printing toners other than those referred to in item 08 03 17



Waste produced by the processing and physical and mechanical surface treatment of metals

<sup>1</sup> The data in the table refers to fresh water

<sup>2</sup> The data in the table refers to fresh water

Non-hazardous waste is defined as waste that **does not pose a risk** to human health or the environment.

Once collected, non-hazardous waste is transported to special recycling centres, where it is processed so it can be **reused**. Paper and cardboard, for example, are cleaned, shredded and transformed into cellulose pulp to produce new paper and cardboard.

Plastic is also recycled in a similar way through the process of shredding and melting to create new plastic products. Recycling non-hazardous waste is important to reduce the amount of waste that ends up in landfills and to preserve the Earth's natural resources.

By recycling, in fact, we avoid using virgin raw materials and reduce the environmental impact linked to the extraction and production of new materials.

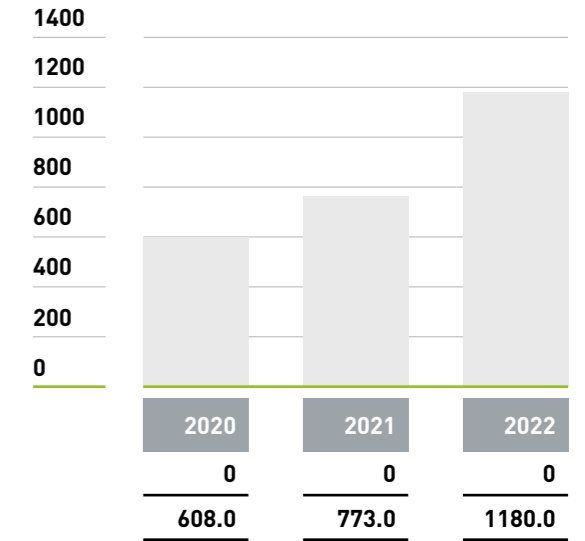
**100% of the non-hazardous waste** produced by the Group is **destined for recovery**.

There is an increase in the three-year period 2020-2022 related, above all, to greater production and the strengthening of the Chiari production site, where in 2022 it was the subject of important investments in machinery, which led to the generation of greater production waste for testing carried out.

### 100%

Non-hazardous waste intended for recovery

Waste (t)



NON-HAZARDOUS WASTE  
HAZARDOUS WASTE

## Emissions in the atmosphere

Emissions into the atmosphere relate to the heating systems used for heating the rooms. They therefore do not derive from the production process. Their trend depends on the consumption of methane that fuels the boilers.

EMISSIONS FROM HEATING SYSTEMS <sup>3</sup>
CO
NOx

UdM	2020	2021	2022
kg	9.8	11.1	10.5
kg	19.7	22.1	20.9

<sup>3</sup> The calculation was carried out using the emission factors of the European Environmental Agency: air pollutant emission inventory guidebook 2019 1.A.4.a.i Commercial / institutional: stationary combustion.

# Greenhouse gas emissions

The Sandrini Group monitors direct and indirect emissions of greenhouse gases in with the **Greenhouse Gas Protocol**, distinguishing emissions into categories or Scopes.

• **Scope 1:** direct emissions deriving from sources owned and controlled by the Organisation. With regard to the Sandrini Group, this category includes the emissions due to the production of heat for heating the premises with boilers running on methane gas and those relating to a proprietary carrier powered by diesel and used for the movement of products.

**Scope 2:** indirect emissions resulting from the production of electricity taken from the grid and consumed. The Sandrini Group produces electricity thanks to solar power plants that cover over 20% of its needs. Part of this renewable energy is transferred to the grid; for the calculation of scope 2 emissions, net withdrawals were therefore considered.

• **Scope 3:** other indirect emissions. The perimeter of this category of indirect emissions is defined by the company. The criterion that guided its definition was to have the possibility of indirect control, although to a different extent depending on the type. The emission idered as Scope 3 are the ones deriving from: the consumption of raw materials, logistics (transport of incoming and outgoing products), the consumption of packaging,

**Note table:** summary of all calculated emissions.

GREENHOUSE GAS EMISSIONS		tCO2e	2020	2021	2022
<b>SCOPE 1</b>					
Emissions to produce heat (methane)	[tCO2e]	23.5	26.4	24.9	
Emissions for product handling	[tCO2e]	14.4	15.2	16.5	
<b>TOTAL SCOPE 1</b>	<b>[tCO2e]</b>	<b>37.9</b>	<b>41.6</b>	<b>41.4</b>	
<b>SCOPE 2</b>					
Emissions for electricity purchased from the grid (location based)	[tCO2e]	163.2	147.5	156.4	
Emissions for electricity purchased from the grid (market based)	[tCO2e]	198.0	141.5	160.9	
<b>TOTAL SCOPE 2 LOCATION BASED</b>	<b>[tCO2e]</b>	<b>163.2</b>	<b>147.5</b>	<b>156.4</b>	
<b>SCOPE 3</b>					
Raw materials (steel, aluminium and copper)	[tCO2e]	164,885.2	204,369.6	205,437.3	
Logistics (inbound and outbound transport)	[tCO2e]	975.5	1,093.1	1,399.2	
Packaging (rigid plastic, film, cardboard, timber, iron)	[tCO2e]	181.3	167.4	142.8	
Waste produced (recycling)	[tCO2e]	13.0	16.5	25.1	
Fuels used (methane and diesel)	[tCO2e]	5.8	8.1	8.0	
Material consumption (paper)	[tCO2e]	2.0	2.4	1.3	
Water consumption (withdrawal from the aqueduct and treatment)	[tCO2e]	0.5	1.1	0.8	
<b>TOTAL SCOPE 3</b>	<b>[tCO2e]</b>	<b>166,063.3</b>	<b>205,658.0</b>	<b>207,014.6</b>	
<b>TOTAL GREENHOUSE GAS EMISSIONS</b>		<b>[tCO2e]</b>	<b>166,462.4</b>	<b>205,988.6</b>	<b>207,373.3</b>

the recycling of waste, the fuels used (extraction and transport), consumption water (withdrawal from the aqueduct and water treatment) and the consumption of other materials (paper for office use).

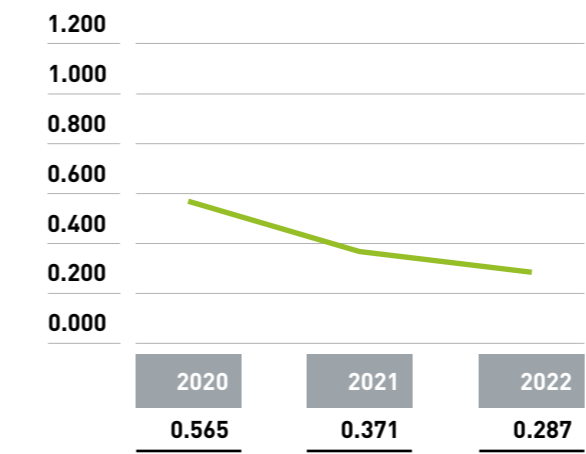
In 2022, the total greenhouse gas emissions considered amounted to 207,373 tCO2e.

Almost all of them are of indirect origin, Scope 3, and in particular derive from the consumption of raw materials necessary for production. For the evaluation of the company's performance,

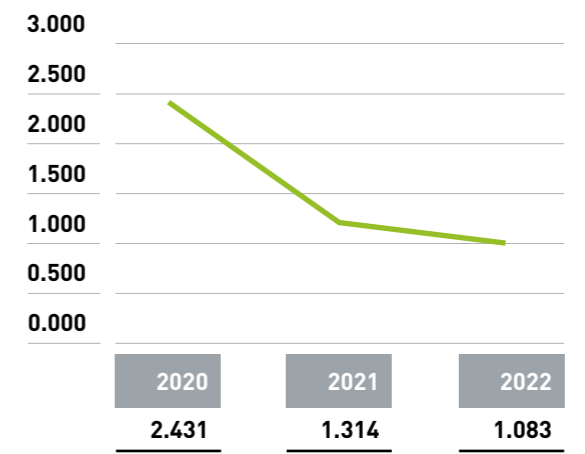
the emission **intensity indicators** which measure the tonnes of greenhouse gases directly and indirectly produced per million of production value are more significant.

All three intensity of purpose indices show a progressive reduction in the three-year period 2020-22. This means that the increase in direct and indirect emissions was less than proportional to the increase in production value, showing greater efficiency achieved by the company in all environmental aspects involved in the generation of these emissions.

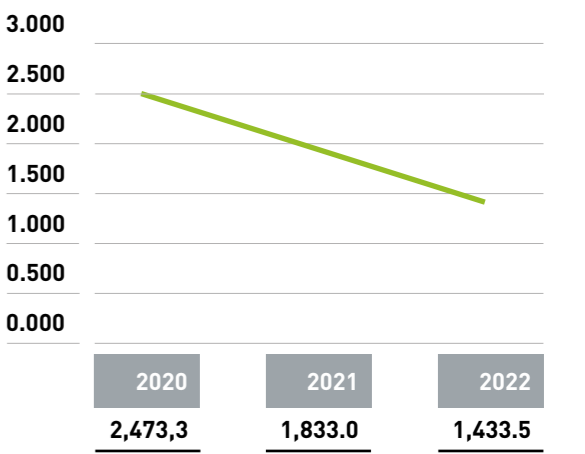
**KPI Scope 1 emission intensity index**  
tCO2e per million Production Value



**KPI Scope 2 location based emission intensity index**  
tCO2e per million Production Value



**KPI Scope 3 emission intensity index**  
tCO2e per million Production Value





# 05

## OUR PEOPLE

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# PEOPLE

The Sandrini Group is committed to operating with full respect for the value of the individual and human rights.

Respect for human rights, workers and people in general, as well as the promotion of diversity, equity and inclusion, are elements that characterise the Group and its way of operating. In an increasingly competitive labour market, the Group has always considered human capital as a fundamental element of competitive advantage and in this context the Group works to promote and reward professional skills, teamwork and personal and professional. The well-being, development of people and the

objectivity of staff performance evaluation are at the centre of the attention of the human resources office, with the aim of attracting, involving and retaining talent.

The health and safety of workers are fundamental and mandatory values for the Sandrini Group and are placed at the basis of every initiative and project undertaken by the company. Based on these solid foundations, the Sandrini Group works to ensure that its collaborators work in a peaceful environment that gives them the opportunity to express the best of themselves, enhancing their unique aptitudes and talents.

## UN TARGETS

### Decent work and economic growth

**8.6** Reduce by 2030 the share of young people who are unemployed and out of any study or training cycle.

**8.5** By 2030, ensure full and productive employment and decent work for women and men, including young people and people with disabilities, and fair remuneration for work of fair value.

**8.8** Protect the right to work and promote a healthy and safe working environment for all workers, including immigrants, especially women, and precarious workers.

### Gender Equality

**5.5** Guarantee full and effective female participation and equal leadership opportunities at every decision-making level in political, economic and public life.



### Quality education

**4.4** Considerably increase by 2030 the number of young people and adults with specific skills - including technical and professional - for employment, decent jobs and entrepreneurship.

**4.5** Eliminate gender inequalities in education by 2030 and ensure equal access to all levels of education and professional training for protected categories, including people with disabilities, indigenous populations and children in vulnerable situations.

### Reduce inequalities

**10.2** By 2030, enhance and promote the social, economic and political inclusion of all, regardless of age, sex, disability, race, ethnicity, origin, religion, economic status or otherwise.



# PEOPLE HIGHLIGHTS 2022 TO 31ST DECEMBER

**Female CEO**

**50%**

Female representation on the Board of Directors

**13**

Women hired in 2022

**+14%**

Staff with permanent contracts compared to 2021

<sup>1</sup> Consider the different origins and countries of birth.

**68%**

New hires under 30

**66%**

Permanent contracts

**6 hours**

of training per capita provided to employees

**100%**

Percentage of office staff trained

**126**

Employees

**12**

Different nationalities <sup>1</sup>

**37%**

Staff under 30

**2**

Accidents out of 221,420 hours worked





## WORKFORCE COMPOSITION

In light of the current expansion, the Group is proceeding with the expansion of its workforce. During this process, the Group places particular emphasis on fundamental issues that reflect its ethical values, such as equal opportunities and the valorisation of young talents.

**In particular, the number of employees grew by 15.6% in 2022.**

In the three years considered, the percentage of women out of the total remained constant, standing

at 23% in 2022, all belonging to the category of employees; however, the category of workers is entirely represented by the male gender.

The age analysis of the company population highlights, as of 31 December 2022, that 37% of the Group's workers are under 30 years old, while 57% fall between the 30-50 year old segment, with an average seniority of 5 years.

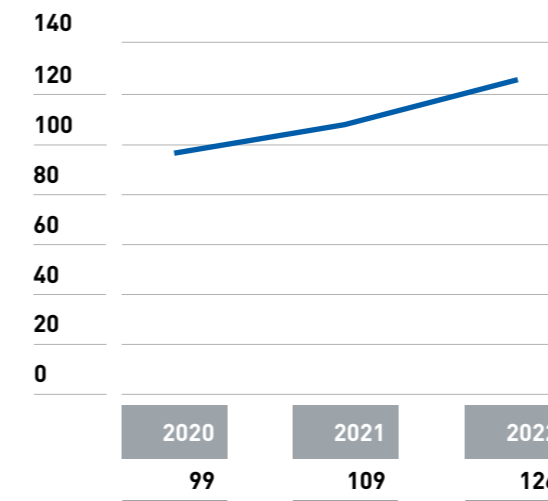
This last data includes within it a balance that has been created over the years between people with proven experience within the company, bearers of

the company's know-how and part of it for more than ten years, and the new hires who bring their knowledge and skills acquired in other realities of the world of work, combining them with the innovation of young talents.

**As of 31 December 2022, an average age of between 35 and 36 workers is confirmed, with an average seniority between 4 and 6 years.**

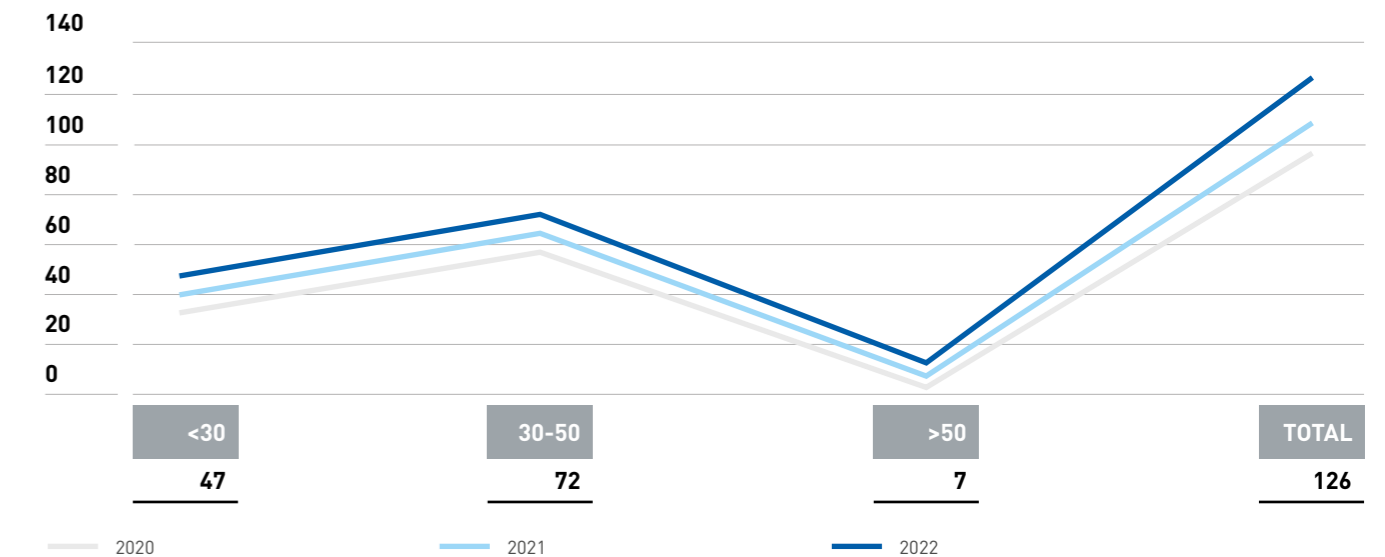
### Number of employees

Years 2020 2021 2022



### Employees by age group

Focus year 2022





## THE TYPES OF CONTRACTS

The percentage of staff hired on a permanent basis in 2022 remains in line with 2021, and despite an increase in the number of employees of 15.6%, continues to stand at 66%.

This reflects the Sandrini Group's commitment to guaranteeing stability and employment security for its collaborators, as well as demonstrating the Group's great attention to employee loyalty and a vision of long-term investment in its resources.

The Group is managing a process of expanding its workforce, with new entries, where there is a good percentage of incidence of fixed-term contracts, where the latter is a form of protection of the Group and the pre-existing workforce, to allow a gradual entry of new hires, in order to retain people who are able to operate cohesively and in harmony with the entire team.

