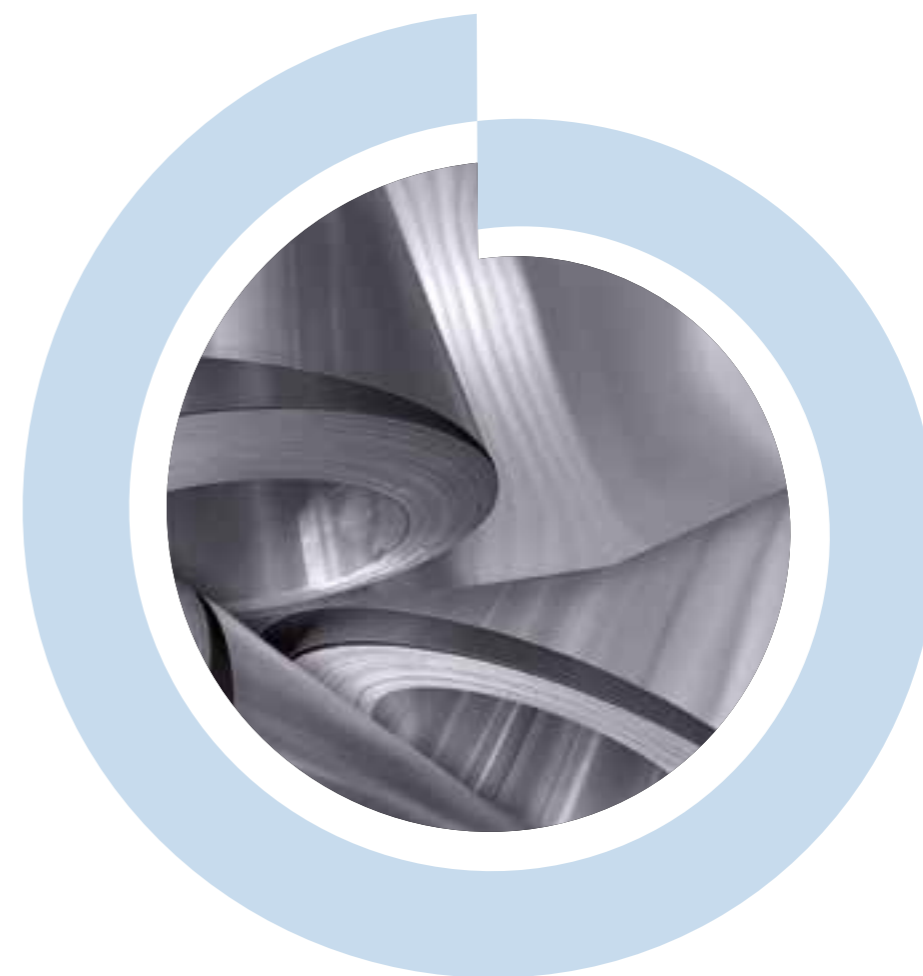


SUSTAINABILITY REPORT 2022



SUSTAINABILITY
REPORT
2022





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LETTER TO STAKEHOLDERS

Dear readers,

We have decided to draw up this **first Sustainability Report** to inform our stakeholders, meaning all those involved and impacted directly or indirectly by our activity, of the **principles at the core of the management of our entire company** and the **objectives we intend to achieve in the coming years**.

Alluminio di Qualità is controlled by Vittorio Cauvin S.p.A, **founded in 1890**, more than 130 years ago, Holding of the Cauvin Group, which counts on a **family tradition of fifth generation**. Alluminio di Qualità was founded in 1986 and today is a leader in the Italian market for the distribution of semi-finished aluminum alloys.

The change in the economic and social context, the continuous evolution of end users' requests and the establishment of a global market demanded a **rapid adjustment in the competitive market scenario**. Moreover, the undisputed impact of human activity on the environment has underlined the necessity for a stronger commitment on **behalf of companies in relation to sustainability**.

Therefore, during the year 2022, Alluminio di Qualità has embarked on a path of accounting its own sustainability activities with the strategic objective to make the benefits transparent for the Stakeholders. These premises have allowed us to realize the following Sustainability Report, which mirrors our company's culture.

The Report describes not only the value and the mission that guide the Company in the realization of its own activities, but it also illustrates the events of **2022, a year of recovery after a historically unprecedented economic and social crisis**.

The two-year period 2021-2022 confirmed a **constantly evolving** scenario, characterized by a progressive easing of the emergency situation caused by the Covid-19 pandemic and by a sharp increase in the prices of raw materials and energy.

The change in the world scenario, which culminated in February 2022 with the Russian military intervention in Ukraine, revealed dramatic scenarios for the local civilian population, redefining the global geopolitical, economic and energy balances in an unpredictable way.

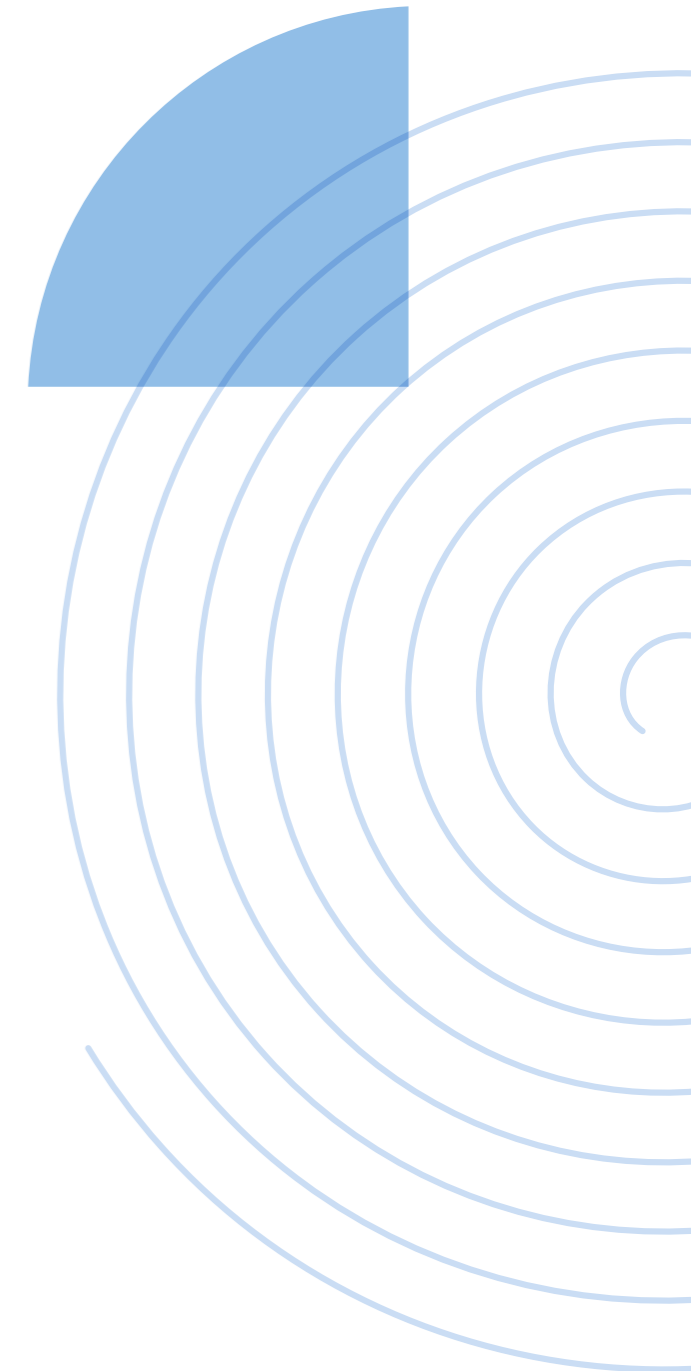
In this context, **Alluminio di Qualità recorded a total turnover of over 90 million euros in 2022**, a result that makes us proud, but which makes us feel even more responsible for our people and for the communities in which we operate. Our challenge is to commit ourselves to the management and **continuous development of our activities to generate positive change from which everyone can benefit**. Therefore, we must consider being sustainable and financially sound as a firm guide for our daily choices.

Sustainability in Alluminio di Qualità is an integral part of the Governance and sees the Management personally involved in the supervision of the strategic choices, in the sustainability guidelines and in the environmental and social objectives. The organization in place and the actions undertaken will lead Alluminio di Qualità to set new and ambitious goals also in the environmental and social fields.

With this document we intend to continue and strengthen a relationship with our Stakeholders based on cohesion, trust and mutual commitment, since only through these values is it possible to implement an increasingly virtuous path.

Enjoy the reading,

Ernesto Cauvin (President) **Mattia Marconi** (CEO)



METHODOLOGICAL NOTE

The following document constitutes the first Sustainability Report (henceforth also "Report") of Alluminio di Qualità S.p.A. (henceforth also "Alluminio di Qualità" and "Company"), and it marks an important step in its Sustainability path.

Over time, in fact, Alluminio di Qualità has undertaken a **growing number of initiatives in the field of sustainability**, pertaining to both the environmental, social and governance spheres. This Report intends to systematize and enhance the initiatives undertaken, with the aim of acquiring greater awareness of the present and identifying the actions to be taken for a future increasingly oriented towards sustainability and aimed at achieving the **Sustainable Development Goals defined by the UN in Agenda 2030 (SDGs)**.

This Report was prepared reporting a selection of the **"Global Reporting Initiative Sustainability Reporting Standards" (GRI-Referenced claim)** defined by the Global Reporting Initiative (GRI).

In line with the provisions of the GRI Standards, Alluminio di Qualità was inspired by the principles of stakeholder inclusiveness and completeness for the definition of contents,

preliminarily assessing its own sustainability context; to the principles of balance, clarity, accuracy, timeliness, comparability and reliability, to guarantee the quality of the information and the adequacy of the methods of presentation.

This document has been prepared to the extent necessary to ensure an understanding of Alluminio di Qualità's activity, its results and the impact produced on "material" issues, for the period from 1 January 2022 to 31 December 2022. Reporting is set up on an annual basis. In order to allow the comparability of the data over time, a comparison was made, where possible, with the data relating to the period from 1 January 2021 to 31 December 2021. Furthermore, for a correct representation of performance and to ensure reliability of the data, the use of estimates has been limited as much as possible which, if present, are appropriately reported.

The non-financial disclosure presented in the Report reflects the principle of "materiality" or relevance, an element that characterizes the GRI Standards. The process of the materiality analysis is described in the paragraph "3.3 The materiality analysis".

With the aim to align with the methodological update of the GRI Standards, Alluminio di Qualità has carried out an initial impact assessment in order to identify the most significant effects on the economy, the environment and people, including those on human rights, in the scope of its activities and business relationships (so-called "material issues") for Aluminum Quality and its Stakeholders.

The goal was to draw up a document that reflects, as much as possible, the reality of the Company, also through specific **Stakeholder Engagement** activities. In particular, a workshop was held with top management and an online survey involving some employees, business partners and suppliers, customers, banks and the financial community.

For the next few years, Alluminio di Qualità aims to expand the number of subjects involved and further diversify the methods of involving Stakeholders. The process of involving Stakeholders, and the related activities

carried out, are also specified in paragraph "3.2 Our Stakeholders".

The perimeter of the data and information in the Financial Statements refer to Alluminio di Qualità S.p.A..

The Sustainability Report is published on the website of Alluminio di Qualità **www.alluminiodiquality.it**.

For further information on the Sustainability Report refer to the following email address: **marco.bruzzone@alq-cauvin.it** referring to Marco Bruzzone and indicating as email subject "Sustainability Report".



CHAPTER

1

THE CAUVIN GROUP

PAGE 9

1 more than 130 years of history,
five generations

10

1

THE CAUVIN GROUP

MORE THAN 130 YEARS OF HISTORY, FIVE GENERATIONS

Over the course of five generations, the Cauvin Group has continuously expanded by **diversifying its activities** through two World Wars and constant changes in the markets, developing relationships with the main producers in the various sectors and paying ever greater attention to the **needs of Italian and foreign customers**.

The **Cauvin family** has always maintained control of the Group by developing a **careful policy of alliances and partnerships** in the various operating companies.

Today, the result of the **work of five generations** is a Group of companies operating in the **trading, distribution and processing of fertilizers, steel, aluminum, non-ferrous metals, alloys and in international procurement**.





CHAPTER

2

THE COMPANY

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Alluminio di Qualità S.p.A. was founded in Genoa in 1986 and today is the leader in Italy in the distribution and processing of flat rolled products and extruded aluminum.

Alluminio di Qualità S.p.A. was founded in Genoa in 1986 and today is the leader in Italy in the distribution and processing of flat rolled products and extruded aluminum alloys for **many industrial sectors, the construction, automotive and shipbuilding sectors**, which are all a clear result of experience gained in **over 30 years** of activity in the light metal trading sector.

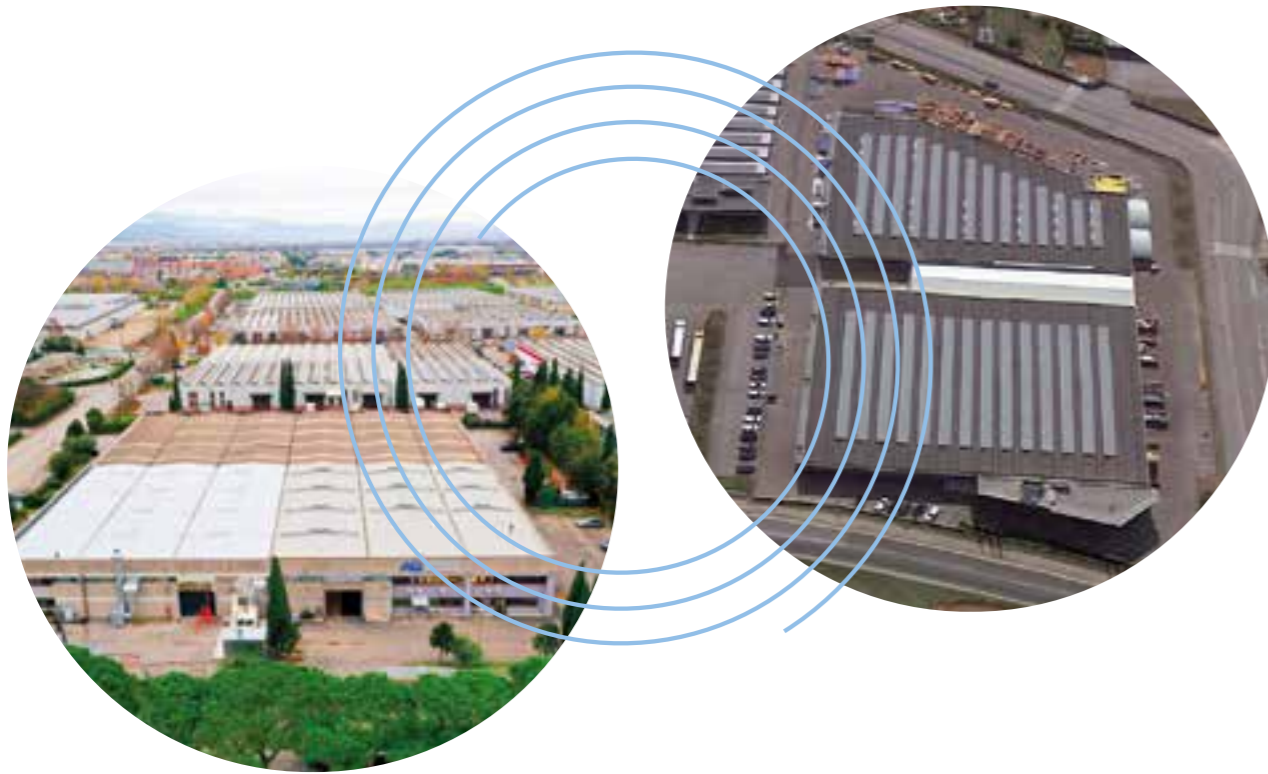
Through its qualified commercial organization it supplies, throughout the country and abroad, a **vast range of semi-finished products** in commercial formats or cut to size from the Service Center located in **Villafranca di Verona**, equipped with the most advanced systems for flattening and cutting strips, the cutting and processing of plates and sheet metal and from the warehouses of **Campi Bisenzio (FI)**, where the cutting and processing of extrusions is carried out, and **Genoa Bolzaneto**. The commitment, professionalism and continuous investments aimed at perfecting the service to the customer, also thanks to a logistics service with its own means and third-party carriers, allow it to satisfy the **broader needs of customers** as well as assist them in the choice and use of materials to be used in the design and construction phase of products, machinery and systems.

Before arriving at today's set-up and size, the Company undertook a development path that traces its origins back to **1977**, with the intuition of Max Cauvin in seeing for the first time an aluminum plate from ALCOA in France, and the first agreements in the following year of **Vittorio Cauvin** with the American multinational will be

followed by those with RAI-Slim in 1985 for the distribution of profiles for doors and windows in Liguria. **Thus, in 1986 Alluminio di Qualità was born**, soon taking over the Genoa distribution center from Alumix: **in the 1990s the use of aluminum was constantly growing, and the market share held in Liguria was significant.**

To expand sales and areas of expertise, **companies were subsequently opened in Piedmont** (Comtometal) and **in Tuscany** (Alluminio Toscana) with local partners, already active in the sector. After a few years, however, it became clear that the window and door market was "narrowed" due to its dynamics, also due to competition fueled by many more competitive Italian manufacturers and did not allow for the desired size to be reached. Thus, pursuing the **strategy of growth through alliances** also in this sector, in 1997 Alluminio di Qualità diversified into the industrial sector through the exchange of shareholdings with the **Predieri Group of Reggio Emilia**, which boasted a strong presence in its region but which, like the Cauvin, wanted to broaden its areas of expertise. The final objective of the project, after an initial period of collaboration while maintaining control of the reciprocal regional companies, was the possible formation of a **single reality of national importance.**

A first step in this direction was taken **in 2009** with the **merger of Alluminio di Qualità with Alluminio Toscana and Comtometal** which sees Vittorio Cauvin as a 60% shareholder, the Predieri Group as a 37% shareholder and Eugenio Paroletti as a 3%.



The **Predieri Group** begins to face difficulties: in 2010 Alluminio di Qualità purchases the subsidiary Lampro, specialized in the distribution of pre-painted laminates in Lombardy and in 2013 Vittorio Cauvin acquires its stake in Alluminio di Qualità rising to 97%. In the same period, the Company's workforce was strengthened with various commercial resources from the closure of Corus.

In 2010, another important transaction was completed which will allow for the decisive dimensional leap, namely the lease of the Fover Alluminio di Qualità business branch from the company's composition with creditors, concluded after three years of management of

the leased branch through the **Fover Alluminio di Qualità** vehicle with the purchase and casting in Alluminio di Qualità.

In the following years, the company will face an important reorganization with the closure of the distribution centers of Nichelino (TO) and Cesano Boscone (MI) and the nucleation of the activities related to the window and door sector in the center of Genoa Bolzaneto, then spun off in 2019 in an ad hoc company as they are no longer synergistic with the core business. On the other hand, the **expansion and strengthening** of the **Villafranca service center** will continue, which will be equipped with increasingly efficient and advanced machinery,



and of the Campi Bisenzio (FI) center with the doubling of the covered areas in 2022, for **widespread logistics coverage** from the north in central-southern Italy.

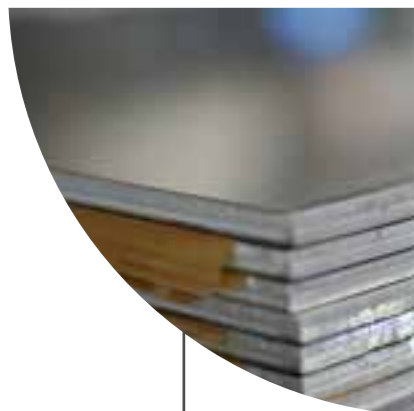
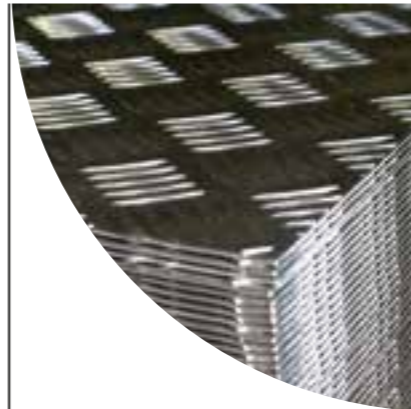
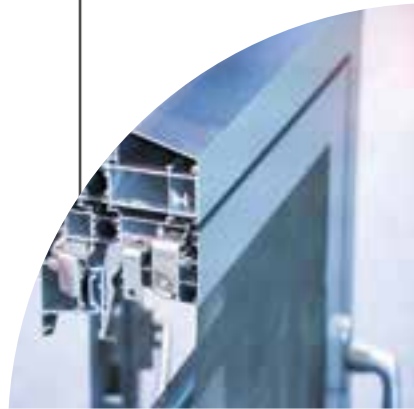
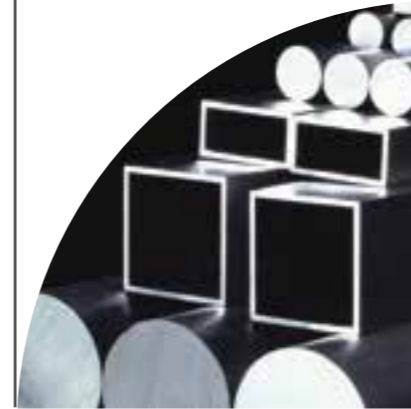
Mattia Marconi, after coordinating the organizational reorganization process, joins **Eugenio Paoletti** in the management of the company in 2015 and **takes over from him in 2020**, thus completing a project born many years earlier, which started from a clear vision of the market and the ambition to **create a player of national importance**.

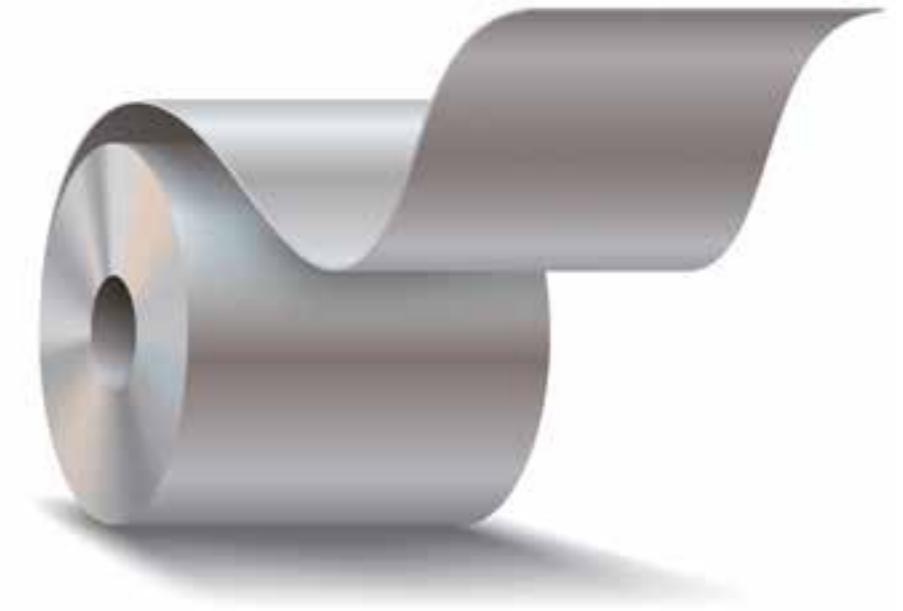
With the same vision, **Metal Link was born in 2020, a commercial and logistic alliance with Barate S.p.A.**, a distributor specialized in the molds and mechanics sector, a complementary reality to Aluminum of Quality. The goal is to create the **most important commercial platform in Italy** for the distribution of a complete portfolio of semi-finished products in all the different aluminum alloys. The alliance will make it possible to face the difficult years following the covid-19 pandemic but is interrupted in February 2022.

Nonetheless, Alluminio di Qualità pursues its multi-sector growth strategy, with particular attention to the development of its processes and services and channels of digital sales.

Even today, **continuous growth** takes place thanks to both partnerships with important operators in the various sectors of activity and the **collaboration of qualified managers and highly specialized employees** in the tasks performed, and thanks to the **innovation of computerized processes implemented annually**.

In fact, Alluminio di Qualità is committed to constantly improving itself to make the production activity **more sustainable** and to guarantee **greater product quality** for the customer, by adopting technological, structural and logistical efficiency practices.

1986Foundation of
Alluminio di Qualità.**1992**Foundation of
Alluminio Toscana.**1996**Foundation **Comtometal.****1997**Beginning of the collaboration
with the **Predieri Group.****2009**Integration of **Alluminio
Toscana** and **Comtometal**
in **Alluminio di Qualità.****2010**Purchase of **Lampro.**
Lease of the company
department of
Fover Alluminio.**2013**Repurchase of the **Predieri** shares.
Purchase of the company branch
Fover Alluminio and integration
in **Alluminio di Qualità.****2019**Spin-off of the **window
and door business.**



Alluminio di Qualità, in accordance with the values of the Cauvin Group, has the objective of pursuing sustainable development and results over time, respecting its own tradition and its stakeholders.

Providing quality products and satisfying the wishes of customers are the strengths of the company, and, combined with the support of the partners, the collaboration between managers and the progressive specialization of the employees, they guarantee continuous development and improvement of the business.

Alluminio di Qualità cares about the opinion of its stakeholders, and for this reason it commits to build and maintain relationships based on trust, continuity and reliability, which translate into a good reputation towards them.

To this end, it assumes the following values, in line with the Group, which guide the professional activity of all those who are part of the organization:



VALUES

HONORABILITY

Alluminio di Qualità operates maintaining throughout time its own **standards and a good reputation**;

EXPERTISE

The Company acts in a **responsible manner** so as to provide for a **product of top quality**;

PROFESSIONALISM

Alluminio di Qualità always guarantees the **highest level of commitment and professionalism** on behalf of all those that collaborate with the Company, to reach clear company objectives and the **satisfaction of the clients' requests**;

OPENNESS
TO CHANGE

Alluminio di Qualità operates with **dynamism** by being careful to market change and socio-economic evolutions, ensuring **continuity with the past** respecting its tradition;

TRUST

The Company funds its own relations on **continuity, reliability, and a good reputation** towards all the company's speakers;

SAFETY
IN THE WORK
ENVIRONMENT

With **respect to the person**, coherently with the relevant norms, the Company ensures the creation and management of a work environment that guarantee the **health and safety of employees**.

2.3

SUSTAINABLE ALLUMINUM - OUR SERVICES

The Company has built its experience on the **processing of a 100% recyclable and reusable metal**, which keeps the energy used for its primary production for years, substantially **reducing the energy used** for each subsequent transformation. The **reuse of processing waste and scrap** is a fundamental component of the Alluminio di Qualità business, which in this way contributes towards the transition to a **circular economy**, limiting energy consumption and waste production.

In terms of sustainability, aluminum guarantees infinite recyclability.

In fact, secondary aluminum, compared to primary, allows to significantly reduce the **environmental impact** due to its production, thanks above all to a transformation process which by its nature allows **energy savings**.

Aluminum manages to maintain its original characteristics over time, using less energy at each processing stage. In recent years we have seen the progressive increase in the use of aluminum, now considered an **intrinsically sustainable material** due to its **highly recoverable and recyclable** nature, and the consequent reduction in the use of materials with an impact on the environment, such as plastic.



ISO 9001 Certification

Alluminio di Qualità monitors and guarantees the quality of its products through the Certification in System of Quality Management UNI EN ISO 9001:2015 in the operating offices of Villafranca, Campi Bisenzio e Genova Bolzaneto.

The Company has decided to adopt this System to aim at the highest level of client satisfaction, at the increase of product value and to improve the Company's performance by guaranteeing the maximum transparency, constant revision of the normative framework and periodic check in with the auditors.

THE SECTOR WE OPERATE IN

1

Alluminio di Qualità has a capillary sales network that allows it to supply, in Italy and abroad, **semi-finished aluminium products** that find many applications in the industrial field, in **light carpentry**, in the **construction of industrial vehicles**, in **urban furnishing**, in **lighting engineering**, etc.

In addition, it offers a wide range of semi-finished products in both **commercial and cut-to-size formats** and is at the service of its customers to assist them in the choice and use of materials in the design and realisation of their products.



2

Alluminio di Qualità has been a reference point for over thirty years in Italy and abroad for the **shipbuilding sector**, for the construction of **hulls and super and mega yacht superstructures**, being able to provide from stock of **construction plates and alloy plates 5083 H111/H321, pre-processed by plasma cutting, extrusions, profiles and friction-welded panels, supplied with certifications from the main international international classification bodies.**



THE SECTOR
WE OPERATE IN

3

Alluminio di Qualità is able to supply from stock **6061/6111 T4 and 5182 O/H111 alloy strips** according to the certifications required by major **automotive manufacturers**, with EDT, Drylube and TI/ZR surface treatments, in different widths and thicknesses, to meet the specific needs of the **automotive sector**. Furthermore, thanks to its two processing lines for **flattening and transverse and longitudinal strip cutting** is able to provide a **tailor-made service** according to customer requirements.



4

Alluminio di Qualità has been chosen by **Luxe Coat** as the official distributor for Italy of liquid and **powder pre-painted laminates** in the unlimited range of colours available, thus becoming the official distributor of a 'new' line of Made in Italy products dedicated to the **construction market** and various industrial applications. All products have passed laboratory tests providing guarantees of durability and high performance, with **Certification of Class A1 reaction to fire**.



Between the **Service Center of Villafranca (VR)** and **Campi Bisenzio (FI)**, Alluminio di Qualità has:

- **3 processing lines for flattening, transversal and longitudinal cutting of strips,**
- **2 lines for plasma cutting of plates and sheet metal,**
- **2 numerically controlled sawing machines for cutting plates and extrusions,**
- **1 line for the automatic application of PVC sheet by sheet,**

with a **total covered area of approximately 12,000 m²** and an **annual cutting capacity exceeding 15,000 tons**.

APPROXIMATELY

12,000 M²
TOTAL COVERED AREA

EXCEEDING

15,000 TONS
ANNUAL CUTTING
CAPACITY

SHEET STRAIGHTENING AND CROSS-CUTTING LINE:

able to cut **thicknesses from 0.4 to 6 mm** depending on the alloy, for a **width of up to 1600 mm and a length of 8000 mm**. The cut is made with a **143 Kw rotating shear**, automated, with a guarantee of a cut on the length of +/- 0.25 mm. The plant is equipped with a **de-tensioning system**, to guarantee the elimination of any lamination tensions present inside the coils, carpets for diagonal control and flatness of the outgoing sheets, n. 3 tables for stacking and unloading materials PVC application on both sides and interposed paper.

STRIPPING MACHINE:

Flattening and transversal cutting line in sheets and strips, able to cut **thicknesses from 0.4 to 3 mm** depending on the alloys, for a **range of widths from 200 to 1050 mm** and a **range of lengths from 300 to 2000 mm**. The cut is made with an automated flying shear, with a guarantee of a cut along the length of +/- 0.25 mm. PVC application on both sides and interposed paper.

DRY LUBE SLITTING, REWINDING AND LUBRICATION LINE:

Slitter line for strip width reduction, with incoming coil weight **up to 8,500 kg**, capable of cutting **thicknesses from 0.4 to 6 mm** depending on the alloy, for a **width range of 300-1650 mm**. The plant is equipped with a **shearing table** equipped with blades and rubberized spacers to be able to produce ribbons up to a minimum width of 30 mm. Cutting tolerances with precision measurable in **tenths of a millimeter** are possible. The plant is equipped with an **electrospray® electrostatic oiler by Ravarini&Castoldi** for the application of DRY LUBE lubricant to material intended for automotive applications.

PLASMA CUTTING LINE:

two latest generation plasma cutting lines to produce **pre-finished products for shipbuilding**. Thanks to two independent cutting heads we can work continuously on a useful cutting area of **3000x30000 mm** by loading **up to 4 sheets of 2000x6000 mm** format. The plant is equipped with **two Hypertherm 260XD plasma generators** with automatic console gas which, with a maximum output current of 260 A, allows the cutting of sheet metal and plates in the **range of thicknesses from 3 to 40 mm**. In addition, two **16-nozzle Rea Jet inkjet markers** were installed for alphanumeric marking and linear tracking of cut pieces.



BAR CUTTING LINE:

EVO 545 saw installed at our factory in Campi Bisenzio, this latest generation saw allows us to meet the needs of our customers **on cut-to-size bar**. The numerical control system can perform single cuts or in series, in **"no stop" mode**, at a variable speed of the **band saw between 500÷3000 m/min on bars with a maximum diameter of 540 mm and with a cutting tolerance of ±0.3 mm.**

FILM COATING LINE:

for the application of **various types of PVC sheet by sheet** on both sides or single, capable of processing **thicknesses from 0.4 to 10 mm with a range of width 500-2000 mm and length 1000-4000 mm.** The plant is also equipped with a second bench for the automatic packaging of new pallets.

WRAPPING LINE:

sawing machine capable of **cutting plates with a thickness of 5÷180mm** with a **maximum cutting length of 6250mm**, guaranteeing a straightness of the cut of ± 0.1 mm on a 3-metre cutting length, all this thanks to a roller table with a size of **6200x4200 mm** and thanks to the **650 mm diameter blade with 52 kw motor.** The particularity of this machine is that it is equipped with an **air curtain bench** which allows the manual handling of plates with a maximum weight of 4000 kg, which allows us to facilitate the cutting process. Furthermore, the plant is equipped with an aspirator connected to a **briquetting machine** to allow for greater **recovery of the shavings**, which are subsequently reintroduced into the **aluminum recovery cycle.**



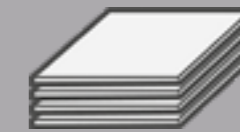
AVAILABLE FORMATS



COILS



CUT TO LENGTH



SHEETS



PLATES



PROCESSED

ROUND -
RECTANGULAR -
SQUARE TUBESROUND - SQUARE -
RECTANGULAR -
FLAT BARS

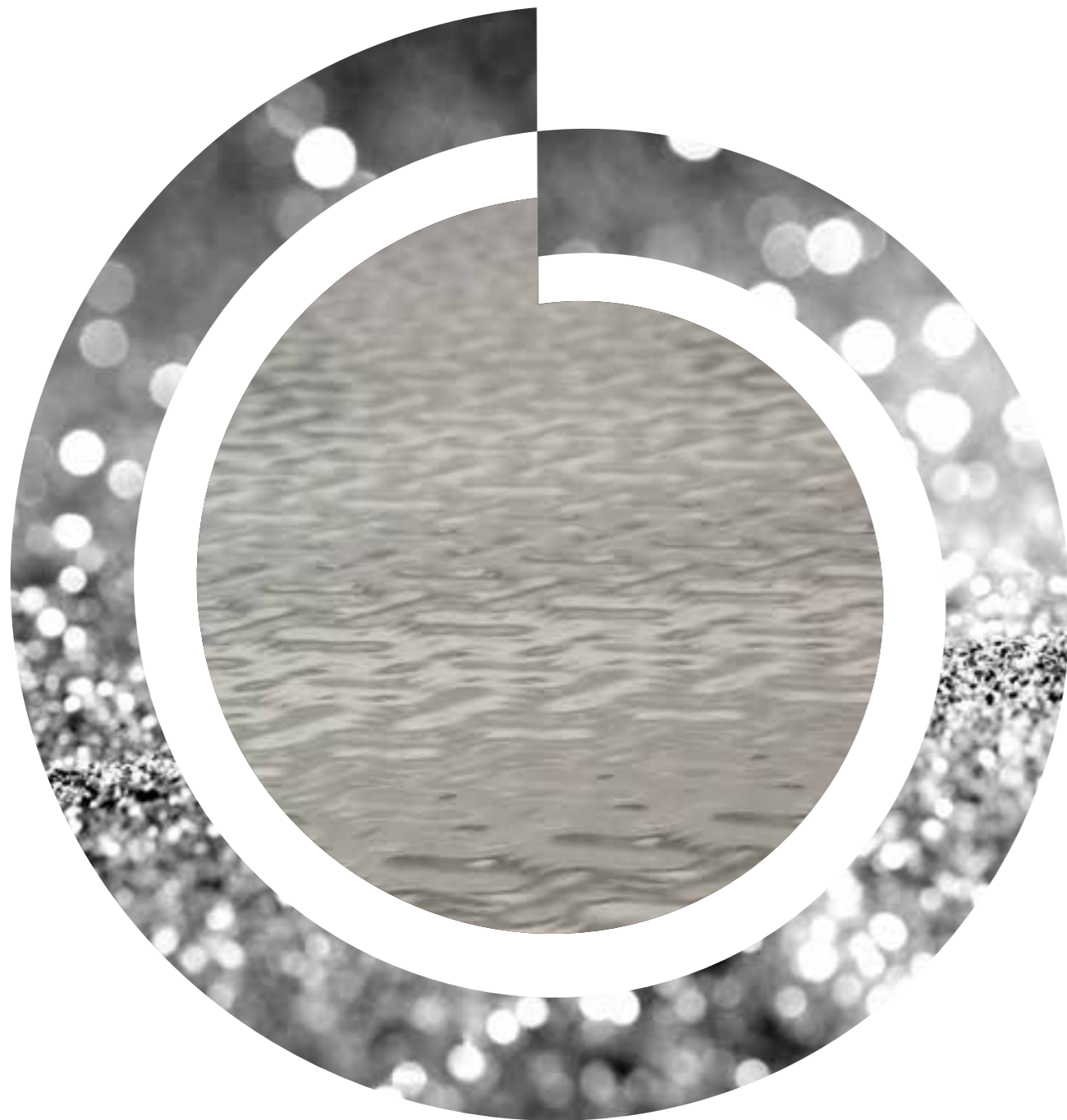
CUT TO SIZE TUBES



CUT TO SIZE BARS

2.4

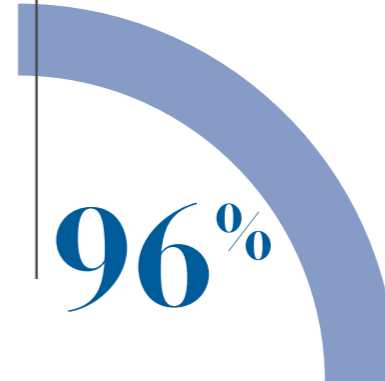
THE 2022 HIGHLIGHTS



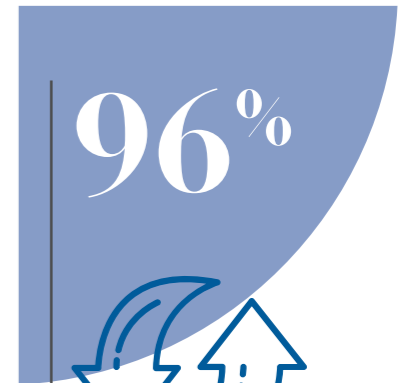
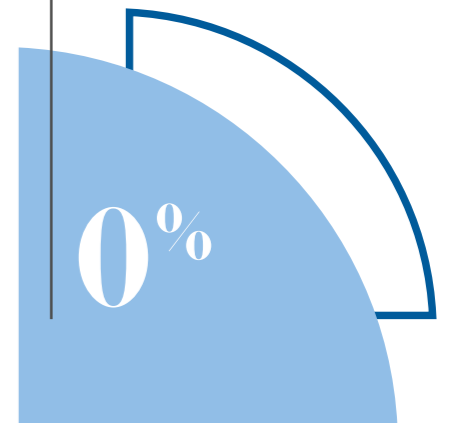
RECYCLED ALLUMINIUM
USED BY ALLUMINIO DI
QUALITÀ



EMPLOYEES OF ALLUMINIO
DI QUALITÀ WITH
PERMANENT CONTRACT



CASES OF ACTIVE/
PASSIVE CORRUPTION



INCREASE OF THE
DISTRIBUTED VALUE
TO STAKEHOLDERS



EMPLOYEES COVERED
BY COLLECTIVE
AGREEMENT

RENEWABLE MATERIALS
USED IN 2022



CHAPTER

3

SUSTAINABILITY PATH

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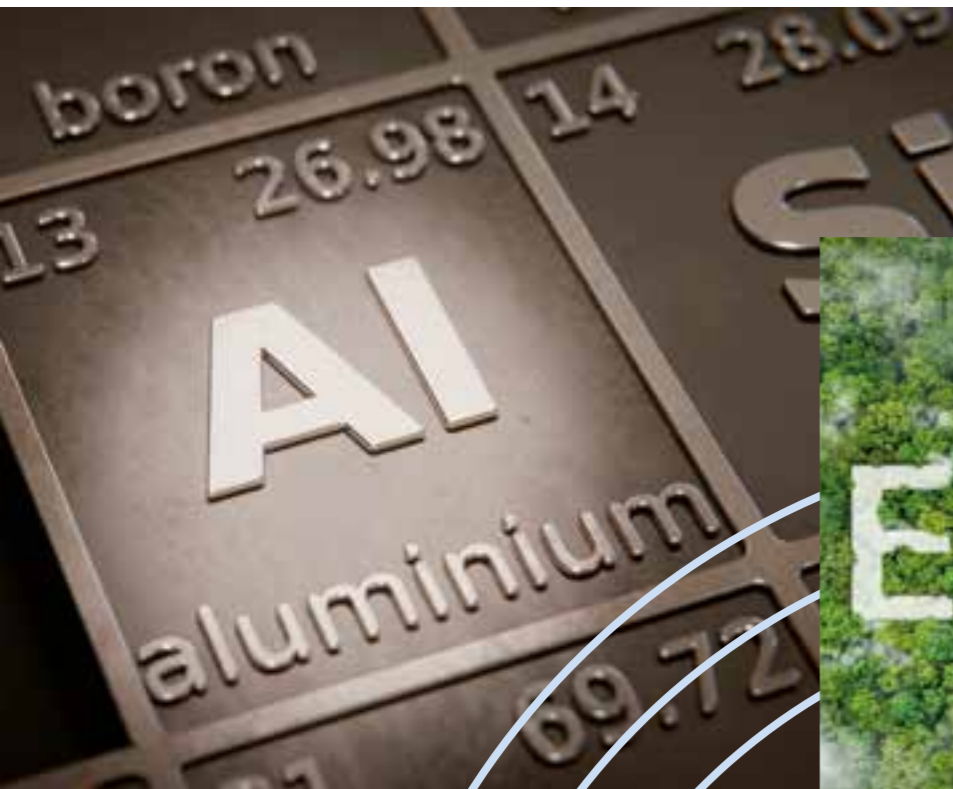
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3.1

THE APPROACH TO SUSTAINABILITY

In 2022 Alluminio di Qualità nel 2022 began a Sustainability Journey, aware of the growing importance of the integration of sustainability themes in its own business.

The main objective is to identify the relevant issues, monitor the trend and establish ESG objectives for the following years, going beyond the mere regulatory requirement, but incorporating **sustainability as an integral part of its work.**



In planning and managing its activities and initiatives, Alluminio di Qualità pays the utmost attention to relations with its Stakeholders, undertaking to guarantee a **transparent and continuous dialogue both inside and outside the company**. The goal is to understand the expectations and needs of all the people or entities that interact with the Company, to implement the necessary activities with a view to mutual improvement. Alluminio di Qualità is aware that only thanks to its Stakeholders it has been possible to build a prestigious reputation over time, which needs to be cultivated through inclusive and participatory management up to the surrounding area and strategic partners.

The **involvement of Stakeholders** is also fundamental in the implementation of development strategies and in the planning of activities in the field of sustainability.

For this reason, during 2022, Alluminio di Qualità conducted a benchmarking activity of the main operators in the Metals sector aimed at identifying the possible categories of reference Stakeholders of its own reality, the

expectations and opportunities with respect to the chosen sustainability path. The results of this preliminary analysis were subsequently discussed by the top management, who made the necessary changes and additions to align the categories identified with the benchmark analysis to the effective set of subjects with which Alluminio di Qualità interfaces in the management of its activities.

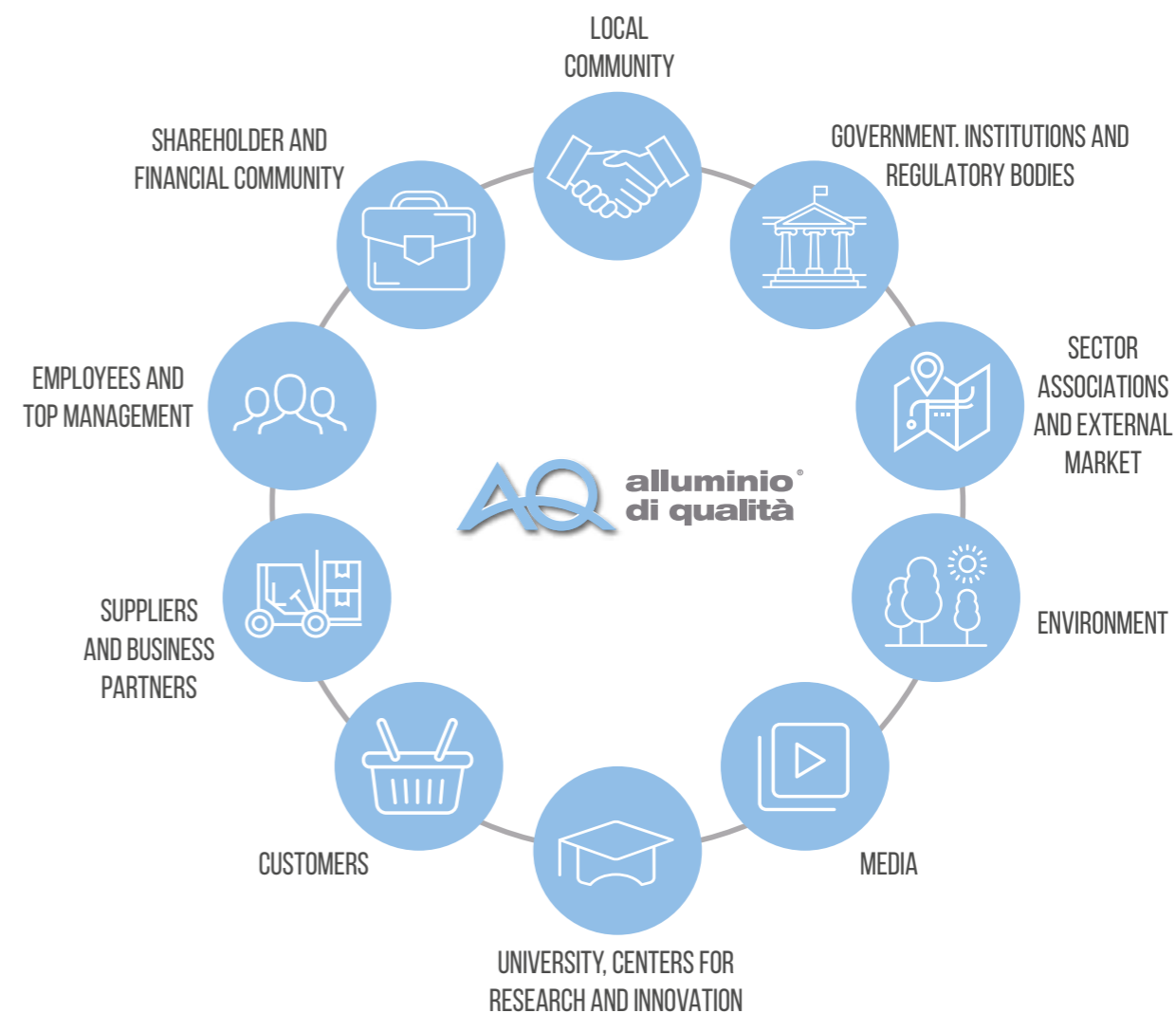
The analysis carried out made it possible to define the **Stakeholder map** shown below, a summary representation of the categories of subjects who influence the activity of Alluminio di Qualità or on which the activities of Alluminio di Qualità have an influence. Among the categories represented, some can also be identified as "shareholders" of Alluminio di Qualità, since they substantially influence management decisions and are particularly interested in the strategic lines undertaken.

These include Alluminio di Qualità Employees and Top Management, suppliers and business partners and customers.

STAKEHOLDER

Stakeholders are those entities or individuals who can reasonably be significantly influenced by the activities of the organization and who can affect the performance of the Company itself. For this reason, Alluminio di Qualità places the active involvement of its stakeholders at the center of its sustainability path.

This analysis led to the identification of **10 relevant Stakeholder categories**:



This phase, together with the identification of the **expectations** and **interests** of each individual category of stakeholder, represents one of the indispensable moments for best defining the contents of this Sustainability Report, in order to be able to illustrate the main initiatives carried out in the **ESG** area during the year.

3.3

MATERIALITY ANALYSIS

With the drafting of the first Sustainability Report, Alluminio di Qualità has implemented its communication on the main company performances in environmental, social and governance terms.

The topics reported in this document have been identified in compliance with the GRI Standards, through **a materiality analysis**.

The mapping of the material issues, together with the identification of the stakeholders, favors the definition of sustainability objectives and a real strategic plan aimed at evolving the

performance of Alluminio di Qualità. Also in this case, **a benchmark analysis** of companies operating in the metals sector was carried out to identify the best practices present in the market to which Alluminio di Qualità refers. Furthermore, for each topic the **positive and negative impacts** of the Company on the environment, the economy and people were identified, also with reference to human rights.

Finally, this analysis led to the identification of some relevant sustainability issues for Alluminio di Qualità.



In accordance with the provisions of the GRI Sustainability Reporting Standards, the company has used the information deriving from stakeholder engagement activities as one of the inputs necessary to identify and evaluate its impacts on the economy, the environment and people, also for the purpose of preparation of this Sustainability Report. The main ways of communicating and involving each category of stakeholder are summarized below.

In 2022, Top Management and employees took part in a **dedicated workshop**, during which they assessed the topics and related impacts potentially relevant for the Company in excellent materiality.

The assessments were expressed on a scale from 1 (not relevant) to 5 (very relevant) in relation to each topic and impact and made it possible to identify their positioning in terms of relevance for Alluminio di Qualità.

The impacts voted on during the workshop refer to the effects that the Company has or could have at an economic, environmental and social level, including those on human rights as a result of its activities or business relationships. The impacts have been classified as **actual or potential, negative or positive**, and represent the positive or negative contribution of Aluminum Quality to sustainable development.

Subsequently, these data were cross-referenced with those obtained from an **online survey**, which obtained **more than 70 responses**. In particular, the Stakeholders involved were customers, business partners and suppliers, banks and the financial community. The Company commits to expand the categories of stakeholders involved in the near future.

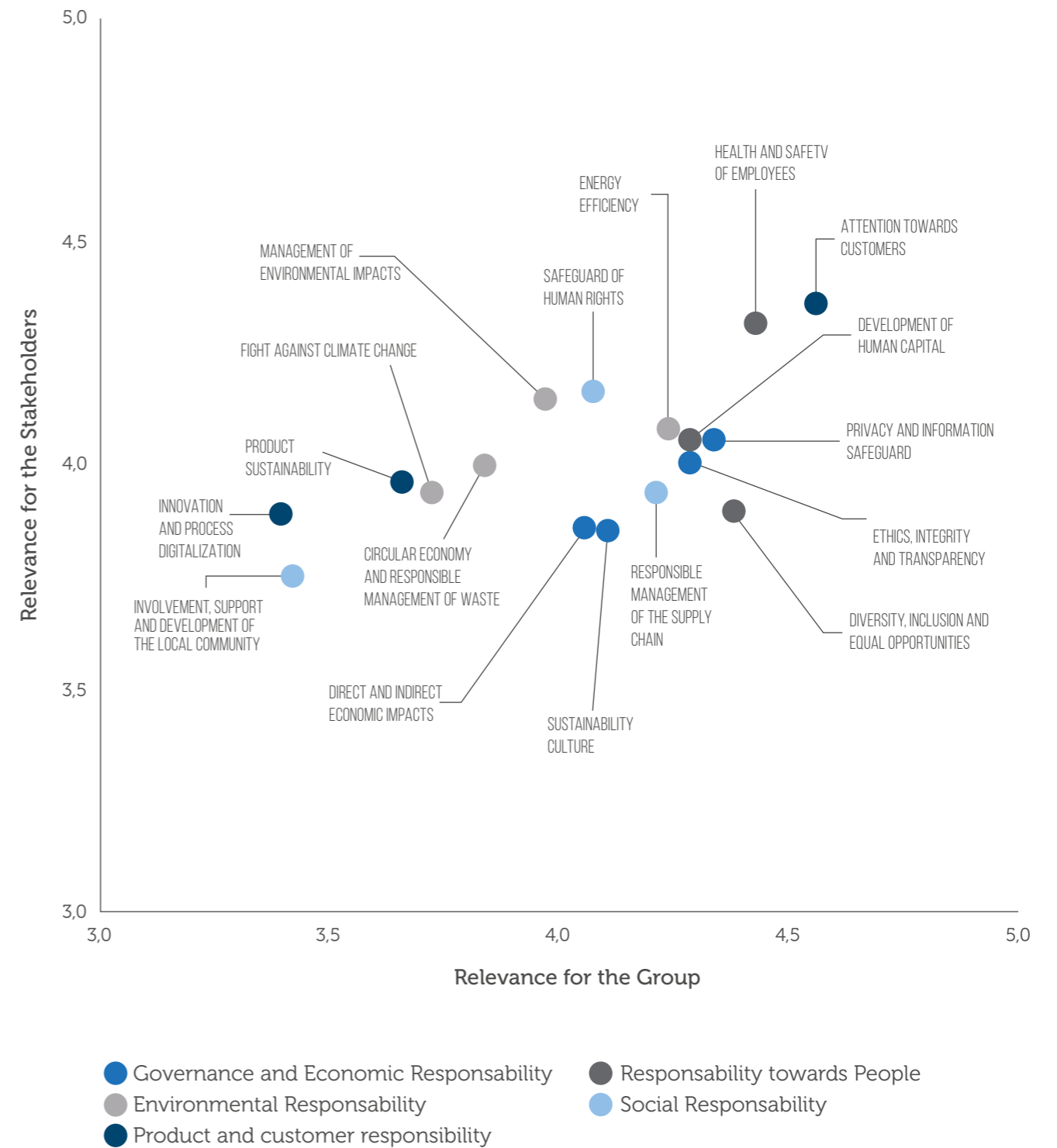
In this way, the analysis of materiality issues was carried out both from the point of view of the Organization and from the point of view of the Company's Stakeholders.

After analyzing the results obtained, the graphical representation of the **Materiality Matrix** which depicts the most relevant quadrant is shown below. From this, we can see that all the issues were relevant, except for the issue of "management of water resources" by virtue of negligible consumption, even if Alluminio di Qualità is committed to carrying out responsible and careful management of the



water resources available of the Company, also given the relevance of the topic at a global level due to climate change

The materiality matrix is a concise representation of the priority sustainability issues for Alluminio di Qualità and its Stakeholders. It identifies the aspects on which future strategies will focus, in pursuit of a development increasingly oriented towards sustainability.



THE MATERIAL TOPICS OF ALLUMINIO DI QUALITÀ

For each of the following significant topics, their connection with the specific GRI Standards and their perimeter of impact were also identified:

MATERIAL TOPIC	AQ POSITIVE IMPACTS ACTUAL AND POTENTIAL	AQ NEGATIVE IMPACTS ACTUAL AND POTENTIAL	INVOLVEMENT OF THE COMPANY	GRI REFERENCE
Energy efficiency	The Company decreases its environmental footprint through initiatives aimed at energy efficiency, such as the installation of a photovoltaic system and investments in tools towards industry 4.0.	The Company generates negative impacts through energy consumption deriving from non-renewable energy sources (non-renewable fuels and electricity).	Caused by the Company	GRI 302-1
Management of water resources		The Company generates negative impacts through the withdrawal and discharge of water during the performance of its activities	Caused by the Company	GRI 303-1 GRI 303-3
Fight against climate change	The Company promotes personnel awareness initiatives and mitigation/adaptation actions in the field of climate change.	The Company consumes non-renewable energy sources, generating direct and indirect climate-changing emissions (Scope 1/Scope 2), also through the potential increase in consumption	Caused by the Company	GRI 305-1 GRI 305-2
Circular economy and responsible management of waste	The Company generates a positive impact using recyclable and recycled materials. Furthermore, it facilitates the circular economy process through recovery operations and reduction of waste destined for disposal through the separation of aluminum alloys at the time of waste and develops design solutions with limited environmental impact.	The Company generates a negative impact through the consumption of raw materials and their disposal	Caused by the Company	GRI 306-3 GRI 301-1 GRI 301-2

MATERIAL TOPIC	AQ POSITIVE IMPACTS ACTUAL AND POTENTIAL	AQ NEGATIVE IMPACTS ACTUAL AND POTENTIAL	INVOLVEMENT OF THE COMPANY	GRI REFERENCE
Management of environmental impacts		The Company generates an indirect contribution to waste production, energy and water consumption, use of materials and vulnerability to natural disasters linked to climate change	Caused and directly linked to the Company by its business relations	N/A
Involvement, support and development of the local community	The Company contributes to the socio-economic development of local communities through contributions of an economic nature, the generation of professional opportunities and the targeted selection of suppliers/contractors within local businesses		Caused and directly linked to the Company by its business relations	N/A
Responsible management of the supply chain	The Company potentially generates a positive impact by contributing to the improvement of the ESG performance of suppliers and the creation of sustainable supply chains	The Company generates a negative impact associated with the supply chain, with reference to energy consumption and the related greenhouse gas emissions (Scope 3)	Caused and directly linked to the Company by its business relations	GRI 204-1
Safeguard of human	The Company creates awareness in its employees about their rights and guarantees the right to free association of the organization	The Company could create a non-inclusive work environment due to a lack of diversity in management, potential incidents of discrimination/harassment/ or abuse within Company's operations, conflicts with unions or failure to respect the right of free association within the organization or along its value chain	Caused and directly linked to the Company by its business relations	GRI 408-1 GRI 409-1
Direct and indirect economic impacts	The Company generates positive impacts through the achievement of economic results and the creation of distributed economic value with its consequent distribution to stakeholders, also generating greater employment	The Company could potentially erode the value of the organization and consequently not distribute the value generated to the stakeholders	Caused by the Company	GRI 201-1

MATERIAL TOPIC	AQ POSITIVE IMPACTS ACTUAL AND POTENTIAL	AQ NEGATIVE IMPACTS ACTUAL AND POTENTIAL	INVOLVEMENT OF THE COMPANY	GRI REFERENCE
Ethics, integrity and transparency	The Company creates a working climate based on ethical work	The Company could generate negative impacts through potential episodes of corruption or non-compliance following the evolution of anti-fraud and anti-money laundering regulations	Caused by the Company	GRI 205-3 GRI 206-1
Privacy and information safeguard	The Company complies with current legislation and correct data management best practices for the benefit of stakeholder privacy and creates awareness among employees about their rights	The Company could generate negative impacts through potential security breaches involving customer privacy and data loss, also due to potential intentional security breaches by third parties (e.g. cyber-attacks)	Caused by the Company	GRI 418-1
Sustainability culture	The Company promotes an ESG culture within its organization through initiatives to raise awareness among staff and other stakeholders	The Company could generate negative impacts due to the failure to achieve the objectives regarding corporate sustainable development	Caused by the Company	N/A
Diversity, inclusion, and equal opportunities	The Company promotes a fair and inclusive work environment for the benefit of all employees, including through training and awareness-raising activities on issues of gender equality, inclusion, and equal opportunities	The Company promotes a fair and inclusive work environment for the benefit of all employees, including through training and awareness-raising activities on issues of gender equality, inclusion and equal career opportunities	Caused by the Company	GRI 405-1 GRI 406-1 GRI 401-2

MATERIAL TOPIC	AQ POSITIVE IMPACTS ACTUAL AND POTENTIAL	AQ NEGATIVE IMPACTS ACTUAL AND POTENTIAL	INVOLVEMENT OF THE COMPANY	GRI REFERENCE
Health and safety of employees	Through the development and adoption of cutting-edge systems for managing safety in the workplace and training activities, the Company prevents and mitigates the impacts on the health and safety of its employees	During the performance of its activities, the Company exposes its employees to dangerous situations, causing potential increases in accidents at work and occupational diseases also due to a failure to monitor and apply the management systems in the health and safety area. Furthermore, it could generate negative impacts due to office activities carried out in inadequate work environments (incorrect lighting, exposure to noise, related work-related stress and accidents during the journey)	Caused by the Company	GRI 403-1 GRI 403-2 GRI 403-3 GRI 403-4 GRI 403-5 GRI 403-6 GRI 403-7 GRI 403-9 GRI 403-10
Development of human capital	The Company generates positive impacts through the training and development of employees, consequently increasing their skills. Furthermore, the Company is committed to developing the career of its resources, guaranteeing well-being also with a view to balancing work-life	The Company could generate negative impacts due to a high personnel exit rate and consequent loss of know-how, also due to unattractive remuneration for the new generations	Caused and directly linked to the Company by its business relations	GRI 401-1
Customer care	The Company supports customers during the decision-making process, guaranteeing transparency, correct management of complaints and timely responses to their requests, also through operational simplification	The Company could generate negative impacts following unresolved disputes or a failure to recognize customer expectations, resulting in the loss of customers served	Caused and directly linked to the Company by its business relations	GRI 416-1

MATERIAL TOPIC	AQ POSITIVE IMPACTS ACTUAL AND POTENTIAL	AQ NEGATIVE IMPACTS ACTUAL AND POTENTIAL	INVOLVEMENT OF THE COMPANY	GRI REFERENCE
Product sustainability	The Company develops and offers its customers sustainable solutions to meet market needs	The Company could potentially lose market share due to a lack of sustainable services and solutions that are not aligned with customer needs and market trends	Caused and directly linked to the Company by its business relations	N/A
Process innovation and digitalization	The Company guarantees a high standard of innovation for its products/services through the efficiency and automation of processes through the updating and development of ad hoc software, also guaranteeing the use of innovative machinery	The Company could lose competitiveness as a result of poor or ineffective strategic business innovation with negative impacts on the distribution of value to stakeholders	Caused and directly linked to the Company by its business relations	N/A





CHAPTER

4

GOVERNANCE AND ECONOMIC RESPONSIBILITY

PAGE 51

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4.1

GOVERNANCE STRUCTURE

Alluminio di Qualità pays the utmost attention to the need to **ensure conditions of correctness and transparency** in the conduct of corporate activities, to protect its image and reputation, acting in response to the expectations of its Stakeholders.

Alluminio di Qualità is also **committed to enhancing the work of its employees** and is also aware of the importance of **preventing the commission of unlawful behavior** by its directors, employees and collaborators subject to management or supervision by the Company.

The governance structure of Alluminio di Qualità is equipped with a **traditional administration** system, consisting of a Board of Directors and a Board of Statutory Auditors. The Company also

has a **Management Team** in the conduct of corporate management.

In particular, the Board of Directors is made of 4 members:

MEMBERS	ROLE	AGE GROUP
Cauvin Ernesto	President	>50
Marconi Mattia	CEO	30-50
Cauvin Umberto	Board member	>50
Cauvin Michele	Board member	>50

The **Supervisory Board**, instead, is made of 5 members, 5 of which are active and 2 temporaries.

The Board supervises the respect of the laws and on the principles of correct administration.

MEMBERS	ROLE	AGE GROUP
Bisio Paolo	President	>50
Rovida Marcello	Member	30-50
Figari Luigi	Member	30-50
D'Alauro Gabriele	Temporary member	30-50
Bolla Pittaluga Sebastiano	Temporary member	>50

4.2

ETHICS AND BUSINESS INTEGRITY

Alluminio di Qualità has adopted the **Code of Ethics of the Cauvin Group**, which constitutes the set of principles, duties and responsibilities that the Group assumes towards its stakeholders. The Group commits to the values that guide the daily professional activity and the strategic choices of all those who collaborate with the Group itself.

The Code of Ethics is made known to all interested parties by posting it on the corporate intranet, in the specific section of the Group's website, and by communicating it to personnel, commercial partners, consultants, customers and suppliers, with the invitation to consult. Furthermore, Alluminio di Qualità has a

Company Regulation, which establishes the guidelines of business conduct and the standards of ethics and confidentiality which the directors, statutory auditors, employees and collaborators of the Company must comply with.

In confirmation of the correct management of business relations, in 2022 **there were no cases of non-compliance with laws and regulations and no episodes of active and/or passive corruption were detected**. In addition, **no lawsuits were pending nor concluded regarding anti-competitive behavior** or violations of antitrust regulations and related to monopolistic practices.

4.3

VALUE CREATION

Alluminio di Qualità pursues a **short and long-term growth strategy**, with a clear vision of its mission - to become the Italian master distributor - and its objectives to be achieved. For this reason, it pays particular attention to capital strengthening, the reinvestment of profits for the expansion of processes and services and the payment of fair remuneration to shareholders over time.

The Company therefore considers the issue of correct and transparent accounting to be fundamental, also aware of its relevance to the Stakeholders.

The statutory auditing activity is entrusted,

pursuant to the law, to a statutory auditing company registered in a specific register appointed by the Shareholders' Meeting on a reasoned proposal from the Board of Statutory Auditors. With the shareholders' meeting of 21 June 2021, the assignment for the period 2021-2023 was conferred on the auditing firm Deloitte & Touche S.p.A..

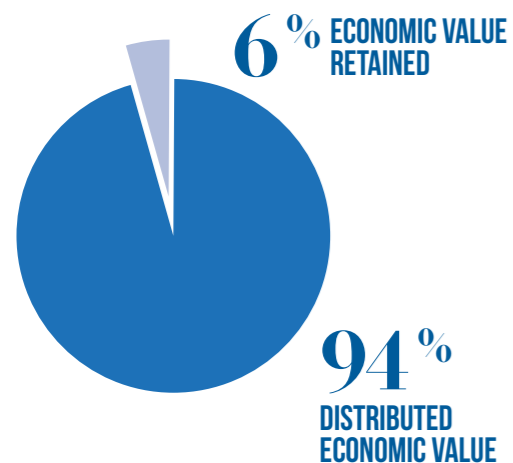
For this purpose, it has decided to measure the economic value generated and distributed¹, according to the reclassification of the income statement, monitoring the financial solidity of the Company and the distribution of the value generated to the main Stakeholders and/or reinvested to promote business growth.

1- The economic value generated and distributed represents the difference between the revenues and costs sustained for:
 - the purchase of goods and services- remuneration of suppliers -represented by operational costs and other costs;
 - human capital - remuneration of personnel;
 - taxes and duties - remuneration of Public Administration;
 - interest rates - remuneration of investors -represented by financial charges.



4.3 VALUE CREATION

DISTRIBUTION DIRECTLY GENERATED AND DISTRIBUTED VALUE **2021**

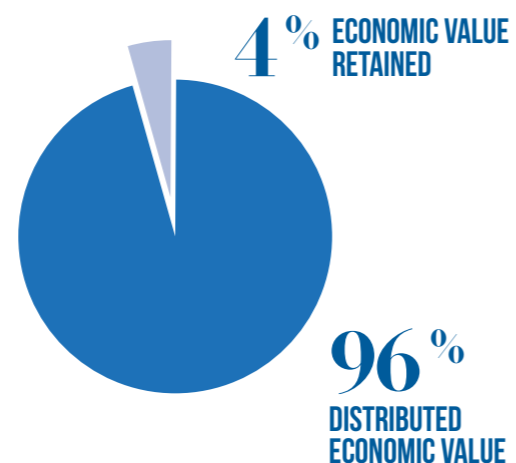


During 2022, the value generated **increased by approximately 35% compared to the previous year**, of which the percentage of value distributed to Stakeholders remained almost unchanged, remaining over 95%, while 3% is retained (i.e. intended for coverage of depreciation and the increase in equity reserves).

The total economic value generated by Alluminio di Qualità in 2022 is equal to Euro 91,071,523, of which approximately 94% is used to cover operating costs, while employees benefited from 3% of the distributed value.

Alluminio di Qualità has one of the most efficient service centers in Italy thanks to the high specialization in the transformation of rolled and extruded aluminum alloys and the modern process technologies of its plants.

DISTRIBUTION DIRECTLY GENERATED AND DISTRIBUTED VALUE **2022**



In support of this, several investments were implemented in 2022 with the aim of **expanding and improving the** Alluminio di Qualità's **processes and services**. In particular, the following have been improved: the flattening line both at the production level, by reducing timing and improving the application of PVC, and at the qualitative level by improving the application of the interposed paper and the surface quality of the processed products; the slitter line, for which an improvement in corrugated belt processing has been implemented. Furthermore, a new sawing machine was installed in the center of Campi Bisenzio to add bar cutting to the services offered, an essential investment to offer customers "cut to size" also of extrusions.

DETAILS OF THE 2022 INVESTMENT PLAN

STRUCTURAL INVESTMENTS

Cutting line Bar (mag FI)

Carts Floor (mag VR+ FI)

Enlargement mag FI

INVESTMENT IN PROCESS INNOVATION

Revamping of the leveling machine line

Photovoltaic Plant (mag VR)

DIGITALIZATION INVESTMENTS

Production Software

Customer experience platform

4.3.1

INNOVATION AND PROCESS DIGITALIZATION

Alluminio di Qualità has embarked on a digital transformation process, aimed at improving the internal processes of its organization, limiting the use of paper tools and making internal processes more efficient. To this end, various activities were undertaken during 2022 to increase digitization within the organization.

Alluminio di Qualità has had a **DMS** (Document Management System) for some time, with the aim of streamlining the company operating processes related to the administrative and purchasing areas. In fact, the software allows you to:

- automate the information processes relating to requests for quotations between the commercial offices and the purchasing office, optimizing performance with cutting-edge control and reporting tools;
- better organize the information by making it immediately available in the company and keeping the documents in accordance with the law.

With the same platform, Alluminio di Qualità manages the information flows of non-conformities by monitoring the cases ascertained thanks to the statistics generated directly from the portal.

At the same time, the company intranet was improved, giving business partners the possibility of accessing the dedicated section (MYAQ) for downloading (courtesy) invoices, delivery notes and certificates, as well as developing a digital platform to improve customer experience in their buying process. The Company will also commit to implement a tracking service for orders placed by customers on the same platform.

In the near future, Alluminio di Qualità will work to introduce a **TMS** (*Transport Management System*), i.e. a platform that uses technology to plan, execute and optimize the physical movement of products, both incoming and outgoing, making sure that shipping times are compliant with the desired targets and that adequate documentation is available. Furthermore, the introduction of a **CRM** (*Customer Relationship Management*) is also envisaged, i.e. a system that allows for the best management of sales processes, with the opportunity to automate the formulation of the offer as well.



4.4

PRIVACY AND CYBERSECURITY

Alluminio di Qualità acts in line with the **European Union Data Protection Regulation** (GDPR 2016/679), guaranteeing high safety standards and rules aimed at allowing adequate processing of Personal Data.

Over the years, various security measures have been implemented such as:

- The use of **Cynet**, a **monitoring software for all the servers** present on the organization's network and user workstations, which provides the antivirus, allowing you to contact a specialized SOC in case of problems;
- **A two-factor authentication method for cloud email**;
- The implementation of **Antigena Mail**, a software for **proactive monitoring of everything that arrives by email**, in order to prevent users from opening malicious or suspicious emails.

Every year the Company undergoes both a Vulnerability Assessment to be aware of any system vulnerabilities and be able to intervene to mitigate the resulting risks, and to a Penetration Test in order to promptly close any flaws in the systems.

As far as the protection and treatment of data in the strict sense is concerned, the organization has various levels of backup: the primary level which, at the end of the working day, makes a complete copy of all the data assets present on various servers and transfers them to one dedicated storage at the Genoa office; the secondary level which sends a further copy of data to the Villafranca di Verona office, in order to have a backup on a remote office; the last level consists in exporting a set of tapes three times a week, to have an always updated and completely offline copy which are placed in the safe.



The validity of the backup is periodically tested through sample restores of single files or entire virtual machines.

Furthermore, users have been trained to know the person to contact in the event of anomalous events or data breaches, as well as having a six-monthly password change policy.

As proof of the effectiveness of the actions undertaken by Alluminio di Qualità, during the two-year reporting period **there were no proven complaints regarding violations of customer privacy**.

4.5

SUSTAINABLE SUPPLY CHAIN

Alluminio di Qualità establishes relationships with its suppliers based on **trust** and **collaboration** to keep the relationship stable over time. The **quality of the suppliers** is a fundamental requirement for the achievement of the objectives set by the Company. Therefore, **constant selection, qualification and evaluation processes are adopted.**

For this purpose, all the selected suppliers are in line with the values contained in the Cauvin Group's **Code of Ethics**, in order to develop aligned and efficient collaborations with a view to growth and constant improvement of relations both for the company and for the stakeholders.

Alluminio di Qualità selects its suppliers based on their origin, which is mainly Italian and European, to best satisfy customer requests.

The only exceptions present as non-EU geographical origin occupy a percentage of less than 5% of the total supplies. This selection criterion allows the Company to guarantee both **faster procurement times and compliance with the requirements of preferential origin of the material requested by many customers.**

The Company commits to establish long-term relationships with its suppliers, with the aim of creating real **partnerships**, which allow for a more in-depth knowledge of the work ethics and quality of the suppliers themselves. Furthermore, Alluminio di Qualità carries out an evaluation of its suppliers, by filling in an indirect evaluation form for each individual supplier.

The evaluation form considers the following six parameters:

PARAMETERS

1. The outcome of previous supplies, relating to the quality of the supply and the completeness of the documentation

2. The prices of materials or services

3. The level of service, relating to delivery times and response times by the supplier's commercial offices

4. The continuity of the relationship

5. The incidence of non-conforming material on the total supplied

6. Flexibility with respect to particular needs



4.5

SUSTAINABLE SUPPLY CHAIN

Each parameter corresponds to a score, the total sum of which, calculated based on the weight of the parameter, allows the supplier to be identified as **suitable**, **unsuitable**, or **qualified with reserve**. **All the suppliers selected by the Company were found to be suitable.**

Alluminio di Qualità prefers a supply chain with a strong concentration in the **national market**. This strategic choice has become a **real strength**, especially following the latest political and health event that have inevitably weakened many companies whose supply chain came mainly from foreign markets outside the European Union.

In support of this, the **percentage of expenditure on local suppliers² in 2022 is equal to 74.9%**, slightly up on the previous year, against the 25.1% of expenditure on non-local suppliers.

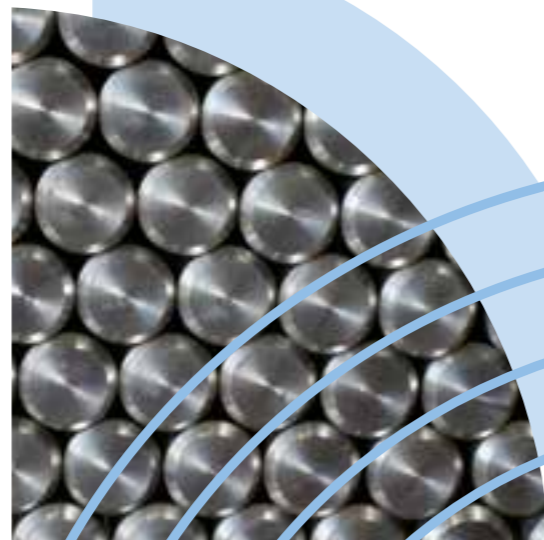
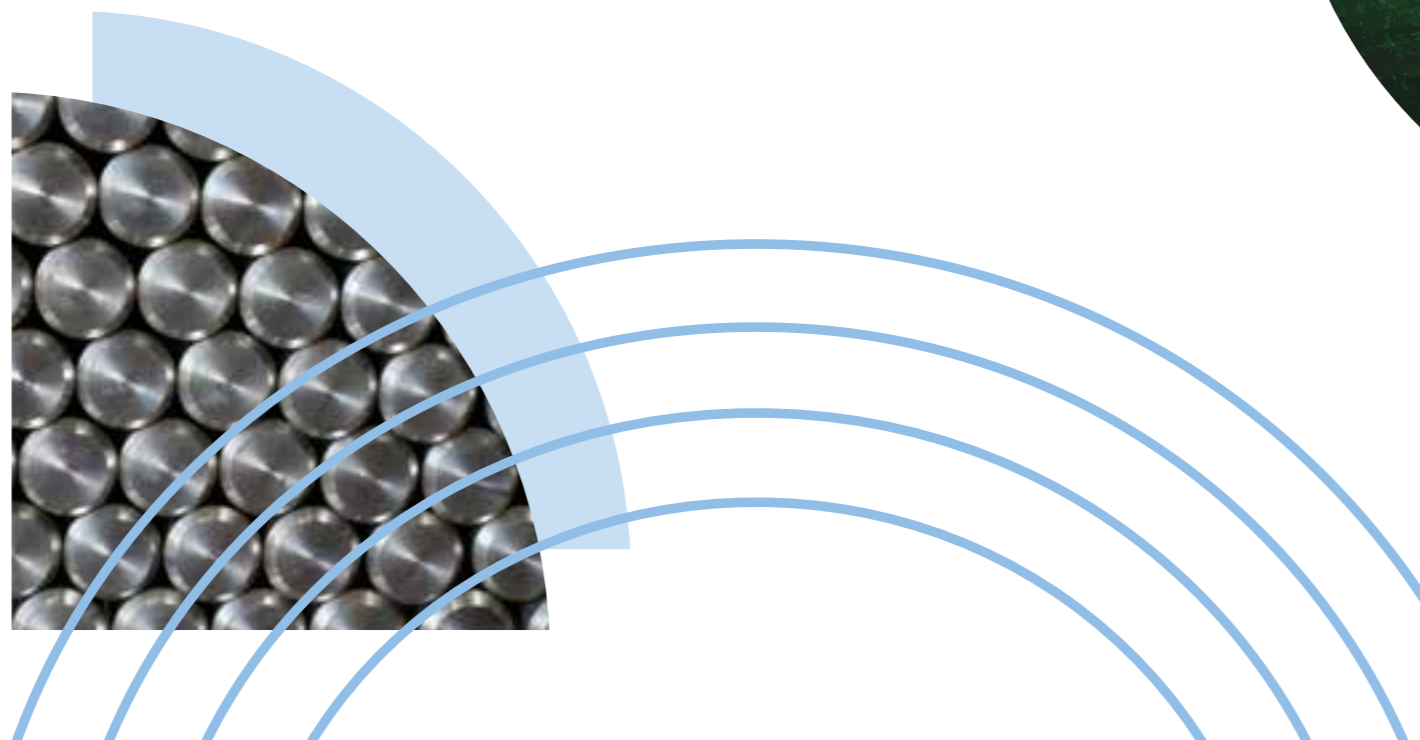
Furthermore, the Company, aware of the importance of the impacts of the supply chain, commits to implement soon the supplier qualification and assessment system with **environmental, social and governance** issues.

In 2022, Alluminio di Qualità purchased approximately 32% of aluminum from recycled material from its aluminum suppliers.

PERCENTAGE OF EXPENDITURE ON LOCAL SUPPLIERS



2- Local suppliers are defined as suppliers based in Italy





CHAPTER

5

RESPONSIBILITY TOWARDS PEOPLE

PAGE 67

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5.1.1	Development and Valorization of human resources	74
5.1.2	Health and Safety	76
5.2	Relationship with the customers	80

5

RESPONSIBILITY TOWARDS PEOPLE

The sustainability path pursued by Alluminio di Qualità pays specific attention to direct corporate management to the **maximum protection and protection of Human Rights**, expressed in the broadest respect for people and the concept of inclusion, through a commitment aimed at disseminating and promote a culture of social responsibility both in internal management and in relations with stakeholders.

In particular, Alluminio di Qualità protects the **right to a fair and dignified job**, avoiding any form of forced or child labour, towards which it expresses a zero-tolerance strategy. It also rejects the use of personnel younger than the minimum age established by law for employment, as well as all forms of forced labour, guaranteeing conditions of employment that comply with the laws and regulations in force and the right to perform work without any form of physical and/or psychological coercion.



RELATIONSHIP WITH LOCAL COMMUNITIES

Alluminio di Qualità takes care of the needs of the local community and contributes to its economic development. In particular, it creates a positive impact on the local community through **donations** and **generation of professional opportunities**.

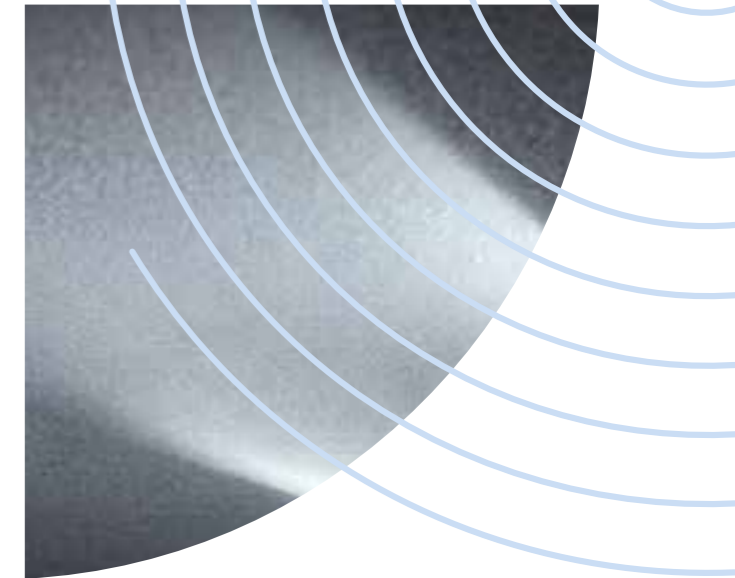
5.1

OUR PEOPLE

Alluminio di Qualità considers its employees a **fundamental and precious resource**, dedicating them attention that goes beyond mere regulation or formalized procedures. In fact, the management personally knows all its employees, who are supported with all the necessary resources by the company. The Company commits to establish a climate of **welcome** and mutual **trust** within the work environment, promoting a positive work environment that allows employees to express their individuality in compliance with their duties, participating dialectically in the activities and developing team spirit.

As of 31 December 2022, the composition of the staff was **57 workers**, 2 more than the previous year. Of these, 55 are employed on permanent contracts and 2 are on fixed-term contracts.

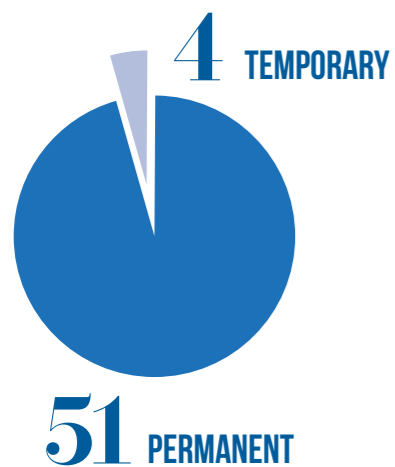
All employees are covered by the **NCLA** (National Collective Labor Agreement), in particular, by the NCLA for **Tertiary trade and Services**. The Company therefore complies with the regulatory obligations established by the National Collective Labor Agreement regarding working hours, sick leave, leave during working hours, holidays, classification, contractual level and disciplinary measures.



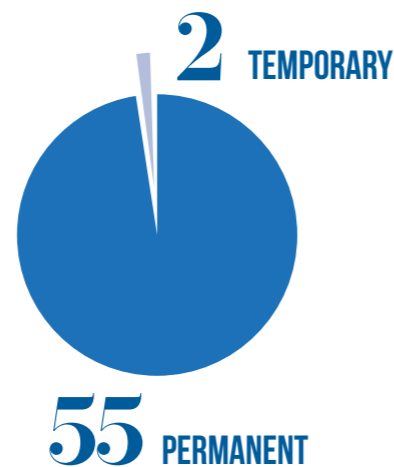
Furthermore, Alluminio di Qualità offers the possibility of adhering to **part-time** work formulas. At the end of 2022, as in 2021, there is only one resource employed with a part-time type of contract.

Moreover, Alluminio di Qualità provides for the possibility of working in smart working mode if necessary and if the job performed allows it, even though there is no formal union agreement.

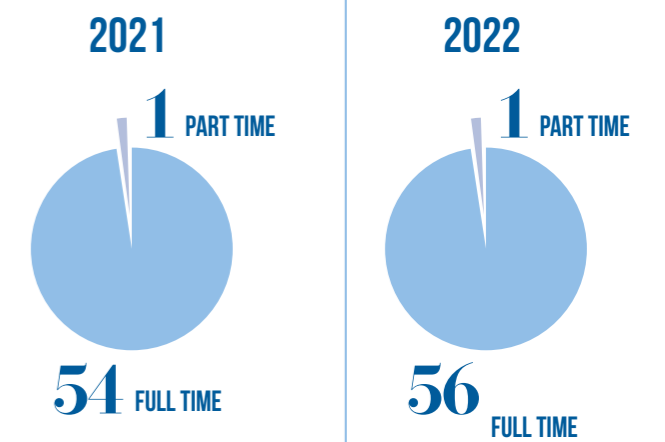
NUMBER OF EMPLOYEE BY TYPE OF CONTRACT **2021**



NUMBER OF EMPLOYEE BY TYPE OF CONTRACT **2022**



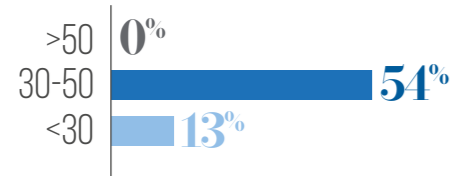
NUMBER OF EMPLOYEE BY FULL TIME/PART-TIME



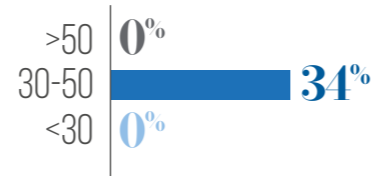
Over the two-year period, the **outgoing turnover rate remained lower than the incoming turnover rate**. In particular, 10

employees aged between 30 and 50 were hired in 2022.

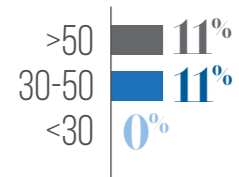
NEW EMPLOYEE HIRES 2021



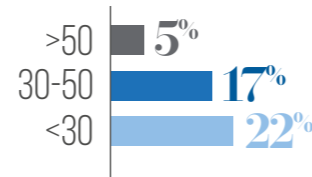
NEW EMPLOYEE HIRES 2022



EMPLOYEE TURNOVER 2021



EMPLOYEE TURNOVER 2022



In 2022, the **composition of the personnel**, in line with the previous year, sees most male employees with a blue-collar qualification, due to the nature of the activities carried out.

The **female component** is mainly found covering office positions, especially for carrying out front office activities and commercial relations

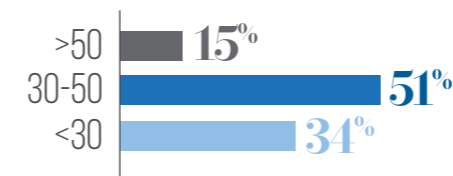
TOTAL NUMBER OF EMPLOYEES BY GENDER



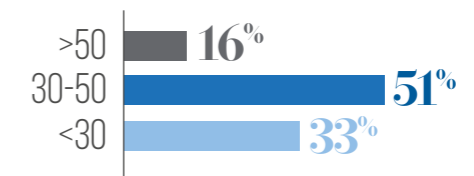
Alluminio di Qualità also commits to promote distribution in the various generational brackets. In particular, most employees are concentrated in the age group between 30 and 50 years

TOTAL NUMBER OF EMPLOYEES BY AGE GROUP

2021



2022



Furthermore, in 2022 the Company collaborates with **3 employees belonging to protected categories**, all attributable to the professional category of blue-collar workers.



5.1.1

DEVELOPMENT AND VALORIZATION OF HUMAN RESOURCES

The professionalism of the employees is an invaluable resource for the Group, for this reason, a rigorous selection processes is carried out by a specialized company. The staff that is identified is subsequently interviewed by the managers of the company and in the event of a positive outcome, the insertion procedures begin.

Among these are the sharing of the contents of the **Group Code of Ethics**, of the **Privacy Regulation**, of the **Disciplinary Code**, and of the **Company Regulations**, in order to align the employee with the values shared by the company and by the other companies of the Group.

In addition to the general documentation and training provided to each new hire, **specific training is carried out on data monitoring and privacy**, in compliance with the provisions of the GDPR, in different ways based on the specific function that the new hire will have to cover at the time. within the company

The **welfare** discipline in the strict sense is applied only to the Management Team, through the disbursement of an amount of welfare credits; however, various initiatives aimed at all employees are envisaged every year: from refueling vouchers and shopping vouchers to the issue of non-professional accident policies, from the organization of company events and dinners in correspondence with holidays to the holding of training events and team building for employees.

With regard to training in particular, two preparatory kick-offs were held in 2022 for the coaching process called "Evolution of skills" which will develop throughout 2023 and aimed at senior figures, management and internal and external commercial figures, and a workshop with the aim of making people aware of sustainability issues. The coaching path was built to allow all the people involved to improve their soft skills in the communication and relational fields and will be enriched by three team building sessions that will close the three in-person events lasting two days each which will be held in March, May and October 2023.

For employees of the commercial function, an incentive system is envisaged for the achievement of the objectives set in the **MBO (Management by Objectives)** platform, so that individual and company objectives are perfectly aligned, which is delivered at the beginning of the year, and an evaluation system of performance through the analysis of the Customer Platforms which takes place on a monthly basis.

In general, all corporate functions provide for **moments of discussion** with employees, formal or otherwise, so that managers are led to make informed decisions regarding the awarding of prizes or promotions.

#AQTEAM



During 2022, demonstrating the attention of Alluminio di Qualità towards its people, a section was added to the official LinkedIn page of the Company called #AQTeam, within which space is left for the presentation of resources present in the company and which contribute to increasing its value

Massimiliano Acconciaioco Machine Chief - Plasma Lines

It is interesting to machine parts for the construction of large ships and try to understand which component it is. Each part is marked automatically to facilitate assembly in the shipyard.

Luciano Albi Driver

You must like your job: if you don't like it, you do it badly. And in this case, it can also become very dangerous. What gratifies me most is going customers who are happy to see you again, to create a relationship.

Simone Vallenari Sheeting Line

The company believed in me: I started at entry level, and I became a machine chief. With commitment and dedication, I have been able to make a big jump, but I am aware there is always something new to learn.

Alluminio di Qualità commits to guarantee and constantly improve the **protection of the health and safety** of all its workers, third parties and the community in which it operates, developing processes aimed at eliminating and mitigating the risk of accidents, incidents, non-compliance and professional diseases.

To this end, the Company promotes a broader and participatory management of occupational health and safety activities, through the implementation of internal and external communication, training and information and awareness-raising activities and monitoring the activities that affect safety, taking the appropriate preventive and corrective actions. As part of the **training and updating activities**, the Management reminds all employees of the obligation to report any deficiencies or non-conformities of which they become aware during the performance of the activities. These reports are a fundamental contribution to the prevention and continuous improvement of health and safety conditions.

Furthermore, an **emergency management** team was defined with the aim of implementing, if necessary, prompt intervention to minimize the possible consequences on people and the environment, as well as damage to structures, plants, equipment, and materials.

The Company, in accordance with the provisions of Legislative Decree 81/2008, proceeded to appoint the Head of the Prevention and Protection Service (RSPP), the Coordinating Competent Doctor and Competent Doctors for each location as well as identifying the persons in charge, with the additional function of internal contact person for coordination with the RSPP. Furthermore, Alluminio di Qualità has a Policy for the protection of Health and Safety, which highlights the involvement and responsibility of all company functions, each according to their own powers and responsibilities, in achieving the safety objectives.



The Company constantly evaluates the **risks related to the activities carried out and ensures compliance with current legislation.**

Should cases of non-compliance occur to mitigate the risk of recurrence of the same, Alluminio di Qualità provides for a procedure of data collection, reconstruction of the event and identification of the causes, in such a way so as to be able to define and plan corrective and preventive actions which are implemented and whose effectiveness is then verified.

The Company has already implemented some actions with a **preventive purpose** to guarantee full respect of the health and safety of its collaborators such as:

- The precise definition of the roles and the

assignment of prevention and protection tasks in the organizational structure, in order to adequately assess the risks for health and safety in the workplace deriving from company processes;

- The implementation of collective and individual prevention and protection measures, ensuring adequacy of workplaces, refreshment places and ancillary rooms through checks and maintenance, and providing personal protective equipment;
- The administration of information, education and training of personnel;
- Preventive and periodic monitoring of the workers' state of health by means of checks carried out by the head office doctor, who also carries out counseling activities on the

- occasion of preventive and periodic checks;
- The definition of the procedures for the management of emergencies, with the consequent setting up of the principals for the management of both technical and health emergencies;
- The selection of its contractors, based on preventive and ongoing cooperation and coordination;
- Carrying out periodic audits aimed at ascertaining the compliance status of the activities realized with the binding regulatory requirements and annual review of the progress of the corporate security system.

The Company also holds **annual safety meetings**, in which the Workers' Safety

Representatives are informed of the company activities carried out for occupational health and safety, the changes made to the processes and the related risk assessment, the results of the analysis of the accident trend and the state of health of the corporate working population. On this occasion, where necessary, information relating to any supervisory activities carried out by external control bodies is also provided.

During 2022, **two minor injuries** occurred among employees and external collaborators and no serious injuries, in line with the previous year.

0
HIGH-
CONSEQUENCE
INJURIES

5.2

RELATIONSHIP WITH THE CUSTOMERS

Alluminio di Qualità is aware of the importance of its customer satisfaction, and to this end builds its relationships on trust and the ability to adapt its services to the wishes and needs of the customer, with a view to longevity and profitability of the relationships.

Customer satisfaction for the Company is the product of its **commitment, professionalism** and constant **investments** aimed at perfecting customer service, which allow it not only to satisfy the broader needs of customers, but also to assist them in the choice and use of materials for the design and construction phase of products, machinery and systems. The care towards customer satisfaction is systematically reflected in the continuous **monitoring** of the same, through the feedback received from sellers and customers, ensuring receptivity and proactiveness with respect to constantly evolving needs.

Through the data collection performed by the sales staff according to eight evaluation parameters, Alluminio di Qualità better understands where it is necessary to intervene to improve the organization to consolidate and increase its presence on the market.

The **eight parameters for evaluating customer satisfaction**, listed below, also enable the evaluation of the company's activity on a broad spectrum, and to incorporate the customer's opinion even indirectly.



1

Deliveries of the material to the customer within the agreed times

2

State and quality of the material, relating to the nonconformity of the material due to defects not attributable to the workmanship

3

Status and quality of the workmanship, relating to the nonconformity of the material due to internal and external workmanship

4

Condition and quality of the non-compliant packaging

5

Certificates, relating to the correctness and the timing of the shipment and correspondence to the indications of the semi-finished product

6

Timing of response to the customer, relating to the promptness of response times but also to the ability to offer valid alternatives to unavailable products

7

Availability of material in stock

8

Price, relating to the perceived competitiveness and value for money

5.2

RELATIONSHIP WITH THE CUSTOMERS

The evaluation forms are filled in by salespeople based on the satisfaction they perceive from their Customer Platform. The collected data is subsequently entered monthly in a file divided by sector and operating unit, on which a statistic is then compiled which is analyzed monthly by the sector managers.

Together with satisfaction, customer complaints are also evaluated and analyzed, with the aim of analyzing their causes, the frequency of occurrence and to avoid repeating them. The Company uses the statistics extracted from the **DMS** (*Document Management System*) software responsible for managing the entire non-conformity workflow.

Reports follow a predefined path according to the origin of the report (customer side or internal) and according to the origin of the cause (internal process, external process,

supplier) of the non-compliance: only 1.5% of the volumes of sale has generated a non-conformity and 70% of these is a **non-conformity attributable to the suppliers** of the product, while only in the remaining part of the cases it is a **non-conformity attributable to internal causes** (internal processing and/or internal handling).

The corrective action has as its objective the complete elimination of the causes and effects of non-conformities that can have negative consequences on the Company, and consequently on the product release process, on the quality management system and on customer satisfaction. Complaint monitoring consists in a preliminary phase of daily data collection, which is entered monthly into statistics automatically generated by the system and finally analyzed on a quarterly basis.



Following the execution of a corrective or preventive action, specific checks are carried out on the new action introduced, using the quality indicators identified to monitor the achievement of the objectives set and the correct decision-making.

In support of the correct management of customer relations, in 2022 **there were no cases of non-compliance with regulations and/or self-regulatory codes concerning the impacts on the health and safety of products and services.**



CHAPTER

6

ENVIRONMENTAL RESPONSIBILITY

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- | | | |
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| 6.1. | Management of environmental responsibility | 86 |
| 6.1.1 | Energy Transition and fight against climate change | 88 |
| 6.2 | Management of the resources and circular economy | 90 |

6.1

MANAGEMENT OF ENVIRONMENTAL RESPONSIBILITY

Alluminio di Qualità is characterised by an attention to the theme of the circular economy, indicated in the context of the European Green Deal as the tool for achieving the objective of climate neutrality and contributing to economic growth unrelated to the use of resources.

Sustainability and environmental responsibility are a fundamental element of the business, combining strategic choices with environmental needs. In carrying out its activities, the Company commits to **reduce its environmental impact** through aluminum transformation and recycling activities, energy efficiency initiatives and the dissemination of good conduct and staff training on environmental and sustainability issues.

In addition to the practice of separate collection adopted in all offices, there is a **separate collection of waste divided by aluminum alloy** deriving from the manufacturing process, thus reducing the consumption of natural resources and curbing the production of waste, giving it new life.

Aluminum of Quality, through the implementation of sustainable projects, makes its organization more efficient in terms of energy, in turn generating a lower environmental impact thanks also to the **partial use of renewable energies** which allow to reduce emissions. Furthermore, the Company promotes awareness initiatives for its employees in the field of climate change.

3- The European New Green Deal (europa.eu)



6.1.1

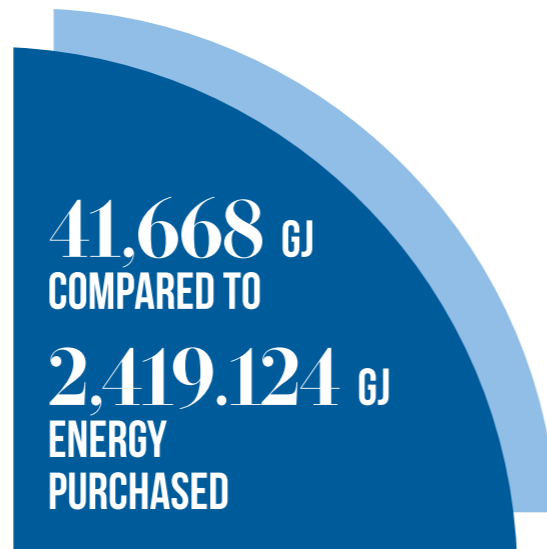
ENERGY TRANSITION AND FIGHT AGAINST CLIMATE CHANGE

The commitment to improving energy efficiency and reducing consumption is a fundamental part of the Alluminio di Qualità ethics and is reflected in various initiatives carried out over the years.

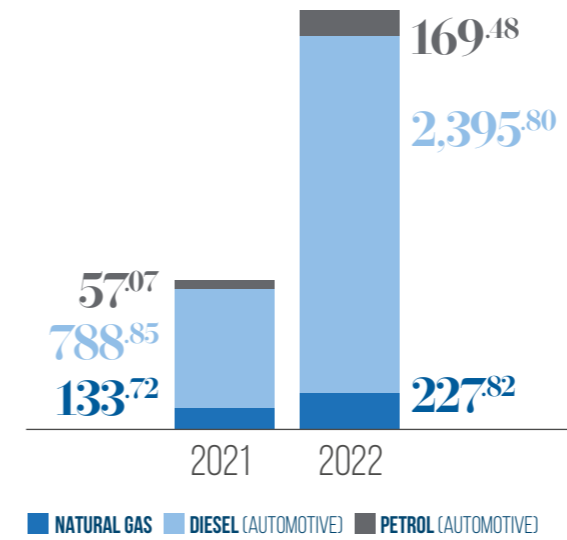
Due to the nature of its activities, the Company concentrates its consumption mainly at the level of electricity, used to power the plants and structures, the share of which increased in 2022 due to the introduction of two new processing lines (bander and plasma) located in the Villafranca di Verona site. With the commitment to reduce environmental impacts, a photovoltaic system was built, which partially started functioning from October 2022 to autonomously support part of the consumption.

Thanks to this initiative, Alluminio di Qualità has already self-produced 41,688 GJ of energy in 2022, compared to 2,419.124 GJ of energy purchased. It is assumed to reach a self-production share of the electricity requirement of around 50% during 2023.

With regard to other energy sources, there was an increase in diesel consumption caused by the purchase of trucks for the transport of materials, previously not owned by the company. Furthermore, the car fleet was expanded compared to the previous year; however, a transition to hybrid is planned, for which charging stations have already been installed. To reduce the consumption of logistics vehicles, the Company has also provided for the complete replacement of the forklift fleet with modern vehicles equipped with innovative battery recharging systems to allow significant energy savings and lower CO₂ emissions.

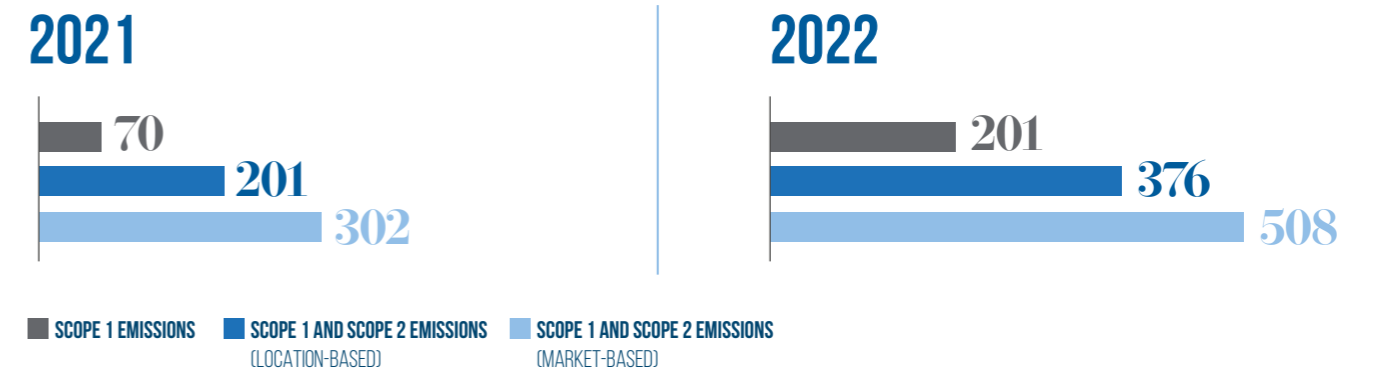


FUELS CONSUMPTIONS (GJ)



With regards to **Scope 1 Emissions**⁴, they are emissions from sources owned or controlled by the organization while **Scope 2 Indirect Emissions** are emissions deriving from the production of electricity, heat or steam imported and consumed by the organization. About the calculation method of Scope 2 emissions, two distinct calculation approaches are used: "Location-Based" and "Market-Based".

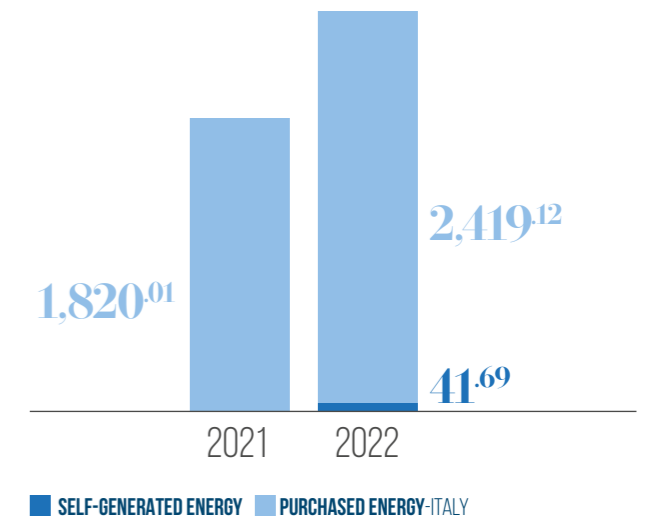
CO₂ EMISSIONS (tonCO₂)



Emissions have increased coherently with the increase in consumption registered in 2022.

⁴The GHG (Greenhouse Gas) Protocol Corporate Standard classifies the emissions in Scope 1 Direct Emissions, Scope 2 Indirect Emissions and Scope 3 Indirect Emissions from the supply chain.

ELECTRICAL ENERGY CONSUMPTION (GJ)



The "Location-Based" approach involves the use of average emission factors relating to the generation of energy for well-defined geographical boundaries, including local, subnational, or national boundaries. The "Market-Based" approach takes into consideration the total electricity purchased, including that purchased from renewable sources through Guarantee of Origin certificates.

6.2

MANAGEMENT OF THE RESOURCES AND CIRCULAR ECONOMY

Alluminio di Qualità, through the processing of renewable materials and the recovery of processing waste, manages to **reduce its environmental footprint** deriving from the performance of its activities.

The Company commits to manage resources efficiently, **limiting waste and managing waste production in a sustainable way**. Waste disposal provides for the correct division of materials, implementing diversified procedures for processing waste and general waste.

Containers are set up outside the company structures for the collection of all recyclable waste, including paper and cardboard, plastic, and iron, for collection from the public collection service as they are similar to urban waste.

All packaging materials used by the Company, which include interposed paper, corrugated cardboard, cardboard cores, and cardboard corners, are renewable and fully recycled.

32%
OF THE
ALUMINUM USED BY
ALLUMINIO DI QUALITÀ IS
RECYCLED

In 2022 the volume of the materials used has remained unchanged compared to the numbers in 2021. It should also be noted that 100% of the materials used derive from renewable sources. Due to the sensitivity of the data, it is not possible to explain the quantities of materials used. However, it should be noted that 100% of the materials used are considered renewable, in line with 2021.

The recycling of alloys has been a value-added activity of the Alluminio di Qualità business since its foundation, in line with the principles of circular economy and sustainability. The aluminum alloys used by Alluminio di Qualità are produced from primary aluminum or wreckage, through recycling. The practice of recycling, in addition to reducing costs, allows to **reduce the environmental impact**, for example by limiting the extraction of raw materials and limiting the emissions necessary for the transport of materials.

5- