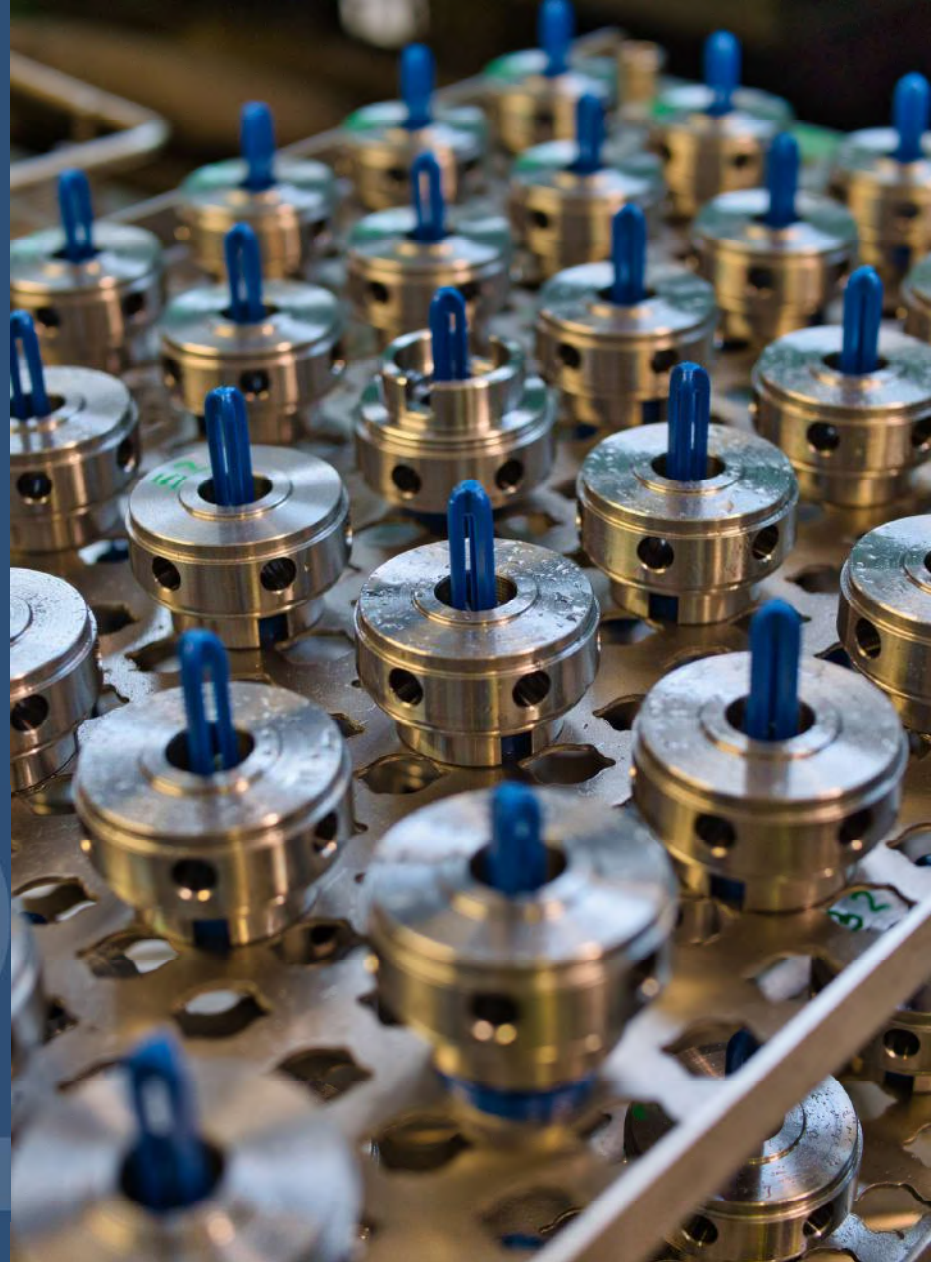




SUSTAINABILITY REPORT

2022



1. Introduction

- 1.1. Contents of the document
- 1.2. Governance letter

2. Sustainability in Miroglio

- 2.1. Our history
- 2.2. The business model
- 2.3. Our approach to sustainability
- 2.4. The governance of sustainability
- 2.5. Stakeholders and involvement
- 2.6. Material issues and the 2030 Agenda
- 2.7. Responsible business management
- 2.8. Compliance and management systems

3. Economic and infrastructural capital

- 3.1. Our structure and processes
- 3.2. Risk Analysis

4. Environmental capital

- 4.1. Resources and materials
- 4.2. Responsible waste management
- 4.3. Climate Change
- 4.4. Supply Chain

5. Human and intellectual capital

- 5.1. Our people
- 5.2. Training and enhancement
- 5.3. Inclusion and diversity
- 5.4. Commitment and engagement
- 5.5. Health and safety in Miroglio&C

6. Social and relational capital

- 6.1. Working in collaboration
- 6.2. Our focus on customers
- 6.3. Miroglio&C and the local community

7. Summary of

- 7.1. Note on methodology
 - 7.1.1. Purpose and standards of the reporting process
 - 7.1.2. Methodology for calculating GHGs and emission factors
- 7.2. Summary of data
- 7.3. GRI Index

INDEX

HIGHLIGHTS 2022



TURNOVER

21 Million €



EXPORTS

50% of business



ANNUAL INVESTMENT

More than 5% of sales invested in:

- New equipment and machinery
- Training



PORTFOLIO

More than 800 different PNs, 300 PNs worked each month.



EMPLOYEE

82



HISTORY

61 years



BUILDINGS

12 000 sqm in 5 buildings



HEADQUARTER

Turin

Contents of the document

This document constitutes our **Sustainability Report** for the year **2022**, and informs our stakeholders about the objectives, activities and projects we have developed in the area of **environmental and social sustainability**. Indeed, we consider **direct dialogue** with our stakeholders to be of central and significant importance, in order to plan and act transparently, in **harmony** with the context around us.

The analysis of the issues included within the **materiality** matrix considers the areas deemed most impactful or of greatest social and environmental relevance, actively including the most external stakeholders. In this context, we consider particularly relevant the **management of risks** related to **ESG** spheres, and thus related issues in environmental, social and governance sustainability.

At Miroglio & C. we undertake concrete actions for continuous **improvement**, more sustainable production and emission reduction through the use of increasingly advanced technologies.

In this document, therefore, we have decided to recount **our commitment** and **our corporate reality**, starting with our roles and activities and ending with the processes involved in making the products we market.



Governance letter

Dear Readers,

for Miroglio, sustainability is both a **value** and a **strategic success factor**.

For this reason, although we are not among those for whom the law requires such fulfillment, we have decided to continue on our **path** to prepare a **Sustainability Report**, the edition of which we present to you for the year **2022**.

It is a choice of **transparency** and **responsibility**, in order to present in a clear and direct way to our stakeholders - customers, collaborators, lenders, suppliers and the territory that hosts us - the **commitments** and sustainability **initiatives** that we have launched and have been pursuing for years, demonstrating how important it is for Miroglio to accompany the traditional goal of doing business with **ethical and responsible management** of the business.

We consider sustainability to be a **value** because we believe in the need to protect people and the environment, in a manner consistent with the Sustainable Development Goals set forth in the United Nations **2030 Agenda**, and we are committed to ensuring social cohesion, the full development of every individual and respect for ecological balances.

We believe that the pursuit of sustainability goals is an integral part of a **winning strategy**, and is therefore in our **interest**, because attention to environmental issues - such as reducing greenhouse gas emissions, responsible consumption of

resources or proper waste management - and social - such as enhancing skills and protecting the welfare of employees or establishing social impact initiatives - generates a **favorable** environment for the company and improves its **performance**.

In this year's Sustainability Report, we have taken steps to systematize and deepen our **data collection** in order to assess our sustainability performance in an **integrated** way: in particular, in view of the importance assumed by the issue of **Carbon Neutrality** for the sector to which we belong, we have undertaken to define a preliminary estimate of our **carbon footprint**, so that we can understand the impact of our activities in terms of **greenhouse gas** emissions and assess possible **reduction** actions.

Our **commitment** to sustainability will continue in **2023** and will be focused on certain areas defined in our **strategic plan**, in particular the training and enhancement of employees' skills and the renovation of certain processes in a more sustainable direction.

Therefore, thanking all employees who share our **values** and sustainability **orientation**, and with the hope that reading our Report will enable all stakeholders to grasp the **distinctive** features of our doing "business for good."

Maurizio Miroglio
Miroglio & C. Spa

SUSTAINABILITY IN MIROGLIO

“Miroglio & C. Spa is Italian historicity and expertise, high quality, attention to sustainability and continuous innovation.”





1898

Miroglio was founded in Turin by Giuseppe Miroglio. The company at the time produced tower clocks for bell towers.



1928

The Duke of Aosta at the testing of the clock built for the Argentine Biological Institute in Buenos Aires.



1928

New production site in Turin



1950

After World War II, Miroglio begins production of automotive components.



1962

The new company name Miroglio & C. is created. Spa



2006

Environmental certification 14001



2008

Installation of first photovoltaic system 19.80Kw



2011

Transformation into Miroglio & C. Spa



2011

45001 safety certification



2012

Installation of second photovoltaic system, one of 64.44Kw and one of 49.81Kw



2020

Collaboration on first projects on electric car



2022

Miroglio, 60 years of history with new company name

Our history

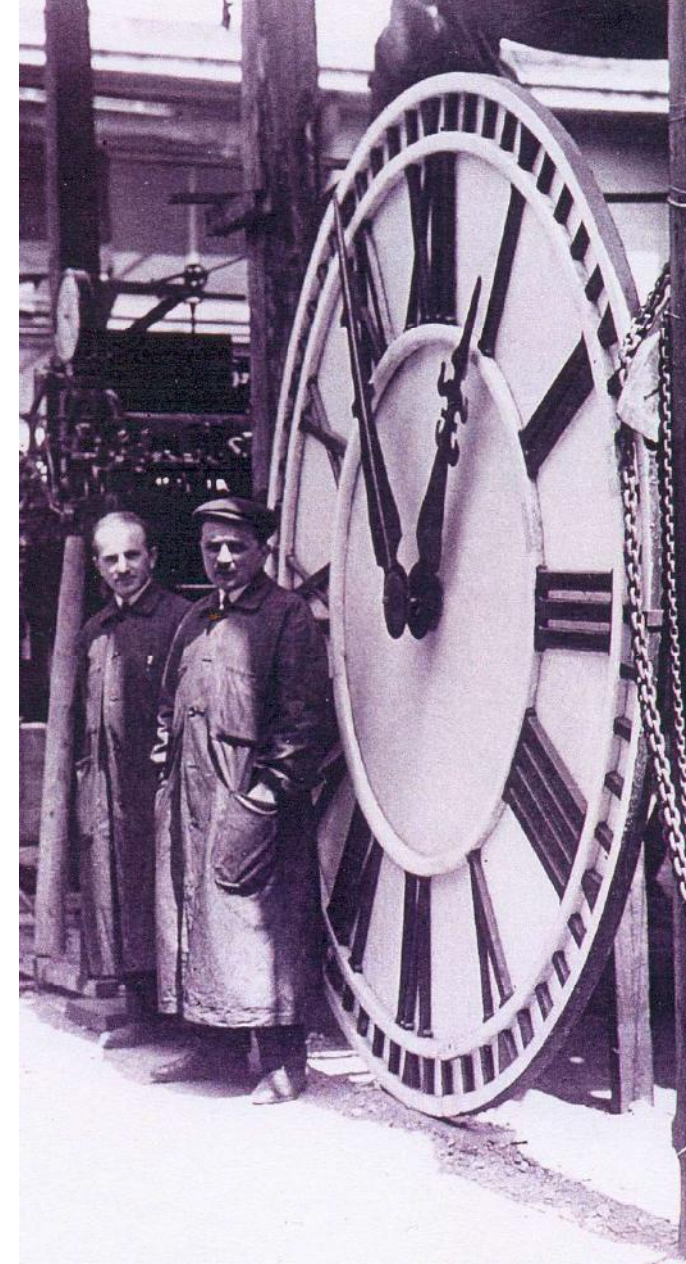
Throughout its **120-year history**, Miroglio & C. has been able to innovate and progress, adapting as best it can to the needs of the **market** and its **customers**.

The company was founded in **Turin** in 1898 by Giuseppe Miroglio, and developed in the early decades of the 1900s with his sons Lorenzo and Eusebio Miroglio. Initially, the F.lli Miroglio company produced tower and bell **clocks** at its headquarters at 87 Via Madama Cristina in Turin.

In the 1930s, in order to **expand** the departments, the firm moved to 17 Via Savonarola, where production capacity increased significantly. During these years Miroglio watches were installed throughout **Italy** and the **world**, from Africa to South America.

Since the **postwar** period, the company has gradually specialized in industrial production in the **automotive sector**, consolidating itself as an established industrial reality in the Turin area.

The history of Miroglio & C. continues into the **new century** and today reaffirms its production and technological capacity as an ever-evolving resource: for the past 60 years, the company has specialized in the machining of special and alloyed high-strength **steels**, and manufactures **mechanical parts** including every finishing operation.



The business model

We specialize in the **machining** of high-strength special and alloy **steels**: we make **mechanical parts** including all finishing operations (grinding, heat and surface treatments, etc.) and perform machining operations using **CNC** lathes and machining centers on parts with diameters from 4 mm to over 250 mm.

Our **production range** extends from small and medium series, prototyping to large series production, and thanks to some cooperation agreements signed in recent years, we can also supply hot stamped, cold stamped and extruded products.

The processing that is carried out in our factories basically consists of:

- **Turning** machining from bars or semi-finished stamped parts;
- **Rework** (such as tapping, drilling) of metal parts from the turning stages;
- **Grinding** machining of metal parts from the turning or reworking stages;
- **Assemblies** of various types;
- **Measurement, inspection and analysis** of fabricated

parts.

Turning operations are carried out on the entire production; however, resharpening and/or grinding operations are carried out on only part of the production.

Over the years we have focused our production on **precision machining**, creating for ourselves a **market niche** that has led us to directly supply the world's most **prestigious** car manufacturers, including Ferrari, Lamborghini, Maserati and Porsche. To achieve this, we have **invested** considerable resources in **machinery** and our **people**: for example, to maintain high standards of precision, we have equipped ourselves with three **quality laboratories**, equipped with **state-of-the-art** equipment.

In the construction and operation of our facilities and in our machinery purchasing decisions, we have always paid special attention to aspects concerning product and process **quality** and **environmental** performance to ensure clarity and transparency in our **customer** relationships.



Quality control

We are equipped with three laboratories for quality control of supplied products



State-of-the-art machinery

We use state-of-the-art CNC machinery including multi-spindle lathes, single-spindle lathes, sliding headstock lathes, vertical lathes, machining centers, robotic centerless grinding machines and internal grinding machines.



Cleaning certification laboratory

We have a laboratory in place to certify the cleanliness and degree of contamination of supplied products.

Our approach to sustainability

The **automotive** supply chain-which we are an integral part of-has in recent years developed a growing **attention** to issues related to **climate change** and more generally to issues of environmental and social **sustainability**: in particular, the major players in our industry are currently working to achieve **Carbon Neutrality**, and have involved the relevant value chain in this process.

As a result of our **sensitivity** and the stimulus of our main clients, we have now become **aware** that we are part of a system that must positively express a significant **role** in **protecting** the environment and people.

Sustainability has taken on a **relevance** for us that is realized not only at the **operational** level-for example, having structured certified environmental and social management systems for years-but also at the **strategic** level, in close connection with corporate governance.

We believe that corporate **social responsibility** is at the heart of doing “business for good”: this is why our corporate strategy aims to reconcile the analysis of the economic and financial dimensions of **governance** decisions with social and environmental impact assessments, in order to meet the expectations of our stakeholders in a comprehensive way. First and foremost, our approach is based on a constant comparison with the **Sustainable Development Goals** (SDGs), to assess our **contribution** to their achievement and understand any room for improvement: the sustainability **reporting** process we started last year in fact allows us to collect, compare and analyze all the data related to our social and environmental impacts, in order to take action with a view to continuous **improvement**.



We consider the following SDGs of the 2030 Agenda to be strategic:



Decent work and economic growth



Business, innovation and infrastructure



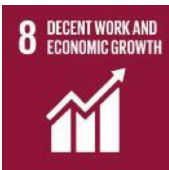
Reducing inequality



Responsible consumption and production



Climate Action



Goal 8

Promote durable, inclusive and sustainable economic growth, full and productive employment and decent work for all

The promotion of sustainable growth and the creation of decent jobs that respect human rights are of paramount importance not only for developing countries but also for emerging and industrialized economies. Goal 8 includes subgoals related to supporting economic growth, productivity growth and job creation. Labor must be decent, and all forms of forced labor, modern slavery and/or human trafficking throughout the production chain must be combated. In addition, the growth that is to be pursued must be sustainable and must not be at the expense of the environment and the ecosystem that hosts businesses: for these reasons, it is necessary to aim for greater efficiency in global resource consumption and less environmental degradation.

Our company has been promoting a sustainable economic growth model for more than a hundred years, creating employment and value, withstanding market changes, reinventing itself and staying ahead of the times. We strongly encourage technological upgrading and innovation, investing annually in the purchase of new energy-efficient machinery that can guarantee the highest quality of processing and lower consumption. In addition, we promote development orientation policies that support labor activities by encouraging human resource training. Along with training, another issue close to our heart is youth employment: for this reason we activate internships with young talents in the industry who, accompanied with specific educational paths in the company, have the opportunity to professionalize themselves in the field.





Goal 9

Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation

Investments in sustainable infrastructure and scientific and technological research foster economic growth, create jobs, and promote prosperity. Goal 9 therefore aims to encourage the building of resilient infrastructure, industrialization and innovation to ensure greater efficiency in the use of resources and encourage the introduction of new industrial processes and the adoption of clean and environmentally friendly technologies.

In our company, we consider investment in sustainable infrastructure and the best available technologies to be of vital importance in fostering economic growth, creating jobs and promoting patterns of prosperity and sustainability. We aim for ever-increasing efficiency in the use of resources and encourage the use of clean and environmentally friendly energies by making structural changes to industrial processes to make infrastructure sustainable. For this reason, in recent years we have decided to invest in state-of-the-art machinery and a new plant, in order to concentrate activities more - and thus reduce the impact of logistics - and meet new production needs. The new building is located just a few meters from our current headquarters: the refurbishment of that facility included some energy efficiency upgrades in order to grow in a way that respects both the environment and the local community that has generously hosted us for years.





Goal 10

Reduce inequalities within and between countries

Goal 10 focuses on reducing inequalities within and between countries. Specifically, it aims at income growth of the poorer classes for the achievement of social, economic and political empowerment and inclusion, and requires ensuring equality of opportunity through the elimination of discriminatory laws, policies and practices, facilitating more regularized and safe human migration through the implementation of appropriate migration policies.

