



V A C U U M F U R N A C E S

SUSTAINABILITY REPORT

2023



V A C U U M F U R N A C E S



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INTRODUCTION TO THE CORPORATE SOCIAL RESPONSABILITY REPORT

We understand **corporate social responsibility** as a strategic approach to business management, as a set of economic, legal, ethical, and discretionary responsibilities and expectations in the hands of the companies, as well as an integral part of business strategies. There is no social responsibility if the company does not operate within a context of rules, laws, and respected norms.

Starting from this premise, if a company adopts actions with a positive impact and respect, and aligns with people and the environment, its results will improve for the better and the idea that social responsibility, and by extension sustainability, has a predictive capacity regarding the company's performance over time stems from this line of thought.

Every company should constructively commit to meeting the needs of society, demonstrating that it does more than selling products and services. We can identify three responsibilities for companies:

- creating jobs and economic growth through a well-conducted company
- managing companies fairly and honestly towards workers and customers
- being more involved in improving the conditions of the community and the environment where it operates

The main criteria for social responsibility are identified:

- use of skills in the company to meet a specific need
- seriousness of social problems
- interests of top management
- reputational benefit gained from the action taken

Social responsibility should be intended as a value creation tool, that is, as a fundamental element of business strategy. Through social responsibility, the company creates value as the most advanced form of strategy possible.

To have social responsibility for value creation, it is necessary for the company to innovate itself, its way of operating and thinking, and apply sustainable business models as the impact is fundamental on the company's strategy and operations.

The identifiable benefits are:

- Shared values with the community and institutions
- Promotion of competitiveness and innovation
- Development of sustainable business models
- Integration of business into the community
- Development of people
- Social responsibility incorporated into business strategy

Corporate social responsibility is an effective risk management tool that offers multiple benefits:

- reduces the environmental impact of production
- mitigates operational risks
- improves external relations, with an important marketing implication

The strategic use of social responsibility can generate the creation of an innovative perspective and identifiable and measurable value in the form of economic benefits for companies and is manifested in three strategic fields:

- mission objectives
- competitive advantages
- strategic plan i.e. translation of ideas into actions and measurement of them

Through these fields, the company expresses the specific characteristics that characterize its operations.

Social responsibility, considering all that has been described, is an essential element of business management and not only an ethical attitude; it is a tool used to make correct management decisions, just as **sustainability** that is a business management tool derived from social responsibility and integrates it by completing it.

The foundations of sustainability are essentially three:

- environmental impact (**E - environment**)
- social inclusion (**S - social**)
- corporate responsibility (**G – governance**)



These criteria help determine the future performance of the company, balancing expected profits with potential risks and reinforcing the idea that knowing sustainability, applying it in concrete actions and business strategies, has a predictive power on future results

■ SUSTAINABILITY REPORT

The purpose of this document is to tell about **TAV VACUUM FURNACES SPA** from the perspective of social responsibility and sustainability, addressing ESG issues and relating its actions to the **UN's Agenda 2030** points.

ESG is the acronym that represents the three areas that are normally identified for sustainability namely:

- **E** (environment - environment)
- **S** (social - social/people)
- **G** (governance i.e., the part that deals with regulations and laws in addition to corporate governance)

The **Sustainable Development Goals (SDGs)** are a set of 17 interconnected goals defined by the UN as a strategy “to achieve a better and more sustainable future for all” and are also known by the acronym **SDGs (Sustainable Development Goals)**

They are also known as **Agenda 2030**, named after the document that bears the title “Transforming Our World. The 2030 Agenda for Sustainable Development,” which recognizes the close link between human well-being, the health of natural systems and the presence of common challenges for all countries.

The Sustainable Development Goals aim to address a wide range of economic and social development issues, which include poverty, hunger, the right to health and education, access to water and energy, jobs, inclusive and sustainable economic growth, climate change and environmental protection, urbanization, production and consumption patterns, social and gender equality, justice and peace.

Below are the 17 goals:



This document is intended to be a guide and reporting within the area of sustainability by describing, through data, the impacts of TAV VACUUM FURNACES SPA and its activities.

The term “impact” is normally used to describe a contact, an event, an aspect, an element, considered in relation to the effects that may be felt.

Environmental impact, for example (according to Art. 5(c) of Legislative Decree 152/2006), means the alteration of the environment understood as a system of relationships between anthropic, naturalistic, chemical-physical, climatic, landscape, architectural, cultural, agricultural and economic factors, as a result of the implementation on the territory of plans, programs or projects in the various stages of their implementation, management and decommissioning, as well as any malfunctions and other consequences.

For the purposes of the definition of environmental impact, such alteration is considered to be such regardless of whether it is qualitative and/or quantitative, direct or indirect, short-term or long-term, permanent or temporary, single or cumulative, positive (i.e., associated with an improvement of the environment) or negative (i.e., associated with a worsening of the environment).

Social impact is commonly defined as the set of consequences on people and communities resulting from an action, activity, project, program, or policy.

Economic impact analysis generally refers to the estimation of the effects that a particular project or activity generates on the reference economy, whether positive or negative.

Reputational impact, on the other hand, refers to the improvement or deterioration of the company's image perception by customers, workers, shareholders, investors, or regulatory authorities, resulting from positive or negative actions and communications regarding the company itself, its products or services, and its behaviors. Therefore, this document, due to the topics covered and its structure, constitutes the Sustainability Report, the Social Report, and the Non-Financial Reporting of NICRO Spa.

Although the goals are global, the company, through its actions, contributes to their pursuit, as described below:



- Solidarity parcels in support of local families.



- *Participation in ENFAPI to contribute to training activities*
- *Career days with local high schools and universities*



- Work safety management system set up and managed
- Investment and support for the territory in health care with a service that remains active over time



- Photovoltaic plant
- Reducing CO₂ emissions through the use of energy from renewable sources



- Reduction of CO₂ emissions through sustainable mobility actions
- Planting project in the Caravaggio shrine area in collaboration with other network companies



- Collaboration with other companies in the network to develop joint projects with positive impact

▪ PRINCIPLES OF EDITING

At the head of this document, is the observation that every company, in different ways and to varying extents, possesses and manifests a certain ethical direction that guides its strategic choices and daily actions. For this reason, the company's Governance has the opportunity to make explicit the purposes assigned to its activities and the rules that regulate the behaviours and actions of all the people who, in various capacities, are part of it.

The editing principles, adopted from international guidelines, refer to the sphere of ethics, legal doctrine, and accounting practice. As indicated by these same guidelines, the quality of the document's formation process and the information contained is guaranteed by adherence to the following principles:

- **Responsibility:** in this report, are identified the categories of stakeholders to whom the company must account for the effects of its activities.
- **Identification:** complete information regarding the ownership and governance of the company is provided.
- **Transparency:** the information contained in this report is structured objectively.
- **Comparability:** the document is drafted in such a way that allows for comparison between different reports over time.
- **Understandability, clarity, and intelligence:** the information contained is presented clearly

This document is addressed to all the organization's stakeholders, and in these pages, the Governance briefly explains the choice that led to the drafting of the social report, with the aim of:

- Building stakeholder loyalty
- Measuring the organization's performance
- Promoting internal communication
- Informing the community

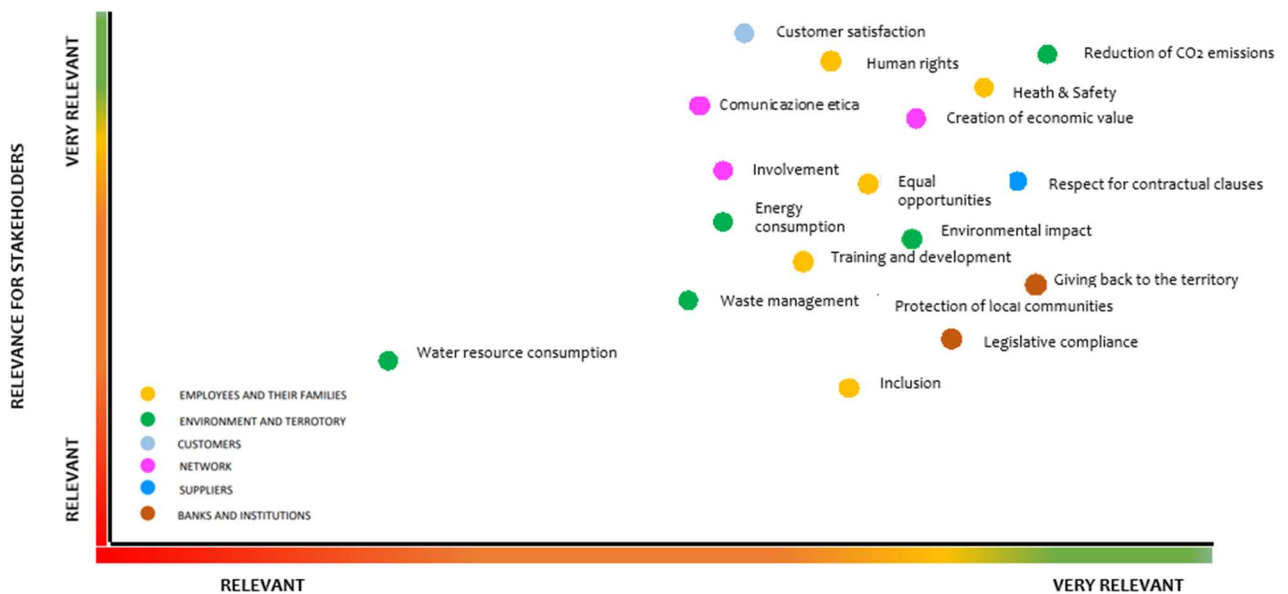
This reporting document aims to be a moment of storytelling for TAV VACUUM FURNAACES SPA, both internally and externally, about the actions taken towards people, the territory, and the community, as well as the results achieved from these actions.

