

# SUSTAINABILITY REPORT

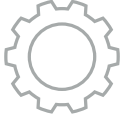



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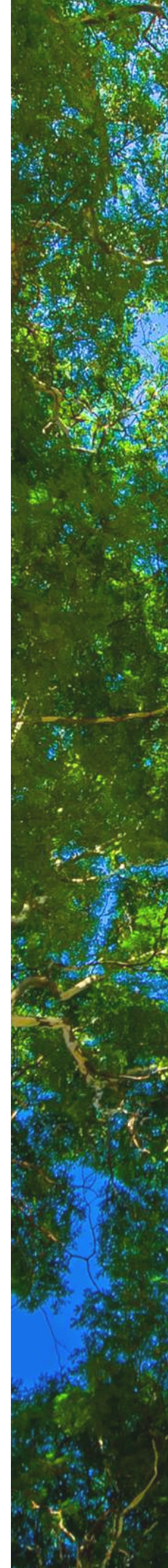
2024



*Tecno-ingranaggi srl*

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# Introductory and methodological note

## Choice of the standard and purpose of the report

Tecno-ingranaggi has chosen to prepare this sustainability report by adopting the model proposed by the **VSME** (Voluntary Sustainability Reporting Standard for non-listed SMEs), a voluntary reporting framework developed by EFRAG (European Financial Reporting Advisory Group) for small and medium-sized enterprises not subject to the CSRD (Corporate Sustainability Reporting Directive).

With this choice, the company intends to **strengthen its commitment to environmental, social and governance (ESG) sustainability**, while improving **transparency** towards its stakeholders, in a context of increasing attention from customers, partners and financial institutions to corporate social responsibility.

Tecno-ingranaggi falls into the category of **Medium Enterprise**, as defined by the parameters of Directive 2013/34/EU in terms of number of employees, turnover and balance sheet.

While not currently subject to the reporting requirements of the CSRD, the company has decided to voluntarily apply the VSME standard as a simplified but rigorous tool for **reporting and continuous improvement**.

The standard addresses the same sustainability issues envisaged by the European Sustainability Reporting Standards (ESRs) for large companies but adapting the requirements to the operational and organizational reality of micro, small and medium-sized companies.

## Report structure and applied framework

**The VSME framework provides two modules that can be used for the preparation of the report:**

- **Basic Module:** represents the approach of reference for micro-enterprises and constitutes the minimum requirement for all other companies.
- **Comprehensive Module:** it introduces additional information indicators, in addition to those provided by the Basic Module, to meet the needs of banks, investors and corporate customers.

Tecno-ingranaggi has adopted the **Complete Module**, also including the Basic Module in its entirety, which constitutes the essential core of reporting.

Any specific terms used within this document follow the definitions provided by Appendix A of the VSME standard.

### Methodological note

In line with the provisions of the standard, the report aims to provide relevant information on how Tecno-ingranaggi has generated, or may generate in the future, positive or negative impacts on people and the environment, as well as on how environmental and social issues have influenced or may influence the company's financial position, performance, and cash flows in the short, medium, and long term. In order to provide information that is **relevant, accurate, comparable, understandable, and verifiable**, the most reliable available data and evidence have been selected, giving priority to validated internal sources and structured collection processes.

As indicated in the VSME, the report may include, in addition to the information requested, **additional data** (descriptive or metric) on issues relevant to the sector or to the company itself or integrate the expected metrics with additional qualitative and quantitative elements useful to improve its readability and contextualization. In all cases, any additions to what is required by the standard will be clearly reported, to ensure transparency and traceability of the reporting process.

Comparative data will be entered from the second reporting year. This first exercise is therefore the base year against which future progress will be assessed.

This report has been prepared considering only the applicable information in accordance with the VSME standard. Disclosures omitted as not relevant or not applicable to the operational context of Tecno-ingranaggi, are indicated on page 3 in the paragraph "Information omitted".

Tecno-ingranaggi does not hold controlling interests in other companies and prepares the report on **an individual basis**. The reference period of the report coincides with the accounting year of the company, with a closing date of 31 December 2024. The report will be updated annually. Any information that has not changed compared to the previous year will be indicated as "unchanged", with specific reference to the report of the previous year.

Tecno-ingranaggi has decided to make this report public, with the aim of ensuring transparency, continuity and accessibility.

To avoid duplication, some content is presented for reference to already published documents. The list of documents cited is available on page 3.

In preparing this Sustainability Report, Tecno-ingranaggi did not omit any information because it was considered sensitive or classified.

Finally, the contents of the report are consistent with the information reported in the financial statements for the same reference period and highlight, where possible, the links between ESG data and economic-financial data.

### Information omitted

Pursuant to principle 13 of the VSME standard, certain intended disclosures are subject to specific enforceability conditions. Tecno-ingranaggi has carried out a precise analysis of the expected disclosures and has included in this report only the relevant information with respect to its structure, activity and operating context. Disclosures deemed inapplicable have therefore been omitted, and the relevant reasons are set out below.

Requirement	Reason for non-applicability requirement
<b>B5 - Biodiversity</b>	Tecno-ingranaggi does not operate in localized areas within or in proximity to areas sensitive for biodiversity, as defined by par. 134 of the VSME (e.g. Natura 2000 sites, KBAs, UNESCO sites). Therefore, requirement B5 is not applicable.
<b>B10 - Workforce, remuneration, and collective bargaining - item (c) (gender pay gap)</b>	Tecno-ingranaggi does not disclose data on the gender pay gap because the company workforce is below the threshold of 150 employees required for such reporting under the VSME.

### Referenced documents:

Below is a list of the main documents used as sources or references in this report.

- [Company Code of Ethics.](#)
- [Quality and Environment Policy \(2020\).](#)
- [Gender Equality Policy \(2024\).](#)
- [ISO 14001:2015 Certification.](#)
- [ISO 9001:2015 Certification.](#)
- [IATF 16949:2016 Certification.](#)
- [ABS Certification.](#)

All documents are available on our website at [www.tecnoingranaggi.com](http://www.tecnoingranaggi.com).

# Letter to stakeholders

*Dear Stakeholders,*

*It is with great satisfaction that we present the first Sustainability Report of Tecno-ingranaggi S.r.l., a significant step through which we aim to transparently share the results achieved in 2024 and, at the same time, reaffirm our commitment to a responsible, solid, and future-oriented growth model.*

*The past year has confirmed our company's ability to combine product quality, industrial efficiency, and attention to environmental impacts. Among the main achievements, we highlight the installation of new energy-efficient technological plants, the certification of heat treatment according to the ABS standard for the marine sector, and the implementation of a reforestation project in collaboration with Treadom.*

*From an economic perspective, the value generated and redistributed exceeded 18 million euros, reinvested throughout the entire value chain: in employees, suppliers, the local area, and the community. At the same time, we have maintained a strong focus on social and environmental responsibility, enhancing the monitoring of climate risks, improving the management of hazardous waste with a recovery-oriented approach, and promoting innovative solutions in production processes.*

*Looking to the future, we aim to consolidate and strengthen our commitment to sustainability, but above all, to place at the center the people who contribute every day to the success of our company. They are the ones – with their skills, sense of responsibility, and ability to drive innovation – who make the goals we set tangible and lead the change we aspire to achieve.*

*For this reason, we will continue to invest in the professional growth of our workforce, promoting the development of new skills and welcoming young talents capable of addressing the challenges of the metalworking industry. We firmly believe that genuine, sustainable growth can only be achieved through constructive dialogue and ongoing collaboration with all stakeholders.*

*To all of you – clients, suppliers, collaborators, institutions, and citizens – we extend our sincere thanks for your trust and support.*

*With appreciation,*

*The Management of Tecno-ingranaggi S.r.l.*





## CHAPTER 1

# Tecno-ingranaggi: Identity and Commitment



## 1.1 About us

**Tecno-ingranaggi Srl** was born from a solid family tradition and, since **1988** has established itself as a leading company in the design and production of cylindrical gears and high-precision transmission components. Specializing in the production of **spur and helical gears**, shaved and ground up to 500 mm in diameter, the company operates within a modern 7,500 m<sup>2</sup> facility located in Capriano del Colle (BS), equipped with one of the most advanced machine fleets on the market, as well as an in-house technical office and tooling department. In recent years, the company has undertaken a **structured path towards sustainability**, recognizing its strategic value in environmental, economic, and social terms. In 2020, it obtained certification of its **environmental management** system according to the **ISO 14001:2015** standard, strengthening its commitment to responsible growth. During 2024, the company also began implementing a gender equality management system, subsequently obtaining certification in January 2025 in accordance with **UNI/PdR 125:2022**, thereby reinforcing its commitment to promoting equal opportunities and preventing any gender disparities within an increasingly inclusive workplace.