We are aware that global inequality is significant and one of the greatest obstacles to sustainable development and poverty alleviation. Inequality within many countries has been on the rise in recent years: it limits opportunities for social groups to participate in life and opportunities to make a meaningful contribution to social, cultural, political and economic life. We are committed to ensuring the protection and enhancement of diversity in all its forms and manifestations, within and outside our organization. We adopt merit criteria of competence and in any case strictly professional criteria for any decision regarding labor relations; we expressly prohibit discriminatory practices in the selection, hiring, training, management, development and compensation of our personnel, as well as any form of nepotism or favoritism.





Goal 12

Ensure sustainable patterns of production and consumption

The world's population currently consumes more resources than ecosystems can provide. Social and economic development that is within the carrying capacity of ecosystems requires fundamental changes in the way our societies produce and consume. In this regard, Goal 12 aims for a substantial reduction in waste generation through measures such as recycling and reuse, the environmentally sound management of chemicals and all waste, and encourages businesses to adopt sustainable practices by promoting sustainable procurement policies.

Our company continuously strives to reduce natural resource use and waste generation by promoting reuse, recycling and recovery practices and pursuing continuous improvement goals in natural capital management.





Goal 13

Take urgent measures to combat climate change and its consequences

We have an understanding that climate change is the most daunting and ambitious sustainable development challenge. Global warming is causing changes in the global system that threaten the survival of large segments of the population in less developed countries, while some infrastructure and economic sectors in developed regions are particularly vulnerable to the risks of climate change. In addition, changes in precipitation and temperature cycles are affecting ecosystems such as forests, agricultural lands, mountain and ocean regions, as well as the plants, animals and people living there. Global CO₂ concentration has increased by more than 50 percent between 1990 and 2012.

Goal 13 therefore calls on businesses to equip themselves with climate protection measures and to take urgent action to counter climate change and its immediate consequences. It is important to take cognizance of climate-related risks and natural disasters not only in one's own country but in all: risk management must be implemented and conducted as a complement to strategic and economic-financial planning measures. In this regard, we strive to monitor our carbon footprint and define a roadmap toward Carbon Neutrality, as well as to carefully consider the physical and transitional risks associated with climate change.



The governance of sustainability

As mentioned earlier, **sustainability** has taken on not only operational, but also **strategic** significance for our company, in close correlation with the governance of the company. We believe that the **perspective** of Sustainability Governance is fundamental, since all topics that can be collectively linked to the broader issue of sustainability, directly or indirectly affect our future economic-financial **performance** and thus the very survival of the company in the **medium to long term**. For this reason, in 2021, the company's Board of Directors resolved to appoint a **delegated contact person** for the management of ESG issues, and at the organizational level, an **ESG Team** was established, a function with cross-cutting competencies consisting of company contact persons pertaining to quality systems, production planning, logistics, finance and administration, and human resource management. The **tasks** assigned to the ESG Team concern:

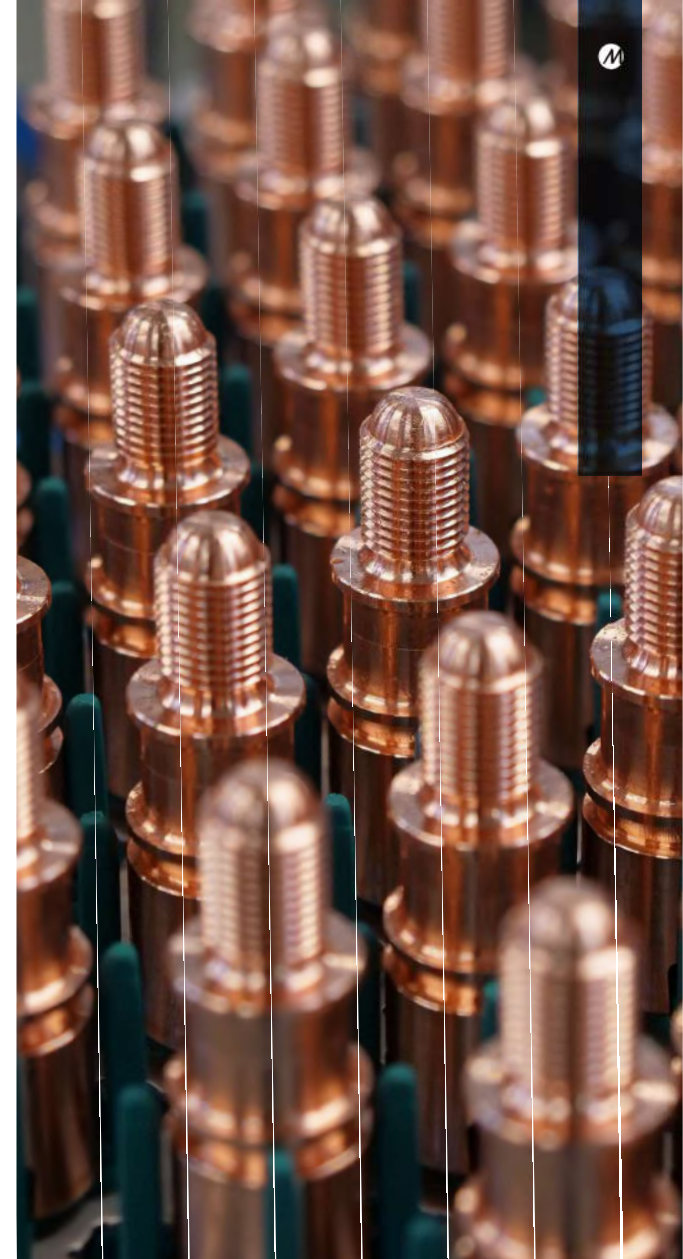
- supporting the drafting of the sustainability report and the collection of ESG data;
- monitoring legislative and regulatory developments for sustainability reporting;
- completing ESG questionnaires from clients and lenders;
- setting sustainability goals and monitoring the results achieved.

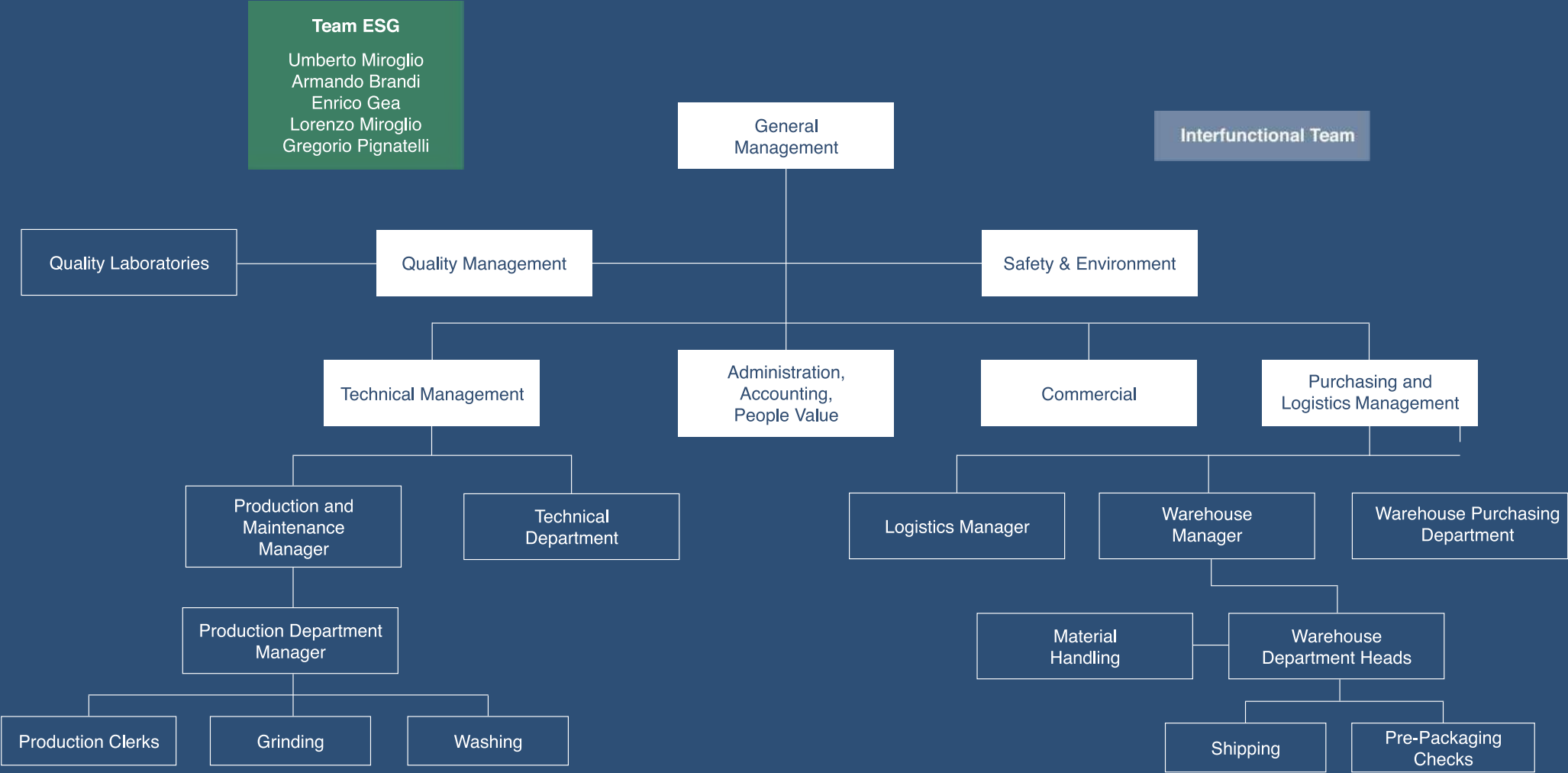
The work of this Team is periodically **supervised** by the CEO, who plays a controlling and guiding role in directing the management of sustainability issues and informing the Board of Directors.

It can thus be highlighted that in our company:

- there are **institutional** and **organizational roles**, responsibilities and planning and control mechanisms to support sustainable business management;
- the **sustainability strategy**, consistent with the social and environmental impacts generated by the company, also involves the supply chain;
- the assessment of **risks potentially** attributable to the business-environment relationship and their possible impact on strategies - with particular reference to those of a climate-related nature - is a matter that involves high-level managers in the company.

In the context of corporate governance, therefore, skills have been developed to consider, on the one hand, the potential impact of sustainability management-related risks and opportunities on the company's business model (**outside-in** perspective), and, on the other hand, the risks caused by the company to the environment, stakeholders and society at large (**inside-out** perspective).







Stakeholders and involvement

As a first step in conducting **materiality analysis**-the process of identifying the most relevant sustainability issues in relation to the business context-we decided to **map our stakeholders**.

Priority stakeholders were defined based on the analysis of our core activities, identifying both the stakeholders who are most **affected** by the decisions made by our company and the stakeholders who most **influence** our business. We then delved deeper into the **interactions** with all the stakeholders involved in our business activities, further differentiating stakeholders according to the type of **relationship** undertaken with our company, and thus dividing them firstly between internal and external, and secondly between direct and indirect.

The following **subdivision** of our stakeholders was thus established based on the following criteria: type of relationship, frequency of interaction and type of exchange with the Company.

Miroglio&C’s stakeholder map:

Internal stakeholders	External primary stakeholders	Indirect external stakeholders
• shareholders • employees	• core customers (automotive) • banks • partner suppliers • wholesale suppliers • general suppliers • network for circularity	• trade unions • Industrial Union • Industry associations • educational institutions, schools, universities • local community • third-sector associations



In distinguishing the above three categories, we have also considered the **principles** of power, legitimacy and urgency so that we can better understand the dynamics of interaction. Finally, the comprehensive **mapping** of our key stakeholders, shown below, highlights the expectations and modes of engagement that we have developed.

Operating in a **dynamic** environment, we interact with a multiplicity of stakeholders who condition our ability to achieve certain goals or who are affected by our activities. We therefore believe that **transparency** and openness to **dialogue** are fundamental in order to be able to create shared value and contribute to the definition of a sustainable development model.

Stakeholder	Expectations	Ways of engagement
Shareholders	• Economic value creation • Risk governance • Appropriate remuneration	• Shareholders' meeting • Periodic sharing activities
Employees	• Reliability • Job security • Congruous remuneration	• Dialogue • Team building activities • Family climate
Customers	• Quality • Safety • Reliability • Sustainability and taking responsibility on ESG issues	• Participation in events • Direct relationships based on multi-year knowledge • Involvement in initiatives and surveys
Suppliers	• Punctuality • Sustained relationship • Reliability • Value creation	• Direct relationships based on long-standing knowledge • Partnership development
Banks	• Solvency • Economic sustainability • Environmental and social sustainability	• Sharing of objectives • Transparency in communication
Educational institutions	• Possibility of partnerships • Training • Education	• University meetings • Internships • Dedicated orientation events
Local community	• Creation of shared value • Employment opportunities • Respect for the local area • Participation in and event sponsorship	• Recruitment • Updates and certifications • Document publications

Themes of materiality

Materiality analysis is a particularly important process because it makes it possible to identify **material issues**, those issues considered most significant with regard to sustainability, and consequently to direct **strategic actions** and sustainability **reporting**.

Our approach to this process was based on the framework proposed by the European Sustainability Reporting Standards - ESRS, which require organizations to report on material issues by adopting a **dual materiality** perspective, which considers:

- the significant **impacts** on the economy, environment and people, actual or potential, negative or positive, related to the organization's activities as well as its value chain, upstream and downstream (impact materiality);
- sustainability **risks** and **opportunities**, which affect or may significantly affect a company's future cash flows, triggering financial spillovers on the organization's development, performance and positioning in the short, medium and/or long term (**financial materiality**).

Material issues were then identified through a process that included the following **steps**:

- analysis of the business model;
- discussion with the first line of management and the heads of the operating structures;
- analysis of sustainability macro trends and assessment of key issues reported by SDGs and SASB Standards - Materiality Map with respect to the "Auto Parts" sector;
- analysis of sustainability expectations of key stakeholders identified;
- assessment of material themes identified by key competitors and companies operating in related industries. The following material themes were then identified:

Carbon Footprint



Circularity



Energy efficiency monitoring



Networking for sustainability



Presiding over corporate facilities



Use of energy from renewable sources



Waste Valorization



Customer centricity



Commitment of employees



Maintaining the HC



Sustainable supply chain



Social project development



Sustainability governance



Reducing the impacts of logistics





Carbon Footprint

We monitor the impact generated by our production activities in terms of the release of greenhouse gas emissions, and work to develop initiatives to reduce and combat climate change. To this end, our first step has resulted in a preliminary corporate Carbon Footprint estimation project to analyze how our products and services are designed, manufactured, distributed, consumed and disposed of, in order to be able to assess the positive effects of the sustainability policies we have implemented and identify further room for improvement along the entire value chain.



Energy efficiency monitoring

The sustainability of our production activities is based on the rational and efficient use of raw materials, to promote a circularity perspective that is developed from the earliest stages of product design. We strongly believe in the principles of conscious consumption: our environmental and economic performance is positively influenced by the renewal of processes and the introduction of good practices regarding recycling, return of auxiliary raw materials and choice of natural supporting materials. In fact, the design and development



Circularity:

The sustainability of our production activities is based on the rational and efficient use of raw materials, to promote a circularity perspective that is developed from the earliest stages of product design. We strongly believe in the principles of conscious consumption: our environmental and economic performance is positively influenced by the renewal of processes and the introduction of good practices regarding recycling, return of auxiliary raw materials and choice of natural supporting materials. In fact, the design and development of systems that encourage the continuous reuse of resources-such as in the case of the sale of offcuts-has enabled the optimization of production and the achievement of economic and environmental benefit.



Networking for sustainability

Cooperation and networking provide a major opportunity to share initiatives, enhance knowledge and skills, and establish direct dialogues and exchanges of sustainability experiences and good practices. We are aware that in order to further improve our environmental performance we need to operate with a Networking logic, involving other companies upstream and downstream of our value chain: therefore, we are open to evaluate structured collaborations with companies that carry out activities functional to our business, in order to cooperate and identify shared goals in Carbon Neutrality and circularity governance.



Presiding over corporate facilities

Our environmental responsibility is based on control and planning activities: to this end, we are committed, through our Environmental Management System, to constantly monitor the quality and performance of our business facilities, timely checking compliance with any legislative requirements.



Waste Valorization

Through the adoption of best practices, we support a business culture that is aware of the impacts that emerge downstream in the production chain: the most responsible choice, with a view to efficiency and respect for materials, is to believe in the potential of waste and to give it back its dignity by reusing and repurposing it in different production processes.



Use of energy from renewable sources

Our sustainability journey aims to harness the benefits of implementing eco-friendly strategies. In fact, for more than a decade we have been promoting the use of renewable energy sources for power generation to achieve a twofold benefit: reducing the environmental impact of processes and reducing operating costs.



Customer centricity

Every activity we carry out, from design to order to the production of the finished product, is conducted by pursuing the goal of completely satisfying the needs of our customers, who have always been at the center of a business model capable of reinventing and adapting to fulfill every specific request and maintain the reliability and integrity of business relationships. Through continuous and transparent communication channels, customers support us in every step of the production phase by providing valuable feedback that enables us to develop qualitatively superior tailor-made processes.



Commitment of employees

Our people, with their value and differences, are a primary and indispensable resource: their involvement is the key, the strength that allows us to be a solid and culturally dynamic company. We believe that a constructive climate stimulates the development of talent and has positive effects at multiple organizational levels: to align our culture with the personalities of our employees, we promote team-building events that facilitate exchanges of ideas and perspectives even outside the work environment, and we adopt welfare policies that reserve specific benefits and ensure greater work-life balance for employees.



Sustainable supply chain

We are aware that contributing to social and environmental sustainability requires careful teamwork involving the active involvement of the entire supply chain: this is why we have integrated ESG criteria into the supplier selection stages, requiring the sharing of basic principles of behavior, and we set the relationship with our suppliers on constant communication, through which we support the improvement of their sustainability performance.



Sustainability governance

We are aware that shrewd business conduct must consider ESG issues and risks, which directly or indirectly affect future business performance: in this regard, we have provided specific roles-institutional and organizational-as well as particular procedures and responsibilities. Similarly, the choice to monitor and report annually on our environmental and social impacts represents our readiness for transparency, and enables us to develop better sustainability governance.



Maintaining the HC

We wish to attract and retain the best talents: we have always recognized and attached the utmost importance to all people who work and collaborate in the ideal of “doing business well” by bringing specific experience and know-how. For this reason, we are committed to fostering potential, career advancement and the enhancement of skills through principles of merit, professionalism and equal opportunity, and we are particularly attentive to internal mobility and youth employment, for which we activate internships and specific educational paths.



Social project development

Our idea of doing business has always included the involvement of the local community, to ensure an active contribution to the creation of economic, environmental and social value for the territory that hosts us. To promote the welfare of the community, we support charitable initiatives of cultural and social value, with a focus on issues related to sports and health, and we constantly dialogue with educational institutions and technical institutes, in addition to investing in the local production substrate, selecting for supply small and medium-sized companies with which to establish relationships of closeness and mutual trust.