■ MATERIALITY ANALYSIS

In a rapidly evolving competitive context like the current one, the success of an organization also depends on its **ability to understand and respond to external challenges**. It is therefore particularly important to identify the aspects that most directly impact activities.

For this reason, a materiality analysis is prepared, structured to deeply understand the impact that social responsibility issues have on the organization and its stakeholders, as it is a central theme for all organizations that want to face the process of change.

Below is the analysis prepared by TAV VACUUM FURNACES SPA:



▪ INTRODUCTION AND OBJECTIVES

This document aims to achieve the following objectives

- provide all stakeholders with an overall picture of the company's performance, opening up an interactive process of social communication.
- to provide useful information on the quality of the company's activities to enlarge and improve stakeholders' knowledge and possibilities of evaluation and choice, also from an ethical-social point of view.

This means:

- to give an account of the identity and system of reference values assumed by the company and
- to provide the idea of balancing stakeholder expectations, and indicating the commitments made to them;
- to report on the degree of fulfilment of commitments to stakeholders;
- to set out the improvement objectives that the company is committed to pursuing;
- to provide information on the interactions between the company and the environment in which it operates;
- represent the Added Value created during the year and its breakdown.

It is the objective of TAV VACUUM FURNACES SPA, with this document, to put down on paper the activities, actions and everything the company does that has a positive impact; it is intended to be a kind of first-person storytelling.

CHAPTER I: TAV VACUUM FURNACES SPA – THE COMPANY



■ ABOUT US

We believed in this from the very beginning: to build **vacuum furnaces** of the highest quality taking into account customer requirements, in **full compliance with industry standards and regulations**. Sensitive to the value of continuous innovation, TAV VACUUM FURNACES SPA has achieved high levels of competence and reliability thanks to the human and professional qualities of its staff, but also through the challenges of customers all over the world.



Company establishment
1984



Total area
7100m²



47%
engineers



50 Countries
5 Continents



Wide range of
vacuum furnaces

■ OUR MISSION

Flexibility, technology and quality. These are the key words that have guided us since 1984 and made us a leader in the vacuum furnace sector. TAV VACUUM FURNACES SPA, a highly specialised engineering company, designs and manufactures **vacuum furnaces** aiming at constant innovation to satisfy different applications and sectors all over the world.

Over time, we have established ourselves as an industry leader thanks to our passion and the unconditional trust of small and large companies on the international scene.

■ OUR COMPANY

Our specialized knowledge in the production of high temperature vacuum furnaces and high vacuum furnaces has allowed TAV VACUUM FURNACES to develop an in-depth knowledge of these technologies and their performance. This allows us to provide suitable solutions and tailor-made systems for the vacuum treatment of innovative materials and sensitive products. We have the necessary know-how to promote greater productivity and efficiency, guaranteeing the application of the strictest safety and environmental regulations.



■ OUR PRODUCTS AND SERVICES

Consolidated experience, excellent quality, state-of-the-art technology, prompt assistance, and turnkey solutions are just some of the elements that make our **vacuum furnaces** unique and in demand all over the world. TAV VACUUM FURNACES SPA designs and manufactures **customised products and components** that are constantly responsive to market requirements and emerging needs.

■ TAILOR-MADE SOLUTIONS FOR EVERY NEED

We are specialised in **tailor-made components** based on **specific customer requirements**, identifying **alternative materials** to achieve the **best performance in use** and evaluating possible modifications of construction drawings to increase performance and service life.



▪ BRIEF CONTEXT ANALYSIS

Over the last few years, due to external events and situations, the context, including the internal context, has changed, as have the ways in which activities are managed. An example of this is the trip to the United States planned for 2020 for business development activities, which was then postponed to 2023 due to the health emergency.

Moreover, operating in the mechanical sector, we find ourselves in the necessary condition of changing and updating our reaction times: the post-pandemic context has changed the timing of both sales and purchases, which are now much quicker, estimates with a short validity, and elasticity in production management due to delays in the delivery of raw materials.

Similarly, we are experiencing an economic moment of difficulty in personnel management, which adds to the complexity of recruitment and the issue of major resignations that put us in less than ideal conditions to operate on this issue.

The war in Ukraine and the sanctions against Russia and the situation in Eastern Europe in general made us respond quickly to events outside the company.

The energy issue has had a strong impact on customers who are very often energy-hungry and not directly on the company's energy management costs.

▪ VALUE OF THE PRODUCTION

Turnover	2018	2019	2020	2021	2022	2023
	€ 22.370.279	€ 25.526.952	€ 18.637.748	€ 21.720.951	€ 23.355.676	€ 33.769.531

The analysis over the period 2018 - 2020, as can be seen from the numbers, shows a decreasing figure in 2020, which can be easily explained by the reduction in business due to the global pandemic.

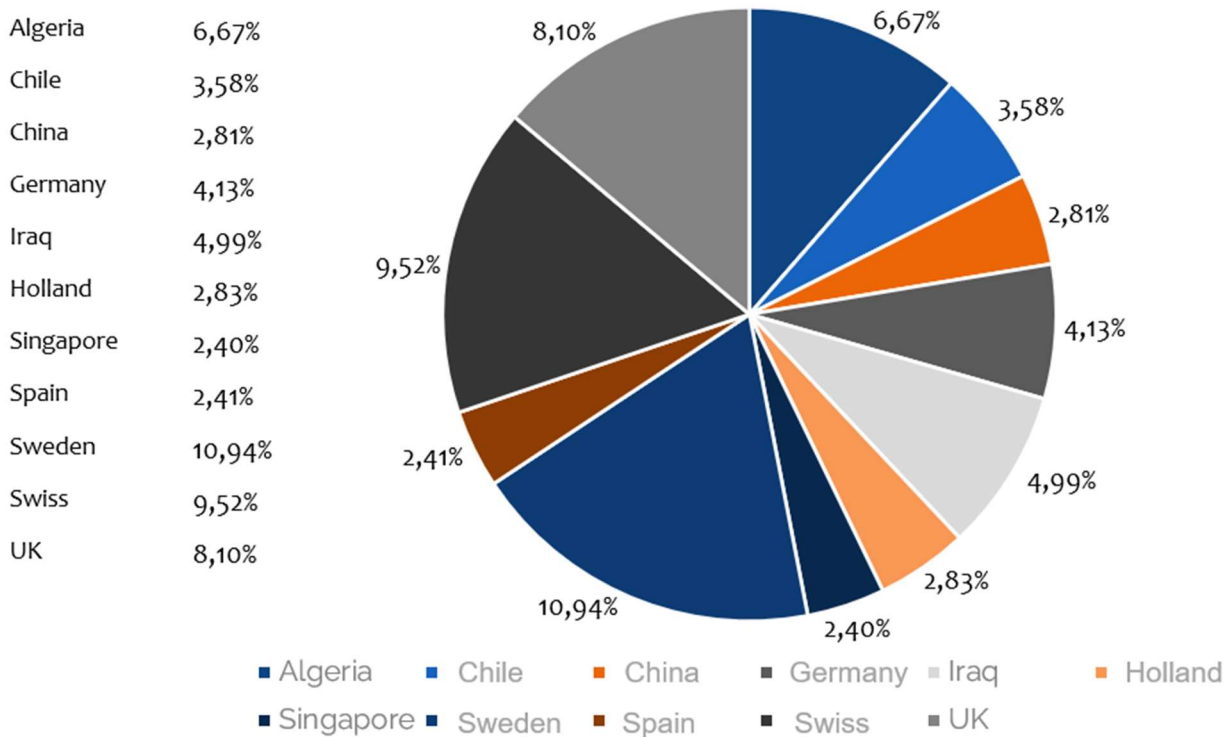
On the other hand, the analysis on the period 2018 - 2021 shows an increase in turnover in 2021 compared to the previous year, the year of the pandemic, which can be attributed to an increase in orders, both due to the end of the health crisis and the exploitation of the public incentives put in place by the government for the recovery of the economy (in particular Industry 4.0).

There has also been a rationalisation of activities, with TAV VACUUM FURNACES SPA participating much more directly in the installation and service phase at the customer's premises. This has resulted in both cost savings and greater customer satisfaction and loyalty, with a consequent increase in the acquisition of orders from customers already in the portfolio.

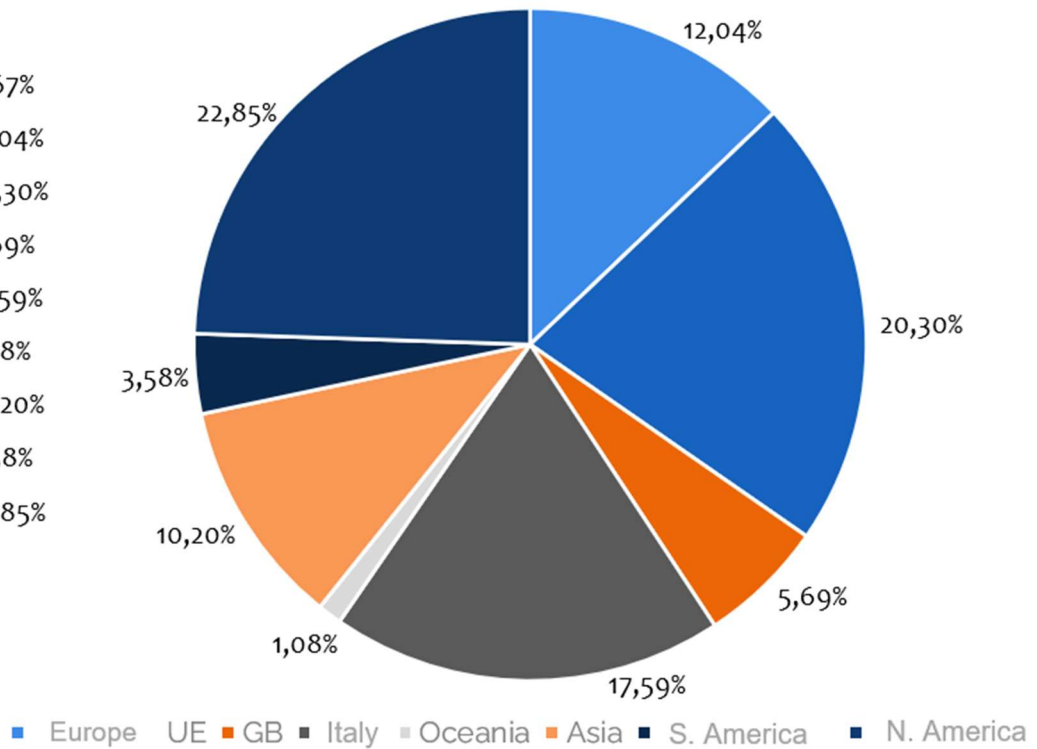
The redefinition of the sales structure, on the other hand, allowed for a more punctual response in terms of offers to new customers, and this made it possible to reach new buyers, which led to the increase in turnover seen in 2022, which was little affected by the increase in the prices of materials and products in general, and this is also confirmed by the profit figures, which are important.

In 2023, some incentives have increased the Italian turnover, while the continued presence of wars makes us forecast a return to the figures of previous years, defining 25 million as the threshold of tranquillity.

Turnover is achieved both with Italian customers and with exports of about 82% from foreign customers, the distribution of which is described in the table below:



Africa	6,67%
Europe	12,04%
UE	20,30%
GB	5,69%
Italy	17,59%
Oceania	1,08%
Asia	10,20%
S. America	3,58%
N. America	22,85%



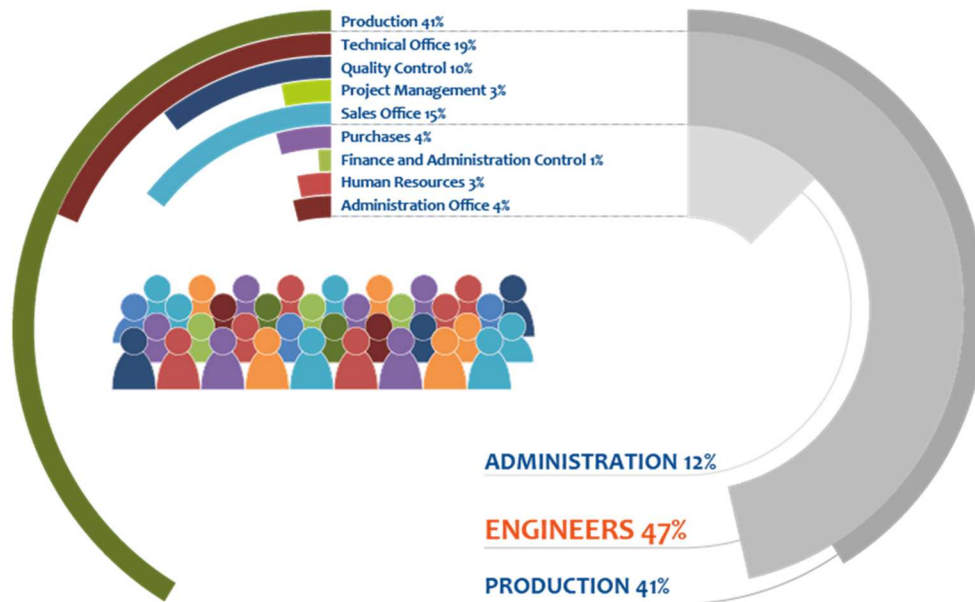
■ ORGANISATION STRUCTURE

TAV VACUUM FURNACES SPA has, over time, equipped itself with an organisational structure linked to the manufacture of products and the development, prototyping and testing of new solutions and products to be proposed to the market.

These two souls of the company coexist and work together to meet the expectations of customers and the market in general.

The structure is also complemented by a commercial function, which deals with sales and customer relations, to which the marketing and communication office is linked, the purchasing function, logistics, economic-financial management, and a maintenance function, which has the objective of maintaining the efficiency of existing plants as well as designing and building new ones.

There is also a structure dedicated to the company's existing certifications.



Below is a brief description of the activities of the organisation's functions:

Management

- Main activities: Defining corporate strategies, managing the company's vision and mission, overseeing overall performance, making key decisions and representing the company to the outside world.

Technical Department

- Main activities: Technical design, development of products or solutions, management of technological innovation processes, supervision of technical aspects during project implementation.

Quality Control

- Main activities: Monitoring the quality of products and services, implementing standards and procedures to ensure compliance, identifying and resolving defects, conducting internal audits.

Project Management

- Main activities: Planning, coordinating and monitoring job orders, managing the necessary resources, meeting delivery schedules and budgets, communicating with customers to ensure satisfaction.

Sales

- Main activities: Customer relationship management, developing new business opportunities, negotiating and closing contracts, market analysis to increase sales and strengthen company presence.

Purchasing

- Main activities: Selection and management of suppliers, procurement of materials and services, negotiation of purchasing terms, monitoring quality and cost of supplies.

Financial Control

- Main activities: Corporate budget planning and monitoring, financial performance analysis, cash flow management, preparation of reports and forecasts to support strategic decisions.

Human Resources

- Main activities: Recruitment and selection of personnel, management of training and skills development, administration of contractual relations, promotion of well-being and corporate culture.

Administration

- Main activities: General accounting management, preparation and management of tax documents, management of bureaucratic processes, supervision of administrative activities to ensure compliance with regulations.

Production

- Main activities: Planning, coordination of the resources required to realise the orders within the set timeframe. Supervising and coordinating the management of the warehouse and in-house workshop.

Marketing

- Main activities: Planning, managing and monitoring promotion and communication activities (internal and external) on the various channels used, building and strengthening brand identity, planning and organising events and presence at trade fairs.

Research & Development

- Main activities: Implementation and development of laboratory activities, collaboration with companies, universities and research centres aimed at technological innovation for the improvement of products and processes.

■ TAXONOMY

This sustainability report takes into account the indications of the Taxonomy Regulation, which indicates and recognises which activities of the company are aimed at pursuing its European environmental objectives such as:

- **Climate risk mitigation**

The company with respect to climate risk, described in this document in a specific paragraph, considers that with respect to its activities, the main sources of risk are related to CO₂ emissions generated (e.g. energy use, production activities, transport, etc.); for mitigation, the company has decided to:

- use energy from renewable sources thanks to photovoltaic panels
- an emissions offsetting project is underway through planting and/or agroforestry regeneration in the area of the Caravaggio sanctuary
- green mobility with hybrid cars.

- **Climate risk adaptation**

See previous point.

- **Sustainable use and protection of water and marine resources**

The company uses water in its processes for the testing activities of the kilns built - water is acquired from the aqueduct water network, used for cooling cycles and sent to the sewage system - water use data are described in the specific paragraph.

- **Transition to a circular economy with waste reduction and recycling**

The company has activated separate waste collection for all the various types of waste that are disposed of, with reference to regulations, using authorised disposers for proper management. It is also evaluating a plan to dispose of discarded electronics products with a local company to regenerate them and give them a second life, preventing them from ending up in landfills.

- **Pollution prevention and control**

The company refers to legislative provisions for pollution prevention and control. It is in the process of obtaining the AUA single authorisation.

- **Protection of the health of the ecosystem**

Please refer to the above.

■ GLI STAKEHOLDERS OF THE ORGANISATION

The term ‘stakeholders’ refers to all those persons inside and outside the organisation who have an interest of any kind in the organisation, which takes the form of a series of expectations, information needs, interests of an economic nature. The following tables list the main stakeholders identified by the organisation in order to verify its ability to respond to each one's needs and requests through an open, transparent and trust-based dialogue, as well as their expectations.

The stakeholders identified by TAV VACUUM FURNACES SPA are:

PRIMARY STAKEHOLDERS	CUSTOMERS	SUPPLIERS	INSTITUTIONS	OTHER
Workers Workers' families Management Shareholders	Companies and institutions that purchase products, as well as all users of the products produced	Companies supplying raw materials, external machining companies, forwarders and in general all parties involved in the sale of materials, services or products	Government and international control entities Local / national institutions, ATSS	Territory in which the company is based Trade Unions Financial Institutions Competitors Schools, universities and research laboratories Onlus and other interested associations

Each of the categories and types of stakeholders identified in the previous table has more or less explicit expectations, which TAV VACUUM FURNACES SPA summarizes as follows:

PRIMARY STAKEHOLDERS	
Workers, and workers' families	Retention of employment and income from employment or collaboration; environment useful to development and growth; healthy and wholesome environment
Management	Safeguarding of the corporate purpose; achievement of turnover, profit and non-turnover targets; development opportunities also in sectors not currently covered by the company
Shareholders	Safeguarding of the corporate purpose; achievement of turnover, profit and non-turnover targets; development opportunities also in sectors not currently covered by the company

CUSTOMERS	
Companies that will buy the products	Products conforming to orders and specifications; products meeting performance requirements; meeting deadlines for deliveries - maintaining contractual conditions including price - keeping promises and commitment
All users of the products manufactured	Products that are safe from a performance point of view with respect to specific conditions of use and application

SUPPLIERS	
Companies supplying raw materials, external processors, transporters and in general all parties involved in the sale of materials, services or products	Fulfilment of contractual conditions including price - keeping promises and commitments - payment of invoices and services according to agreed deadline

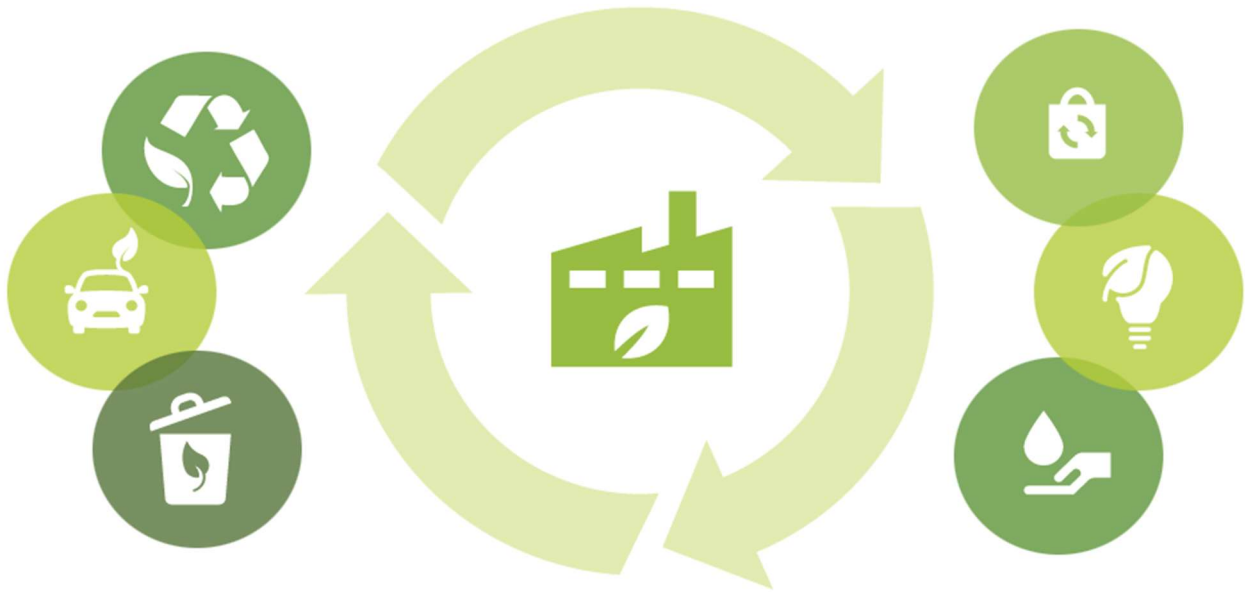
INSTITUTIONS

Government and international control bodies Local and National institutions, reference organisation of the activities, ATS	Compliance with current legislation and directives in the various matters applicable to the organisation
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OTHER

Territory in which the company is based	Compliance with reference legislation on the various environmental and other aspects involved - respect for people and territory - respectful relationship between company and citizenship
Trade Unions	Respect for workers' rights and management of relations with the company; opportunities for confrontation
Insurances	Conclusion of policies on a legal and consistent basis - provision of truthful information
Banks	Compliance with any financial commitments that may exist and have been agreed upon
Competitors	Fair competition activities in line with current legislation, including sectoral legislation - opportunities for collaboration
School and Universities	Opportunities to interact with the company, support students in the company life experience, support the company in the development of products and projects
Research laboratories	Opportunities for collaboration, product and project development, contribution to innovation
Onlus and other possibly interested associations	Supporting and charitable activities also through the organisation of cultural and non-supporting activities

CHAPTER II: ENVIRONMENT



■ ENVIRONMENTAL IMPACT

Environmental impact encompasses all direct and indirect, positive or negative, temporary or lasting consequences that a series of actions can cause. For TAV VACUUM FURNACES SPA, the environmental impact is given by all those actions necessary for the conduct of its business. The company's impact on the environment is an important aspect and must be monitored on one hand and managed consciously on the other, through significant safeguarding actions and commitments. Over the past few years, the company has committed itself in this regard, especially with a view to growth and development. Year after year, TAV VACUUM FURNACES SPA strives to improve and be at the forefront in this respect, searching for solutions that can support and make this choice a reality.

The company's commitment to environmental care, as described above, covers:

- The total recovery of sheet metal cutting waste through a melting and regeneration process;
- The management of waste and hazardous materials stored in a protected area and in a differentiated manner, through a certified and documented process;
- The recovery of material on items being repaired for different uses;
- The reduction of energy consumption through the use, even if only partial, of LED lighting
- The use of energy from renewable sources

■ ENERGY MANAGEMENT

On the following pages, TAV VACUUM FURNACES SPA describes and reports on numbers and performance with respect to the management of the energy used to carry out its activities, both on site and at customers' premises.

ELECTRICAL ENERGY

TAV VACUUM FURNACES SPA uses electrical energy to power systems, machines and equipment at the Caravaggio site, i.e. machines and equipment for production, related systems, office machines and in general for managing activities and processes.

The main part of energy consumption is determined by the plants undergoing testing, i.e. plants tested on site before delivery to the customer, and the equipment used for this activity.

The energy required at the current site is for a small part self-generated through a photovoltaic system that guarantees the production of energy to power the plant to the extent of 4% of requirements as shown below.

The following page shows the electricity figures for the last few years in comparison with each other.

	2018	2019	2020	2021	2022	2023
Energy consumption MWh	1.195	1.331	1.035	1.146	1053	949
Photovoltaic production MWh	-	-	11,375	48,09	44,23	45,66
% Renewable source	-	-	1,10	4,20	4,20	4,80%

Although different from each other, the data analyzed do not show large changes in electricity consumption, furthermore it should be considered that the consumption data, decreasing in 2020 due to the reduction in activities linked to the health emergency situation that saw the company closed for three weeks and at reduced levels for another nine.

As regards the production and use of energy from the photovoltaic system, it should be noted that the 2020 data concerns only a small part of the year, as the system was activated only in the last quarter.

In 2021, the photovoltaic plant was in operation for twelve months and its energy production was 4.20%, as shown in the table, in line with the data for the previous quarter.

In order to reduce electricity consumption, it is also important to remember that some LED lamps have been installed to illuminate the structure.

THERMAL ENERGY

TAV VACUUM FURNACES SPA uses thermal energy to heat the premises, offices and production departments, thermal energy is not used in the production cycle and in the processes.

In the painting department, thermal energy is used only for heating the rooms, not for drying the products.

The data relating to thermal energy are reported below:

	2018	2019	2020	2021	2022	2023
Energy consumption in m ³ of gas	45.490	37.913	27.426		39.008	37.622

The trend in thermal consumption is linked to the external climate of the area, as thermal energy is not used for production and in business processes.

As shown in the table, consumption in 2021 has returned to pre-pandemic levels.

In recent years, heat pumps have been introduced to replace various heating equipment that used thermal energy.

WATER


In TAV VACUUM FURNACES SPA, water is used for the irrigation system of the internal green area, in the canteen (for food preparation and dishwashing), for the toilets and changing rooms. The production plant is equipped with a closed-circuit cooling system in which the use of water is linked to top-ups.


	2018	2019	2020	2021	2022	2023
Water consumption m ³	5.018	4.280	2.908	3.433	3.263	3.391

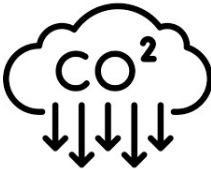
The trend in water consumption, which has fallen sharply over the last three years, must be analyzed taking into account that the data is collected from the supplier's bills and that during 2020 the company's activity was reduced as described above.

The 2021 figure shows an increase in consumption compared to 2020, as expected, but which does not reach the levels of previous years - water was therefore saved thanks to greater control over consumption, including irrigation systems.

TAV VACUUM FURNACES SPA has defined, among its management objectives, particularly related to the environmental component, the implementation of a plan that can make it a ZERO impact company within 24 months and for this purpose an assessment is underway of what impacts are generated in addition to those already considered in the last budget, in particular the data of:

	N. COMPANY VEHICLES				
	2019	2020	2021	2022	2023
	22	25	24	23	24
	N.o hybrid	N. 2 hybrid	N.2 hybrid	N. 2 hybrid	N. 2 hybrid
Contribution	Introduction of hybrid cars into the fleet				




	KM TRAVELLED BY COMPANY VEHICLES				
	2019	2020	2021	2022	2023
	497.500 km	556.042 km	527.500 km	505.000 km	534.000 km
22.613 km average for car	22.242 km average for car	21.979 km average for car	21.956 km average for car	22.250 km average for car	
Contribution	Contribution through the cooperative il Susino for the addition of bees and projects described on the previous pages				

	CO ₂ EMITTED BY COMPANY VEHICLES (323 kg / 1000 km)				
	2019	2020	2021	2022	2023
160.693 kg	179.600 kg	170.382 kg	163.115 kg	172.482 kg	
Contribution	Contribution through the cooperative il Susino for the addition of bees and projects described on the previous pages				

■ WASTE MANAGEMENT

TAV VACUUM FURNACES SPA, in carrying out its business activities, produces waste of various types and kinds, all of which is managed with reference to current legislation; legislation aside, the utmost attention is paid to waste management as well as sorting, where possible.