Continuing this approach, the preparation of the **first sustainability report**, drafted on an individual basis according to the VSME Standard – Complete Module, represents a further concrete step towards transparent and sustainable management of the company's activities.

To complete the company profile, the following table presents the essential data describing the legal, operational, and geographical structure of Tecno-ingranaggi.

<b>Legal form</b>	S.r.l.
<b>NACE Code</b> (according to Regulation (EC) No. 1893/2006)	25.63
<b>Total assets (Euro)</b>	31.649.636
<b>Annual revenue (Euro)</b>	18.472.177
<b>Employees (headcount)</b>	117 as of 31 December 2024
<b>Main Country of Operation</b>	Italia
<b>Main assets location</b>	Capriano del Colle (Brescia)
<b>Geolocation of Sites</b>	<ul style="list-style-type: none"> <li>Registered and Operational Office: Via Industriale 127, 25020 Capriano del Colle (BS), Italy</li> <li>Local Turning and Gear-Cutting Unit: Loc. S. Giorgio snc, 25020 Capriano del Colle (BS), Italy</li> <li>Local Heat Treatment Unit: Loc. S. Giorgio 33, 35, 25020 Capriano del Colle (BS), Italy</li> </ul>

## 1.2 Our business model

### Main product/service groups

Tecno-ingranaggi operates in the **gear and mechanical transmission** components sector, providing precision parts for a wide range of industrial applications. The company's activities include both **subcontracted** machining and **full in-house production from design**, with the capability to supply individual gears, even small-sized ones, as well as complete gear trains. The main groups of products/services offered include spur and helical gears, gear wheels and transmission assemblies, subcontract mechanical machining (turning, gear cutting, diameter grinding, tooth grinding, heat treatment, etc.), and custom-made productions based on customer drawings.

### Main markets served

The company primarily operates in the **B2B** sector, with active clients in the following industries: hydraulics, robotics, industrial, automotive, agriculture, e-mobility, construction machinery, spare parts, and other applications. Distribution is carried out through external sales agents and an internal sales network.



agricoltura



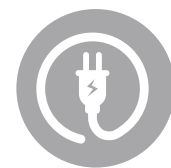
movimento  
terra



automotive



settore  
industriale



elettro-  
mobilità



ricambi  
e post-  
vendita



altre  
applicazioni

### Main business relationships

Tecno-ingranaggi collaborates with a select number of industrial clients operating in both automotive and non-automotive sectors, providing both series production and custom job orders. Business relationships are based on the principles of **quality, reliability,** and **operational** flexibility.

During 2024, the company worked with 35 clients and 141 qualified suppliers, mainly located in Italy and active in the precision engineering sector. Supplies focus on mechanical processing, steel, and strategic materials, supported by a structured system for **evaluating** quality and logistical **performance**.

### Strategy and sustainability

The company's **strategy focuses on enhancing service quality, fostering technical innovation** in production processes, and building **long-term client relationships**. In recent years, certain elements related to sustainability have been integrated, including:

- adoption of a gender equality policy and achievement of the UNI/PdR 125:2022 certification.
- voluntary preparation of this sustainability report according to the VSME standard.

## 1.3 Sustainability strategies and initiatives

Tecno-ingranaggi has undertaken a structured path to contribute to the **transition towards a more sustainable economy**. It has already implemented some operational practices and introduced formal policies, complemented by initiatives for future development. Every policy is supported by measurable targets and a system of regular monitoring.

### Current practices

- **Home automation** of the plants, installation of **roller doors** with reduced opening, use of **machinery** that generates heat, and **reduction of weekend shifts** to limit methane consumption for heating at the Via Industriale and S. Giorgio plants.
- The introduction of the evaporator made it possible to **eliminate the hazardous waste 120301\*** (contaminated wash water) by separating the reusable fraction from the one to be disposed of. The distilled water obtained from the waste treatment is reused, resulting in reduced water consumption, lower waste volumes, and no hazardous classification.
- **LED lighting systems** in operation in the production departments.
- **Training** in environmental and sustainability topics.

### Adopted Policies

In 2024, the company introduced a **Gender Equality Policy**.

The purpose of this policy is to ensure equal treatment, work-life balance, and fair access to internal growth opportunities. In line with UNI/PdR 125:2022 and in accordance with the company's core values, a **Steering Committee** has also been established to oversee compliance with equality principles, prevent discrimination, and provide support to staff. Responsibility for the implementation of the Gender Equality Policy lies with the Management and the Steering Committee.

In addition, Tecno-ingranaggi adopts an integrated **Quality and Environmental** policy to ensure compliant products, continuous improvement, and environmental compliance in accordance with ISO 9001 and 14001 standards.

### Next steps

The company is considering new actions in the environmental and social fields.

- In 2025, the company plans to source electricity from **renewable energy suppliers**.
- **Low-consumption LED lighting systems** will be installed in the heat treatment departments.
- By **enhancing distillation** and integrating the evaporator, the production of waste 161001\* will be reduced.
- Donations to the local parish for the restoration of the bell tower.
- Implementation of a platform for the provision of fringe benefits to employees.



# CHAPTER 2

## Environmental responsibility

# 2.1 Our commitment to the environment

Tecno-ingranaggi’s first **environmental commitment** is to rigorously **monitor** the **impacts** generated by its activities, in order to identify, assess, and, where possible, reduce them.

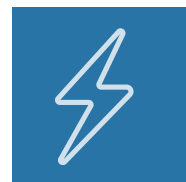
The environmental analysis conducted highlights a prevalence of **direct impacts**, related to production processes and operational facilities. Among the main ones are the **consumption of electricity and natural gas**, used to power machinery and for climate control; **atmospheric emissions** from the heat treatment of metals and from gear cutting and turning processes; the **production of special waste** resulting from mechanical processing; and the **use of water**, employed mainly for hygienic purposes.

Finally, the risk of fire is considered a significant aspect in emergency situations.

Among the **indirect impacts** are the **induced traffic** (transport and commuting) and the procurement of **raw materials**, over which the company has no direct control but can influence through responsible purchasing decisions.

All environmental aspects are subject to systematic assessment and, if deemed significant, are managed through specific operational controls or improvement actions.

This analysis forms the basis for the actions implemented by Tecno-ingranaggi to reduce the most significant environmental impacts:



### Energy

Since 2023, the production departments have been equipped with LED lighting, which is more efficient and less energy-consuming.



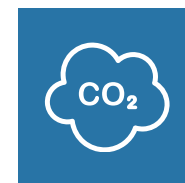
### Waste

The introduction of an evaporator has made it possible to completely eliminate the production of hazardous waste 120301\* (Aqueous washing solutions).



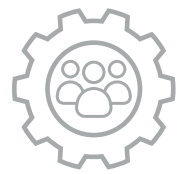
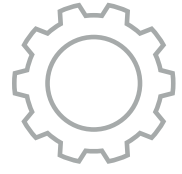
### Water

Water consumption has decreased since 2024, despite the introduction of a new washing system, thanks to the reuse of water from the distillation process of waste 120301.



### Climate Change

Since 2023, an agreement has been signed with the company Treadom to launch a forest project for CO<sub>2</sub> absorption, which has led to the planting of 54 trees.