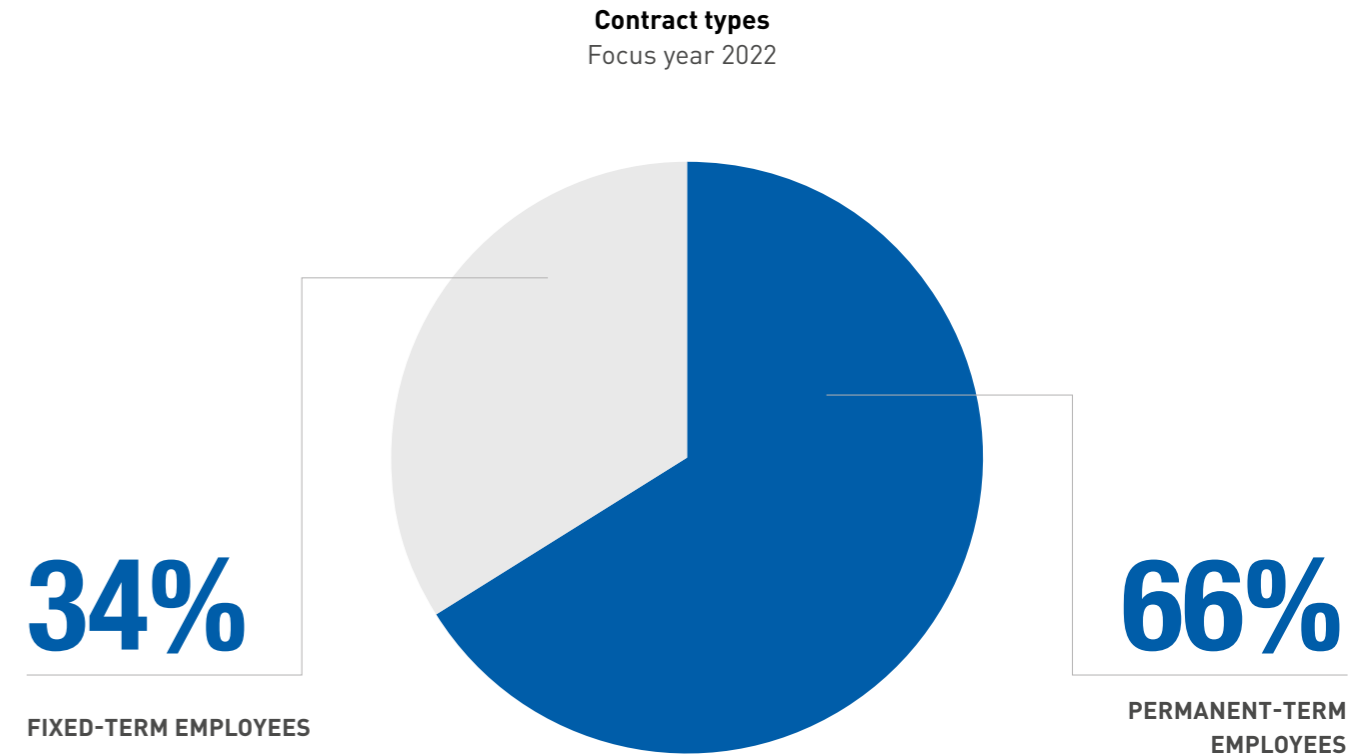
**In 2022, approximately 2% of the total staff is employed part-time, all of them women.**

**+15.6%**

Percentage of increase in the number of employees

**2%**

Total part-time staff: all women





## TURNOVER AND LOYALTY

**The selection process is defined in a transparent way, based on objective assessments of skills, and aimed at guaranteeing equal admission opportunities.**

The recruitment phase is crucial as it is from here that the Group's resources capable of making a valid contribution in line with the company culture and values are identified and selected. The quality of people, in fact, constitutes a strategic asset for the company and the phase of precise identification of the professional profile to be sought, in terms of skills and abilities, seniority and experience, represents a crucial moment.

To this end, the company invests in attraction operations, through participation in sector networks and relationships with universities and training institutions in the area where it operates. When opening a search, in order to be able to count on quality candidates, the human resources office identifies from time to time the best mix of selection channels based on the market, develops a detailed description of the profile and establishes the experience required.

The selection process sees the Human Resources Office operate in close synergy with the various managers of the company functions, in order

to select the best candidate in terms of skills, experience, motivation and affinity with the organisational context and the work team. With respect to these last elements, in fact, adherence to the values and culture of the Group represents a fundamental characteristic that guides the choice of the candidate.

The personnel search and selection process is considered fundamental by the Sandrini Group; **its objective is to hire people capable of contributing to the development of the company**, aware that the company grows only thanks to its collaborators and their participation in company strategies.



The search and selection process of its staff follows the classic phases represented below:

- 1 Assessment of the need for new professional figures by the managers of the various company functions or the Management, in coordination with the Human Resources
- 2 Preparation of the Job Description of the role to be sought
- 3 Publication of open positions through the different channels (social media, sites, portals, etc.)
- 4 Possible assessment of support towards a personnel selection company
- 5 Collection of applications and first screening by the Human Resources function
- 6 Organisation of the first interviews with the Human Resources function and the Area manager
- 7 Second interview with possible participation of the company management for management positions
- 8 Formalisation of the wage to the chosen candidate

To immediately strengthen and build a high level of correspondence with the expected role and effective integration into the organisational context, new hires are accompanied through an onboarding process.

In 2022, in line with the growth path, the Sandrini Group recorded significant hiring numbers, with 41 new hires; at the same time, there were 24 terminations.

These terminations were mainly caused by failure to pass the probationary period, failure to renew contracts, voluntary resignations and disciplinary dismissals.

The Group is constantly committed to preventing any terminations from compromising the company organisation, compensating terminations with new hires to maintain a balance in the workload.

## THE ONBOARDING PROCESS IN THE FOLLOWING STAGES:



### Welcome breakfast

A breakfast, during the first day of work, during which the new colleagues and the workplace are introduced.



### Health & Safety

The introduction to the issues of health and safety in the workplace (in particular, all workers are given the individual risk sheet, which contains a summary of the risk assessment for the job performed) and to the IT tools to be used for the role held.



### Definition of deadlines

The definition of deadlines based on the profile and role covered by the new hire by the manager.



### Training

On-the-job training course to ensure the new hire acquires the tools and information necessary to facilitate their entry into the team and the organisation.

Furthermore, the Sandrini Group regularly welcomes students from local schools and universities, through both curricular and extracurricular internship programmes, offering them an opportunity to approach the world of work and thus contributing to the development of the local community.

During 2022, there were 41 new hires, of which 13 were women and 68.3% were under the age of 30.

# 13

Women hired in 2022

### Turnover (Rate of hirings and terminations)

Year 2020 2021 2022

	2020	2021	2022
TERMINATIONS	22%	26%	22%
HIRES	35%	35%	38%



# 68%

New hires under 30 in 2022



## TRAINING AND DEVELOPMENT

The development of the skills of the Sandrini Group's employees, the importance attributed to culture and training is highlighted by the path undertaken in recent years, aimed at offering its employees the tools necessary for continuous and profitable updating. At the same time, this allows us to maintain competitiveness on the market by adapting to the changes it requires.

To ensure that the Group is made up of qualified personnel, with the right level of education, training, professionalism and experience for the responsibilities and tasks assigned, specific training and awareness programmes for collaborators are implemented.

In addition to specific technical training courses, in line with the provisions of the mandatory training envisaged by Legislative Decree 81/08, the Group, in the last three years, has structured its own training plan, providing training courses for the main corporate and non-corporate functions, which involved the sales area; administration, finance and control and the various managerial figures.

In 2022, particular attention was paid to training regarding the management of emotions in managerial activity and coaching of key figures in the various departments. From this perspective, the assessment process was structured, a preliminary analysis of the soft skills of the Group's top figures, in order to prepare the training plan for 2023. The managers of the various functions are the front line actors in identifying the training needs and gaps

of their collaborators. It is up to them to bring this information to the attention of the Human Resources office, which works to make the necessary resources available and organise training courses.

The Human Resources office is responsible for implementing the plan, in particular by informing and involving the teaching and non-teaching staff concerned. Teaching staff can be recruited internally to the Group or, if necessary, externally. Education and training activities include both information and practical training activities.

At the end of each training and training session, the Personnel Manager records the activity in a specific report, signed by the participants, and updates each participant's personal file.

# 6

Training hours per employee in 2022

**THE OBJECTIVE IS TO ACHIEVE AND MAINTAIN AN ADEQUATE LEVEL OF COMPETENCE OVER TIME WITH RESPECT TO:**

- 1 To the professional and methodological evolution connected to the provision of the service**
- 2 To the requirements of the company**
- 3 To the evolution of legal provisions and/or customer needs**
- 4 To understanding, applying and improving the Integrated Management System**
- 5 To the management process of the Group's products**



# EQUAL OPPORTUNITIES AND REMUNERATION

Ensuring equal opportunities in the labour market implies fighting all forms of discrimination based on gender. In particular, remuneration is a crucial aspect of equal opportunities, as all workers should be paid fairly for the work they do.

The Sandrini Group has always been attentive to the valorisation of skills and merit, to guarantee homogeneity of treatment by gender, seniority and role, as also **confirmed by the substantial equal pay highlighted in the following tables.**

The first table, concerning the basic salary, represents the fixed amount paid to an employee for the performance of assigned tasks, excluding any additional remuneration. The second table, however, considers the overall remuneration represented by the basic salary and all additional remunerations, for example those based on years of service, benefits and overtime, etc.

The remuneration policy is a fundamental aspect for the motivation and satisfaction of employees in the Sandrini Group. Based on the principles of fairness and transparency, in addition to objective and meritocratic criteria, it is aimed at satisfying employees' expectations in terms of remuneration and encouraging their commitment and productivity. Furthermore, to offer a remuneration package that

meets the needs of employees, various factors are considered including: the market level, the skills required, the employee's performance and the role within the organisation.

The Group recognises the importance of a well-structured remuneration policy. This is essential in order to avoid disparities, create a positive work climate, reduce employee turnover and retain talent within the organisation. For this reason, it is managed with the utmost attention and professionalism.

RATIO BETWEEN BASIC SALARY [1]	
WOMEN / MEN BY CATEGORY	
employees	

2020	2021	2022
W/M	W/M	W/M
90%	88%	98%

REMUNERATION RATIO [1]	
WOMEN / MEN BY CATEGORY	
employees	

2020	2021	2022
W/M	W/M	W/M
91%	90%	99%

**99%**  
Equal pay between men and women



# STAFF WELL-BEING

In order to promote staff well-being, the Sandrini Group has implemented a series of initiatives that apply equally to all employees, regardless of the type of contract (full-time, fixed-term or part-time contracts).

The corporate sustainability strategies developed therefore focus on a **holistic approach to well-being**, considering both the mental, physical and economic aspects.

The objective is to offer a high-level work experience, which allows collaborators to feel the protagonists of their own professional career and encourages them to express their potential to the fullest.

**Recent years have been characterised by important initiatives, including:**

### SUPPLEMENTARY HEALTH CARE OF 2020

During the dark period of the Covid 19 pandemic, the Sandrini Group, having the health of its employees at heart and in order to guarantee an adequate healthcare service for everyone, activated supplementary healthcare coverage for all its collaborators.





### COMPANY CANTEEN

In order to expand the services offered to its collaborators, taking advantage of the recreational and refreshment space previously created ad hoc, in 2022 the company signed a contract with a catering agency for the supply of hot meals, supporting more than 60% of the cost.

### COUNSELLING POINT

The Group recognises the importance of psychological well-being as much as physical well-being.

Self-awareness and the ability to listen to one's psychological needs, guided by an expert psychotherapist within a protected space, is a necessary condition for establishing peaceful relationships and finding one's balance both in the personal sphere and in the workplace.

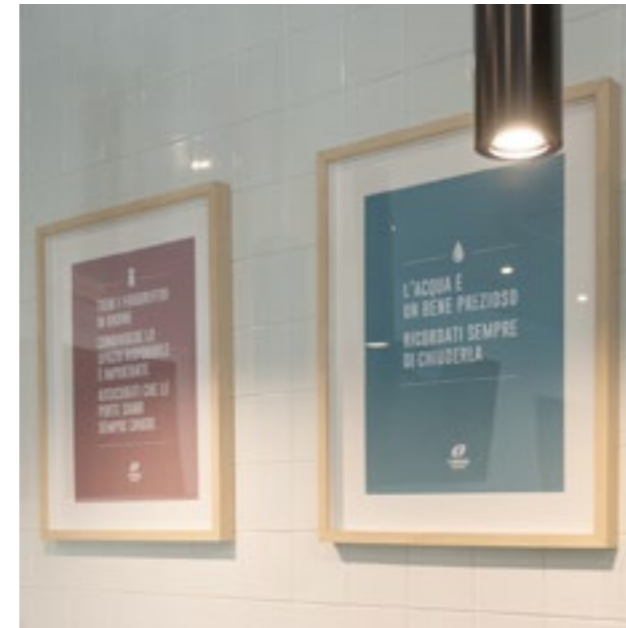
This is why in 2022, the Group made a counselling service available to its collaborators, covering 100% of the costs.

### SCHOLARSHIPS IN MEMORY OF ALBERTO DAMIOLI

To encourage training, culture and reward the children of employees who have achieved particular scholastic merit, the Group has awarded scholarships of different amounts depending on the level of education and the grade obtained.

### ADDITIONAL CONTRIBUTION TO FIGHT THE HIGH COST OF LIVING

Last year has been characterised by a surge in the inflation rate, which has consequently reduced the purchasing power of the community. The Sandrini Group, always close to the needs of its employees, has allocated an additional contribution in order to help fight the high cost of living.



THE SANDRINI GROUP | Company canteen - Leisure area

### YOGA

Yoga, through slow and controlled movements, allows to centre yourself and come into contact with your emotions in a conscious way, promoting the person's general well-being, not only in the work context but in all areas of one's life.

This is the objective that the Group hopes to be able to achieve: starting from 2022, it hired an expert who introduced the practice of yoga within the company's structure, available once a week.

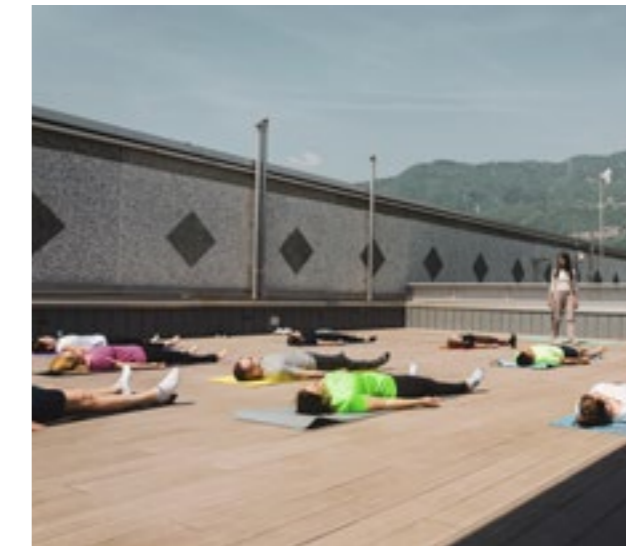
### END-OF-YEAR BONUS

Sharing the goals achieved and rewarding collaborators for their hard work are the criteria that guide the awarding of the extra-contractual company bonus. Starting from 2021, a bonus was paid equally to all employees of the Group, as at the end of 2022, but considering different attribution parameters.

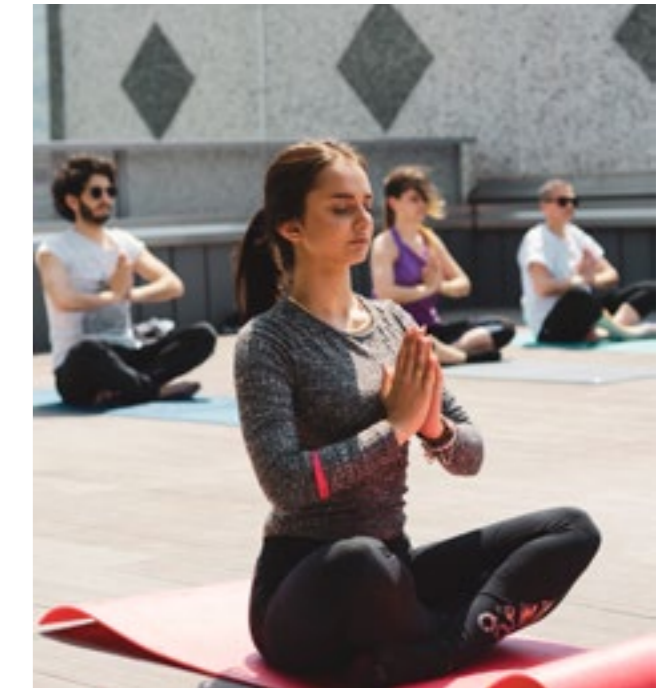
### WELFARE PLATFORM

Demonstrating the Sandrini Group's constant commitment to the well-being of its staff, the Welfare platform was introduced in 2022, offering a plan based on flexible benefits, offering a range of personalised services to facilitate daily life and improve the purchasing power of employees.

Among the benefits included, there are: services for the care and education of children, sports and well-being, travel, education and training, healthcare, family assistance, culture and leisure, etc.



THE SANDRINI GROUP | Activity: Yoga session





# INVOLVEMENT AND COMMUNICATION

Human resources' involvement, motivation and awareness of their role are crucial to achieving the objectives defined by the Group, creating a cohesive work environment and developing a solid corporate culture.

The Management communicates and constantly monitors this level of commitment through an exchange of information with all staff.

### COMPANY CLIMATE ANALYSIS

In 2022, the Sandrini Group formalised the assessment analysis of the organisational climate through a questionnaire administered to all employees, thus consolidating a process that in the past took place informally. This initiative is part of the company policy based on open dialogue with staff. The objective of the analysis is to identify the areas in which the Sandrini Group can intervene to offer a more welcoming working environment, which allows it to adequately balance the professional and personal lives of employees. The questionnaire showed generally positive results regarding the working climate within the company. Employees gave a positive judgement of the working environment, teamwork and leadership of managers. Furthermore, also the company initiatives undertaken to support collaborators and the company as a whole were viewed in a positive light.

## TOPICS OF THE QUESTIONNAIRE

THE QUESTIONNAIRE ADMINISTERED CONSISTS OF EIGHT SPHERES OF ANALYSIS AND PRODUCED THE FOLLOWING RESULTS<sup>1</sup>:

<b>4.20</b> Business in general	<b>4.15</b> Level of satisfaction with the initiatives undertaken by the company for employees
<b>4.02</b> Managers	<b>3.90</b> Teamwork and working environment
<b>3.79</b> Work place	<b>3.72</b> Training, coaching and growth
<b>3.67</b> Development of new ideas at work	<b>3.62</b> Communication in the working environment

<sup>1</sup> Score: (1) minimum rating, (5) maximum rating.

The results obtained constitute a solid basis for the Sandrini Group to implement further actions aimed at strengthening a positive and motivating work environment.

At the same time, the company recognises the opportunities for improvement that have been identified, with the aim of continuing the development of a solid and satisfying corporate culture, in line with employee expectations.

#### RECREATIONAL EVENTS

Ensuring constant communication and involvement also involves recreational moments, to which the company pays particular attention, where constant and methodical work is spaced out with moments of leisure and light-heartedness.

Our Christmas dinner is a moment of joy, sharing and greetings before the Christmas holidays, as well as the aperitif before the summer closing, and more.

#### CREATIVITY CONTEST

Comparison and synergistic exchange of ideas between collaborators are not just good habits, but pillars on which the general approach of the work is based, as well as the centre of the creativity contest, announced at the end of 2022; which collects and describes, through a multifocal approach, different perspectives and different points of view. Each is a glimpse, unique and unrepeatable, within a different symphony and which are the expression of a single business culture, based on the valorisation of talent



THE SANDRINI GROUP | Recreational events: Christmas dinner



THE SANDRINI GROUP | Creativity contest

in all its forms. To give space to imagination and creativity, all employees were invited to participate, proposing a template, a shape, that would allow the creation of a new style.

The first five winners were awarded at the company convention and one of the winning designs was presented at the Bau Trade Fair in Munich, with its industrialisation and inclusion in the company range.

#### CONVENTIONS

The sharing of economic-financial results, medium-term objectives and future projects are at the centre of the company convention.

Organised during the first months of each year, it is a moment where the Group's most important stakeholders, its employees are involved. It is divided into two parts: a first part of communication and discussion of the results achieved by the company in the year just concluded and a second part ending with lunch together, and aims at involving and conveying the sense of belonging to a single family, the Sandrini family.



THE SANDRINI GROUP | Convention lunch



THE SANDRINI GROUP | Convention



# HEALTH AND SAFETY OF WORKERS AND PROTECTION OF HUMAN RIGHTS

## HEALTH & SAFETY

The protection of people and the promotion of health and safety are fundamental principles for the Sandrini Group: the quality of the working environments, internal policies and procedures guarantee the safety and health of workers, customers and anyone who comes into contact with company spaces. These practices are adopted in all headquarters of the Group, complying with the highest standards and local and international regulations.

The two-year period 2020-2021 will forever be marked by a health emergency of unprecedented global scope. The Group reacted by immediately placing the health and safety of its employees at the centre, extending the stringent measures against Covid-19 contagion to all its offices.

Health and safety at work is managed in compliance with the provisions of Legislative Decree 81/08, by the current regulatory body and by the Integrated Management System. The Top Management has established the integrated policy, highlighting the attention to the full satisfaction of the expectations of those who intervene directly or indirectly in the cycle of the work carried out (customers, employees and suppliers), in full compliance with the regulations on safety and health in the workplace. The Group's main objective is to avoid injuries, accidents and professional diseases, aiming at the continuous reduction of risks to the health and safety of workers and those who have access to the company.

In compliance with current legislation, the risks are assessed by the management in collaboration with the Head of the Prevention and Protection Service, producing the Risk Assessment Document which is subsequently submitted to the external occupational physician, who proposes any changes and additions deemed necessary.

For all locations, the risks relating to health and safety in the workplace linked to the Group's activities are considered limited and of limited extent, also thanks to the safety training and updating activities, implemented with particular attention to the production areas.

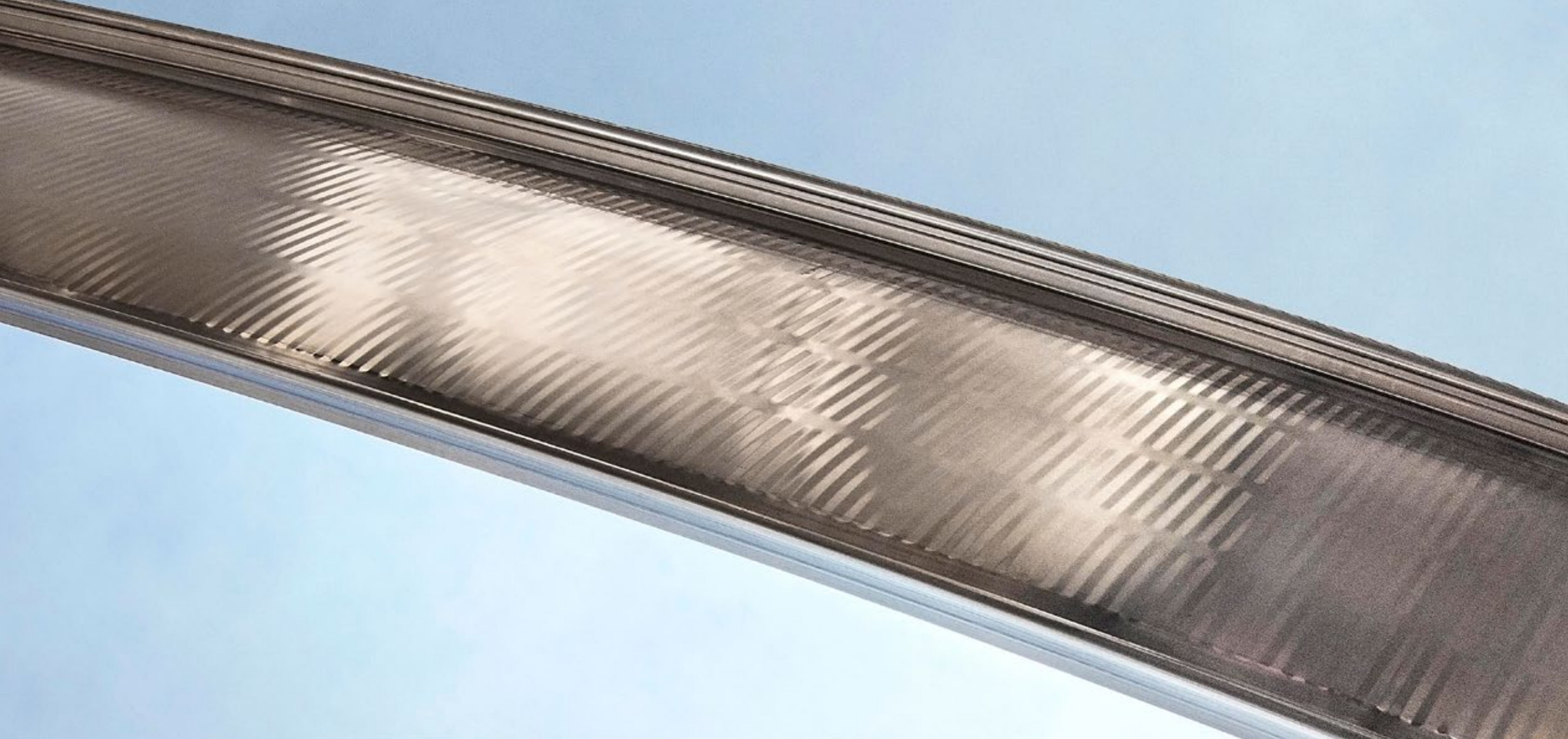
The careful management by the Group is highlighted by the number of accidents that occurred during the three-year period 2020-2022, where in total 4 accidents were recorded, all of which were not

serious; no deaths caused by work-related ill health nor specific cases of work-related ill health were recorded.

## SANDRINI GROUP AND THE PROTECTION OF HUMAN RIGHTS

The Sandrini Group considers attention and respect for human rights to be essential elements in its daily management. In addition to guaranteeing the right to health and safety of its employees, the Sandrini Group is committed to respecting international provisions on human rights. We support freedom of association and recognise the right to collective bargaining, we fight against forced labour, child labour and discrimination. In relation to this commitment, no cases of discrimination were reported in the three-year reporting period.

ACCIDENTS AT WORK	2020	2021	2022
Hours worked	158,024	192,790	221,420
Number of accidents at work	1	1	2
- of which serious injuries	-	-	-
- of which fatal accidents	-	-	-
Accident frequency index	6.48	5.19	9.03
Frequency index of serious injuries	-	-	-



# 06

## VALUE CHAIN MANAGEMENT

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## VALUE CHAIN MANAGEMENT

A valuable relationship consolidated over the years is the one that binds us to our suppliers and customers and which has allowed us to be the point of reference for the market in which we operate.

The Group has always been attentive to the efficiency of its value chain, analysing all phases to identify inefficiencies and points for improvement, intervening where possible through technological innovation.

We work in close collaboration with our customers and suppliers, in order to better integrate the activities of the value chain, optimising costs and generating positive impacts for the community.



### Our suppliers

The Sandrini Group demonstrates a predilection for local suppliers, with 95% of suppliers located in Italy, of which 44% in Lombardy, represented by the historic suppliers who have accompanied the Group throughout its growth path. The long-lasting relationship, established over the years, allows significant advantages for the Group and for all the stakeholders with which it comes into contact. Suppliers with whom we have a long-established relationship have a greater knowledge of the Group's needs and are able to offer customised products and services, guaranteeing the required quality.

In addition to in-depth knowledge of procurement demands, they hold knowledge of the company and its processes, making them ideal partners for improving efficiency and reducing costs. The choice of local suppliers is an eco-sustainable choice, in terms of lower transport impact and for sustainable development based on trust and collaboration, which stimulates the local economy and supports its activities, thus contributing to sustainability and prosperity at a local level, as well as improving the quality of the products and services offered. Long-lasting and solid relationships with suppliers are a key factor for the Group's success.

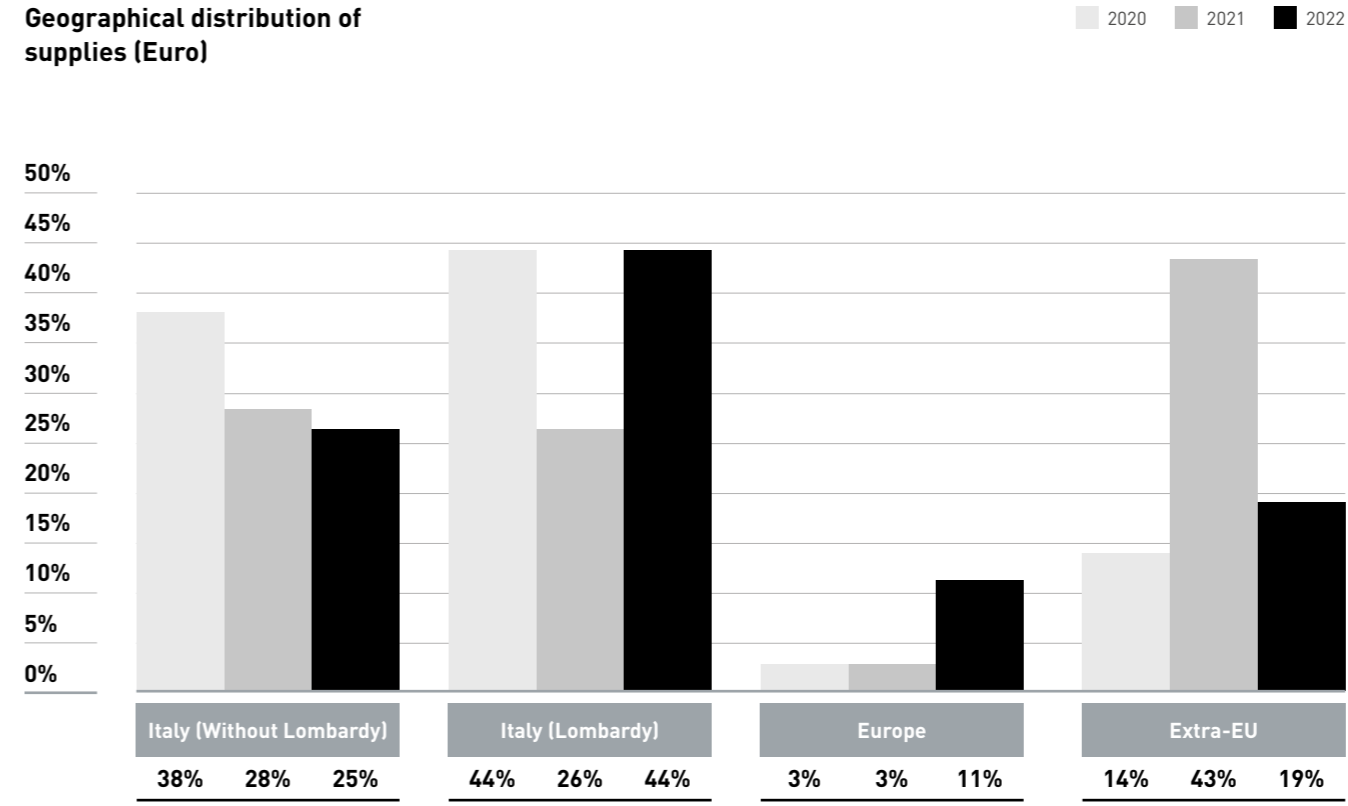
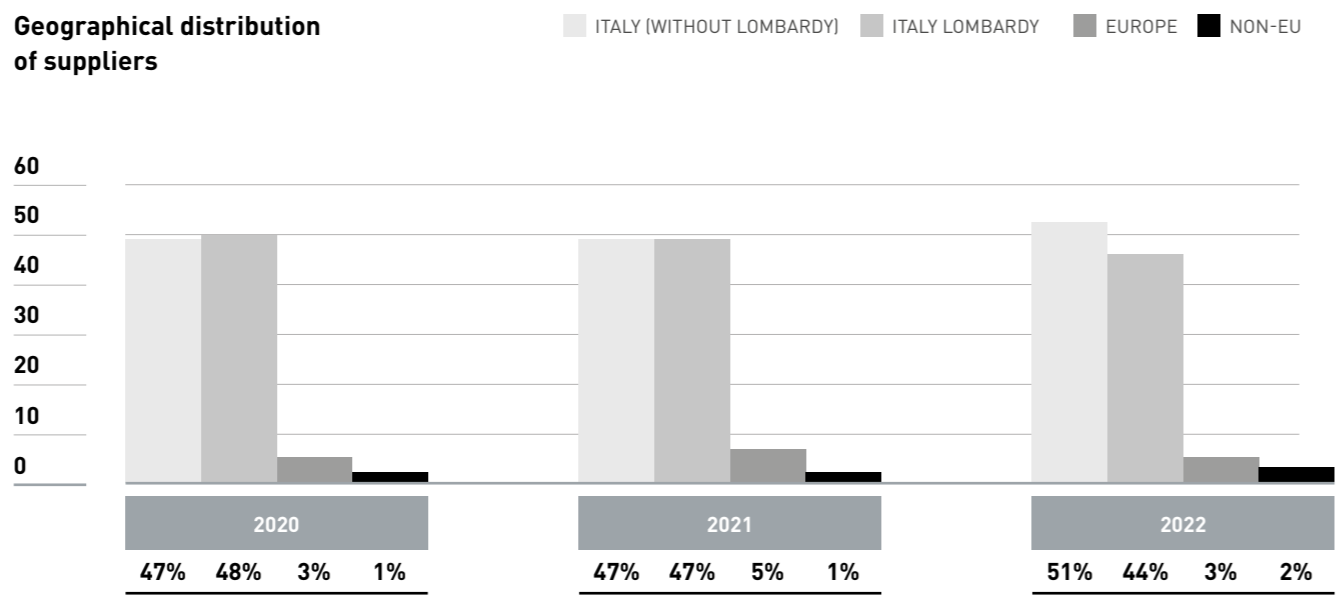
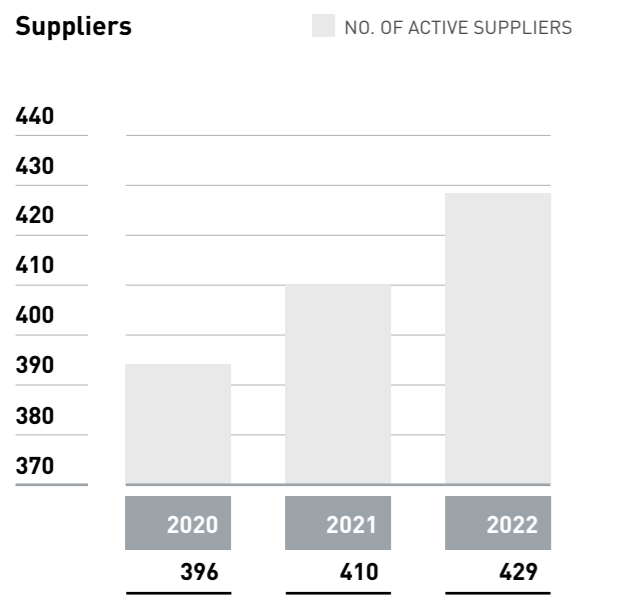
The reliability of suppliers and their ability to satisfy the requirements requested by the Sandrini Group are fundamental elements in order to guarantee the quality of the products and compliance with the regulations, in particular those linked to health and safety in the workplace and the reduction of the risk of committing crimes pursuant to Legislative Decree 231/01.

The following tables highlight the suppliers of the Sandrini Group, divided geographically and by supply categories.

**IN PARTICULAR, THE CATEGORIES OF SUPPLIES ASSESSED AND SELECTED ARE THE FOLLOWING:**

- 1** Raw materials and various services
- 2** Equipment, machinery, vehicles and related assistance services
- 3** Specialist consultancy and services

TYPE OF SUPPLIES [EURO]	2020	2021	2022
Raw material	94.20%	94.30%	94.20%
Raw material accessories	4.20%	4.20%	4.10%
Transport and services on raw material purchases	0.30%	0.80%	0.80%
Packaging	0.90%	0.60%	0.70%
Miscellaneous (Fuel, electronic devices, furnishings, etc.)	0.40%	0.10%	0.20%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>



**+50%**  
 Percentage of supplies coming from Italian territory in the years 2020, 2021, 2022

The growth of the activity during the three-year period 2020-2022 was accompanied by a slight growth in suppliers, with a greater incidence of local ones, confirming the long-lasting relationship that characterises the Group's supply chain.

As regards the total supplies in Euro, all three years confirm supplies above 50% coming from Italian territory, which in 2020 were equal to 82% of supplies and in 2022 were equal to 70%.

**95%**  
 Suppliers located on Italian territory

**44%**  
 Suppliers located in Lombardy

2021 was an "anomalous" year, where a good part of the supplies were sourced from non-EU countries, due to the crisis that characterised the Italian raw material market, but always from reliable suppliers known internationally for the quality of the raw material supplied.

## Evaluation, selection and monitoring of suppliers

The efficiency of the supplier selection, evaluation and monitoring process is essential to guarantee the reliability of supplies and cost optimisation.

To select reliable suppliers, the Sandrini Group has adopted a structured process that includes the definition of selection criteria and the evaluation of factors such as product quality, production capacity, the company's reputation and its experience in the sector. The reporting of environmental and social

### THE EVALUATION CRITERIA OF SUPPLIERS

- 1 Value for money
- 2 Respect for delivery times
- 3 Compliance with the required health and safety requirements
- 4 Offer of products with a good percentage of recycled raw materials
- 5 Adoption of certified circular economy policies

performances was also an opportunity to strengthen the Management's guidelines, increasingly encouraging the purchasing office to consider respect for the environment among its primary criteria for selecting suppliers, favouring suppliers who adopt circular economy policies.

Respect for human rights throughout the supply chain is a fundamental principle, declared in our Code of Ethics and shared with all our suppliers via the Group's institutional website.

The Sandrini Group has divided the supplier selection and monitoring activity into the following phases:

- acquisition of information;
- selection and evaluation of suppliers, including checks on incoming purchases;
- monitoring of suppliers consisting of periodic re-evaluations based on the progress of supplies.

In particular, the Sandrini Group, aware of the need for products to be manufactured in compliance with legal requirements, while guaranteeing the quality levels required by customers, has established a detailed and precise selection system for its suppliers and subcontractors, favouring, first of all, suppliers equipped with a certified Management System.

The careful selection of suppliers is the beginning of a broader process of constant monitoring, to ensure that quality standards and delivery times

are complied with, reporting any non-conformities found. The latter are managed according to the relevant internal procedures adopted by the Group, with the aim of continuously improving the process and guaranteeing a long-lasting and advantageous collaborative relationship with suppliers.

Furthermore, the Sandrini Group is considering the inclusion of further evaluation modules within the personal data sheet present on the company management system, attaching further certifications or documentation of interest. This module will be useful to the Purchasing Office in its decision-making strategy, both for the acquisition of material necessary for production (e.g. raw materials) and for the outsourcing of processes.

The information will be obtained through a specific evaluation questionnaire of the individual suppliers which will be sent to all of them, all with a view to process efficiency, for the benefit of the Group and its stakeholders for the offer of excellent and eco-friendly products.

## Our customers

"Achieving our client's results is not a job but a true passion!" it is one of our founding values and customer satisfaction is one of the strengths that characterise the Sandrini Group.

Quality products, services that accompany the customer from design to delivery, availability and openness to dialogue ensure that even where there is compliance they are transformed into opportunities for improvement. The measurement of the degree of customer satisfaction, fundamental for the purpose of evaluating the effectiveness of the Management System and the need to implement the necessary improvement actions, is carried out on the basis of the collection and analysis of information relating to:

- trend in the number of Complaints over time;
- observations noted;
- level of satisfaction perceived by the Customer with the product created, collected with the help of questionnaires.

This information is organised and processed by the Integrated System Manager and subjected to analysis by the Management during the Review activities, for the adoption of any improvement actions.

Thus, during 2022, to evaluate customer satisfaction, a questionnaire was sent to the top 100 customers of all Divisions to obtain their opinion on the following topics:

- Product quality
- Respect for delivery times
- Professionalism and competence of the staff

- Claims management
  - Technical support
  - The performance of our sales representatives
- The involvement of our customers, listening to them and always finding solutions to meet their needs,

seriousness and professionalism, have allowed us to build solid relationships of trust and collaboration.

## SURVEY CUSTOMER SATISFACTION RATINGS

With the possibility of expressing a rating from 1 to 5, the results confirmed the good quality of the products offered, the professionalism and competence of our staff and our sales representatives, as well as the good management of complaints. Below are some of the notes left us by our customers regarding some of the questions asked:



### How would you rate the general quality of SANDRINI metalli products?

- "Satisfied with the materials"
- "Never had any problems"
- "Because we have always had a good experience, even in the event of complaints"
- "The material meets our needs"
- "It provides us with good quality material, suitable for our work"
- "I find them very good"



### How would you rate the service provided by our staff?

- "Punctual, clear, precise, concise and above all SERIOUS"
- "Competent, helpful, attentive, discreet."
- "Always available and quick on quotes"
- "Punctual, attentive, prompt and comprehensive answers"
- "I have always received quick responses"





# 07

## SUSTAINABILITY FOR THE TERRITORY

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<b>SUSTAINABILITY FOR THE TERRITORY</b>	130
Sporting, cultural events and social activities	131

# SANDRINI GROUP FOR THE TERRITORY

For our Group, being an active part of the territory that hosts us is a real need and priority, as well as being a recognition and a continuous commitment to ensure that the social role of the Group is manifested in all the opportunities offered.

Sport, young people, culture, territory and community are the elements that unite the initiatives we have joined, both through sponsorships and through participation in cultural events.



## Sport events

### FRANCIACORTA FOOTBALL AND WATER VOLLEYBALL COSTA VOLPINO

The importance of sport as an activity for the growth, development and inclusion of young people is the basis of the sponsorship of the various sports seasons of the **Franciacorta football team** and the **Costa Volpino Water Volley** team, and seeing the players in the uniforms on the pitch with our logo it can only be a source of pride.

### RUN PAR PARRE - RACE BETWEEN THE VILLAGES

Competitive running race and non-competitive walk in the village of Parrese "Run Par", with participation open to all, adults and children, is an event promoted by the association called Famiglie Centro Parrocchiale Don Bosco of Parre, supports the renovation of the Parre oratory and the creation of the "C Come Casa" residential community for people with disabilities. Allowing young people and disadvantaged people to have a place where they can grow and promote inclusion should be everyone's commitment.

## Cultural events

### THE STOPPANI MEMORIAL

Traditional event in memory of the highly decorated Loverese aviator. It is an event with a programme full of initiatives: exhibitions, conferences, aeronautical village, kite festival, seaplanes and helicopters. Sharing and community are the key words of the event, where Lovere becomes the meeting point of the neighbouring municipalities.

### COUNTRY FESTIVALS

There are also some village events that we gladly support. Some of these are the **San Fermo Festival**, the **Mushroom and Chestnut Festival** and the **Scenari Festival** in Pisogne. Village festivals and a place for small artisans to exhibit their work, where culture, music and food mix, highlighting the beauty and richness of our territory.

### MAINTENANCE AND CARE OF THE TERRITORY

For this reason, we consider it exemplary to also remember the activity carried out relating to the **Costa Volpino roundabout**. Regarding this initiative, having won the five-year contract for the management of the roundabout, we periodically take care of its ordinary maintenance, also taking care of the installation of Christmas decorations and the seasonal renewal of the greenery that decorates it.

## Social activities

### AZZENDA AND PULMINOAMICO®

We care about people with disabilities and we know the difficulties that their family members must face. Through the **Cooperativa Azzurra** and our contribution to the creation of their "Azzenda", we want to be part of the Cooperative's project, which aims at improving the quality of their lives and that of the people at their side. Our contribution to the PulminoAmico project also goes in this direction. **PULMINOAMICO®** allows municipalities, non-profit associations and universities to use, on **free loan at no cost**, vehicles adequately equipped for the transport of disabled people, elderly people and children.



THE SANDRINI GROUP | Village festivals: Scenari Festival



THE SANDRINI GROUP | Sports activities: Franciacorta Football



The 2022 Sustainability Report, first edition, was drawn up according to the “GRI Sustainability Reporting Standards” of the Global Reporting Initiative, using the “with reference to” reporting option.

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THE SANDRINI GROUP



## METHODOLOGICAL NOTE

To define the contents and quality of the reporting, the Sandrini Group followed the principles set out in the GRI Standards, which provide a set of criteria for selecting the information to include in the report and for the representation method.



### ACCURACY

The economic data refers to the statutory financial statements, subjected to audit, while the accuracy of the HSE and social data derives from the existence of an integrated management system including the certified quality one (ISO 9001) and are mainly extracted from the Group's operating systems Sandrini. The emission factors used to calculate greenhouse gases are the following:

- Scope 1 direct emissions: Defra - Department for Environment, Food & Rural Affairs - UK Government conversion factors for company reporting of greenhouse gas emissions [2020-22];
- Scope 2 indirect emissions (location based): Ispra Report 317/2020 - Table A1.19 - Greenhouse gas emission factor from the electricity sector for electricity production (gCO<sub>2</sub>eq / kWh);
- Scope 2 indirect emissions (market based): Association of Issuing Bodies - European Residual Mixes [2020-22]
- Scope 3 indirect emissions: Defra - Department for Environment, Food & Rural Affairs - UK Government conversion factors for company reporting of greenhouse gas emissions [2020-22].

The factors used to calculate atmospheric emissions from thermal plants are those of the European Environmental Agency - Air pollutant emission inventory guidebook 2023.

### CLARITY

The structure of the Sustainability Report has been defined to make the information contained easy to identify by stakeholders. The document opens with the letter to stakeholders and is made up of 7 sections: The Sandrini Group, Sustainability of the Sandrini Group, Governance, Ethics and Integrity, Environment, Our people, Value Chain Management and Sustainability for the territory. The document ends with the Methodological Note and the GRI Content Index.

The level of detail of the information was chosen in order to make the Sustainability Report understandable, accessible and usable by the different stakeholders.

### COMPARABILITY

To allow stakeholders to analyse changes in the company's performance, the Report presents the data relating to the three-year period 31.12.2020 - 31.12.2022. Furthermore, internationally accepted units of measurement were used, consistency was maintained in the methods used to calculate the three-year data and absolute values, percentages and normalised data were reported to allow comparisons.

### COMPLETENESS

The Sustainability Report was designed to allow stakeholders to have a complete picture of the activities carried out by the company.

### SUSTAINABILITY CONTEXT

The Sandrini Group then carried out the impact analysis by aggregating the following information sources with equal weights:

The Sandrini Group then carried out the impact analysis by aggregating the following information sources with equal weights:

- the survey conducted internally;
- the external survey which involved the following stakeholders: 7 customers, 8 suppliers; 6 banks / insurance companies; 1 Public Administration body and 2 organisations.

### TIMELINESS

The Sustainability Report is published annually. The information contained within the document refers to the time period between 1 January 2022 and 31 December 2022. The document also contains the same quantitative information relating to the previous two years.

### VERIFIABILITY

The company has set up internal controls and organised the documentation so as to be able to prepare for a possible assurance activity.

# GRI CONTENT INDEX

## DECLARATION OF USE

Sandrini Group reported the information cited in this “GRI Content index”. For the period 01:01:2022 - 31:12:2022 with reference to the GRI Standards.

## GRI 1 USED

GRI 1: Fundamentals 2021

GRI STANDARDS AND INFORMATION	LOCATION
<b>GRI 2: General Information</b>	
2-1 Organisational Details	Page 17
2-2 Entities included in the organisation’s sustainability reporting	Page 17
2-3 Reporting period, frequency and contact point	Page 137
2-6 Activities, value chain and other business relationships	Pages 25-28-29-32-33-36-37
2-7 Employees	Pages 99-101
2-9 Governance structure and composition	Pages 71-72-73
2-10 Nomination and selection of the highest governing body	Pages 72-73
2-11 Chair of the highest governance body	Pages 72-73
2-12 Role of the highest governance body in overseeing the management of impacts	Pages 72-73
2-13 Delegation of responsibility for managing impacts	Pages 72-73
2-14 Role of the highest governance body in sustainability reporting	Pages 72-73
2-22 Statement on sustainable development strategy	Pages 52-53
2-23 Policy commitments	Pages 50-51-119
2-24 Embedding policy commitments	Pages 50-51-119
2-25 Processes to remediate negative impacts	Page 58
2-27 Compliance with laws and regulations	Pages 72-73-74-75-77-78
2-29 Approach to stakeholder engagement	Pages 61-63-64-65

## GRI STANDARDS AND INFORMATION

## LOCATION

### GRI 3: Material Topics

3-1 Process of determining material topics

Page 55

3-2 List of material topics

Pages 51-57-58-59

3-3 Management of material topics

Pages 50-51-57-58-59

### GRI 201: Economic Performance

201-1 direct economic value generated and distributed

Page 65

### GRI 205: Anti-corruption

205-3 Confirmed incidents of corruption and actions taken

Page 74

### GRI 301: Materials

301-1 Materials used by weight or volume

Page 86

301-2 Recycled input materials used

Pages 86-87

### GRI 302: Energy

302-1 energy consumption within the organisation

Pages 88-89

302-3 energy intensity

Page 89

### GRI 303: Water and effluents

303-1 Interactions with water as a shared resource

Page 90

303-2 management of water discharge-related impacts

Page 90

303-3 water withdrawal

Page 90

303-4 water discharge

Page 90



GRI STANDARDS AND INFORMATION	LOCATION
<b>GRI 305: Emissions</b>	
305-1 Direct (Scope 1) GHG emissions	Pages 92-93
305-2 Direct (Scope 2) GHG emissions	Pages 92-93
305-3 Direct (Scope 3) GHG emissions	Pages 92-93
305-4 GHG emissions intensity	Pages 92-93
305-7 nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions	Pages 92-93
<b>GRI 306: Waste</b>	
306-3 waste generated	Page 91
306-4 waste diverted from disposal	Page 91
306-5 waste directed to disposal	Page 91
<b>GRI 308: Environmental assessment of suppliers</b>	
308-1 New suppliers that were screened using environmental criteria	Page 124
<b>GRI 401: Occupation</b>	
401-1 New employee hires and employee turnover	Pages 99-100
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 111
<b>GRI 403: Occupational Health and Safety</b>	
403-1 Occupational health and safety management system	Page 119
403-2 Hazard identification, risk assessment, and incident investigation	Page 119
403-3 Occupational health services	Page 119
403-4 Worker participation, consultation, and communication on occupational health and safety	Page 119

GRI STANDARDS AND INFORMATION	LOCATION
403-5 Worker training on occupational health and safety	Page 119
403-6 Promotion of worker health	Page 119
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 119
403-8 workers covered by an occupational health and safety management system	Page 119
403-9 Work-related injuries	Page 119
403-10 Work-related ill health	Page 119
<b>GRI 404: Training and Education</b>	
404-1 Average hours of training per year per employee	Page 107
404-2 Programmes for upgrading employee and transition assistance programmes	Page 107
<b>GRI 405: Diversity and Equal Opportunity</b>	
405-1 Diversity of governance bodies and employees	Page 109
405-2 Ratio of basic salary and remuneration of women to men	Page 109
<b>GRI 406: Non-Discrimination</b>	
406-1 Incidents of discrimination and corrective actions taken	Page 119
<b>GRI 413: Local Communities</b>	
413-1 Operations with local community engagement, impact assessment, and development programmes	Pages 130-131
<b>GRI 414: Suppliers social assessment</b>	
414-1 New suppliers that were screened using social criteria	Page 126

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