Below are the data on the waste produced and its management:

	Number of CERs disposed of in the time period	22
	Numero di CER sempre presenti negli ultimi 5 anni	7
	Number of CERs always present in the last 5 years	CER 15 01 06 - 102.910 kg
	Occasional waste (i.e. linked to particular operations and disposed of only once)	6 types
	Number of CERs handled last year	11

■ **CLIMATE CHANGE**

TAV VACUUM FURNACES SPA, in carrying out its work, has an impact on climate change, as described in the taxonomy part of this document for CO₂ emissions linked to production activities and direct and induced transport.

The company has several measures in place to reduce and offset CO₂ emissions, such as the use of renewable energy and the planting project.

Climate change impacts on the company with respect to the management of heating and air-conditioning of the premises where the activities are carried out.

The effects of climate change may also directly and indirectly impact the activities of client companies or suppliers depending on their location, positioning, type of business.



CHAPTER III: HUMAN RESOURCES & WELFARE

In a context of change and push towards an innovative approach, the people of TAV VACUUM FURNACES SPA represent the foundation of the company strategy and the company intends to pursue:

- The consolidation of the importance of roles through training and sharing;
- the definition of a model of distinctive skills that also concerns soft skills;
- attention to the management issues of the "remuneration lever" through the introduction of bonuses, benefits and welfare initiatives;
- an approach to performance management that helps to focus on the relevant points of people's contribution;
- the focus on some key processes, such as: onboarding, employer branding policies and talent search.

The resulting strategy is centered on the creation of a new paradigm strongly oriented towards achieving results, where people are allowed to have all the levers to contribute to the company's success and their own.

■ TAV VACUUM FURNACES SPA PEOPLE

Year	Total Resources	Women	% Women	Men	% Men	Average Stay	Average Age	Average distance in km from the company
2020	93	15	16%	78	84%	10	41	14
2021	88	13	15%	75	85%	10	42	14
2022	93	14	15%	79	85%	10	42	14
2023	97	17	18%	80	82%	10	43	14

The numerical difference between the numbers of people between 2020 and 2021 of comparison is linked to the fact that during the year there were voluntary resignations for a total of 6% of the total; for the replacement of the people, some in particular were selected:

- Mechanical, industrial or aeronautical engineer for mechanical design
- Master's degree in automation or computer science for software design
- Sales technician for the German market

The selection difficulties related to the profiles are essentially linked to the career opportunities, to those proposed by other European countries, and the company is evaluating the possibility of making a staff engagement plan that can include, in addition to the economic aspect, other issues such as, for example, the valorization of talent, personal development, ecological contribution, etc.

Compared to the staff present in 2022, the following are also to be considered:

Year	Graduates	Engineers	Other degree	Workers	Employees	Executives	Managers
2022	36	30	6	34	50	7	2
2023	41	35	6	35	53	7	2

■ THE ECONOMIC DATA RELATED TO PERSONNEL

Year	Labour cost	% of Turnover	Overtime costs:	% of labour cost
2018	€ 5.367.337,44	23,99%	€ 98.695,84	1,83%
2019	€ 5.645.520,81	22,12%	€ 93.903,51	1,66%
2020	€ 4.960.548,90	26,62%	NA	NA
2021	€ 5.340.033,98	26,82%	€ 72.455,25	1,35%
2022	€ 5.724.305,67	24,24%	€ 123.664,03	2,16%
2023	€ 7.038.475,51	22,13%	€ 139.397,41	1,98%

Other Personnel-related Costs	2018	2019	2020	2021	2022	2023
Car fuel in fringe benefit	€ 27.274,03	€ 29.199,28	€ 21.151,14	€ 27.258,55	€ 35.872,35	€ 38.426,18
Meals and accommodations, personal travel	€ 94.056,85	€ 216.545,39	€ 69.356,03	€ 88.634,63	€ 93.995,17	€ 160.365,73
Flight and transport tickets	€ 111.480,19	€ 187.933,48	€ 19.008,72	€ 35.588,28	€ 73.643,09	€ 124.562,78
Car travel expenses	€ 54.723,70	€ 80.227,32	€ 30.118,95	€ 39.364,96	€ 48.324,89	€ 68.074,89
Tributes to the staff	€ 19.977,68	€ 11.872,17	€ 7.355,29	€ 8.219,23	€ 8.640,28	€ 14.609,45
Canteen catering supplies	€ 47.954,16	€ 47.283,98	€ 33.196,59	€ 40.564,45	€ 39.612,40	€ 47.051,53
	€ 355.466,61	€ 573.061,62	€ 180.186,72	€ 239.639,10	€ 300.088,18	€ 453.090,56
% of turnover value	1,59	2,24	0,99	1,20	1,27	1,33

From the comparison of the data, significant for 2018 and 2019, it emerges that in 2019 the costs related to travel increased significantly both for commercial activities worldwide and for the implementation of offices in the United States and China.

The 2020 data, however, was conditioned by the health emergency situation that completely changed the relational methods and that reduced if not eliminated the possibilities of travel, in fact, the trips were blocked for about 6 months and those outside Europe were cut.

All the cars are under rental mileage and consequent reduction in fuel costs.

The commercial area was reorganized by identifying two figures who manage the other commercials.

■ REWARD SYSTEMS

As anticipated in the previous pages, attention to the management issues of the "remuneration lever" through the introduction of a bonus, benefits and welfare initiatives is an important element in the strategies of TAV VACUUM FURNACES SPA.

In 2023 the company obtained a record profit that led to the definition of a very significant performance bonus for each person in the company and which will be distributed in 2024.

■ CORPORATE WELFARE: A CONCRETE COMMITMENT

At TAV VACUUM FURNACES SPA, for some years now, we have been studying the topic of corporate welfare, through investments and initiatives aimed at improving the quality of life of our employees, their families and the territory in which we are located.

The decision to start a welfare plan arises from a real desire to share benefits with those who contribute to the success of the company every day and not from merely economic or image-related motivations. We have developed a multi-year strategy to enhance each member of our organization and make them even more involved.

Below are the main welfare initiatives currently underway:

- canteen available for workers completely free of charge
- welfare ticket of €250 instead of €200 as provided for in the contract
- 14th month transformed into a monthly allowance on the pay slip
- flexible hours for employees entering and leaving
- percentage of overtime paid at an increased rate
(the first two hours of the day paid at 25%, then the next half hour at 30% and the following ones at 50%; On Saturdays, overtime is paid from the first hour at 50%)
- travel hours paid at 100% of the ordinary hour
- Saturday travel hours paid as overtime 50% (the first 8 hours)
- higher daily allowance for travel, food and accommodation paid directly by TAV without affecting the daily allowance
- hardship allowance of €77.47 (which does not exist in the CCNL) for the night of Saturday, Sunday and/or weekday holidays
- salary credit by the 6th of the month
- payment of TFR without justified reason of first home purchase or serious illness and without the seniority clause.

In addition to the above, the following are "benefits" that workers can use:

- paid taxi to and from home if they are unable to reach the company to leave for the business trip due to family problems
- Covid 19 swabs upon return from the business trip, even if not mandatory
- additional paid leave recognized in internal bargaining: 7 hours of leave for a specialist medical visit (which becomes 24 for disabled people); 2 additional days of mourning leave for the second annual event and the extension of the regulation to similar persons.

The following are the economic data of the welfare of TAV VACUUM FURNACES SPA:

TYPE OF WELFARE	AMOUNT ALLOCATED 2018	AMOUNT ALLOCATED 2019	AMOUNT ALLOCATED 2020	AMOUNT ALLOCATED 2021	AMOUNT ALLOCATED 2022	AMOUNT ALLOCATED 2023
ART 51	51.200,00 €	51.200,00 €	51.200,00 €	0	0	0
ART 100	30.000,00 €	30.000,00 €	30.000,00 €	0	0	0
ART 51 C3 (TICKET)	23.000,00 €	23.000,00 €	21.500,00 €	22.000,00 €	22.000,00 €	22.000,00 €
	104.200,00 €	104.200,00 €	102.700,00 €	22.000,00 €	22.000,00 €	22.000,00 €

TYPE OF WELFARE	AMOUNT PAID 2018	AMOUNT PAID 2019	AMOUNT PAID 2020	AMOUNT PAID 2021	AMOUNT PAID 2022	AMOUNT PAID 2023
ART 51	29.734,44 €	51.056,92 €	35.272,06 €	0	0	
ART 100	39.680,21 €	37.060,84 €	42.239,86 €	0	0	
ART 51 C3 (TICKET)	24.950,00 €	16.460,00 €	17.025,00 €	21.250,00 €	21.250,00 €	21.465,00 €
	94.364,65 €	104.577,76 €	94.536,92 €	21.250,00 €	21.250,00 €	21.465,00 €

The company has also provided benefits to workers in the form of petrol vouchers, shopping vouchers and other types and opportunities to choose from.

Our company believes in the **well-being** of people as a fundamental element for the success of daily work and, within the network of companies of which TAV VACUUM FURNACES SPA is part, it confirms itself as an absolute reference on these issues.

Furthermore, since 2023, the company has been offering moments of aggregation and team building with the aim of improving company relations. These activities help employees in solving daily problems, generating a sense of belonging, establishing relationships, motivating the work group and implementing cohesion and integration.



■ STAFF TRAINING

The company constantly invests in training, developing technical-specialist skills in the area and enhancing managerial skills, working on the creation and dissemination of a common identity.

Training on privacy and safety at work is carried out constantly and included in a path for people to enter the company, a preparatory step for accessing specialist training managed by the company.

Training in the field of health and safety of workers is included and specified in the data reporting, given its mandatory nature.