## 2.2 Energy

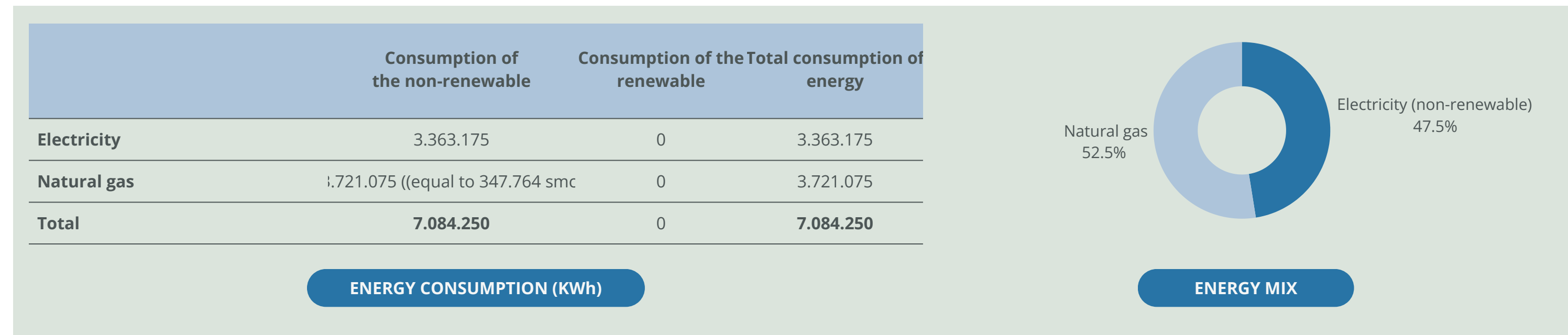
At Tecno-ingranaggi, electricity consumption mainly comes from **production processes**, as well as from the **lighting systems** and **equipment** within the offices.

The consumption of electricity required for the development of productive activities cannot currently be subject to a reduction plan. **Continuous monitoring** of the indicators, however, makes it possible to detect any deviations and to take prompt action to return to the reference values. To reduce waste in non-productive consumption, the company has installed **LED lights with motion sensors** and automatic shut-off in the offices and the metrology room at the Via Industriale headquarters.

Furthermore, in the first half of 2023, the **conversion to LED** lighting of the entire production departments' system at the same plant was completed, and the installation of low-consumption LED lighting is also planned for the other plants.

As for **natural gas** consumption, it is used exclusively for climate control in the plants at Via Industriale and S. Giorgio, while in the Heat Treatment department it is used directly in the production process.

Below, we present the energy consumption for the year 2024. Consumption was recorded through the reading of the bills.



## 2.3 Greenhouse gas emissions

The calculation of greenhouse gas emissions was carried out in accordance with the **GHG Protocol**, which provides for the definition of specific **organizational and operational boundaries** to ensure the consistency, transparency, and completeness of the emissions inventory.

In this report, the **operational boundary** includes **direct emissions (Scope 1)** from sources owned or controlled by the company, and **indirect emissions** from electricity, heat, steam, and cooling purchased or acquired and consumed by the company (**Scope 2**).

The **organizational boundary** was defined according to the **operational control approach**, including all activities over which the company has full authority to introduce and implement operational policies, namely the headquarters at Via Industriale and the local units at Loc. S. Giorgio, snc and Loc. S. Giorgio, 33/35.

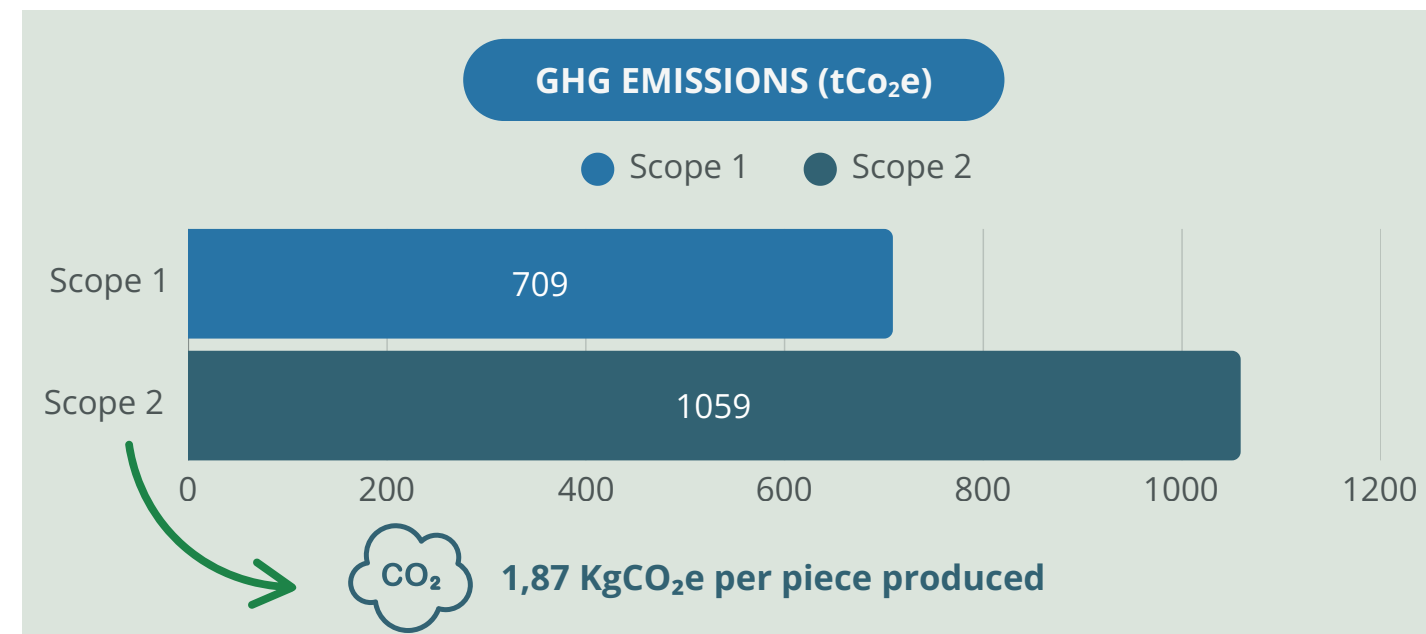
**Scope 1** emissions were calculated by multiplying consumption of the annual **natural gas** consumption—the main emission source for Tecno-ingranaggi—by the DEFRA 2023 **emission factor**, equal to 2.038 kg CO<sub>2</sub>e per m<sup>3</sup>. In 2024, Scope 1 emissions were therefore **709tCO<sub>2</sub>e**.

**Scope 2** emissions were calculated using the **location-based** approach: the value was obtained by multiplying the annual electricity consumption by the emission factor of the national energy mix provided by Terna, equal to 315 g CO<sub>2</sub>/kWh. Scope 2 emissions for the year 2024 therefore amount to **1,059 tCO<sub>2</sub>e**.

In 2024, the total Scope 1 and Scope 2 emissions amounted to **1,768 tCO<sub>2</sub>e**. In the same year, the **intensity of our greenhouse gas emissions**, calculated as the ratio between Scope 1 and 2 emissions and the number of pieces produced, was **1.87 kgCO<sub>2</sub>e per piece produced**.

Tecno-ingranaggi has not currently set any GHG emissions reduction targets, nor has it adopted a climate transition plan.

Thanks to the reforestation project carried out in collaboration with Treedom, the company has supported the planting of **54 trees** in 12 countries, which will contribute, over their lifetime, to absorbing approximately **8,440 kg of CO<sub>2</sub>**, while generating environmental and social benefits for the local communities involved.



## 2.4 Water, air and soil pollution

Tecno-ingranaggi is **authorized for atmospheric emissions** pursuant to the General Authorization of the Province of Brescia No. 626 dated 07/03/2022, relating to the following activities:

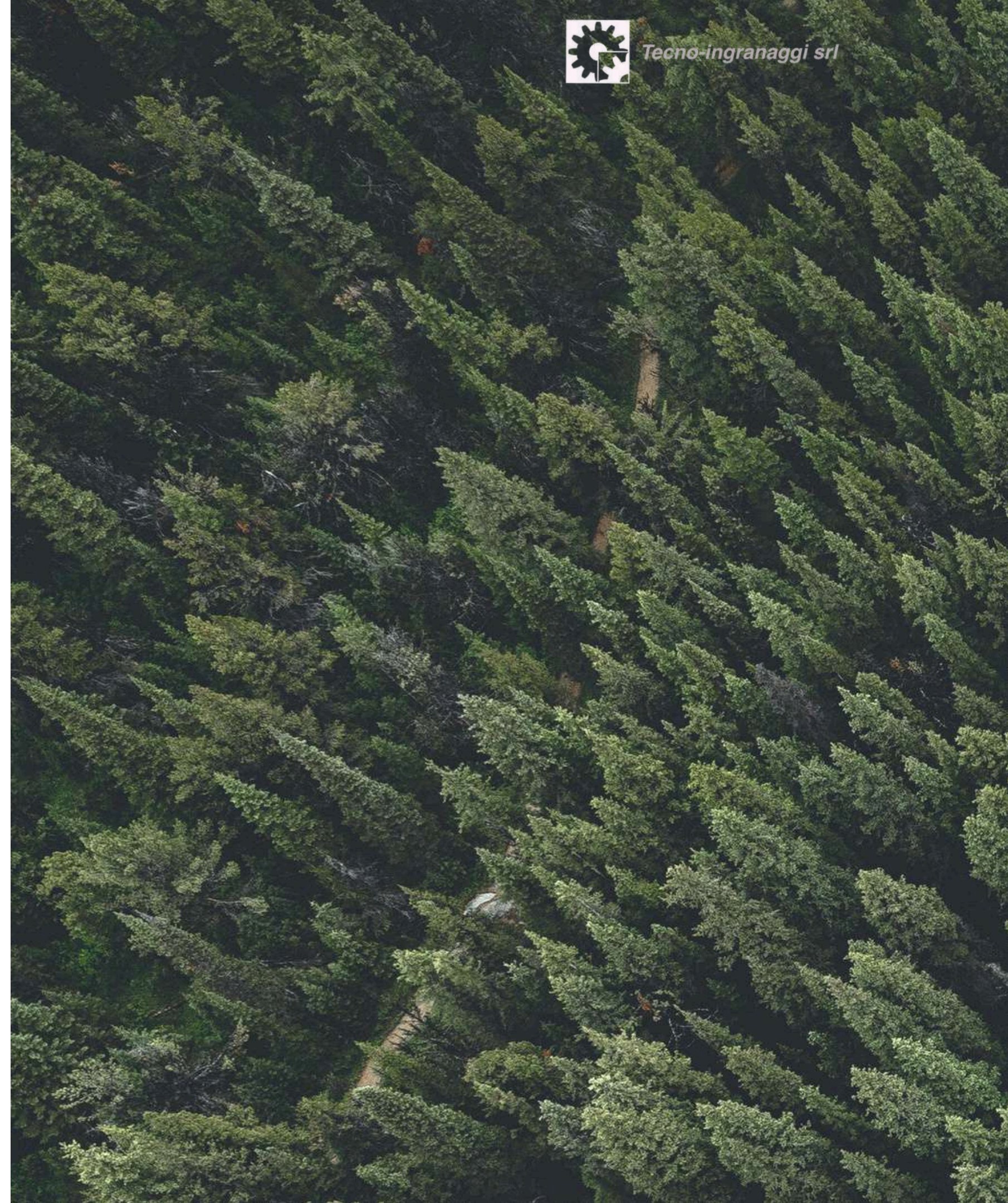
- metal hardening
- heat treatments
- mechanical processing using oils in quantities exceeding 500 kg per year
- cleaning and mechanical material removal operations on metals and metal alloys (grinding, deburring, shot peening, sandblasting, etc.).

The main pollutants associated with these activities are oil mist and fine dust.

The inspections carried out on the production buildings confirmed that the mass flows of diffuse emissions are **within the limits established by the regulations**.

Upon request, Tecno-ingranaggi can provide the complete technical documentation, including the measured values and the authorization references already submitted to the competent authorities.

The company does not generate direct emissions into water or soil as part of its operations.



## 2.5 Water and hydric resources

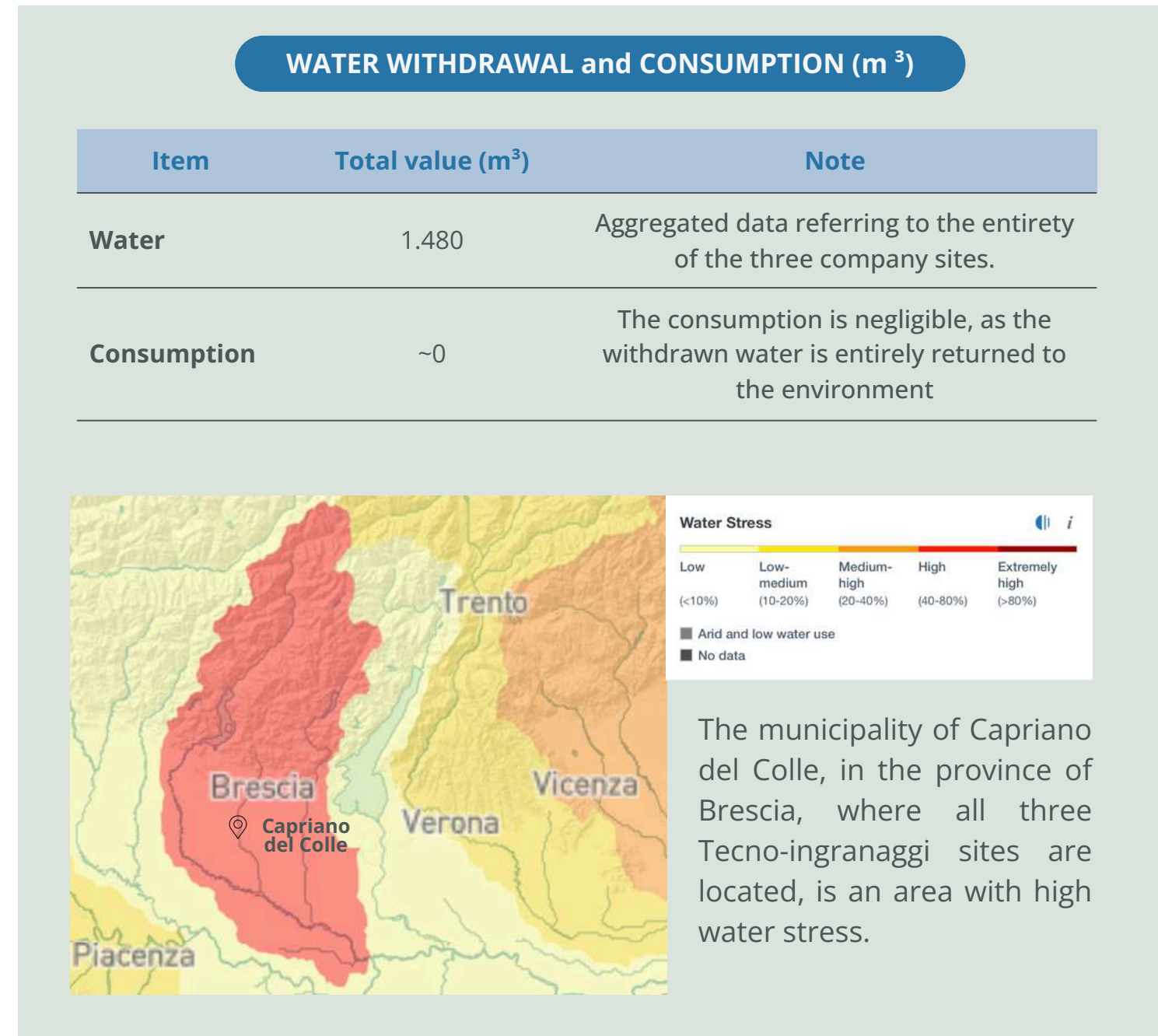
Tecno-ingranaggi sources water solely from the **public water network**, mainly for the use of toilets and sanitary facilities in the offices.

The total volume of water withdrawn during the reference year is **1,480 m<sup>3</sup>**. The company uses private wells and does not collect or store rainwater.

All Tecno-ingranaggi sites (the operational headquarters and the local units for turning, gearing, and heat treatment) are located in Capriano del Colle, an **area classified as high water stress** according to the WRI's Aqueduct Water Risk Atlas, which defines such areas as those where annual water withdrawals exceed 40% of renewable water availability.

For this reason, responsible management of water resources is a crucial aspect for the company, which in fact reuses compressor wastewater in the washing systems.

Furthermore, the plants are not connected to the public water supply and therefore have no municipal water consumption; water is supplied exclusively through wells.



## 2.6 Biodiversity

Tecno-ingranaggi does not operate in areas located within or near **biodiversity-sensitive zones**, as defined in paragraph 134 of the VSME, such as Natura 2000 sites, Key Biodiversity Areas (KBAs), or UNESCO sites. However, the company's sites are located in the immediate vicinity of **Parco Agricolo Regionale del Montenetto**, an area of environmental and landscape interest recognized at the local level.

Although the company's sites do not formally fall within areas subject to mandatory disclosure and do not carry out any outdoor production activities, the company has chosen to adopt a **voluntary and transparent approach**, nonetheless providing detailed information on **land use** at its sites and monitoring any interaction with the surrounding natural environment, with the aim of contributing to the protection of local biodiversity.



Covering approximately 14.7 km<sup>2</sup> across the municipalities of **Capriano del Colle, Flero, and Poncarale**, "**Parco del Montenetto**" is known for its fertile soils and the presence of traditional **agricultural varieties**.

It is also a small ecological corridor where **herons** and **bee-eaters** are often seen during migrations

### LOCATION AND PROXIMITY TO SENSITIVE AREAS

Site	Area (m <sup>2</sup> )	Sensitive area for biodiversity
Headquarters on Via Industriale		No, but close to Parco Agricolo Regionale del Monte Netto
Local unit Loc.S.Giorgio, snc	7.500	No, but close to Parco Agricolo Regionale del Monte Netto
Local unit Loc.S.Giorgio, 33/35		No, but close to Parco Agricolo Regionale del Monte Netto

### USO DEL SUOLO

Land use type	Area (m <sup>2</sup> )	Variation % compared to the previous year
Sealed surface (warehouses, yards, internal roads)		—
Internal green area (flower beds, vegetation, garden)		—
Managed external green area (off-site, if available)		—
<b>Total</b>		—

## 2.7 Resource use, circular economy and waste

### Circular economy

Tecno-ingranaggi incorporates some principles of the circular economy into its production activities.

With a view to eliminating waste and pollution, the company has optimized its production processes to minimize non-compliant operations and improve the efficiency of raw material use.

In line with the principle of keeping products and materials at their highest value, the metal scraps generated during processing (mainly ferrous shavings) are collected and sent for recycling, contributing to the reintroduction of materials into the production cycle.

### Waste management

Waste management represents a direct and significant environmental aspect for Tecno-ingranaggi, closely monitored and subject to continuous improvement. Pursuant to Italian Legislative Decree 116/2020, the company produces both municipal and special waste, depending on its origin: offices and canteens generate waste comparable to municipal waste, while production activities generate special waste.

From an operational perspective, Tecno-ingranaggi carries out careful waste management: each type of waste is classified with an EWC code and disposed of through authorized suppliers. Municipal waste is collected through the local door-to-door service.

In 2024, Tecno-ingranaggi generated a total of approximately **613,735 tons of waste**.

Of these, the **majority**, amounting to 467.315 tons, consists of **non-hazardous waste**.

A residual portion, amounting to 146.420 tons, consists of **hazardous waste**.

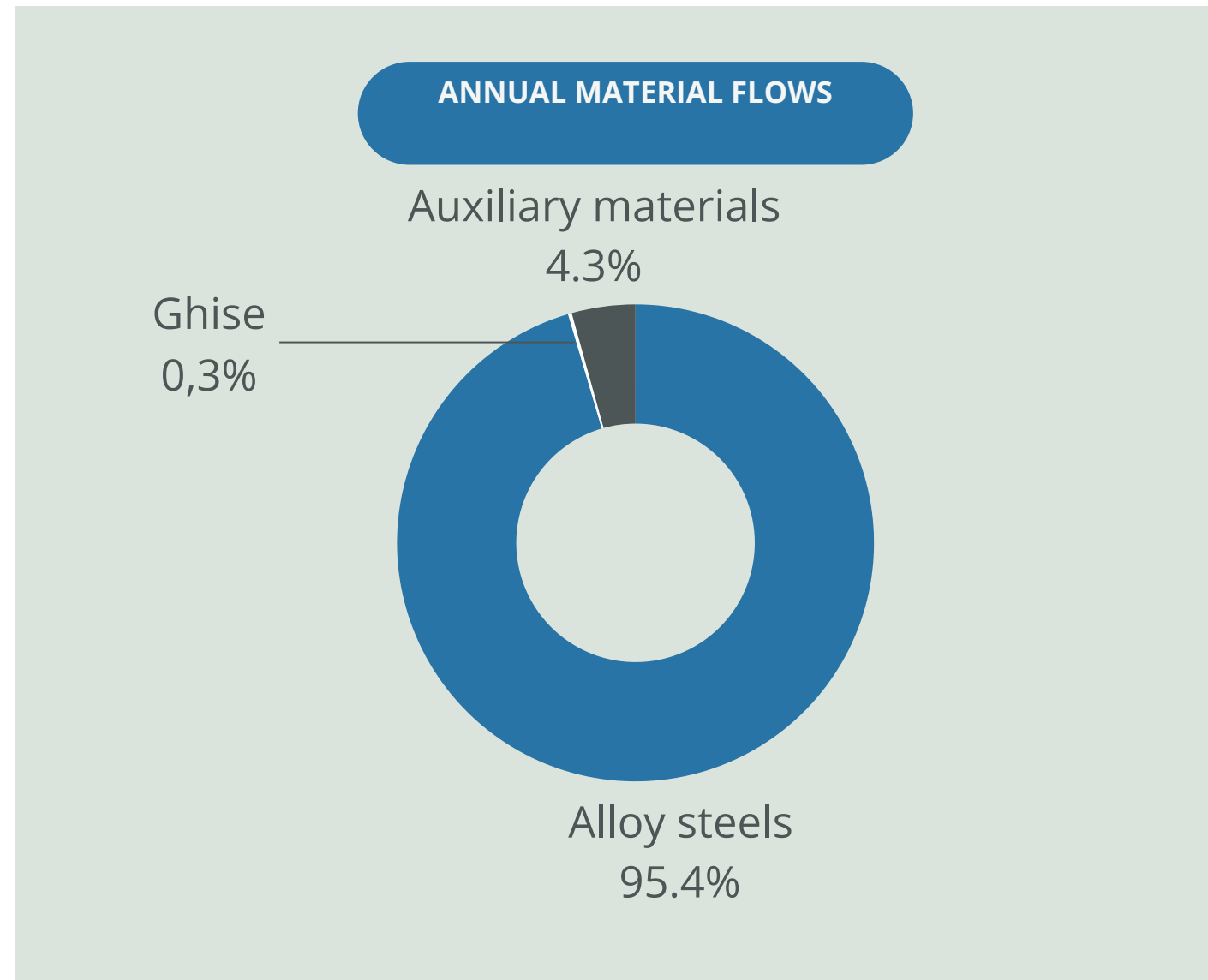
All waste, both hazardous and non-hazardous, is **tracked and sent to authorized operators** with the aim of maximizing recovery: in 2024, approximately 89% of the total was **sent for recycling or reuse**. **The company does not produce radioactive waste.**



**WASTE GENERATED (kg)**

Waste	Codice EER	Totale (kg)
<b>Non-hazardous waste</b>		
Wooden packaging	150103	2.460
Mixed material packaging	150106	26.910
Iron and steel	170405	11.210
Other coatings and refractory materials from metallurgical processes, other than 161103	161104	97
Absorbents, filter materials, rags and protective clothing other than 150202	150203	1.220
Used tool bodies and spent grinding materials, other than 120120	120121	1.260
Aqueous washing solutions	120301	0
Metal packaging	150104	918
Ferrous metal shavings and chips	120101	421.500

Waste	Codice EER	Totale (kg)
<b>Hazardous waste</b>		
Other oils for engines, gears lubrication	130208	18.000
Metal sludge (grinding, sharpening lapping) containing oil	120118	27.860
Emulsions and solutions for machinery halogen-free	120109	40.610
Oils from oil/water separation	130506	7.520
Aqueous liquid wastes containing substances	161001	33.860
Inorganic waste containing dangerous substances	160303	100
Sandblasting material residues containing hazardous substances	120116	7.980
Absorbents, filter materials, rags and protective clothing contaminated by dangerous substance	150202	12.230
<b>Total</b>		<b>613.735</b>



### Annual flows of relevant materials used

Tecno-ingranaggi continuously uses metallic materials for the production of gears and mechanical components based on drawings. The company has identified **steels** and **cast irons** as **key materials**, which form the basis of its production process and for which usage efficiency is evaluated.

During 2024, the annual mass flows of the materials used were as follows:

- Alloy steels: 1,521,279 kg
- Cast iron: 3,954 kg
- Auxiliary materials (whole oils, cutting fluids, industrial detergents, heat treatment products): a total of 68,706 kg

The data includes both materials sourced from external suppliers (bars, cut pieces, raw components) and those potentially regenerated or reintroduced into the internal production cycle (e.g., through reworking or recovery). Energy and water are excluded from the calculation, in accordance with the VSME guidelines.

The **traceability** of raw material flows is ensured through the recording of warehouse movements and integration with production data.

## 2.8 Climate Risk

line with its environmental management system, certified according to UNI EN ISO 14001:2015, Tecno-ingranaggi has conducted an initial assessment regarding **physical and/or transition climate risks**, as well as the related aspects and **impacts** on its organization, its emergency response capacity, and the assurance of **operational continuity**.

The company has already included extreme weather conditions among the disaster scenarios assessed in its **Business Continuity Plan** (BCP), in accordance with IATF standards, and has considered the impacts of events such as floods, temperature fluctuations, and fires within its emergency management framework.

The company operates in an industrial area classified as experiencing **high water stress** and, although it was not directly affected by the extreme weather events that occurred in the region in 2024, it recognizes the increasing frequency of such events as a potential risk factor.

Furthermore, an assessment of the **company's microclimate** is underway, considering rising temperatures and the potential impact on workers' health.

Regarding **transition risks**, the company highlights potential impacts related to:

- **increases in energy costs** (already observed in electricity and gas consumption, which are continuously monitored);
- **environmental reporting obligations**;
- **more stringent environmental demands** from customers, particularly in sectors with greater regulatory exposure such as automotive and e-mobility.

The company monitors potential environmental risks through a systematic analysis of significant aspects, distinguishing between **natural risks** (such as earthquakes, floods, and ground subsidence) and **technological risks** (such as hazardous substance spills, gas leaks, and boiler explosions). Historically, Tecno-ingranaggi has not recorded any incidents with environmental impacts, confirming the effectiveness of the measures in place.

Currently, **physical risks** are considered **medium-low**, while **transition risks** are **low** but evolving.

The company plans to update its assessment system by including more detailed climate scenarios and simulations that consider new potential emergencies related to climate change (e.g., floods and heat stress), with the aim of strengthening operational and environmental resilience

## 2.9 2024 Highlights and Outlook

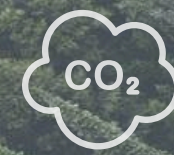
### Our 2024 at a Glance

In 2024, Tecno-ingranaggi achieved tangible results on the environmental front. **Energy consumption** reached **5,740 MWh**, while **CO<sub>2</sub> Scope 1 and 2** emissions amounted to **1,768tCo<sub>2</sub>e**. **Water withdrawal** amounted to **1,480 m<sup>3</sup>**, a decrease compared to previous years, also thanks to the introduction of an evaporator that allows the recovery and reuse of treated water. Encouraging results are also reported in waste management: of the total **614 tonnes**, **89%** was **sent for recycling or reuse**, confirming the company's commitment to a more circular production model.

### Next steps and goals

Tecno-ingranaggi has set environmental objectives aimed at improving its performance. The commitments undertaken include the introduction of electricity suppliers from **renewable sources**, the **extension of LED lighting** to all production departments, a **5% reduction in natural gas consumption** compared to 2024, and a **decrease** in the packaging **waste production index. 150106** at 0.025 kg/piece and the reduction of **hazardous waste code. 161001\*** through the enhancement of the distillation system with evaporator. These initiatives are part of a strategy aimed at reducing environmental impacts and promoting more efficient use of resources.

#### I NUMERI DEL NOSTRO 2024



**1.768 tCo<sub>2</sub>e**  
our Scope 1 and Scope 2  
emissions



**7.083 MWh**  
Our energy  
consumption



**1.480 m<sup>3</sup>**  
our water withdrawal



**614 t**  
Waste



**89%** Our recycled waste



## CHAPTER 3

# Social Responsibility



## 3.1 Our people

**People** are the beating **heart** of Tecno-ingranaggi: we believe that a healthy, inclusive work environment focused on personal growth is the foundation for building **lasting relationships, attracting talent, and generating long-term value.**

For this reason, investing in the well-being of our employees, in diversity, and in job stability is a tangible responsibility for us, not just a stated commitment

### Characteristics of the workforce

As of December 31, 2024, Tecno-ingranaggi employed a total of **117 people** (including temporary workers from employment agencies), of whom **115 had permanent contracts and 2 had fixed-term contracts** (figures expressed in headcount). All employment contracts are entered into in Italy, as the company is not active in other countries.

The workforce is composed of **87 men and 30 women**. At the **management** level, the **female-to-male ratio** is 0.57, meaning that for every woman in a managerial position there are 1.75 men.

During the reporting period, the **turnover rate** was **9.16%**, calculated according to the prescribed formula:

$$\text{Turnover} = \left( \frac{\text{No. of employees who left}}{\text{Average number of employees during the year}} \right) \times 100$$

where the average number of employees was 120, and 11 people left the company due to resignation, dismissal, retirement, or death.

The company makes limited use of temporary workers supplied by employment agencies (NACE N78). During the reference period, there were **4 temporary workers from agencies specializing in placement services.**

Type of contract	Employees (headcount)
Permanent	115
Fixed term	2

Gender	Employees (headcount)
Men	87
Women	30

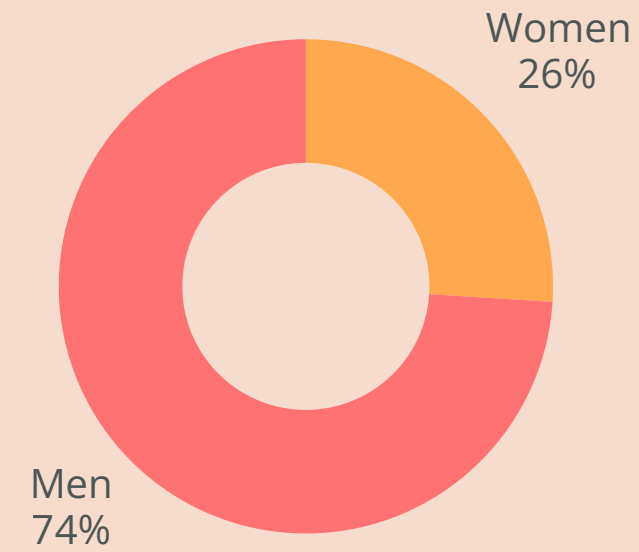
  

Type	Number
Employees	113
Temporary workers from agencies specializing in placement	4 (of which 2 apprentices)

**DISTRIBUTION OF EMPLOYEES BY GENDER, CONTRACT TYPE, AND COUNTRY**

Category	Total	Men	Women
<b>Employees</b>	117	87	30
Permanent	115	86	29
Fixed term	2	1	1
Italians	117	87	30
Other countries	0	0	0

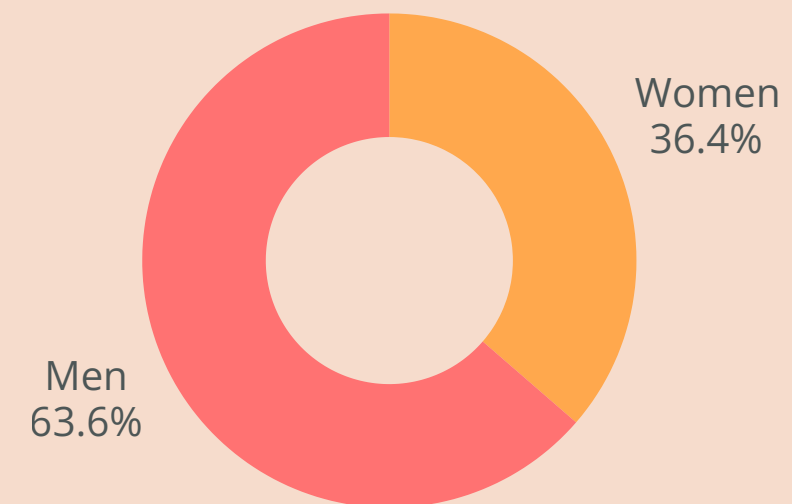
**EMPLOYEES BY GENDER**



**EMPLOYEES BY CONTRACT TYPE**



**EMPLOYEES BY GENDER IN MANAGEMENT ROLES**



## 3.2 Occupational health and safety

The **protection of workers' health and safety** is a priority for the company, which is committed to promoting and reinforcing a safety culture among employees and collaborators, fostering safe work environments, and implementing preventive and corrective measures to minimize risks.

A constant oversight is maintained through **monitoring** of indicators and **ongoing staff training**.

During the reporting period, **1 workplace injury was recorded**.

The recorded injury rate is 1.02%, calculated as follows:

$(\text{Number of injuries} / \text{Total hours worked during the year}) \times 200,000$

The total hours worked amounted to 195,720.

**No fatalities** related to workplace injuries or occupational diseases occurred during the year.

Although the company does not currently have a certified ISO 45001 management system, it is committed to ensuring safe working conditions, in compliance with applicable regulations and with a focus on continuous improvement.

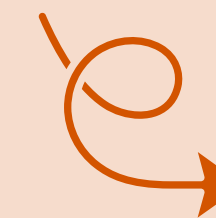
### OUR RECORDED INJURY RATE



1,02%

=

$\frac{\text{Number of injuries} \times 200.000}{\text{hours worked}}$



195.720

## 3.3 Human rights

### Policies and processes on human rights

Tecno-ingranaggi has established a comprehensive set of **procedures to protect human rights**, in line with national legislation, ILO Conventions, and the SA8000 standard. The company is actively committed **against all forms of forced, child, or discriminatory labor**, ensuring fair working conditions, decent wages, freedom of association, and work hours organized in compliance with the law. Specific procedures are in place for human resource management, gender equality, and reporting instances of unequal treatment, aimed at promoting equal opportunities, transparency, and organizational well-being. Responsibility for implementing and monitoring these commitments is entrusted to Management and dedicated committees. Furthermore, the company has adopted a **Code of Ethics** that promotes integrity, transparency, non-discrimination, the protection of individual dignity, and workplace safety. It expressly **condemns** the use of **child labor** and provides a reporting system (**whistleblowing**) accessible through a digital platform.

### Serious incidents of human rights violations

During the reporting period, Tecno-Ingranaggi did not record **any confirmed incidents of serious human rights violations** within its workforce, nor in relation to child labor, forced labor, human trafficking, discrimination, or other abuses.

The company is also not aware of any confirmed incidents along its value chain, nor affecting the communities involved, consumers, or end users.

#### HUMAN RIGHTS: ASPECTS ADDRESSED IN THE CODE OF ETHICS AND COMPANY PROCEDURES

Aspect	Present	Notes
Child labor	Yes	The company has a procedure addressing the use of child labor, which is also prohibited by the Code of Ethics.
Forced labor	Yes	The company has a procedure against forced and compulsory labor.
Human trafficking	Yes	The procedure against forced and compulsory labor also aims to ensure that the company is not involved in human trafficking.
Discrimination	Yes	The company has a procedure against discrimination. A significant section on equal opportunities and the protection of individuals is also included in the Code of Ethics.
Other relevant aspects	Yes	Gender equality, work-life balance, whistleblowing, privacy, health and safety

## 3.4 Compensation, collective bargaining and training

### Remuneration and collective bargaining

Tecno-ingranaggi ensures that all its employees receive **compensation equal to or above the minimum required by national legislation.**

Entry-level salaries, defined in accordance with the **National Collective Labor Agreement (CCNL)** for the metalworking industry, comply with the legal minimum wage and include the additional components specified by the agreement and the company's compensation policy.

Since Tecno-ingranaggi's total workforce is fewer than 150 employees, the company exercises the option not to report the average gender pay gap, as permitted by the VSME standard.

**Equal treatment** and pay equity, however, remain fundamental principles in the company's HR policies.

Currently, **100% of employees** are **covered by collective bargaining** through the application of the sector-specific CCNL, which defines general working conditions, compensation, working hours, vacation, leave, and other contractual provisions.

### Training and skills development

Tecno-ingranaggi promotes the **professional growth** of its employees through **technical training and cross-functional development programs.**

Training represents a strategic investment to ensure continuous **innovation**, workplace **safety**, and **high-quality** performance.

Annual training programs include in-person and online courses on specific topics within the metalworking sector, mandatory safety training, and updates on digital tools and new technologies.

Access to training is provided to all employees, **regardless** of gender or role.

A total of 362 hours of training were delivered over the course of the year.

The **average training hours per employee** amounted to **3.09 hours.**

The company currently does not have gender-disaggregated data on the average training hours provided.



## 3.5 2024 Highlights and outlook

### People: our vital gear

Every individual at Tecno-ingranaggi is **protected, heard, and valued**. 100% of our 117 employees are covered by a collective agreement and receive fair compensation. We invest in talent and continuous growth: over 360 hours of training delivered in one year. The company actively promotes **human rights, gender equality, and respect for diversity**, opposing all forms of discrimination. Furthermore, it ensures safe and inclusive work environments, where the well-being of people comes first. Because growing as a company means growing together.

### Next steps and goals

The year 2024 marked the beginning of a structured approach on the social front as well, with the goal of increasingly **valuing** the people who are part of Tecno-ingranaggi. Looking ahead, we are committed to achieving ambitious and concrete goals:

- implementation of a platform for the delivery of fringe benefits to employees,
- drafting a plan for the delivery of year-end performance bonuses
- encouraging employee well-being through agreements that support physical activity and a healthy lifestyle.



117

Our Employees,  
of which:

- 87 men
- 30 women



98,29 %

Employees hired on  
permanent contracts

100%

Employee  
covered by  
CCNL



3,09 h

Average  
training hours  
per employee



9,16%

ITurnover  
rate



1,02%

Recorded  
injury rate



# CHAPTER 4

# Governance



## 4.1 Our governance system

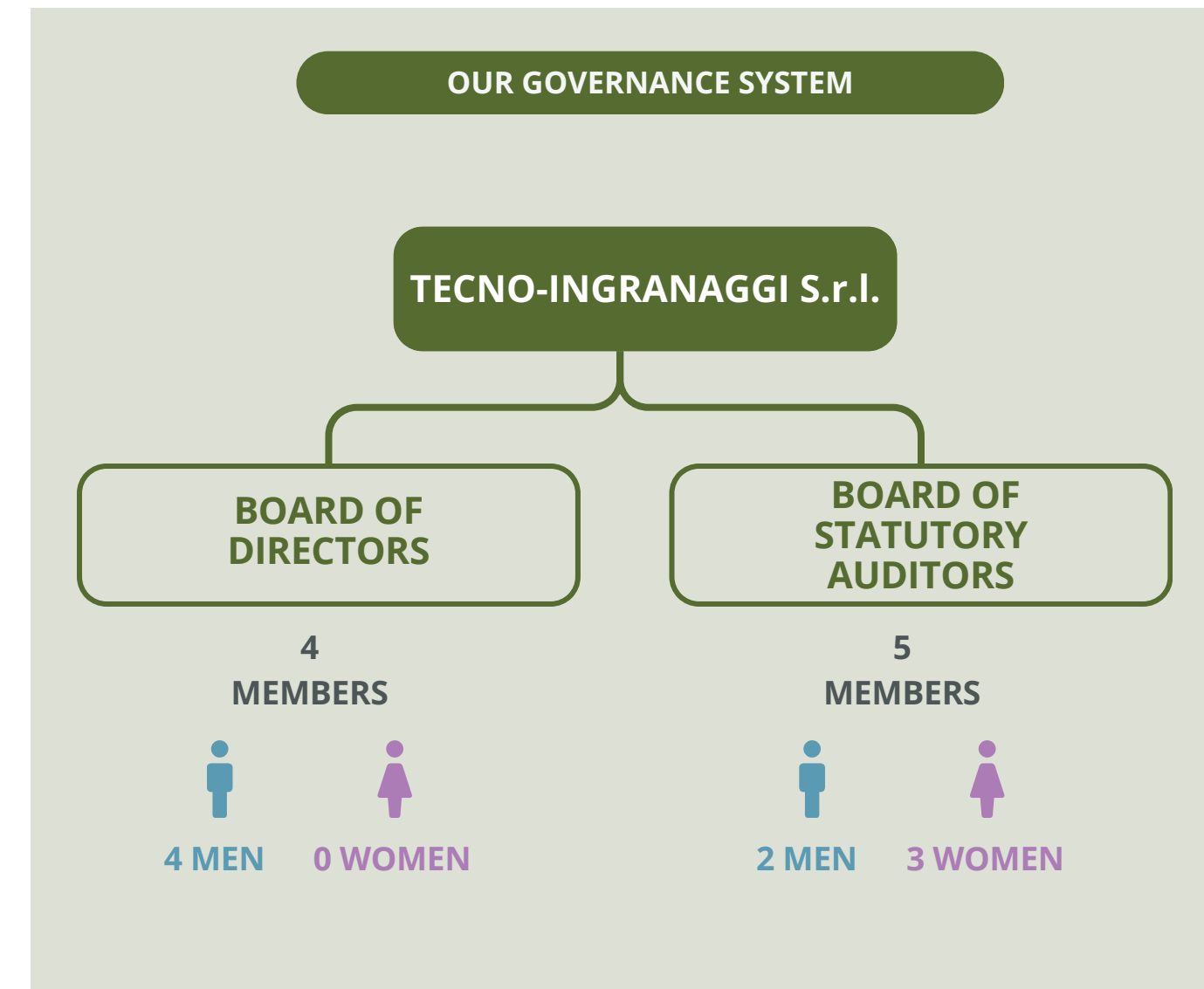
At Tecno-ingranaggi, governance represents a key element in ensuring **integrity, transparency, and accountability** across all areas of the company's operations.

The company's governance structure is based on a **Board of Directors**, supported by **control and supervisory bodies** that ensure compliance with regulations and quality standards, in line with the vision of a solid, reliable, and continuously improving organization.

The company has adopted a **Code of Ethics** that defines the fundamental principles guiding all internal and external conduct, and has implemented a **Gender Equality Policy**, promoting an inclusive, fair, and respectful workplace that values diversity.

At present, the Board of Directors of Tecno-ingranaggi is composed of four members, and none of them are women.

While the company's Board of Directors has no female members, three of the five members of the Board of Statutory Auditors are women, indicating a greater female representation in the company's control bodies.



## 4.2 Corruption and exposure to high-risk sectors

### Business ethics and anti-corruption

Tecno-ingranaggi promotes a **corporate culture** based on **integrity, transparency, and compliance with the law**.

The company adopts **preventive measures** to combat all forms of **corruption** and **extortion**, including through the implementation of a **whistleblowing** procedure in compliance with Legislative Decree 24/2023. This system allows employees, collaborators, suppliers, and other qualified parties to **report** unlawful or unethical behavior **securely and confidentially** through the encrypted **platform “Segnalachi”**, available on the company website. Reports can also be submitted in writing or presented during a direct meeting with the **Reporting Manager**, appointed within the Administration Office. The entire process **guarantees the protection** of the confidentiality of the identity of the parties involved and the traceability of reports, in compliance with current legislation.

Demonstrating the company’s commitment to crime prevention and the promotion of ethical conduct, **no convictions or sanctions** for violations of **anti-corruption or anti-extortion** regulations were recorded during the reporting period.

### Exclusion from unsustainable sectors

Tecno-ingranaggi does not operate in any of the sectors identified as critical under European regulations on sustainable finance and the EU Taxonomy. In particular, the company **does not generate revenue** from the production, marketing, or distribution of **controversial weapons**, from the cultivation and processing of **tobacco**, nor from activities related to the **fossil fuel** sector, such as the extraction, refining, storage, or transportation of coal, oil, and gas. Similarly, it is not engaged in the production of **pesticides** or other **agrochemical products**.

The absence of exposure to these sectors allows Tecno-ingranaggi not to be included among companies excluded from **European benchmarks aligned with the Paris Agreement**, as established by Articles 12.1 and 12.2 of Delegated Regulation (EU) 2020/1818, which set exclusion criteria based on revenue thresholds from high-emission activities or fossil fuel sources.

This condition confirms the **company’s sectoral neutrality** with respect to areas considered incompatible with the objectives of the ecological transition and the European strategies for climate change mitigation.

# VSME content index

The material contained in this Sustainability Report refers to the following VSME Disclosures. Unless otherwise specified, the Disclosures mentioned have been used in their entirety.

Disclosure	Description	Section	Omissions/Notes
<b>B1</b>	<b>Basis for preparation</b>	1.1 About us (p. 6)	
<b>B2</b>	<b>Future practices, policies and initiatives for the transition to a more sustainable economy</b>	1.3 Sustainability practices and policies (p.9)	
<b>B3</b>	<b>Energy and greenhouse gas emissions</b>	2.2 Energy (p.11) 2.3 Greenhouse gas (p.12)	
<b>B4</b>	<b>Pollution of air, water, soil</b>	2.4 Pollution of water, air, soil	
<b>B5</b>	<b>Biodiversity</b>	2.6 Biodiversity (p. 15)	
<b>B6</b>	<b>Water</b>	2.4 Water and water resources (p. 14)	Although precise data on water consumption are not available, usage is negligible, as Tecno-ingranaggi's production processes do not involve significant water use.
<b>B7</b>	<b>Resource use, circular economy and waste management</b>	2.7 Resource use, circular economy and waste (pp.16-18)	
<b>B8</b>	<b>Workforce - General characteristics</b>	3.1 Our People (pp. 22-23)	
<b>B9</b>	<b>Workforce - health and safety</b>	3.2 Occupational health and safety (p. 24)	

Disclosure	Description	Section	Omissions/Notes
B10	<b>Workforce - Remuneration, collective bargaining and training</b>	3.4 Remuneration, collective bargaining and training (p.26)	Tecno-ingranaggi does not disclose gender pay gap data, as the company workforce is below the threshold of 150 employees required for such reporting under the VSME. Data on average training hours per employee, disaggregated by gender, are not available.
B11	<b>Corruption and bribery convictions and sanctions</b>	4.2 Corruption and exposure to critical sectors (p.30)	
C1	<b>Strategy: Business model and initiatives related to sustainability</b>	1.1 About us (p. 6) 1.2 Our business model (p.7)	
C2	<b>Description of future practices, policies and initiatives for the transition to a more sustainable economy</b>	1.3 Sustainability practices and policies (p.8)	
C3	<b>GHG emission reduction target and climate transition strategies</b>		Tecno-ingranaggi has not defined quantitative targets for reducing greenhouse gas (GHG) emissions, nor has it adopted a formal climate transition strategy.
C4	<b>Climate risk</b>	2.8 Climate risk (p.19)	
C5	<b>Additional workforce characteristics</b>	3.1 Our people (pp. 22-23)	
C6	<b>Additional workforce information - human rights policies and processes</b>	3.3 Human rights (p.25)	
C7	<b>Serious human rights violations</b>	3.3 Human rights (p.25)	
C8	<b>Revenues from certain sectors and exclusion from the U benchmarks</b>	4.2 Corruption and exposure to critical sectors (p.30)	
C9	<b>Relationship of gender diversity in the governance body</b>	4.1 Our governance system (p.29)	