Reducing the impacts of logistics

The internalization of production processes allows us to gain a competitive advantage through better operational management, and is a decisive factor in reducing the environmental impacts associated with logistics: in this regard, we are committed to encouraging the spatial and temporal concentration of activities, keeping transportation emissions under control, and evaluating sustainable mobility carriers.

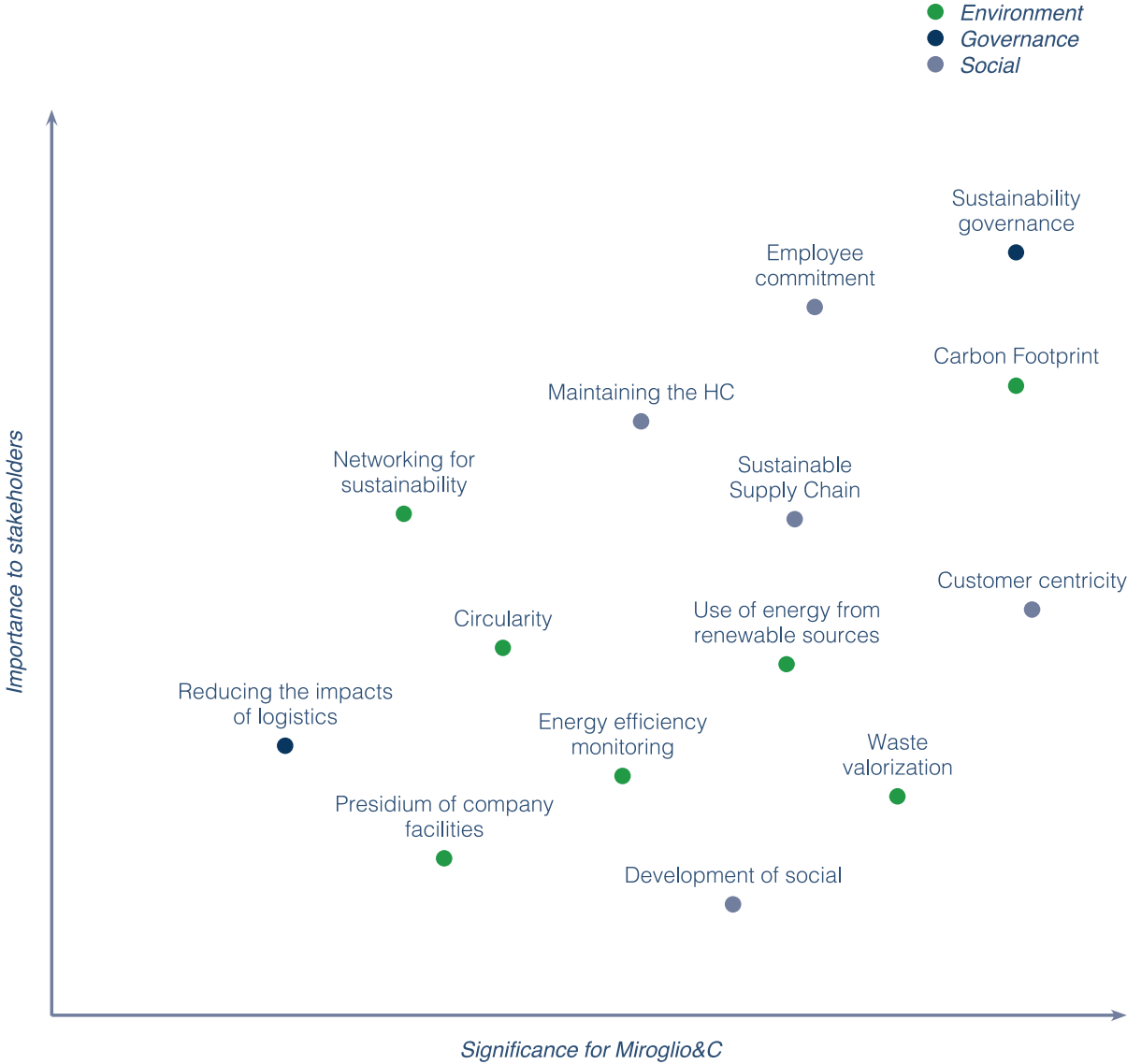
The material issues identified in the materiality analysis were then sorted into the following materiality matrix, dividing them by **macro area** of interest: Environmental, Social and Governance.

The result of the materiality analysis is influenced by the type of **business** we represent, the **values** we believe in and seek to uphold in carrying out our activities, and the desire to meet the **expectations** of our stakeholders.

Material issues related to the **Social** dimension represent one of the challenges to which we intend to respond positively. We strongly believe that it is a priority for the company to have employee **commitment**, that our human capital is motivated, feels an integral part of our organization and identifies with our goals and values. For this reason, we strive to train our employees but also to pass on our values and corporate culture. We organize **team-building** events such as five-a-side football sports competitions on a weekly basis, so as to offer moments of fun and ensure opportunities to improve cohesion among people. Connected to this issue is the theme of **enhancing** human capital: indeed, in the company it is essential that our culture be shared and supported by all employees.

We believe that it is important to align the level of **experience** among the various resources, mixing the **know-how** of employees with more seniority with the innovation of our young talent. We therefore wish to foster the internal mobility of our employees both vertically and horizontally. We like to think of our organization as an internal ecosystem capable of fostering positive and constructive exchanges.

Repeated and active **involvement** is for us the key to accelerating transition and innovation, improving everyone's performance and skills and maintaining production characterized by high quality levels.



Turning our gaze to the **Governance** dimension, we consider the governance of **sustainability** issues to be of paramount importance: to ensure ongoing consideration of this material issue, we have committed ourselves to annually monitoring and communicating our environmental and social impacts, and we have developed an integrated management system-with specific roles, procedures and responsibilities-in relation to quality, environmental and health and safety issues. We also strive to offer products and services of value and **quality** by closely monitoring our **customers'** satisfaction and maintaining continuous communication channels.

Finally, as far as material issues related to the **Environmental** dimension are concerned, we have been on a path aimed at reducing our impacts at 360° for years, which is based first and foremost on the adoption of an **ISO 14001:2015** certified environmental management system, the installation of **photovoltaic systems** on our plants for self-generation of electricity and the use of the **best technologies** available on the machinery market.

The latter choice allows us not only to reduce our energy consumption, but also to carry out qualitatively superior processing, with less waste of raw materials and better management of residues; the installation of photovoltaic systems, on the other hand, allows us to supply ourselves with electricity from renewable sources, with both environmental and economic benefits.

In addition to these policies, we are committed to adopting **good practices** such as recycling paper materials, returning pallets, and choosing natural rather than synthetic support materials.

We also decided to develop a preliminary estimate of our **Carbon Footprint**, to quantify our impact in terms of greenhouse gas emissions, assess the positive effect of self-generation of energy from renewable sources, and identify any room for improvement.



The connection between our material issues and the SDGs

Materiality analysis allows us to frame and target our commitment to sustainability.

However, to **further deepen** our **positioning** and identify potential areas for **improvement**, we decided to compare material themes with the commitments defined in relation to the goals of the **2030 Agenda** for Sustainable Development.





Connection table between our material themes and the SDGs

8.Decent work and economic growth	9.Business, innovation, infrastructure	10. Reduction of inequalities	12. Responsible consumption and production	13. Fighting climate change
Circularity	Circularity	Employee commitment	Carbon footprint	Carbon footprint
Maintaining the HC	Sustainability governance	Sustainable supply chain	Customer centricity	Circularity
Energy efficiency monitoring	Energy efficiency monitoring	Social project development	Circularity	Sustainability governance
Social project development	Networking for sustainability		Sustainability governance	Energy efficiency monitoring
Valorization of waste	Corporate facilities oversight		Energy efficiency monitoring	Networking for sustainability
	Reducing the impacts of logistics		Sustainability networking	Corporate facilities oversight
	Use of energy from renewable sources		Corporate facilities oversight	Reducing the impacts of logistics
	Waste valorization		Reducing the impacts of logistics	Sustainable supply chain
			Sustainable supply chain	Use of energy from renewable sources
			Use of energy from renewable sources	Waste valorization
			Waste valorization	

We believe that **ethics** and **profit** cannot be at odds, because long-term economic development cannot be separated from social and environmental development. That is why we strive to conduct our business **responsibly**, and to this end, we have equipped ourselves with the following **tools**:

- **Code of Ethics** (available [here](#))

The Code aims to illustrate the rules and principles of behavior by which our Company is inspired and demands respect and observance by all corporate functions and all those who, in any capacity, have relations with it.

The values mentioned within our Code of Ethics - **Lawfulness, Equality, Honesty and Fairness, Impartiality, Transparency, Confidentiality and Diligence** - are an integral part of Miroglio's culture and represent the point of reference for all activities and decisions.

The Code has been drafted in accordance with Legislative Decree 231/01 and also considers the procedures set forth in the Management Systems for Quality, Environment and Occupational Health and Safety.

- **Model 231**

In 2022, in accordance with the provisions of Legislative Decree 231/01, we equipped ourselves with an **Organization and Management Model** (MOG 231) that aims to prevent the commission of the predicate offenses under Legislative Decree 231/01 and reduce the related risk through the application of specific prevention protocols.

Consequently, a Supervisory Board (so-called Supervisory Board) has been appointed, with autonomous powers of initiative and control, which is entrusted with the task of supervising the operation of and compliance with the OMC 231 (of which the Code of Ethics is an appendix) and taking care of its updating.

- **ESG Policy**

We adopt an economically and ethically responsible industrial and business approach to generate **value** and **sustainable growth** but also to implement good environmental and social practices at the corporate level, supporting a business culture that is conscious of its impacts.

Our ESG Policy is inspired by the **SDGs** established by the UN within Agenda2030 and defines commitments, **goals** and strategies to manage ESG (Environmental, Social and Governance) issues and improve our sustainability performance.

It is designed to fulfill the following objectives in particular:

- improve the sustainability decision-making process;
- support ESG risk control by defining management methods (including the roles and responsibilities of the corporate bodies and structures involved) and explicit objectives;
- spread the culture of sustainability among the company's stakeholders;
- facilitate the non-financial reporting process;
- disseminate information regarding policies and expected results on issues deemed "material" by the company.



ESG policy

• Environmental protection and efficient use of resources

Miroglio&C S.p.A. is committed to promoting the efficient use of resources and the reduction of greenhouse gas emissions. For this reason, it supports the use of renewable sources and engages in R&D activities in order to devise systems that promote the continuous reuse of its products from a circular economy perspective.

In order to minimize its impact, Miroglio&C S.p.A., right from the design stages of its products, favors the adoption of a logic that is attentive to the impacts on water resources, the reduction of waste production and the prevention of soil pollution. The company is also committed to assessing and controlling environmental impacts through constant monitoring activities, adjusting its strategic choices with a view to continuous improvement. In this regard, suppliers are also encouraged to improve their environmental performance, supporting them wherever possible.

• Value of Human Capital

People, with their rights, value and differences, are Miroglio&C S.p.A.'s greatest asset and are always at the center of the company's actions.

For this reason it is committed to involving them to develop their skills and competencies, periodically promoting training and information activities at all organizational levels. Miroglio&C S.p.A. is also committed to ensuring that selection, training, development and career advancement are determined by merit and are not influenced in any way by forms of discrimination based on gender, age, health, sexual orientation, ethnic origin, nationality, political opinions or religious beliefs. The company aims to provide a positive, constructive and dynamic working environment that supports the possible heterogeneity of individuals and their talents, opinions and views, ensuring equal opportunities for all.

- **Employee protection and safety**

For Miroglio&C S.p.A., attention to issues relating to the health and safety of workers represents a fundamental aspect of personnel management.

As also stated in the Code of Ethics, the company is committed to ensuring a work environment that complies with current health and safety regulations and promotes responsible behavior to preserve the health and safety of all employees and collaborators, drawing inspiration from best practices at the national and international level. To fulfill this objective, Miroglio&C S.p.A. ensures continuous monitoring of risks related to the performance of professional activities and is committed to spreading and consolidating a culture of safety among its employees, with the aim of spreading good practices to the entire supply chain as well.

- **Respect for human rights**

Miroglio&C S.p.A.'s personnel management complies with all current regulations regarding respect for human rights. In particular, the company is committed to disseminating good practices in terms of respect for human rights to its suppliers, verifying their adequacy in this regard and promoting their training, in cases where there is an absence of appropriate awareness.

- **Responsible sourcing**

Miroglio&C S.p.A. pays attention to the relationship with suppliers in order to obtain the maximum competitive advantage and select suppliers who share the respect of behavioral principles correspondent to its own, considering this last aspect of fundamental importance for the birth or continuation of a business relationship. To this end, each supplier, business partner or external collaborator is selected on the basis of sensitivity to social and environmental issues, as well as informed of the existence of the Code of Ethics and related commitments.



- **Synergy with local communities**

Miroglio&C S.p.A., aware of its impact on the economic and social development of the reference territory and on the general welfare of the community, intends to operate in respect of local and national communities, supporting initiatives of cultural and social value and pursuing the improvement of its reputation and an increasingly favorable legitimacy to operate. The company promotes local development in various ways, dialoguing with both public institutions and private entities such as amateur sports clubs.

- **Creation of value for the company and the territory**

Miroglio&C S.p.A. is determined to combine economic, social and environmental objectives in such a way as to generate value for the company, the stakeholders with whom it interacts and the environment within which it operates. The overall objective is to enhance the positive externalities arising from its activities and avoid or minimize the negative ones.

The principles set out above therefore inspire Miroglio&C S.p.A. to manage its impacts responsibly, both towards the community in which it operates and towards its own people.

This Policy, for the drafting of which all the corporate structures concerned were involved, in order to ensure a clear definition and sharing of objectives, roles and responsibilities, was approved by the Board of Directors on 14/06/2022.

The Board is responsible for its application and periodic updating, in coherence with the company's priorities and set objectives.

This Policy is communicated to all internal and external stakeholders who request it and is publicly available within the company's website. Compliance with the principles contained within the Policy is reported annually through the monitoring of specially identified indicators, and is reported within the Sustainability Report.



Compliance and management systems

We consider occupational **safety** and **health**, as well as **environmental protection**, to be an integral part of company management, and we are committed, by making available human, instrumental, and economic **resources**, to pursuing and disseminating **improvement** objectives in this regard, as an integral part of our **activity** and as a strategic commitment with respect to the company's more general aims. With this view to continuous **improvement** and compliance with the **law**, we have for years now had:

- **Quality** management system certified in accordance with IATF 16949 (specific to the automotive sector);
- Integrated management system for the **Environment** and **Health and Safety** certified in accordance with ISO 14001 and ISO 45001.

The systematic approach to environmental management in accordance with **ISO 14001:2015** provides management with the tools to govern long-term sustainability, enabling:

- protect the environment by preventing or mitigating adverse environmental impacts;
- mitigate the potential negative effect of environmental conditions on the organization;
- meet compliance obligations;
- improve environmental performance over time;
- control the way products and services are designed, manufactured, distributed, consumed, and disposed of using a life-cycle perspective that can prevent environmental impacts from being unintentionally shifted elsewhere in the value chain;
- take advantage of benefits that can be derived from

implementing environmentally friendly alternatives that simultaneously strengthen the company's market position;

- communicate environmental information to stakeholders.

The purpose of a Health and Safety Management System certified under **ISO 45001:2018**, on the other hand, is to provide a framework for managing health and safety risks, with the goal of preventing occupational injuries and worker illnesses and ensuring safe and healthy workplaces.

It is essential for our company to reduce or eliminate health and safety risks by adopting effective preventive and protective measures. In this sense, the implementation of a management system for was a strategic but also an operational decision, since the success of the system depends on commitment and participation at all levels and functions of the organization. The maintenance and proper functioning of the health and safety management system depends on a number of key factors, such as:

- the leadership, commitment, and accountability of senior management;
- the development and promotion of a health and safety culture in the organization;
- internal communication;
- consultation and participation of workers and worker representatives;
- the allocation of adequate resources;
- the effectiveness of processes to identify hazards and control risks.



The implementation of management systems certified under these international standards is based on a "**Plan-Do-Check-Act**" (PDCA) model, i.e., an iterative process, aimed at achieving **continuous improvement**, which is based on the following phases:

- identification of objectives in accordance with the organization's policy (PLAN);
 - implementation of processes as planned (DO);
 - monitoring and measuring the results of processes against the organization's policy (CHECK);
 - definition of corrective actions for continuous improvement (ACT).
- Thanks to the implementation of these management systems in addition to the IATF 16949 Quality system and together with the latest generation of machinery, we are thus able to provide products of **absolute quality**, in compliance with high **environmental** and **social** standards.



THE ECONOMIC AND INFRASTRUCTURAL CAPITAL

"Miroglio & C. Meccanica is Italian historicity and expertise, high quality, attention to sustainability and continuous innovation."



Our structure and our processes

Our facilities cover a total area of about **12,000 square meters**, divided among 5 main buildings. In **2022**, we activated a **new hall** where some machinery was placed and space was made for a quality laboratory and storage of production materials.

As described in Section 2.2, the activities that are effected in our facilities basically consist of:

- **precision machining**,
- **assemblies** of various kinds,
- **measurement, inspection** and **analysis** of manufactured parts.



For machining and assembly, we use state-of-the-art CNC machinery including multi-spindle lathes, single-spindle lathes, sliding headstock lathes, vertical lathes, machining centers, robotic centerless grinding machines, and internal grinding machines.

For measurement and analysis, on the other hand, we have equipped ourselves with three laboratories for quality control of supplied products and a laboratory to certify the cleanliness and degree of contamination of supplied products.

Every year we make large **investments** in **high-tech** plant and machinery, which are necessary to continue producing increasingly complex and sophisticated products: in **2021** alone we invested about **€ 3.3 million** to acquire new machinery such as Index multi-spindle lathes, which can guarantee very high production and quality performance while ensuring high efficiency with respect to material and energy consumption.



Our Products



Injector Pouches



Cups



Crossbars



Valves



Parking Actuator



Endless screws



Steering pins



Rings, spacers



Pulleys



Housings



Small parts

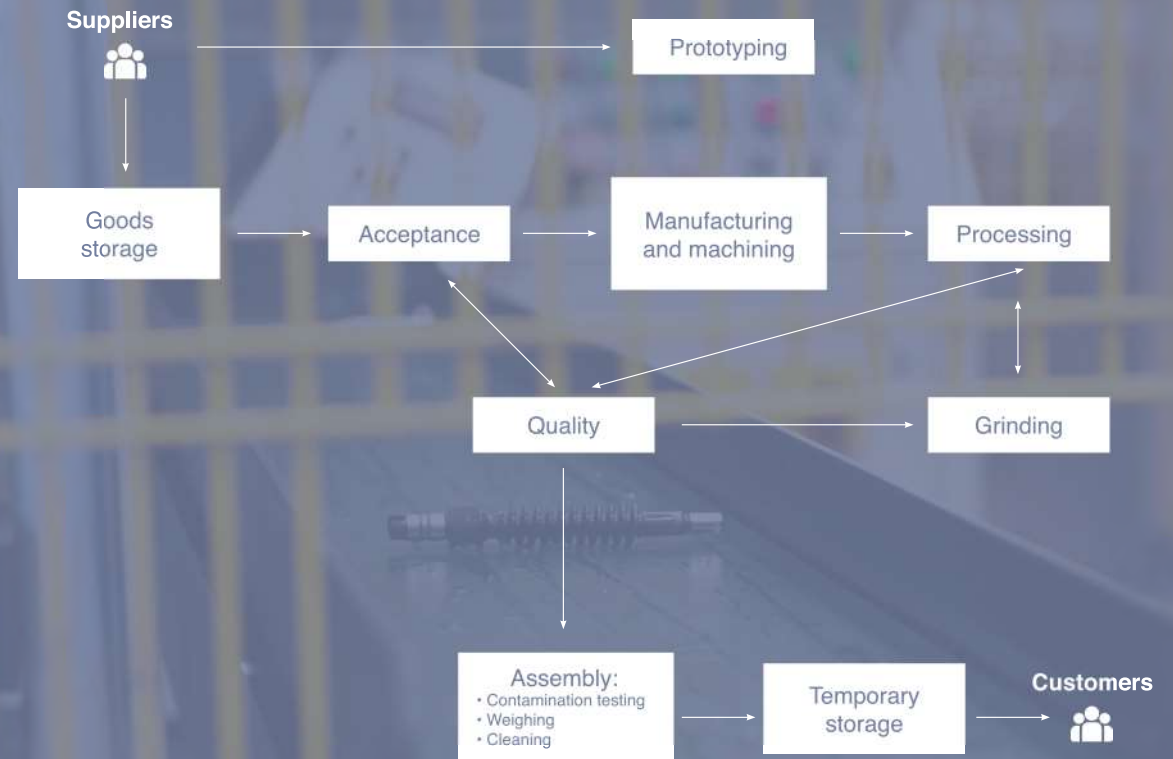


Shafts

Our processes

The **process** for the creation of our products begins with the Customer's **request** and the concomitant **procurement** of raw materials for the creation of **prototypes**. Following the customers' approval of the prototype, the processes of **procurement** of materials necessary for mass creation (steel, aluminum and other metal alloys) are developed. Mechanical **processing** and actual **production** of components are carried out with the latest generation of milling, turning, finishing and washing machinery. The manufactured components undergo a functional quality **control** to verify that they meet the given specifications: having passed this stage, the products enter the **assembly** area, where they are weighed one by one before being cleaned and contamination **tests** are carried out. The now-**ready** and **approved** components are then stored in the temporary warehouse awaiting order fulfillment.

The conduct of these processes has for several years included the implementation of **good environmental practices** that, in adherence to the requirements of the **ISO 14001**-certified management system, aim at production efficiency and optimization, reducing waste and promoting a constant focus on reuse, recycling and waste sorting.



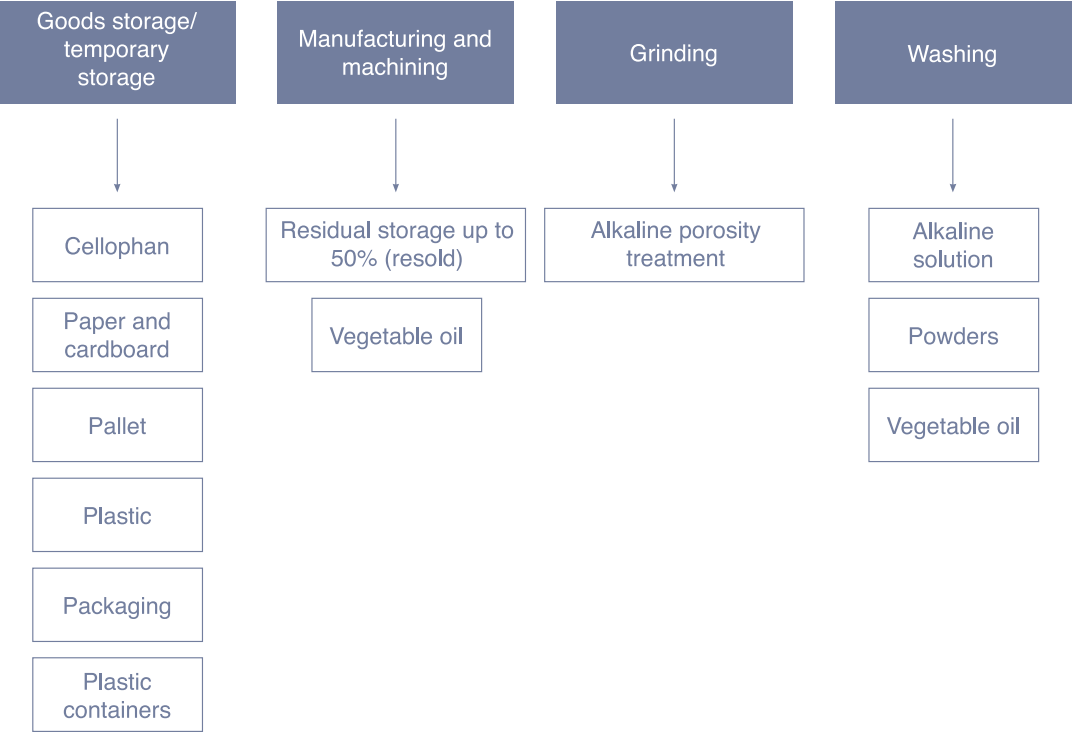


With a view to **circularity**, all turning scraps are washed and are then pressed and resold to third parties: in this way, dignity is restored to the waste, avoiding the waste of raw materials and ensuring the conditions for the development of an **industrial symbiosis**. In addition, a machine has been installed that makes it possible to recuperate the oil of vegetable origin used in the various processing stages, feeding it back into the production process. We have deepened our production processes to analyze the **environmental impacts** associated with them, shown in the following graph.

Within the section *"Environmental Capital"* we delve into and quantify the impacts that we were able to map and analyze in the process of drafting our Sustainability Report.

The **social impacts** of our activity are closely related to personnel management issues: the most relevant are inevitably related to the issue of employee health and safety.

Environmental impacts



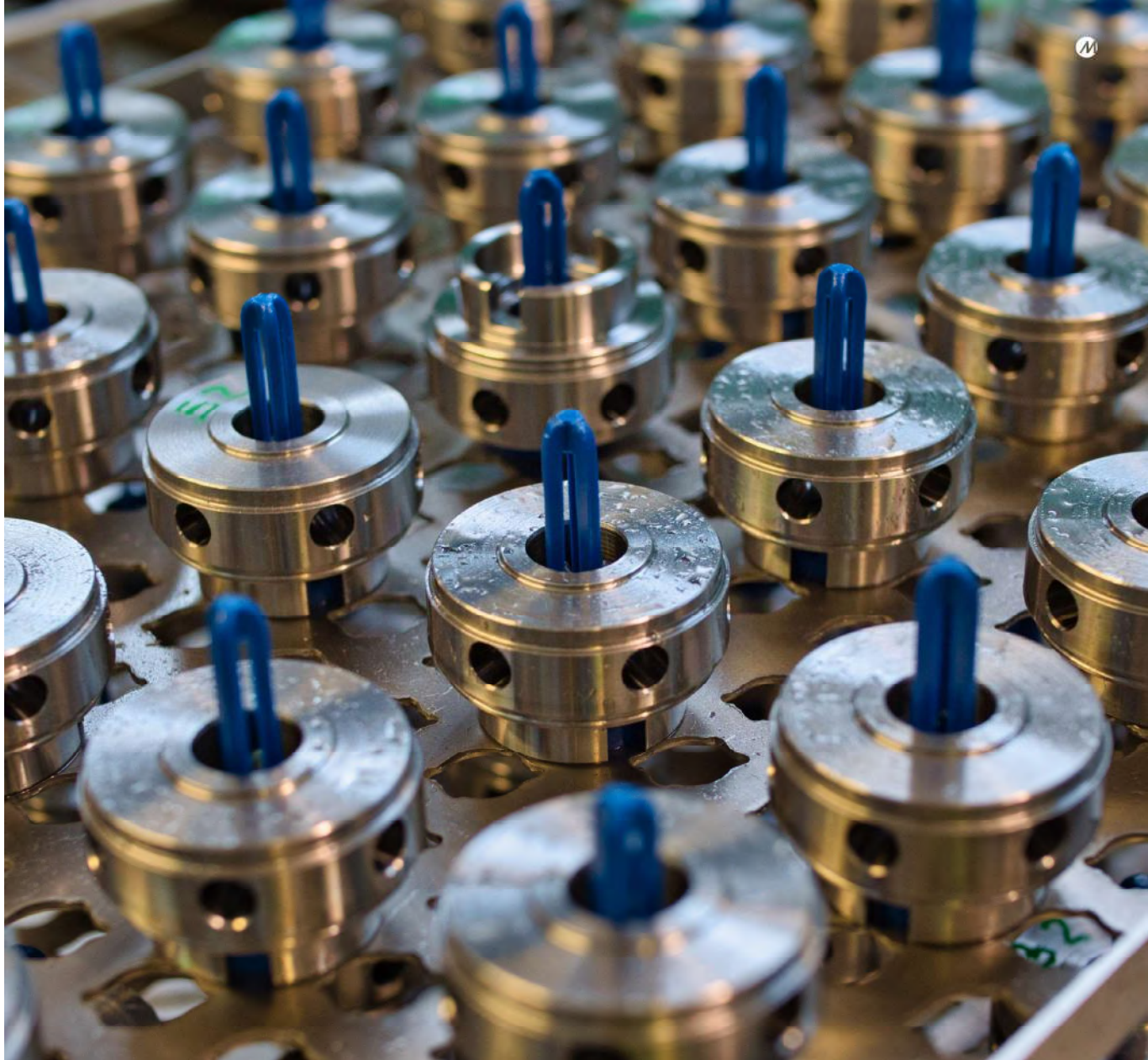
Risk Analysis and Management enables us to identify, assess and manage the risk components related to the activities we perform, and is critical to ensuring the **resilience**, **sustainability** and **competitiveness** of our business in the medium and long term.

We first carry out an in-depth risk analysis as part of our Quality, Environment and Occupational Health and Safety **Management Systems**, considering risks related to the external environment and business processes, as well as informational risks to decision-making. For each type of risk we identify related processes, stakeholders, possible impacts and consequences, measures already in place and possible corrective actions; we also assign **responsibilities**, setting a specific **monitoring** frequency for each risk.

As part of the process of preparing our Sustainability Report, we have also developed a specific analysis to map all potential and actual **ESG risks**, considering both the internal and external context, with the aim of adopting appropriate risk management tools.

In order to carry out a more detailed analysis, we referred to documents of international caliber such as the **Global Risks Report 2023 - World Economic Forum** and the **IFRS Foundation's** draft **ISSB** standards.

The result that emerged is made explicit by the following **matrix**, which is divided into 4 reference areas related to reputational, operational, financial and compliance risks.



- Responsible sourcing
- Customer dissatisfaction with products and services
- Indifference to environmental and social issues
- Lack of transparency in communication
- Lack of integration into the social fabric
- Disruption of supply relationships
- Backsliding compared to sustainability friendly competitors

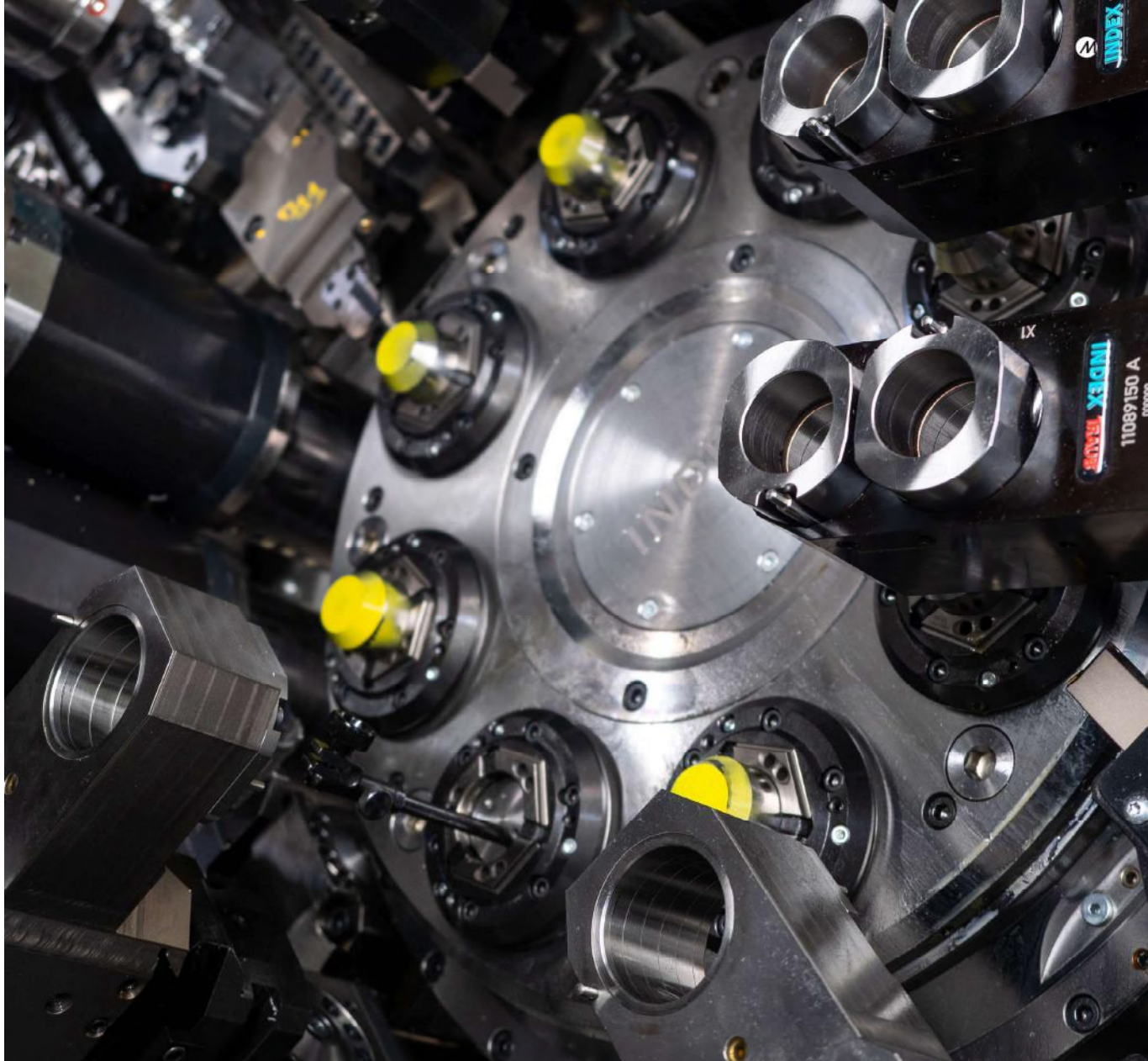
- Environmental impacts of production processes
- Social impacts of production processes
- Reduced access to bank credit
- Elevation of insurance policies
- Loss of engagement in personnel
- Difficulty of relations with the local community (int. divergences).
- Fines for material spills
- Lawsuits over worker and product safety



- Profitability
- Inefficiency of production processes
- Stability of supplier relationships
- Changes in supply prices
- Supply difficulties
- Scarcity of raw materials
- Inadequate management of esg material issues

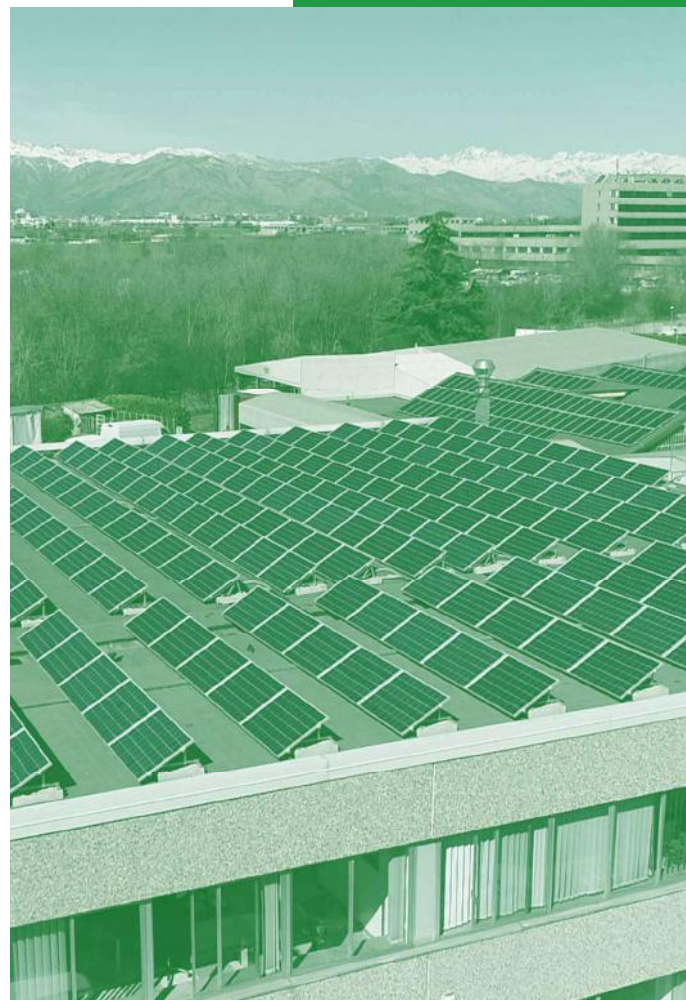
- Compliance with environmental regulations
- Compliance with health and safety of workers
- Active/passive corruption
- Unfair competition practices
- Compliance with supply timelines

Consistent with the analysis of material issues from a "financial materiality" perspective, we have also assessed and deepened the **physical** and **transitional risks** related to **Climate Change**. In fact, Climate Change considerations are now a priority in our governance system: the strategy we have adopted in this regard is based on spreading awareness regarding the direct and indirect environmental and social impacts of the automotive sector, in order to promote their mitigation through the adoption of corrective measures aimed at continuous improvement, both within our company and the value chain to which we belong.



04 ENVIRONMENTAL CAPITAL

"Miroglio & C. Meccanica is Italian historicity and expertise, high quality, attention to sustainability and continuous innovation."