For the year 2022, the training activities provided are described below, divided into mandatory (e.g. workplace safety) and other activities:

- BASIC TAV COURSE - Scada TAV and Siemens PLC
- Maintenance and use of ASM310 - ASM340 leak detectors
- ADVANCED TAV COURSE - TAV scada update and advanced Siemens PLC functions
- UCKA Appreciation Interpretation and Implementation
- The non-preferential origin of goods
- DOING BUSINESS IN CHINA: OPERATIONAL ANALYSIS
- OBJECTIVE INDIA 2022
- Ansys Fluent Turbo Workflow - Webinar
- Sanctions for Russia's war_AICE webinar
- LETTER OF CREDIT AND BANK GUARANTEES: OPENING, USE AND DRAFTING DOCUMENTATION PROCEDURES
- COMPILING DOCUMENTS IN EXPORT
- A voice from Ukraine_webinar
- Destination Iraq_webinar
- TAXATION AND CUSTOMS: FROM THEORY TO PRACTICE
- Vertical warehouse - Training on the use of Kardex vertical warehouse via OP
- Vertical warehouse - Training on Kardex Power Pick Global / Kartell software
- Pyrometry Module - AMS 2750 G - Calì-Barcellini
- Fundamentals and applications of vacuum technology in industry and research and development
- AIM - Cementation and Nitriding - Microsoft study day - USE of Outlook
- Vertical warehouse - Internal training

- The new machinery regulation and cyber security
- Intrastat + triangulation (financed with Notice 1/2020)
- Cyber Security - Privacy Excel (financed with Notice 1/2020)
- "ELECTRONIC INVOICING, ESTEROMETER, PRE-COMPILED VAT DECLARATION AND INTERNATIONAL OPERATIONS
- Basics of Leak Detection
- Access (funded by Notice 1/2020)

As for the mandatory courses, the following were provided:

- Forklift Trucks Update
- Specific Training Update - High Risk
- RLS Update
- Update for operators in the safe driving and use of elevating work platforms (ple) with and without stabilizers
- Forklift Trucks Update
- Basic Training
- Specific Training
- Specific Training Update
- Emergency Operators Course
- Work at Height
- PLE Course
- Forklift Trucks Update
- BLSD Update
- Overhead Crane Course
- PES/PAV Update
- PLE Update

- RSPP Update
- Specific Training Update
- PLE Update
- 3rd CATEGORY PPE Course - FALL PROTECTION
- Update for supervisors
- RSPP Update - Module B
- Training for food sector workers (HACCP)
- Update for food sector workers (HACCP)
- Update for self-propelled industrial trucks
- Specific high-risk training
- PLE Update
- Specific training update
- Specific training update

As regards the year 2023, the training activities provided are described below, distinguished between mandatory (e.g. workplace safety) and other activities:

Continuous training

- FOLLI PAYROLL MANAGEMENT SYSTEMS COURSE: event negotiation, holiday plan, data extractions.
- NEGOTIATION APPLICATION COURSE PAYROLL CENTER EVENTS
- EXPORT GUIDE FOR NORTH AMERICA
- ADDITIVE MANUFACTURING PROCESSES AND HEAT TREATMENTS FOR AM COMPONENTS
- TRADE WITH RESTRICTED COUNTRIES
- COMMERCIAL/MARKETING AREA TRAINING ID 354574
- EXPORT GUIDE TO AFRICA AND NORTH AMERICA
- FUNCTIONALITY AND TROUBLESHOOTING ON VACUUM FURNACES
- ISO 45001 TRAINING COURSE
- FEM MODELING COURSE FOR METAL CARPENTRY STRUCTURES
- COMPILATION OF DOCUMENTS IN EXPORT
- TRAINING ON ADDITIVE MANUFACTURING

- FORMAZIONE SOFTWARE CATIA PER PROGETTAZIONE
- CORSO DI EDUCAZIONE FINANZIARIA E GESTIONE DELLA LIQUIDITA' AZIENDALE
- CORSO SUL DUAL USE, EXPORT CONTROL E FOCUS RESTRIZIONI

Mandatory training

- SPECIFIC TRAINING REFRESHER COURSE
- GENERAL WORKER TRAINING COURSE
- LOW RISK SPECIFIC TRAINING COURSE
- SUPERVISOR REFRESHER COURSE
- PLE REFRESHER COURSE
- OVERHEAD CRANE REFRESHER COURSE
- PES/PAV/PEI REFRESHER COURSE
- FORKLIFT OPERATORS COURSE
- MEDIUM RISK SPECIFIC TRAINING COURSE
- CONFINED SPACES REFRESHER COURSE
- HACCP REFRESHER COURSE
- RLS TRAINING COURSE
- WORK AT HEIGHT COURSE – Choice and use of category 3 PPE
- HIGH RISK WORKER TRAINING COURSE
- LOW RISK WORKER TRAINING COURSE
- SPACES TRAINING COURSE CONFINED
- THEORETICAL-PRACTICAL TRAINING COURSE FOR PLE DRIVERS
- TRAINING AND EDUCATION COURSE FOR 3RD CATEGORY FALL ARREST PPE
- REFRESHER COURSE FOR DRIVERS OF SELF-PROPELLED FORKLIFT TRUCKS FOR DRIVERS ON BOARD

As can be seen from the list, the training activities covered both mandatory topics such as safety at work and topics more inherent to company activities and professional development, including communication and communication strategies.

■ TRAINING DATA

Year	Executives	Employees	Workers	Managers	Total hours
2018	17	150	54	7	2346,50
2019	3	36	19	/	1351,50
2020	5	73	6	2	552
2021	37	698,75	105	6	846,75
2022	95	472,5	322	49	938,50
2023	90	678,50	445	8,5	1222

Mandatory training	€ 13.509	€ 4.933	€ 1.381	€ 4.650,00	6.912,00 €	€ 10.718,00
Optional training	€ 19.246	€ 17.233	€ 4.950	€ 13.150,71	15.143,00 €	€ 19.178,00

For 2024, 1,363 hours of training have been carried out to date, with a large increase mainly related to specific training, due to the installation and implementation of the new ERP.

■ EMPLOYER BRANDING

The Company's search and selection activities aim to be innovative, transparent and open to the outside world. Open positions, when present, are published in the company's institutional information and communication channels, as required.

The definition of an induction path for new recruits to introduce them quickly and effectively into the company dynamics is a tool for disseminating the company culture.

In-house training is provided to the newly hired person by the person in charge of the position, the main topics of which are training in the new job and machine training, as well as work safety.

The newly-hired person, when they first join the company, is welcomed by the company contact person who takes them on a tour of the site, also sharing useful information on company life, e.g.: timetables, canteen area, changing room, etc..



▪ HEALTH & SAFETY AT WORK

TAV VACUUM FURNACES SPA is strongly committed to the promotion and implementation of actions aimed at preventing all behaviour and actions, whether culpable or intentional, that could endanger people the work safety management system.

All TAV VACUUM FURNACES SPA people actively contribute to maintaining an optimal standard of company safety, refraining from dangerous behaviour.

It is considered important that people, in any context that requires special attention to their personal safety, are attentive and follow the instructions provided by the company in this regard, avoiding behaviour that may put their own and others' safety at risk, and promptly reporting any situation that may jeopardise their own safety or that of third parties.

During 2023, safety management saw the company active on various fronts, including:

Specific safety training (also listed on previous pages):

Training course for safety officers | Basic training course | Specific training course | Course for working at heights | Course for the use of elevating platforms (PLE) | Course for the use of forklifts | Course for welding | Course for the use of overhead cranes | PES/PAV (Persons with experience/warning) course for electrical work | Course for working in Confined Spaces | HACCP course for food safety | First aid course | Fire-fighting course | AED course - BLS/D for the use of the defibrillator

Scheduled for 2023, in-house training course on the construction and use of HST ovens, to increase risk perception in workers.

EQUIPMENT

PPE (Personal Protective Equipment) whose use is governed by the DVR - Elevating work platforms for safer work at height - Life lines for safer work at height on certain types of furnaces - Defibrillator.

MAINTENANCE AND INSPECTIONS

Attention is paid to the safety compliance of machinery, work equipment and protective devices by scheduling and carrying out periodic maintenance and inspections, both internal and external.

DOCUMENTARY COMPLIANCE

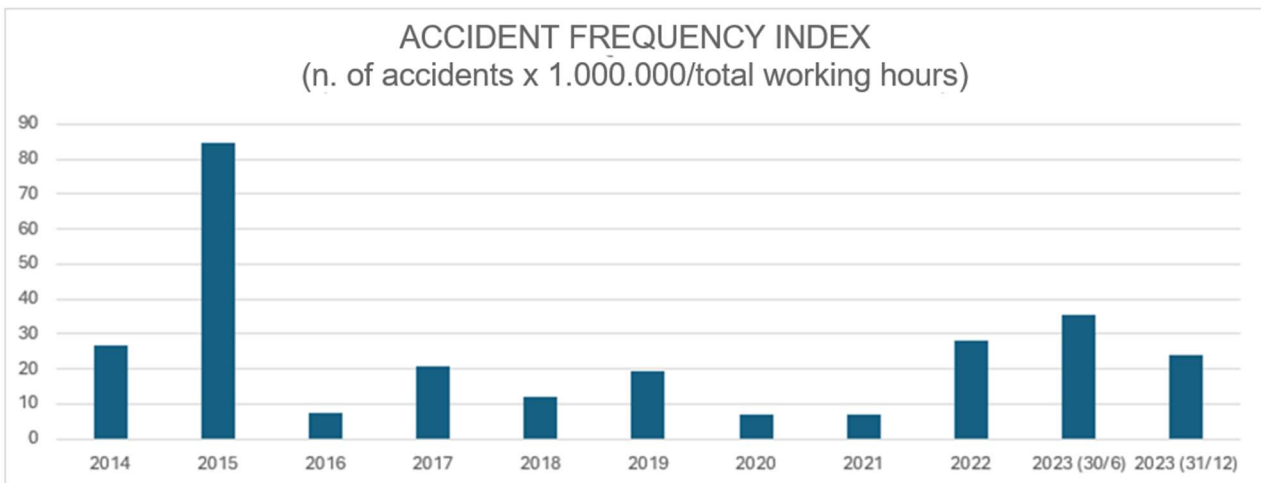
Continuous updating of Occupational Health and Safety documentation in accordance with legal requirements.

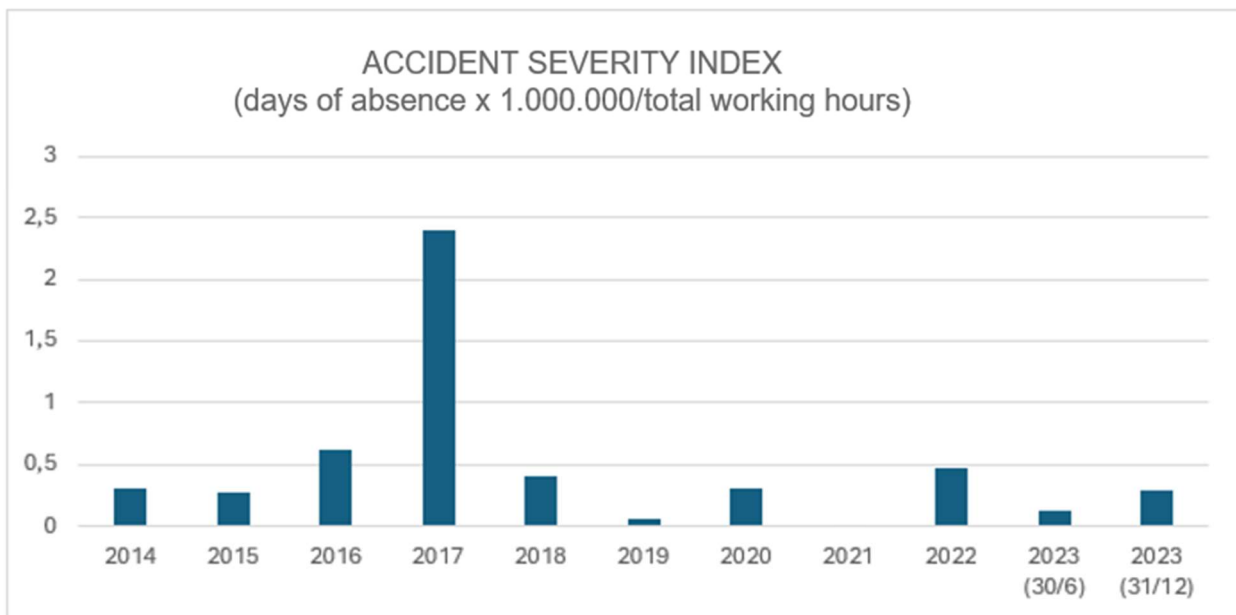
IMPORTANT NEWS FOR 2023 is the implementation of the ISO45001 Safety Management System (with a view to continuous improvement).

TAV VACUUM FURNACES SPA, through its occupational health and safety policy, provides the correct information and training for its personnel on the subject and guarantees the management, control and monitoring of identified risks through the adoption of appropriate preventive and corrective measures.

In particular, the company guarantees specific training for employed and non-employed personnel at all organisational levels.

■ **ACCIDENTS AT WORK**





The accident figures provide us with important data compared to the very small number of accidents considering that the company operates in the metalworking sector.

Year	Total working hours	Numbers of accidents	Total days of absence	Total resources 31/12 (end year)	Accident Frequency Index	Accident Severity Index	Average accident duration
2014					26,91	0,31	
2015					84,58	0,28	
2016					7,55	0,62	
2017	144421	3	347		20,77	2,40	115,67
2018	166126	2	66		12,04	0,40	33,00
2019	154681	3	8		19,39	0,05	2,67
2010	139356	1	42	95	7,18	0,30	42,00
2021	147523	1	2	88	6,78	0,01	2,00
2022	143355	4	67	93	27,90	0,47	16,75
2023 (30/6)	84130	3	10	93	35,66	0,12	3,33
2023 (31/12)	168372	4	49	96	23,76	0,29	12,25

On the other hand, from the point of view of investment in the subject, these figures are to be found:

EXPENSES INCURRED	
DPI	1.500€
TRAINING	10.500€
CONSULTANCY	8.500€
HEALTH SURVEILLANCE (PERIODICAL VISITS)	8.000€
PERIODIC AUDITS ORDINARY AND EXTRAORDINARY MAINTENANCE (EXTERNAL)	20.500€

MAIN ACTIVITIES IN 2023

- RENEWAL OF ISO45001 CERTIFICATION
- UPDATING OF THE GENERAL DVR ACCORDING TO DEVELOPMENTS
- ANNUAL REVIEW OF THIRD-CATEGORY PPE TO PROTECT AGAINST THE RISK OF FALLING FROM HEIGHTS
- PERIODIC SAFETY MEETING
- CARRYING OUT EVACUATION TESTS AND EMERGENCY SIMULATIONS
- MAINTAINING AND UPDATING THE COMPUTERISED MANAGEMENT SYSTEM FOR SAFETY AND MAINTENANCE
- OF PLANT AND EQUIPMENT
- CARRYING OUT MINISTERIAL PERIODIC OVERHAULS OF MACHINERY AND EQUIPMENT
- COLLABORATION WITH THE MC IN DRAWING UP PLANS FOR THE MOST APPROPRIATE MANAGEMENT OF ORDINARY HEALTH SURVEILLANCE OF WORKERS
- PROPOSALS AND ACTIONS FOR TECHNICAL AND BEHAVIOURAL IMPROVEMENTS IN THE FIELD OF SAFETY
- COMMUNICATION ACTIVITIES WITH WORKERS TO SHARE AND INCREASE THE CULTURE OF SAFETY AT WORK IN THE COMPANY
- THE SEARCH FOR NEW SUPPLIERS OF PPE AND SAFETY EQUIPMENT WITH A VIEW TO IMPROVING SOLUTIONS AND COST CONTAINMENT

- PROMOTION OF THE DRAFTING AND SHARING OF THE DUVRI FOR CONTRACTED WORKS
- ANNUAL INSPECTION BY THE MC
- IMPLEMENTATION OF QUARTERLY INSPECTION RECORDS OF LIFTING ACCESSORIES

■ **INTERNSHIP AND SCHOOL-TO-WORK ALTERNATION**

Believing in the potential of the synergy between education and the world of work, TAV VACUUM FURNACES SPA promotes training projects for apprenticeships and alternating school-to-work schemes for students at technical high schools and universities. It collaborates with the professional training centre Consorzio ENFAPI (Treviglio) and participates in Career days with local high schools and universities.

■ **CUSTOMERS SATISFACTION**

TAV VACUUM FURNACES SPA is aware of the importance of customer satisfaction and manages its activities with this in mind.

There is also constant interaction with customers in order to measure satisfaction, strengths and any areas for improvement.

■ **BOLLINO ETICO SOCIALE**

Since May 2021 TAV VACUUM FURNACES SPA has been a company with the Social Ethics Seal of Approval, choosing to incorporate innovation, ethics and social responsibility into its corporate strategy, highlighting values and objectives to measure and communicate the results of positive impact initiatives. The Bollino Etico Sociale is an attestation that helps us highlight the social innovation actions, i.e. those with a positive impact, implemented by our company with regard to care for the earth and for people, for greater environmental sustainability but also of life.

▪ TAV VACUUM FURNACES SPA FOR SOCIAL

Always attentive to social issues, the company collaborates with various organisations that operate particularly at a local level.

The company's commitment to **social issues** is based on concrete actions to develop the projects and activities of the associations that TAV VACUUM FURNACES SPA supports.

▪ IMPACT ON THE TERRITORY – AN ACTIVE ROLE

Year after year, TAV VACUUM FURNACES SPA has chosen to increasingly strengthen its ties with the territory, increasing its participations in organisations and entities that carry out different types of activities; as shown on the page on collaborations, the company believes in the positive impact of its actions and considers the territory and the context in which it operates to be an element of enhancement and to be valued.

Examples of this are:

- Collaboration with Associazione Volontari del Trasporto Solidale Onlus of Treviglio for the acquisition of a vehicle for social transport (September 2020);
- Contribution to the donation of an ultrasound scanner to the Caravaggio senology centre. (donation approved in 2021, which materialised in 2022).
- Participation in the 'Pacco Solidale' (Solidarity Package) initiative, created in collaboration with the Municipality of Caravaggio and the Rotary Club Treviglio e Pianura Bergamasca. The project envisages the distribution of parcels of foodstuffs and hygiene products to families with frailties dependent on the municipal social services.



Through the social innovation pathway Bollino Etico Sociale®, which the company has chosen to obtain and maintain, specific grants are also given to agroforestry regeneration and CO2 reduction.

■ ENVIRONMENT & TERRITORY

In 2022, a major environmental project was launched, supported and sponsored by TAV VACUUM FURNACES SPA. The project, which will be officially launched at the end of 2023, concerns the planting of an area of over one hectare in the municipality of Caravaggio, in the area bordering the Sanctuary of the Blessed Virgin. The intention is to create an urban orchard in the town's tourist area, rich in ornamental plants and flowers creating natural paths open to the public.

The project's short-term objectives are:

- to initiate a scalable process for territorial regeneration
- involve company resources and citizens in planting with public events
- initiate the production and processing of products with local cooperatives

The project has been initiated and is being implemented!



Giornale di Treviglio – venerdì 10 novembre 2023

▪ SUPPLIERS

TAV VACUUM FURNACES SPA makes use of **different suppliers** to support all processes, both production and related to the realisation of products, and for management and ancillary activities.

The distribution of purchases, in economic terms, is as follows:

	2018	2019	2020	2021	2022	2023
Italy	€ 13.348.841	€ 8.596.847	€ 8.940.154	€ 9.925.441	€ 13.311.000	€ 14.917.547
Europe	€ 1.134.913	€ 745.842	€ 682.756	€ 937.233	€ 940.390	€ 1.591.907
Extra Europe	€ 1.057.066	€ 1.051.647	€ 1.119.163	€ 1.501.616	€ 1.492.000	€ 1.679.149
% of purchases in Italy	85,90%	82,71%	83,23%	80,13%	86,75%	81,61%

Foreign suppliers mainly concern metal products, sheets, coils, etc. intended for production.

TAV VACUUM FURNACES SPA aims to share ethical and circular economy principles with all its suppliers.



CHAPTER IV: GOVERNANCE

▪ CERTIFICATIONS

The reputation for professionalism and reliability that the company has built up over the years is the result of two strategic elements: the continuous training of highly qualified personnel and the meticulous control of all work phases and the results obtained.

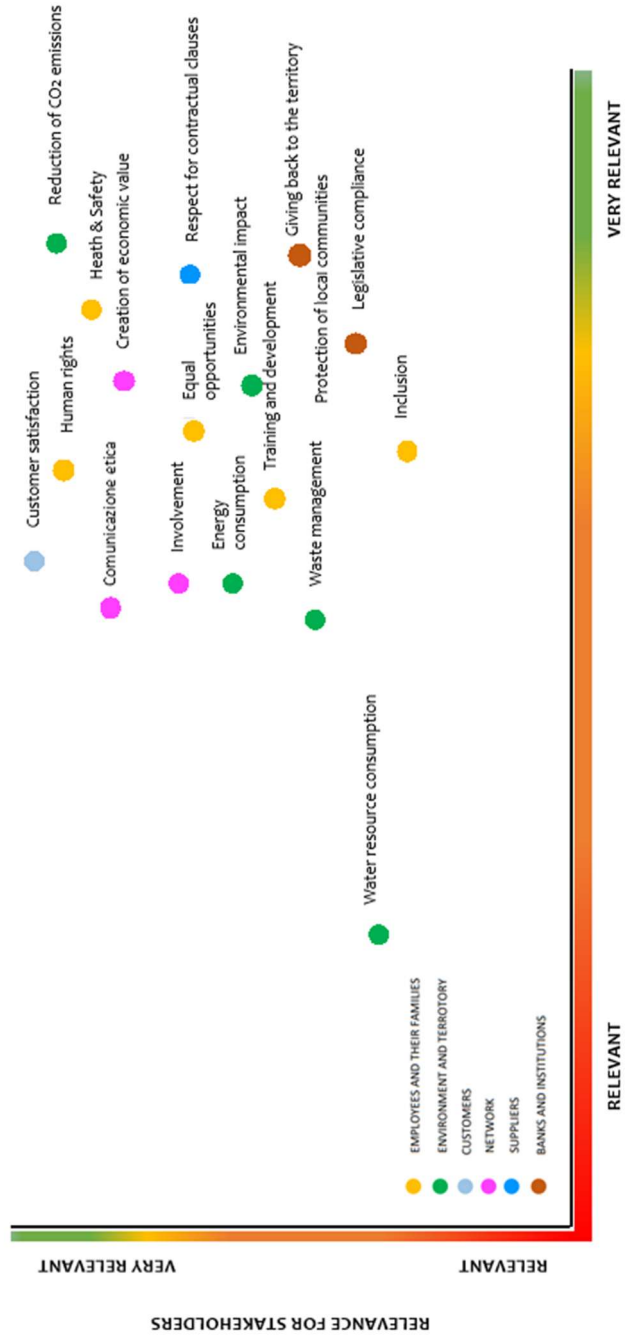
TAV VACUUM FURNACES SPA is ISO 9001:2015 certified by a third party for the design and construction of high vacuum furnaces and accessory equipment; installation, after-sales service, spare parts and maintenance. Since 2023, it has also been certified ISO45001, the international standard for occupational health and safety, designed to protect employees and visitors from work-related accidents and illnesses.

▪ ANALYSIS OF IMPACTS AND THEIR SIGNIFICANCE

In today's constantly evolving competitive environment, an organisation's success also depends on its ability to understand and respond to challenges from outside.

It is therefore particularly important to identify which aspects have the most direct impact on activities. For this reason, an **analysis of materiality** is prepared, at the same time of relevance and significance, as a central theme for all organisations that want to address the fundamentals of social responsibility. Materiality means understanding in depth the impact that the core issues of social responsibility have for the organisation and its stakeholders.

The following page shows the analysis prepared by TAV VACUUM FURNACES SPA.





▪ PRIVACY

TAV VACUUM FURNACES SPA is committed to **protecting information** relating to its own persons and third parties, generated or acquired within and in contractual relations, and to avoiding any improper use of this information.

The company, in fact, guarantees that personal data is processed in compliance with the fundamental rights and freedoms, as well as the dignity of the persons concerned, as provided for by the regulations in force.

Personal data is processed lawfully and fairly and, in any case, only data necessary for specific, explicit and legitimate purposes are collected and recorded.

TAV VACUUM FURNACES SPA, therefore, is committed to:



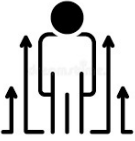


- acquire and process only the data necessary and appropriate for the company's purposes;
- acquire and process the data themselves only within specific procedures and store them as safely as possible
- communicate the data themselves within specific procedures or upon express authorisation and, in any case, only after having checked that they can be disclosed.

CHAPTER V: GOALS & COMMITMENTS FOR THE FUTURE

▪ GOALS 2023

TAV VACUUM FURNACES SPA has set itself commitments and objectives for 2023 in terms of positive impact, in compliance with the policies, strategies, and promises made to its stakeholders, which are described and summarised below:



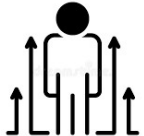



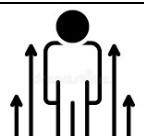

COMMITMENTS 2023

	<ul style="list-style-type: none"> • It is beginning to explore new markets (e.g. India) 	<ul style="list-style-type: none"> • The Indian market has been opened up with relationships and opportunities and the first feedback is expected in 2024
	<ul style="list-style-type: none"> • ERP installation planned by the end of the year 	<ul style="list-style-type: none"> • ERP installed and in operational start-up phase
	<ul style="list-style-type: none"> • Renovation of the office area with the aim of comfort and well-being for people as well as reducing energy consumption 	<ul style="list-style-type: none"> • Work started in December 2023 and is scheduled for completion in December 2024
	<ul style="list-style-type: none"> • Agroforestry planting and regeneration activities in cooperation with other network companies 	<ul style="list-style-type: none"> • Ongoing project - see previous pages
	<ul style="list-style-type: none"> • Internal pooling and development activities with associations and local authorities 	<ul style="list-style-type: none"> • See social part

▪ GOALS 2024

TAV VACUUM FURNACES SPA has set itself commitments and objectives for 2024 in terms of positive impact, in compliance with the policies, strategies, and promises made to its stakeholders, which are described and summarised below.

COMMITMENTS 2024

	<ul style="list-style-type: none"> • Exploration of new markets • Developing new technological solutions
	<ul style="list-style-type: none"> • ERP commissioning in all offices planned by the end of the year
	<ul style="list-style-type: none"> • Renovation of the office area and creation of an outdoor relaxation area with the aim of comfort and well-being for people as well as reducing energy consumption
	<ul style="list-style-type: none"> • Agroforestry planting and regeneration activities in cooperation with other network companies. Reduction of plastic consumption with the introduction of water dispensers in the company canteen and break areas and distribution of water bottles to all employees
	<ul style="list-style-type: none"> • Internal aggregation activities • Use of smart working for employees
	<ul style="list-style-type: none"> • Enhancing mobility with low CO2 emissions
	<ul style="list-style-type: none"> • Assessing the opportunity to internalise processes currently outsourced to external suppliers
	<ul style="list-style-type: none"> • Development of activities and projects for the territory



METHODOLOGICAL NOTE

This Social Report 2023 reports on the company's sustainability strategy, actions, objectives and economic, environmental and social impacts.

The document has been prepared using the Global Reporting Initiative (GRI) sustainability reporting guidelines as a bibliographical reference.

The social reporting process of TAV VACUUM FURNACES SPA is renewed every year and the data presented in this report refers to the financial year ending 31 December 2023.

For questions and comments on this financial statement, please contact:

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Gerolamo Soliveri - Board representative

CONCLUSIONS

With this Sustainability Report, the company has decided to communicate itself and its data in accordance with the principles set out at the beginning of this document, i.e:

Responsibility:	TAV VACUUM FURNACES SPA hereby accepts responsibility for the data and information disclosed
Identification	TAV VACUUM FURNACES SPA uses this document as an account of itself and the initiatives implemented as well as a communication of social impact data
Transparency	This document is considered by the company as an element for its transparency
Comparability	As a rule, data referring to a period of between years are included in the budget to be able to compare data; the same mechanism will be used in subsequent years
Comprehensibility, clarity and intelligibility	This document is drafted according to the principles of international guidelines and in a manner considered as simple as possible

EDITORS

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Publication date: August 7, 2024