Material Resources

We carry out our activities with full **respect for the environment** around us, continuously striving to reduce our environmental **impacts** and to manage and consume the natural resources we have available in a **sustainable**, rational and efficient way. This is why we have an **Environmental Management System** certified in accordance with ISO 14001:2015, which-through the definition of specific roles, responsibilities and procedures-allows us to:

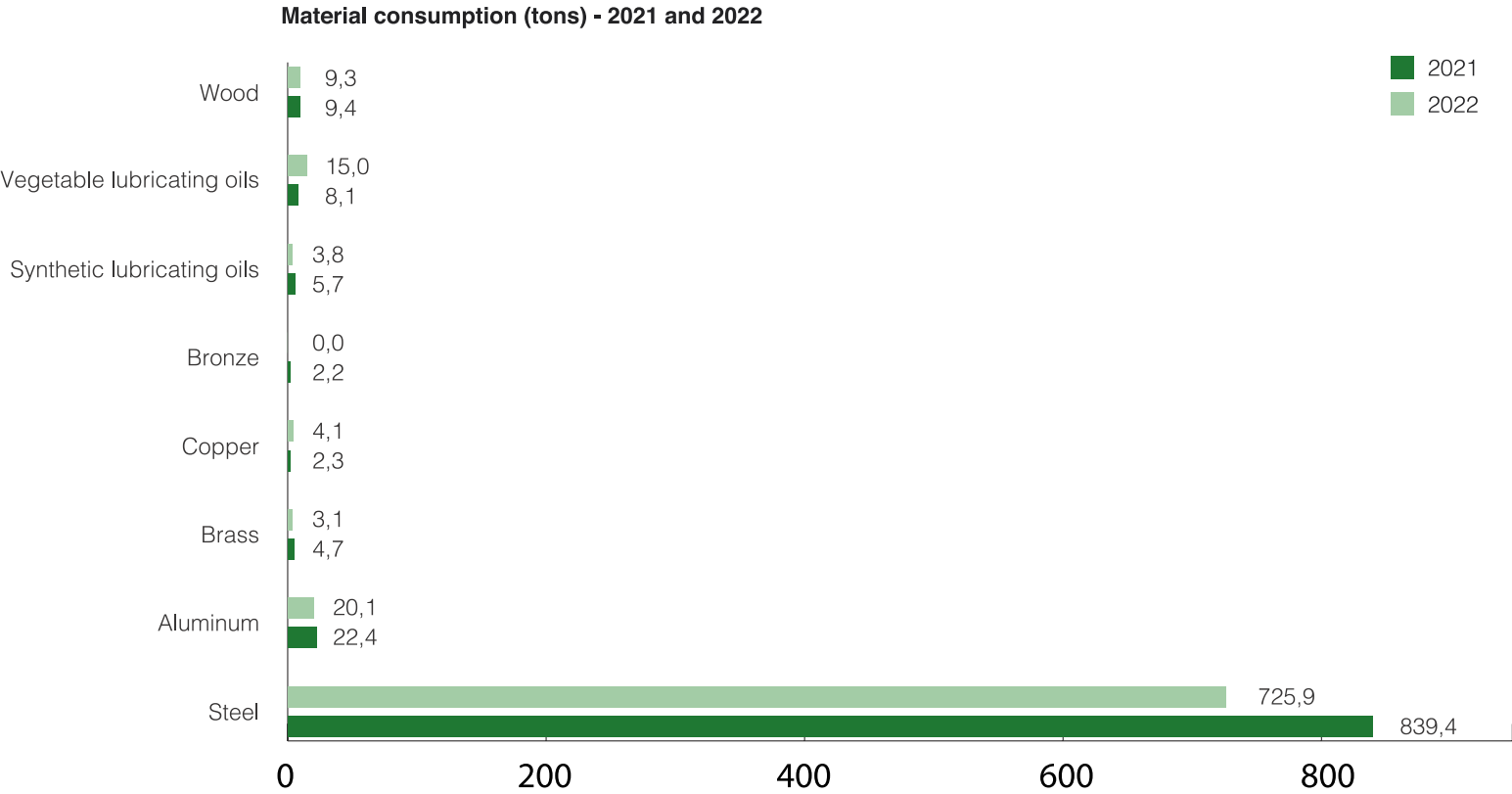
- control and make efficient our **performance** with respect to material consumption;
- Spread **awareness** among company personnel regarding best practices for the efficient use of environmental resources;
- Strive for continuous **improvement** through the definition -usually annually- of measurable programs and objectives with respect to materials consumption.





Over the past two years, consumption from the **production processes** we carry out is distributed as follows.

As the graph shows, the **material** we mainly use is **steel** (725 tons consumed in 2022); other significant consumptions include **aluminum**, **lubricating oils**, and **wood**. Overall, compared to 2021 we notice a **decrease** in the consumption of almost all the most relevant material categories.



Responsible waste management

We pay special attention to the issue of **proper management** of waste generated in the course of production processes: we follow **principles** and **good practices** of reuse, recycling and recovery and promote the transition to a **circular economy** aimed at eliminating the concept of waste.

For this reason, we have implemented the **ISO 14001:2015** certified Environmental Management System, which allows us to continuously verify compliance with legislative **requirements** for environmental protection, **systematically** manage any environmental emergencies and control our **performance** in terms of waste generated, striving for continuous **improvement**.

The waste we manage originates mainly in the following processes:

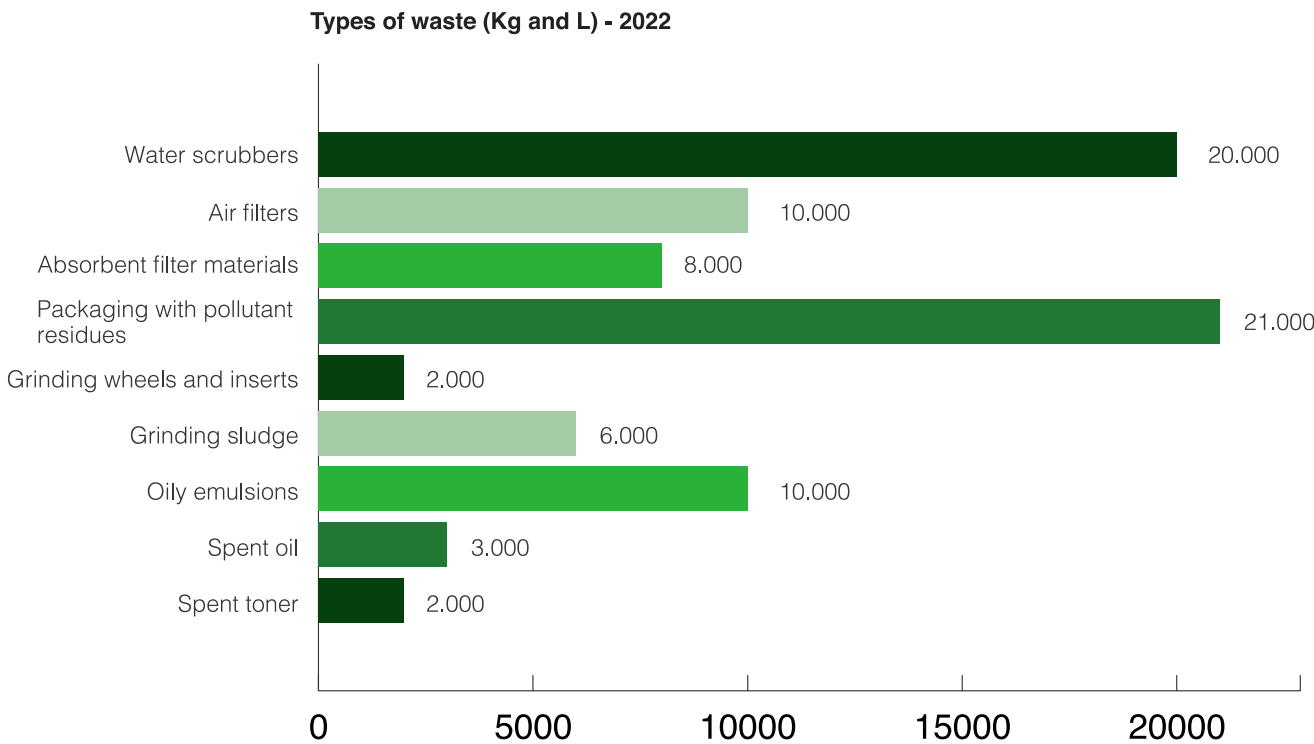
- **Turning** processes;
- **Shooting** processes;
- **Grinding** processes.



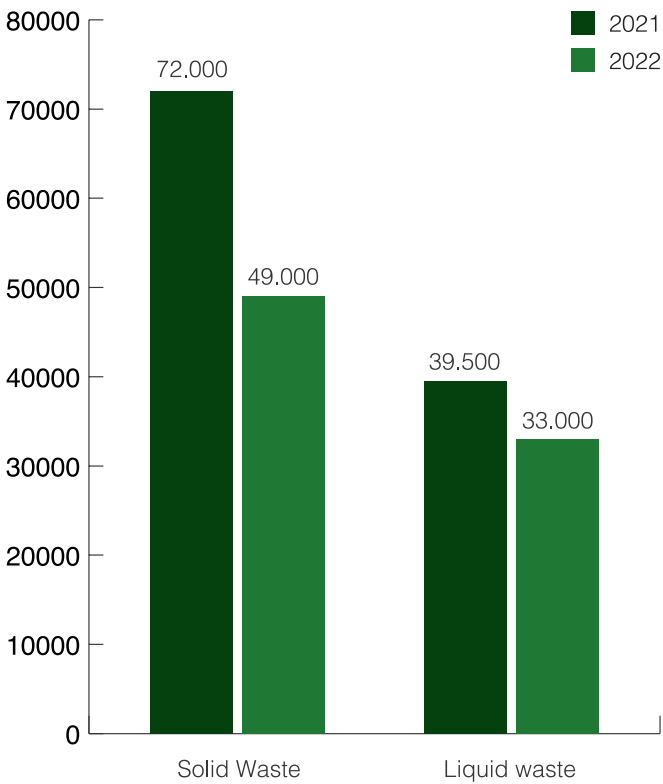


In this regard, we recorded the following data in 2022:

As we can see from the graphs, for both solid waste and liquid waste, there is a **decrease** in the **quantities** generated compared to 2021; the most relevant categories in 2022 include "Oily Emulsions" and "Water Washing" for **liquid** waste and "Air Filters" and "Packaging containing pollutant residues" for **solid** waste.



Solid and liquid waste (Kg and L) - Comparison 2021 and 2022

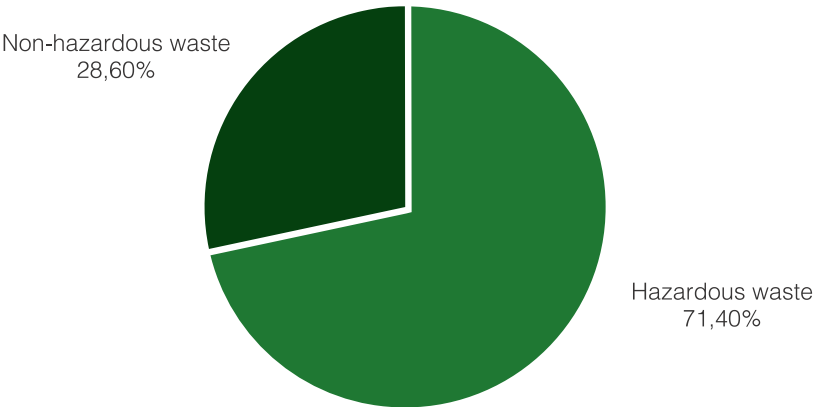




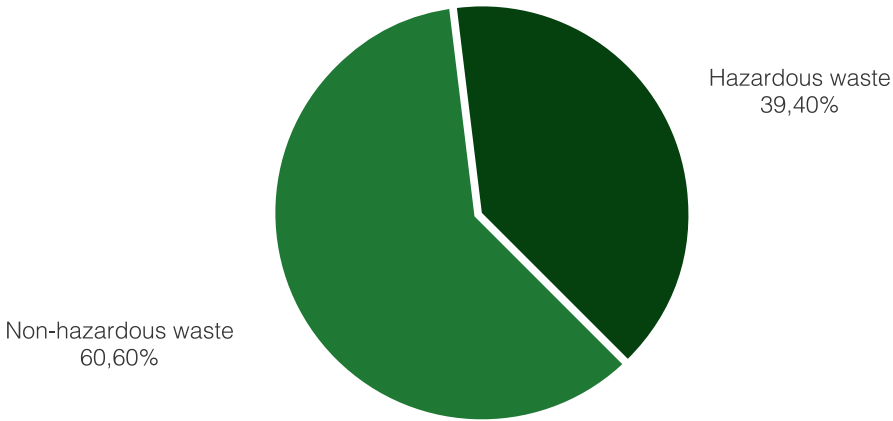
Data recorded in 2022

Approximately **92%** of solid waste and **91%** of liquid waste is destined for **disposal** operations (and the remaining percentage for recovery operations), while with regard to the distinction between **hazardous and non-hazardous waste**, about **70%** of solid waste falls into the hazardous waste category, while for liquid waste this percentage stands at **40%**.

Hazardous and non-hazardous solid waste (Kg) - 2022



Hazardous and non-hazardous liquid waste (L) - 2022



Our policy for **circularity** and **conscious** consumption of natural resources is realized through the implementation of recovery, reuse, sorting and life cycle extension activities of:

- oils and processing waste;
- general waste;
- packaging;
- rags;
- tools.

Specifically, in 2022 we purchased a system of Comat 1.5 EVO oil super-filtration system to be connected to the machines to enable the **recovery** and **reuse** of **cutting oil** of vegetable origin (up to 1,500 liters of oil per day), and a system for the de-oiling of turning chips.

The implementation of systems that promote the continuous recovery and reuse of resources is particularly **beneficial** to our company because it allows us to **optimize** production and achieve **economic** and **environmental benefit**.



Energy

We strive to **carefully** manage our energy consumption and seek production and organizational solutions that ensure greater **efficiency** of production processes, with the dual aim of **reducing** operating costs and **minimizing** the resulting CO2 emissions into the atmosphere, in order to achieve an economic and environmental benefit.

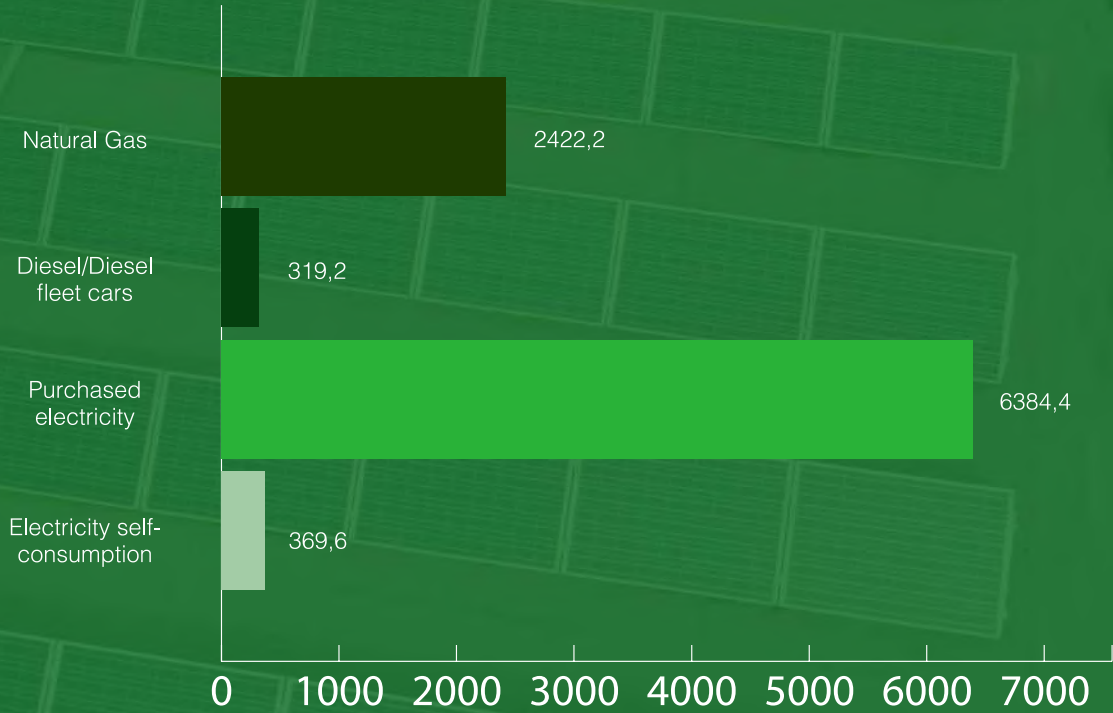
For this reason, in recent years we have purchased **innovative machinery** that guarantees particularly **efficient** performance in terms of energy consumption and, starting in 2008, we have installed a number of **photovoltaic systems** for self-generation of electricity that allow us to cover about **6%** of our annual electricity needs from our production processes.

Energy consumption related to our activities is divided as follows:

- **direct** (internal) consumption, attributable to the operation of our plants and the movement of our fleet of cars;
- **indirect** (external) consumption, to be attributed to upstream and downstream activities and thus mainly to the production and transportation of the raw materials and semi-finished products we purchase, the disposal of our products, and commuting

As we can see from the graph, the largest energy consumption relates to the purchase of **electricity** to ensure the operation of **machinery** and the purchase of **natural gas** for air **conditioning** of the plants.

Direct energy consumption (GJ) - 2022



Greenhouse gas

We are **aware** of our direct and indirect impact in terms of greenhouse gas **emissions (GHGs)** and the need to implement an **ecological transition** to sustainable production models, in a logic of supply chain and sector commitment.

For this reason, in recent years we have defined some **actions to reduce** our impact, such as the construction of photovoltaic systems for self-generation of energy or the purchase of machinery with particularly efficient performance, and this year we have developed a **preliminary estimate**-according to the guidelines of the GHG Protocol-of our **Carbon Footprint**, so that we can analyze the consequences of the way our products and services are designed, manufactured, distributed, consumed and disposed of, and so that we can assess the positive effects of the sustainability policies we have implemented and identify further room for **improvement** along the entire value chain.

The results of the **estimate** for **2022** are shown in the following chart (the details of the categories considered are set out in section 7.1.2. "GHGs Calculation Methodology and Emission Factors").

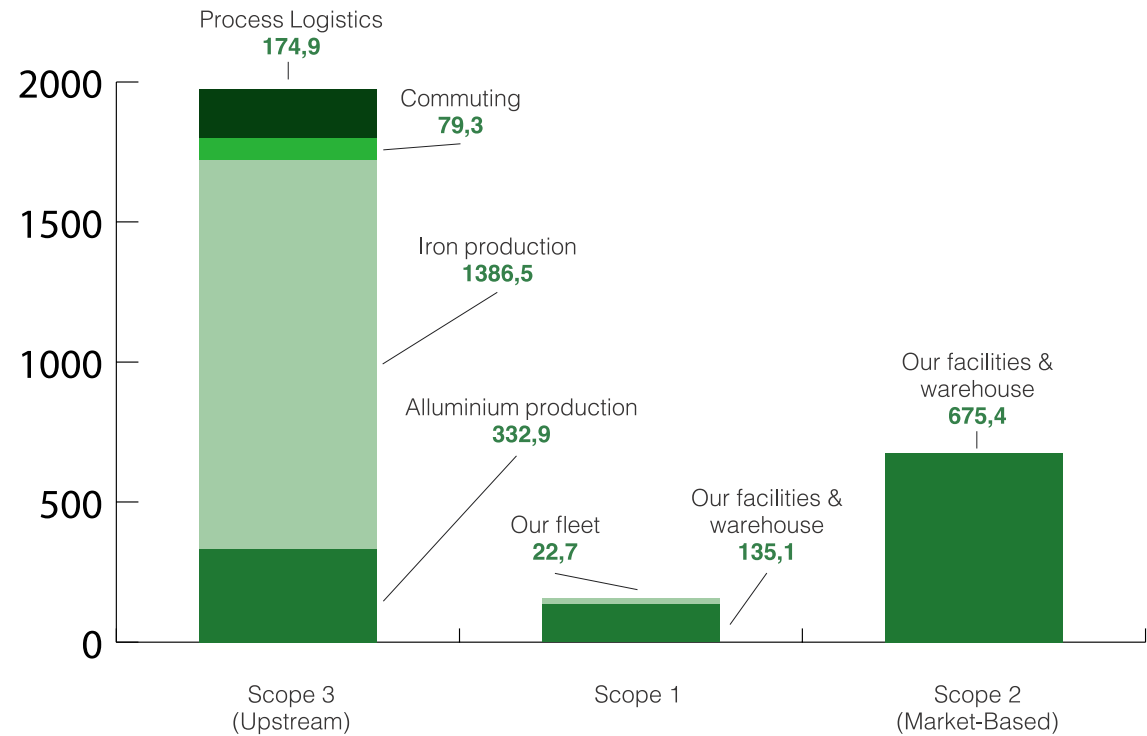


As the graph shows, our Carbon Footprint depends significantly on **raw material** purchases-because steel and aluminum production processes are particularly energy intensive and consequently impactful in terms of greenhouse gas emissions-and on **electricity** consumption. With respect to the latter, the supply of energy from our **photovoltaic systems** allows us to **avoid** the emission of about **39 tons CO₂¹** into the atmosphere each year.

Like the major players in the **automotive** sector, in a logic of transition to **Carbon Neutrality**, we have defined an operational perspective of **decarbonization** of activities, which includes the following programmatic lines:

- Reduce the intensity of GHG emissions by product;
- Achieve zero net GHG Scope 1, Scope 2, and Scope 3 emissions by 2050, with an intermediate target of 50% reduction by 2035 (compared to baseline 2022);
- Reduce the amount of vulnerable assets or activities with respect to climate transition risks;
- Increase revenues in line with opportunities related to the ecological transition;
- Increase the self-producing capacity of energy renewable;
- Increase capital expenditures aimed at governing climate-related risks and opportunities;
- Invest an increasing percentage of annual capital spending in assets that make a positive impact on solving climate change issues;
- Consider commensurate a proportion of executive management compensation with aspects related to climate protection.

Carbon Footprint (ton CO₂) - 2022



¹Considering a scenario in which self-consumption electricity is purchased from the reference supplier.

Supply Chain

We believe that in order to contribute **actively and effectively** to the fight against climate change, to the protection of workers and to social and environmental sustainability as a whole, careful **teamwork** is necessary; for this reason we constantly seek partnerships with realities that share our same **values** of attention to the protection of the environment and people, as well as with an orientation towards innovation.

In this sense, the acceptance of our **Code of Ethics** represents one of the canons for the selection of our suppliers and is an integral part of contractual relationships; we also encourage suppliers to apply the same selection criteria for the selection of their **subcontractors**, with the aim of incentivizing and promoting compliance with the principles of our Code of Ethics throughout the **supply chain**.

The selection of our suppliers is carried out on the basis of the principles of **fairness** and **impartiality**, according

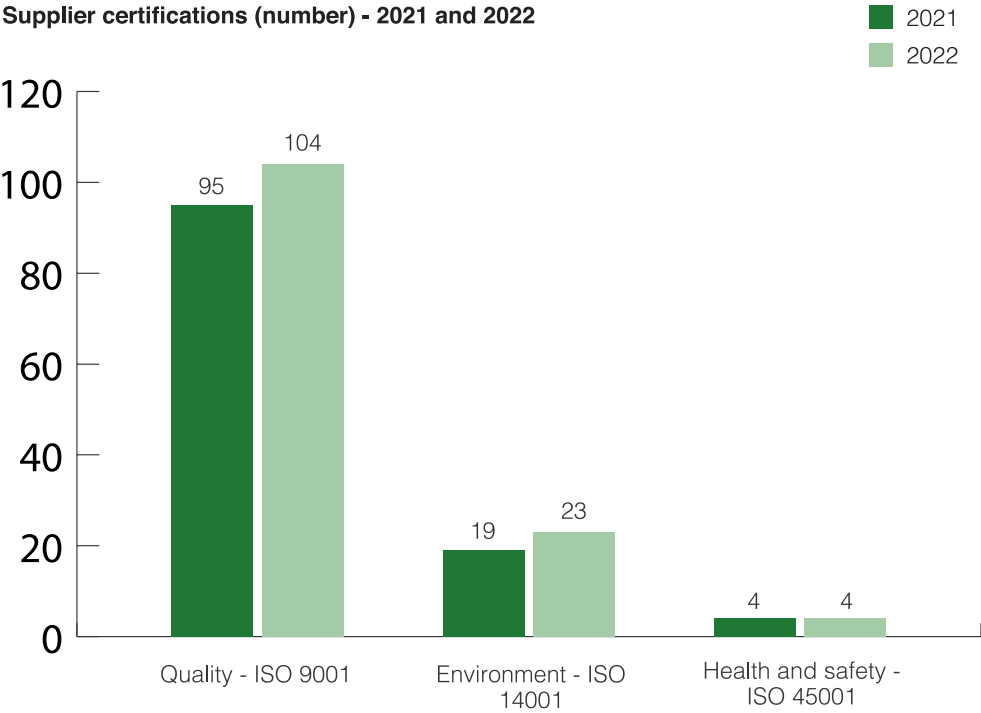
to **selection rules** marked by the verification of quality, technical-professional suitability, compliance with labor regulations - including equal opportunities - health, safety and environment, and cost-effectiveness criteria. In this regard, the possession of **management systems** certified according to international standards is a merit factor.





To stimulate a **proactive and competitive** attitude and further improve the sustainability performance of our supply **chain**, we are committed to mutually sharing **best practices** in worker and environmental protection, ensuring particular emphasis on any **virtuous** suppliers.

Looking ahead, we also intend to conduct **periodic audits** of a sample of suppliers to collaboratively monitor their progress toward environmental and social sustainability issues.



HUMAN CAPITAL AND INTELLECTUAL

"Miroglio & C Meccanica is Italian historicity and expertise, high quality, attention to sustainability and continuous innovation."



Our people

In the belief that the indispensable factor for the existence and **success** of our way of "doing business for good" is the professional and human contribution that each person ensures, we recognize the **centrality** of our **human capital**, considering it as the basis for the development of all other forms of capital. Everyone's **cooperation** in their daily work represents an **engine of growth**, as well as an asset that we aim to protect, enhancing knowledge and skills. In particular, as stated in our **Code of Ethics**, we are committed to:

- **ensure** working conditions functional to the **protection of the mental and physical integrity** and **health** of our workers, as well as respect for their moral personality;
- adopt **criteria of merit**, competence and otherwise strictly professional for any decisions related to the

employment relationship with employees and contractors;

- Avoid and condemn all forms of **bullying**;
- Respect and protect **human rights**, conforming company policy to all relevant regulations.

Our human resource management policy is geared toward fostering employee engagement to ensure constant motivation and help create strong bonds of trust. We are an open and dynamic company; our culture is based on values such as honesty, integrity, respect and cooperation, which we believe are fundamental to the creation of a family-friendly and highly inclusive climate in which both mature workers and young talent can be reflected.



Motivation



Satisfaction



Engagement





The human capital management system

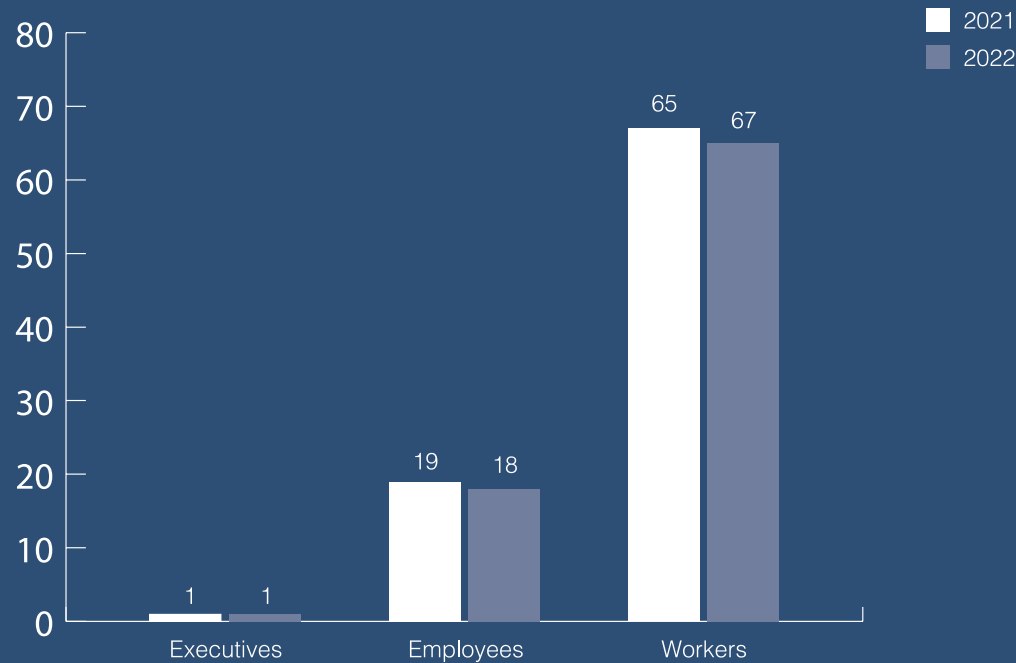
Currently, our human resource management model is organized around the following cornerstones:

- application of a specific **competency model**, connected to our Mission, to effectively accompany employees in the proper performance of their duties, in line with the skills and responsibilities required by the specific positions;
- identification, measurement and analysis of **performance** levels (group and individual), so as to ensure alignment of activities with strategy; monitoring results we work to establish a culture based on performance, merit and career prospects;
- developing a talent management program, through the enhancement of existing human capital management methodologies and the implementation of new and/or best practices to attract and leverage the innovative know-how of young talent.



In **2022** our workforce consisted of **84 people**, a reduction from 2021 by 3 people; in the last two years the company population is distributed by **professional classification** as follows:

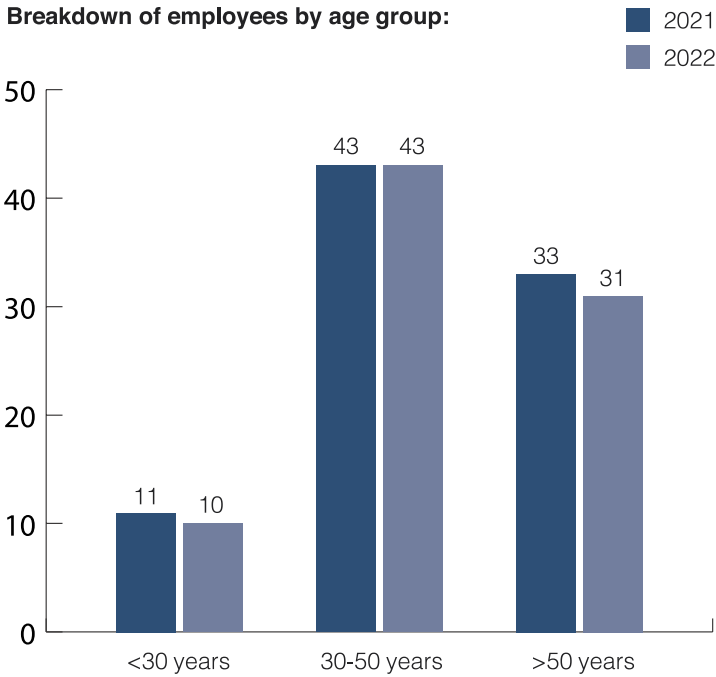
Breakdown of employees by job classification:



As we can see, our solid base of blue-collar **workers** (who account for about 77 percent, a stable percentage compared to 2021) forms the foundation on which the work of **employees** (about 21 percent in both years) and **executives** (about 1 percent in both years) rests.

In terms of the **age breakdown** of our workforce, on a trend from 2021, we note the preponderance of the **30-50 age** group. We are constantly striving to recruit **new talent**: our policy pivots on the activation of **internships**, in agreement with educational institutions and universities, and on targeted educational paths thanks to which we can offer, once the apprenticeship period is over, a permanent contract, with a view to retention and **investment towards the future**.

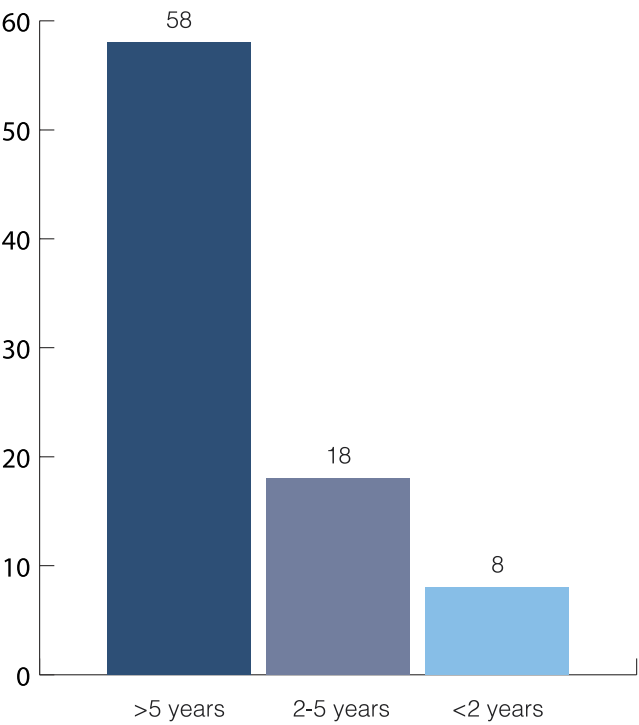
Breakdown of employees by age group:





The longevity of our **working relationships** demonstrates our ability to create **strong** and **lasting** relationships that foster professional growth and development within the company.

Longevity of working relationships - 2022

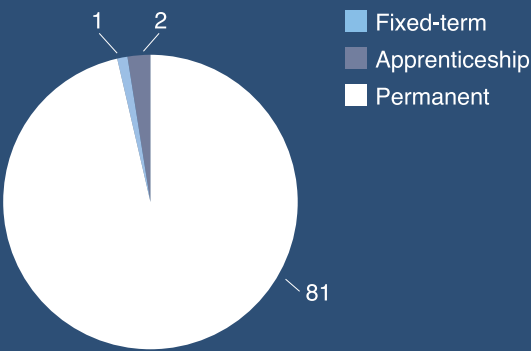


We are convinced that enhancing the relationship with our workers also concerns the **type of contract** proposed: for this reason we are committed to ensuring, where the right conditions are created, **permanent contracts**, which in 2022 count for about 97 percent of the total (a substantially identical percentage compared to 2021, where they represented 98 percent).

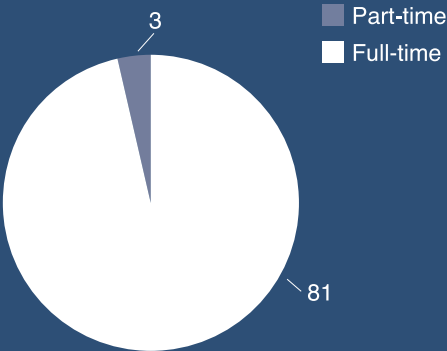
We are also committed to ensuring that, should our employees need it, the possibility of resorting to **part-time modes** of commitment, in order to facilitate proper **work-life balance** management.

We recognize the **right to freedom of association** and collective bargaining, the agreements of which cover all our employees, and we are committed to ensuring wages, benefits and other conditions of employment are in accordance with current laws.

Number of employees by contract type - 2022



Number of employees by type of commitment - 2022



Training and enhancement

Ongoing training is a necessary and fundamental process for the **growth** of our employees and the **success** of the business: indeed, the complex **technology** used to make our products requires increasingly qualified and trained professionals. With this in mind, our development plan calls for the **investment** of substantial resources to ensure that every employee has the same tools and opportunities for **skill enhancement and development**.

We strongly believe that continuously updated know-how is the main factor for competitiveness and **improvement** of a company's **performance**, both from a strictly production point of view and from an environmental and social point of view.

As a result, we put maximum effort into monitoring and applying training plans to increase the **involvement** of human resources at all organizational levels, so that everyone is informed, trained and sensitized to perform their tasks safely, with a special focus on environmental protection.

Attracting and retaining young **talents** who can strengthen

and innovate the know-how we possess is certainly an important challenge for our future. In this regard, we set ourselves the ambitious goal of optimizing the **on-the-job professionalization** path, to show our attention to the entry of new qualified resources and facilitate the integration and acquisition of new skills, thanks to the accompaniment of company mentors.



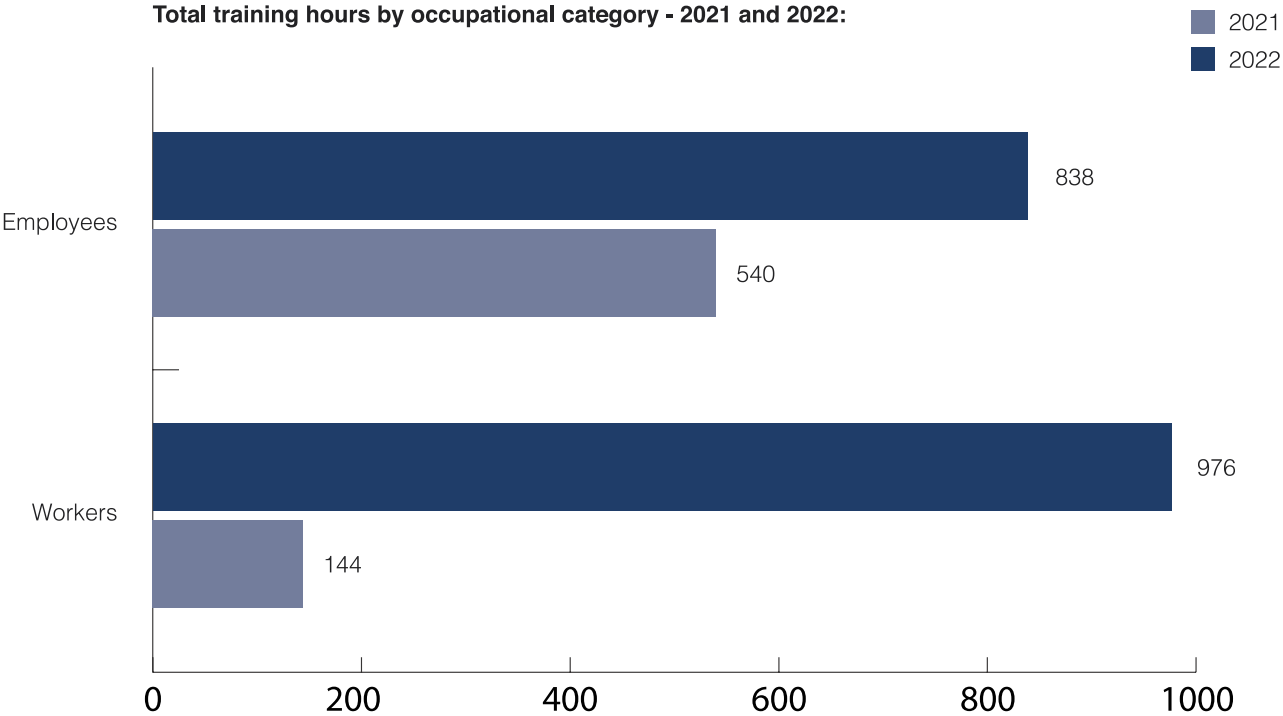


All personnel are trained and knowledgeable about work activities that impact **product quality**, as well as continuously updated on occupational **health and safety**.

The following **non-mandatory** training courses have also been conducted:

- a course specifically aimed at white-collar workers on **ESG issues**, for the improvement of knowledge on environmental and social sustainability issues and the activation of consequent virtuous behaviors in the company and in their private life;
- a training for blue-collar workers on the operation of machines and measuring instruments purchased through **Industry 4.0** incentive;
- a course for clerks and workers on **Legislative Decree 231/2001**, to ensure the effective implementation of the Organization, Management and Control Model.

On the basis of what has been done so far, we aim to progressively improve training courses, including by **listening** to and **sharing** the needs and requirements of our human resources.



Inclusion and diversity

The **heterogeneity** of our human capital is a strong factor that can stimulate growth and bring continuous **improvements** in performance, thanks to the **exchange** of perspectives and experiences-even across generations. This is why we pay special attention to the respect and protection of every human **right**: we are committed to ensuring a **healthy** and **inclusive** work environment, so that every person feels integrated, respected and valued in his or her diversity.

Among the fundamental principles of our Code of Ethics are **equality**, meaning uniformity of treatment regardless of age, gender, ethnic origin, sexual orientation, language, religious beliefs, political opinions and personal, economic and social conditions, and **impartiality**, meaning the ability to operate and judge objectively and fairly.

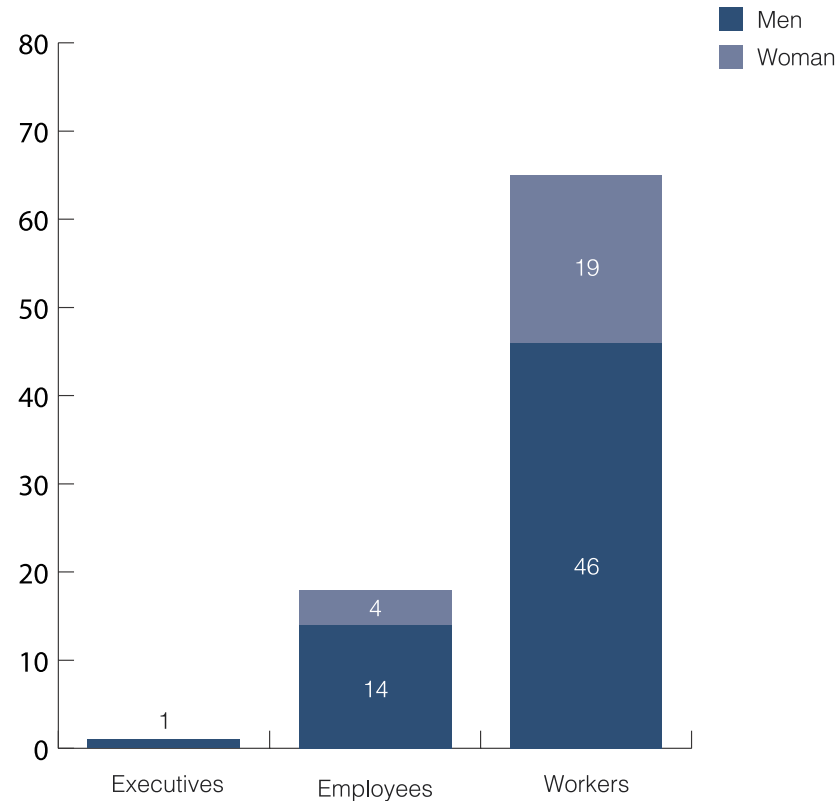
We constantly strive to ensure a **tolerant and constructive climate** that can enrich the peculiarities of each individual person and foster solidarity in relationships between colleagues: thanks to our efforts-as in 2021-**there were no incidents of discrimination** during 2022.

As stated in our **Code of Ethics**:

- we ensure that **selection, management and training** processes are based on assessments of professionalism and merit, prohibiting any form of **discrimination**, direct or indirect, on the grounds of sex, language, race, religion, political opinions and personal and social conditions;
- we adopt criteria of **merit** and **competence** and in any case strictly professional criteria for any decision regarding the employment relationship with our employees and collaborators, and we expressly prohibit discriminatory practices in the selection, hiring, training, management, development and remuneration of personnel;
- we require all **managers** and **collaborators** to adopt behaviors consistent with the principles listed in the above points.



As with the majority of **metalworking** companies, we record the presence of a small **female** component within our workforce, amounting to about 27% of the total workforce (albeit **up** from 2021, with a +4 balance).



We are aware of the importance of ensuring **equal opportunities** for access to the world of work, especially with the aging demographic of the context to which we belong. The most common type of **contract** for female resources is a **full-time**, open-ended contract, further demonstrating **impartiality** in determining hiring conditions. Finally, in terms of the presence of workers from **vulnerable** categories, we record the presence of **5 resources** (4 men, 1 woman), continuing from 2021.



Full Time

23/24 Woman



Contract

100% Indefinite

Commitment and engagement

We foster the **engagement** of our employees to establish relationships based on mutual **trust and respect**, so that we can create and maintain a **collaborative and family atmosphere** that increases everyone's motivation and active participation. Analysis of the **length of working relationships** we have with our human resources demonstrates this commitment: as of 2022, **90%** of employees have been part of our team for more than **2 years**, and about **70%** have been with us for more than **five**.

To pander to the needs of our resources, we ensure the provision of **benefits** (salary advance on demand, customized evaluation and career management paths, use of shopping vouchers) and a constant focus on **improving the work environment**, which has been realized in recent years with the renovation of the canteen, locker rooms and relaxation corners.

We are convinced that the relationship with our employees must also be taken care of outside of work. Therefore, we strive to promote **cohesion** by organizing **team-building** events and activities in order to facilitate **dialogue** and intergenerational exchanges through moments of leisure: the most appropriate example in this regard is the formation of a five-a-side **football team** that meets weekly for training and matches.

In order to strengthen relationships with our people we also wish to involve those who are part of their lives, namely **families**, hosted at an informal event ("**Family Day**") during which guided tours of the facilities were provided and a theatrical performance was staged.



Health and safety

Our commitment to the protection of our human resources also covers aspects of occupational **health and safety**, the management of which we consider fundamental to the creation of a relationship of trust with employees. As enshrined within our **Code of Ethics**, we strive to promote **safe** and **responsible** behavior, including along the entire **supply chain**, and to ensure the best possible conditions in our working environments, protecting the **safety** of everyone, consistent with national and European **legislation**.

We intend to spread a **culture** of health and safety:

- Through the continuous involvement of employees in **training and informational events**;
- By defining **roles and competencies** on the subject;
- By issuing specific **internal procedures** that we demand compliance with.

Safety is not a game.

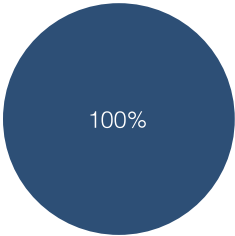
To ensure the safety and health of our employees, there is a **defibrillator** in the company.

As such, we have equipped ourselves with an Occupational Health and Safety Management System certified in

accordance with **ISO 45001**, based on compliance with **Legislative Decree 81/08** and the guiding principles of the **UNI-INAIL** and **OHSAS 18001:2007** guidelines.

This system, subject to both an internal control procedure and a certification procedure by a third party, currently covers **100%** of our employees **involved** in operational activities and exposed to occupational health and safety risks.

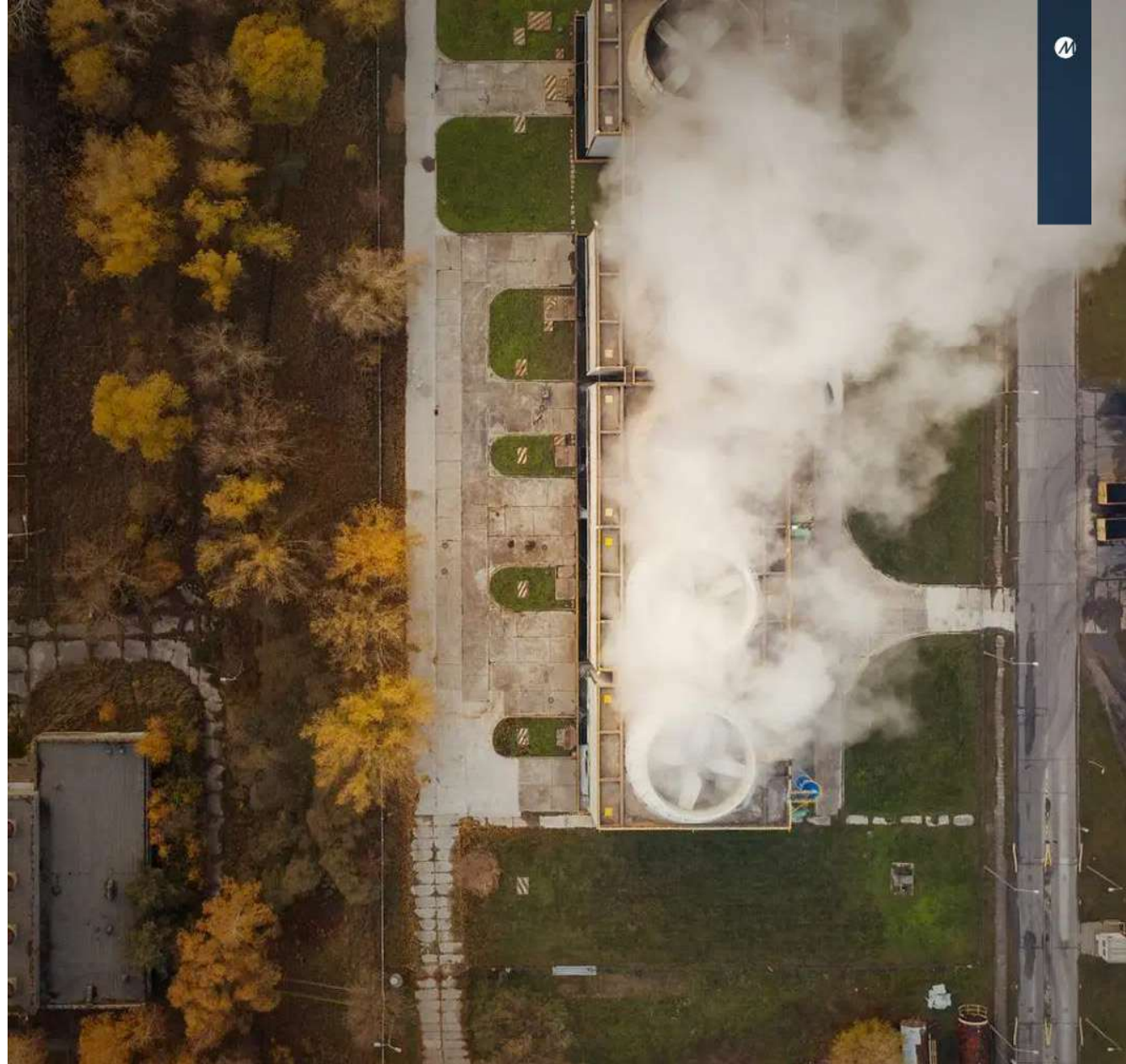
Employees covered by the OSH system - 2022



As part of the procedures of our Management System, we organize **training** activities with special focus regarding the following issues:

- monitoring of **risks** and possible consequential **damage**;
- organization of company **prevention** and of **protective** measures and procedures;
- **rights and duties** of company subjects.

With a view to **continuous improvement**, we set ourselves increasingly **ambitious** goals for the protection of the health and safety of our workers, which go beyond the mere fulfillment of regulatory requirements: thanks to this commitment, in the last two years we have **not recorded** any accidents at work. This achievement-aside from ensuring the physical integrity of our workers-has allowed us to maximize the number of hours worked, eliminating any lost time.



SOCIAL CAPITAL AND RELATIONSHIP

Fairness, professionalism, efficiency, equal opportunity, seriousness and reliability form the basis for establishing a sound relationship with our suppliers and external collaborators.

The criteria guiding the selection of our suppliers are those of objective assessment of the quality, usefulness, and price of the goods and services requested, the ability to provide and guarantee goods and services appropriate to Miroglio & C's needs in a timely manner, as well as respect for and protection of environmental and social sustainability, i.e., their integrity and soundness.



Working in collaboration

Aware of the importance of **collaborating** with our **supply** chain to develop a new model of truly **sustainable** production, we seek partnerships with realities that share our **values**, which are specifically declined in our **Code of Ethics** and **ESG Policy**. Our suppliers can be classified into 3 **main categories**: priority suppliers (**partners**) with whom we have developed relationships of trust and who bring tangible value to our products; **system** suppliers, who play a key role in our supply chain (recurrently but not exclusively); and finally more **generic** suppliers, who do not bring specific value to our products.

We strongly believe in the importance of relationships with the **local** area: this is why about **70%** of our purchases go to suppliers located in **Piedmont** and only 1.6 percent to foreign suppliers.

How we **collaborate** with our suppliers:

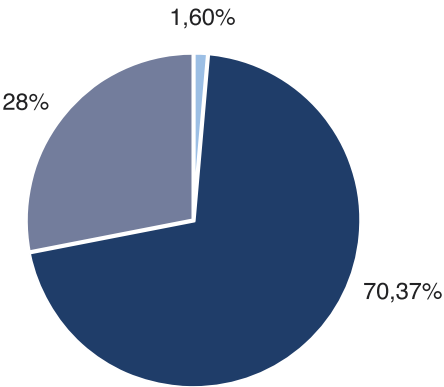
- we ensure contractual and payment conditions fair;
- we work together to contribute to the process of innovation;
- we continuously monitor and evaluate performance;
- we conduct joint assessment and mitigation risk.

Breakdown of providers by type - 2021 and 2022



Territorial breakdown purchases (%) - 2022

- Piedmont Region
- Rest of Italy
- Abroad



To further **strengthen** existing collaborations and to **inform and raise awareness** about our commitment to **sustainability**, in October 2022 we held a convention attended by our most relevant and strategic suppliers, in which teams from the various offices presented their people and working methodologies in order to increasingly improve the relationship with our suppliers, and the ESG team shared the company's sustainability goals.



Our attention to customers

The relationship with our customers is based on values such as **quality, excellence and helpfulness**: customer satisfaction is the main objective for measuring and evaluating all the activities we carry out on a daily basis, as well as one of the most significant material issues

For this reason, we have a **Quality** Management System certified under **IATF 16949**, which enables us to monitor our performance and correct any product or service nonconformities, with a view to continuous **improvement**.

We work with a **wide range** of customers, large and small, on-trade and off-trade, retailers, wholesalers, and distributors- we anticipate and meet their **needs** with the quality of our products, innovation, reliability, and availability, and with our technical **expertise**.

We use a plurality of flexible and adaptable **tools** to handle their needs and requests:

- Taylor-made **solutions** (i.e., solutions developed with the utmost attention to the specifics of each customer);
- structured and ongoing **dialogue** (to facilitate collaboration and contribute to the value creation process);
- regular business **updates** (with a view to accompaniment and continuous feedback).

As a result of our efforts, in **2022** our client **scorecards** are all **positive** and there were no off-targets, similar to what happened in 2021.





Miroglio and the local community

We believe it is **fundamental** to cultivate a relationship based on **trust** and **collaboration** with the local **community** to which we have belonged for more than 120 years, to ensure its **development** and economic, social and cultural **growth**.

For this reason, we have always been involved in a number of **charitable initiatives**, with a priority focus on issues related to **health** and **sports** as a factor of social cohesion. Recent initiatives include, for example: a long-standing collaboration with the **Pudens** foundation that deals with families and people in need; a campaign of donations destined for the **IRCCS** (Istituto Candiolo Centro Oncologico d'Eccellenza) in Candiolo (TO); the donation of an ultrasound scanner to the **Mauriziano** hospital in Turin, the purchase/sponsorship

of balls for the **Union of European Police Sports Team** for the USPE Men's European Volleyball Championships.

We are also keen on attracting and involving **young talent** from educational institutions in our area, such as the Polytechnic University of Turin and some of the leading technical institutes. In particular, we have activated **conventions** with the latter (IST Agnelli, CNOSFAP Torino Rebaudengo, ITIS PININFARINA) to welcome interns and recent graduates into our team. Finally, we collaborate with **training agencies** such as ENGIM Piemonte, which have always been attentive to linking supply and demand for skilled personnel.

FINAL SUMMARY

"Miroglio & C. Spa is Italian historicity and expertise, high quality, attention to sustainability and continuous innovation."



Purpose and standards of the reporting process

This document constitutes the Sustainability Report of Miroglio & C. S.p.A for the year 2022, and informs the company's stakeholders about its objectives, activities and projects in the field of environmental and social sustainability.

The document has been prepared on a voluntary basis, with reference to the "GRI Standards (Global Reporting Initiative)" and considering ESRS Exposure Drafts, according to the operational and governance peculiarities of the company.

The GRI Reporting Principles of content (Inclusiveness of Stakeholders, Sustainability Context, Materiality, Completeness) and quality of information (Balance, Comparability, Accuracy, Timeliness, Clarity and Reliability) were considered and complied with in the preparation of the document. The process of preparing this document included the following activities:

- discussion with management and interviews with the heads of the main operational areas to analyze the business model and the main social and environmental impacts;
- industry benchmark analysis;
- internal comparison for identification of material issues and definition of the materiality matrix;
- analysis of the 2030 Agenda to identify the benchmark SDGs;
- definition of a content index based on qualitative and

quantitative information consistent with the use of GRI economic, environmental and social indicators;

- collection and systematization of KPIs data for FY 2022.

The reporting boundary of the following Financial Statements, unless otherwise indicated, coincides with the area of legal and operational influence of Miroglio & C. S.p.A.

The summary section ("Summary of Data"), which can be found in the concluding pages of this document, is an integral part of the Sustainability Report and relates the topics discussed in the text to the specific performance indicators.

The Sustainability Report is set up on an annual basis: the information and data reported refer to fiscal year 2022 and, where possible, comparative data (with reference to previous years) are given.

This document is also available online, at <https://www.mirogliomeccanica.com/>

Anyone wishing to submit questions of clarification or feedback regarding this Sustainability Report can contact the company at info@mirogliomeccanica.it



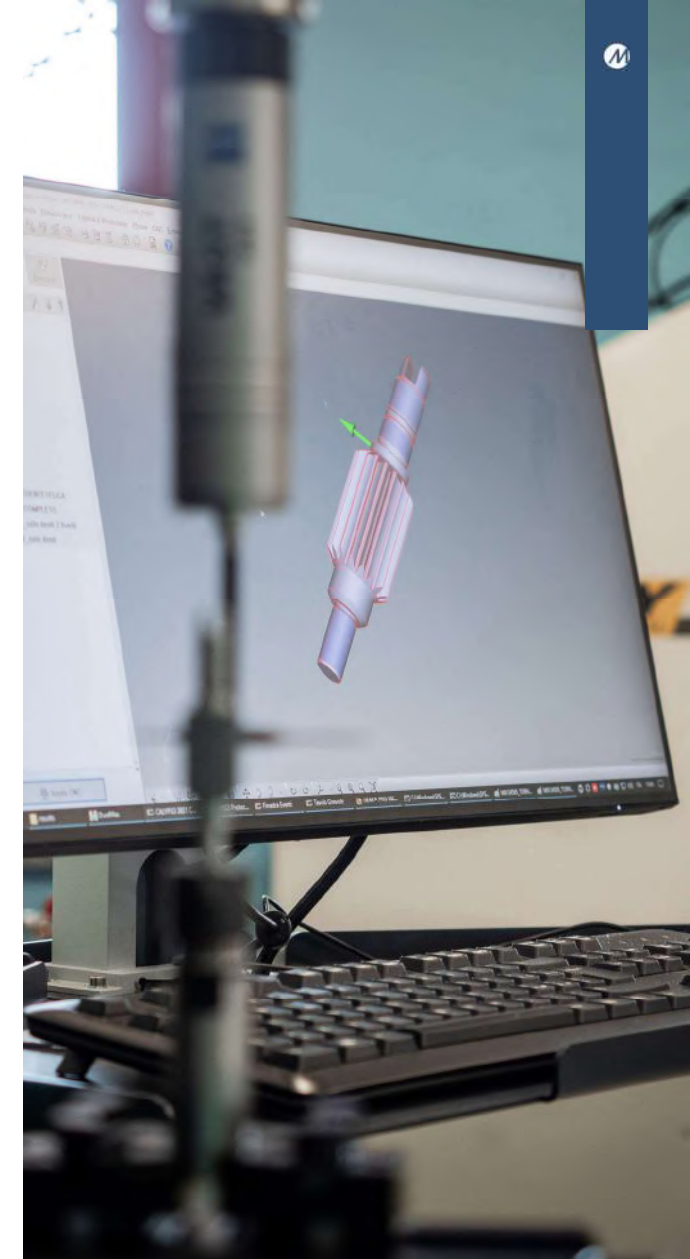
Calculation methodology of GHGs and emission factors

The GHG inventory of Miroglio & C. S.p.A. (also known as "Carbon Footprint") has been drafted for 2022. The drafting of the company's GHG inventory is aligned with the GHG Protocol and considers the following emission categories:

- Scope 1 emissions: refer to direct GHG emissions, i.e., those emissions generated within Miroglio's boundaries from sources owned or controlled by the organization
- Scope 2 emissions: refer to greenhouse gas emissions associated with the generation of electricity purchased for its own consumption.
Emissions related to purchased electricity are calculated by two different methods:
 - Location-based - reflects the average intensity of the emissions from national grids, taking into account both

renewable and nonrenewable production; emissions are calculated using an average emission factor that refers to the national electricity mix: the higher the share of renewable energy used by a specific country, the lower the relative emission factor;

- Market-based--considers the average intensity of emissions from the reference supplier's energy mix; the higher the share of renewable energy used by a specific supplier, the lower the relative emission factor.
- Scope 3 emissions: refer to indirect GHG emissions reported to Miroglio, which are thus a consequence of the company's activities, but which arise from sources not owned or controlled by it.





The table below summarizes all categories and sources of Miroglio's greenhouse gas emissions and their emission factors:

Scope	Category and sources	Emission factor (source and year)	Notes
Scope 1 Direct GHG emissions	Stationary combustion: Combustion of fuels in stationary equipment (e.g., natural gas in heating systems) related to assets owned or controlled by the company (production and logistics sites)	ISPRA, 2022	Only CO2 was considered
	Mobile combustion: Fuel combustion of vehicle fleet (both owned and leased).	DEFRA, 2022	CO2 equivalent emissions were considered
Scope 2 Indirect GHG emissions	Stationary combustion: Electricity purchased from the national grid related to assets owned or controlled (headquarters, offices, production and logistics sites).	ISPRA, 2021 (location-based) ISPRA, 2022 (market-based)	Only CO2 was considered
Scope 3 Other indirect GHG emissions	Purchase of raw materials and semi-finished products: purchased and used in internal production processesprocessi produttivi interni	World Steel Association, 2021 ; International Aluminium Institute, 2022	Only CO2 was considered
	Transportation and distribution by process logistics (upstream): Transportation of raw materials and semi-finished products to the organization's production sites and warehouses.	DEFRA, 2022	CO2 equivalent emissions were considered
	Employee home-work commute: ransportation of employees for the daily home-work commute.	DEFRA, 2022	CO2 equivalent emissions were considered



Waste production and treatment							
WASTE AND TREATMENT		2021			2022		
Code CER	u.d.m.	Total	Retrieved	Disposed	Total	Retrieved	Smaltiti
08.03.18	kg	2000	R13	/	2000	R13	/
12.01.07	litri	3000	R13	/	3000	R13	/
12.01.09	litri	10500	/	D15	10000	/	D15
12.01.18	kg	6000	/	D15	6000	/	D15
12.01.21	kg	3000	R13	/	2000	R13	
15.01.10	kg	34500	/	D15	21000	/	D15
15.02.02	kg	8000	/	D15	8000	/	D15
15.02.03	kg	18000	/	D15	10000	/	D15
16.02.13	#	2	R13	/	/	R13	/
16.02.14	kg	500	R13	/	/	R13	/
16.10.02	litri	26000	/	D15	20000	/	D15

Code CER	Description
08.03.18	EXHAUSTED TONER
12.01.07	USED OIL
12.01.09	OILY EMULSIONS
12.01.18	GRINDING SLUDGE
12.01.21	ABRASIVE MILLS AND INSERTS
15.01.10	PACKAGING CONTAINING POLLUTING RESIDUES
15.02.02	FILTERING AND ABSORBENT MATERIALS
15.02.03	AIR FILTERS
16.02.13	MONITOR
16.02.14	POST-CONSUMPTION ELECTRICAL EQUIPMENT
16.10.02	WATER WASHER FLOOR

HAZARDOUS AND NON-HAZARDOUS WASTE					
HAZARDOUS AND NON-HAZARDOUS WASTE	u.d.m.	2021	%	2022	%
Total solid waste	kg	72000	/	49000	/
Hazardous waste	kg	48500	67,4	35000	71,4
Non-hazardous waste	kg	23500	32,6	14000	28,6
Total liquid waste	liters	39500	/	33000	/
Hazardous waste	liters	13500	34,2	13000	39,4
Non-hazardous waste	liters	26000	65,8	20000	60,6

Internal energy consumption	
ENERGY CONSUMED INSIDE OF THE ORGANIZATION	2022
Energy for production plants	/
- gas (SMC)	67.864
- Purchased electricity (Kwh)	1.773.451
- Electricity in self-consumption (Kwh)	102.657
Fuels consumed by company-owned vehicles	/
- diesel (l)	8.886

Internal energy consumption (GJ)	
ENERGY CONSUMED INSIDE OF THE ORGANIZATION	2022
Energy for production plants	/
- gas (SMC)	2.422,2
- Purchased electricity (Kwh)	6.384,4
- Electricity in self-consumption (Kwh)	369,6
Fuels consumed by company-owned vehicles	/
- diesel (l)	319,2

GHG emissions	
EMISSIONS (ton CO2)	2022
Emissions Scope 1	157,8
- Of which for heating and cooling facilities	135,1
- Of which for company fleet handling	22,7
Emissions Scope 2	/
- Of which for purchase of electricity (market-based)	675,4
- Of which for purchase of electricity (location-based)	475,3
Emissions Scope 3	1.973,6
- Of which process logistics (upstream)	174,9
- Of which moving home-work employees	79,3
- Of which purchased steel production	1.386,5
- Of which purchased aluminium production	332,9

Total number of employees broken down by classification and gender						
Classification	2021			2022		
	Men	Women	Total	Men	Women	Total
Executives	0	0	0	0	0	0
Managers	1	0	1	1	0	1
Clerks	16	3	19	14	4	18
Workes	51	16	67	46	19	65
Total	68	19	87	61	23	84

Total number of employees broken down by classification and age group								
Classification	2021				2022			
	<30 Years	30-50 Years	>50 Years	TOTALE	<30 Years	30-50 Years	>50 Years	Total
Executives	0	0	0	0	0	0	0	0
Managers	0	0	1	1	0	0	1	1
Clerks	3	10	6	19	3	11	4	18
Workers	8	33	26	67	7	32	26	65
Total	11	43	33	87	10	43	31	84

Total number of employees broken down by contract type, by gender						
Contract type	2021			2022		
	Men	Woman	Total	Men	Woman	Total
Indefinite time	66	19	85	57	24	81
Fixed-term	0	0	0	1	0	1
Apprenticeship	2	0	2	2	0	2
Total	68	19	87	60	24	84

Total number of employees broken down by type of engagement and gender						
FULL-TIME PART-TIME	2021			2022		
	Men	Women	Total	Men	Women	Total
Full-time	67	19	86	58	23	81
Part-time	1	0	1	2	1	3
Total	68	19	87	60	24	84

Duration of employment relationship								
Seniority	2021				2022			
	<2 Years	2-5 Years	>5 Years	Total	<2 Years	2-5 Years	>5 Years	Total
Executives	0	0	0	0	0	0	0	0
Managers	1	0	0	1	1	0	0	1
Clerks	3	5	11	19	3	4	11	18
Workers	3	18	46	67	4	14	47	65
Total	7	23	57	87	8	18	58	84

Entries and exits by age subdivision								
Age	2021		2022		2021		2022	
	Entries	%	Entries	%	Exits	%	Exits	%
<30 Years	2	67%	0	0%	0	0%	2	50%
30-50 Years	0	0%	3	50%	3	30%	1	25%
>50 Years	1	33%	3	50%	7	70%	1	25%
Total	3	/	6	/	10	/	4	/

Entries and exits broken down by job classification								
Age	2021		2022		2021		2022	
	Entries	%	Entries	%	Exits	%	Exits	%
Executives	0	0%	0	0%	0	0%	0	0%
Managers	1	33%	0	0%	0	0%	0	0%
Clerks	2	67%	1	17%	3	30%	0	0%
Workers	0	0%	5	83%	7	70%	4	100%
Total	3	/	6	/	10	1	4	/

Employees belonging to protected categories						
Protected categories	2021			2022		
	Men	Women	Total	Men	Women	Total
Number of employees belonging to protected categories	4	1	5	4	1	5
% of employees in vulnerable categories	5%	1%	6%	5%	1%	6%

Employees covered by collective bargaining agreements		
Number of employees	2021	2022
Total of employees	87	84
Number of employees with collective bargaining agreements	87	84
% of employees covered by collective bargaining agreements	100 %	100 %

Employees covered by health and safety management system				
Health and safety	2021		2022	
	Number	%	Number	%
Employees covered by an ISO45001-certified health and safety management system	76	100	80	100

Occupational accidents		
Injuries	2021	2022
Total number of injuries	0	0
<i>of which with serious consequences</i>	0	0
<i>of which fatal</i>	0	0
Number of accidents during normal hours	0	0
Number of accidents during overtime	0	0

Occupational diseases		
Number of accidents	2021	2022
Total number of recordable cases of occupational disease	0	0
<i>Of which cases of death caused by occupational diseases</i>	0%	0%

Hours of training by professional category				
Training	2021		2022	
	No. total hours	No. hours per capita	No. total hours	No. hours per capita
Executives	0	0	0	0
Managers	0	0	0	0
Clerks	144	7,6	976	54,2
Workers	540	8,1	838	12,9
Total	684	/	1814	/

Supplier contribution analysis by category			
Supplier typology	Description	Number	
		2021	2022
Supplier partners	<i>Add value to the company's product</i>	17	21
System suppliers	<i>Recurrent but not exclusive</i>	31	35
Generic suppliers	<i>Do not add value to the company's product/service</i>	45	45
TOTAL		93	101

Distribution of purchases				
Geographic area	Expense in €		Ctv in € in %	
	2021	2022	2021	2022
Piedmont region	8.254.403,23 €	8.804.364,31 €	68,1%	70,3%
Rest of Italy	3.653.000,67 €	3.507.586,16 €	30,2%	28,0%
Abroad	207.624,23 €	204.629,45 €	1,7%	1,6%
TOTAL	12.115.028,13 €	12.516.579,92 €	100,0%	100,0%

Number of Certified Suppliers		
PROCESS CERTIFICATIONS	2021	2022
	Total	Total
Quality (ISO 9001/IATF 16949)	95	104
Environment (ISO 14001)	19	23
Occupational health and safety (ISO 45001/OHSAS 18001)	4	4

Breakdown of providers by length of relationship		
	2021	2022
New	0	6
relationship from 2 to 5 years	19	20
relationship from 5 to 10 years	22	24
relationship >10 years	74	77

Consumption of materials (renewable and non-renewable)							
MATERIALS USED	u.d.m.	2021			2022		
		Total	renewables	non-renewable	Total	renewables	non-renewable
Steel	kg	839399	839399	/	725941	725941	/
Aluminum	kg	22398	22398	/	20054	20054	/
Brass	kg	4742	4742	/	3133	3133	/
Copper	kg	2339	2339	/	4055	4055	/
Bronze	kg	2177	2177	/	/	/	/
Synthetic lubricating oils	kg	5720	/	5720	3826	/	3826
Vegetable lubricating oils	kg	8135	8135	/	14985	14985	/
Wood	kg	9389	9389	/	9268	9268	/
TOTAL		894299	888579	5720	781262	777436	3826

Miroglio & C. S.p.A. has reported the information mentioned in the following GRI content index for the period "January 1, 2022 - December 31, 2022," with reference to GRI Standards.

GRI STANDARDS	Informative report	Paragraph
Fundamental Principles	2021 Version	
GRI 1 - 3.	Reporting in accordance with GRI Standards	1.1 Contents of the document 7.1 Notes on the methodology
GRI 1 - 4.	Principles of reporting	7.1 Notes on the methodology
General information	2021 Version	
GRI 2-1	Organization details	2.1 Our history 2.2 The business model
GRI 2-2	Entities included in the organization's sustainability reporting	7.1 Notes on the methodology
GRI 2-3	Reporting period, frequency and point of contact	7.1 Notes on the methodology
GRI 2-6	Assets, value chain and other business relationships	2.2 The business model 3.1 Our structure and processes
GRI 2-7	Employees	5.1 Our people 5.3 Inclusion and diversity
GRI 2-9	Structure and composition of governance	2.4 Sustainability governance
GRI 2-12	Role of the highest governing body in controlling impact management	2.4 Sustainability governance
GRI 2-13	Delegation of responsibility for impact management	2.4 Sustainability governance
GRI 2-14	Role of the highest governing body in sustainability reporting	2.4 Sustainability governance 7.1 Notes on the methodology
GRI 2-15	Conflicts of interest	2.8 Compliance and Management Systems
GRI 2-22	Declaration on the Sustainable Development Strategy	1.2 Letter of Governance
GRI 2-23	Commitment in terms of policy	2.7 Responsible business management 4.4 Supply chain 6.1 Working collaboratively
GRI 2-24	Integration of policy commitments	2.3 Our approach to sustainability 2.8 Compliance and Management Systems 4.4 Supply chain
GRI 2-29	Approach to stakeholder engagement	2.5 Stakeholders and Engagement
GRI 2-30	Collective agreements	5.1 Our people
Material themes	2021 Version	
GRI 3-1	Process of determining material themes	2.6 Material issues and the 2030 Agenda
GRI 3-2	List of material themes	2.6 Material issues and the 2030 Agenda
GRI 3-3	Material Theme Management	2.6 Material issues and the 2030 Agenda
Economic performance	2016 Version	
GRI 201-2	Financial implications and other risks and opportunities due to climate change	3.2 Risk Analysis
Practice of procurement	2016 Version	

GRI 204-1	Proportion of expenditure made in favour of local suppliers	4.4 Supply chain
Material	2016 Version	
GRI 301-1	Materials used by weight or volume	4.1 Resources and materials
Energy	2016 Version	
GRI 302-1	In-house energy consumption	4.3 Climate change
GRI 302-4	Reducing energy consumption	4.3 Climate change
Emissions	2016 Version	
GRI 305-1	Direct greenhouse gas (GHG) emissions (Scope 1)	4.3 Climate change
GRI 305-2	Indirect greenhouse gas (GHG) emissions from energy consumption (Scope 2)	4.3 Climate change
GRI 305-3	Other indirect greenhouse gas emissions (GHG) indirect (Scope 3)	4.3 Climate change
GRI 305-5	Reduction of greenhouse gas emissions (GHG)	4.3 Climate change
Waste	2020 Version	
GRI 306-1	Waste generation and significant impacts related to waste	4.2 Responsible waste management
GRI 306-2	Management of significant impacts related to waste	4.2 Responsible waste management
GRI 306-3	Waste generated	4.2 Responsible waste management
Occupation	2016 Version	
GRI 401-1	New hires and turnover	5.1 Our people 5.3 Inclusion and diversity
Occupational health and safety	2018 Version	
GRI 403-1	Health and safety management system on the work	2.8 Compliance and Management Systems 5.5 Health and safety in Miroglio
GRI 403-5	Training of workers in health and safety	5.2 Training and enhancement 5.5 Health and safety in Miroglio
GRI 403-8	Workers covered by an occupational health and safety management system	5.5 Health and safety in Miroglio
GRI 403-9	Accidents at work	5.5 Health and safety in Miroglio
GRI 403-10	Occupational disease	5.5 Health and safety in Miroglio
Training and education	2016 Version	
GRI 404-1	Average number of training hours per year per employee	5.2 Training and enhancement
Diversity and equal opportunities	2016 Version	
GRI 405-1	Diversity in governing bodies and among employees	5.1 Our people 5.3 Inclusion and diversity
Non-discrimination	2016 Version	
GRI 406-1	Incidents of discrimination and corrective measures adopted	5.3 Inclusion and diversity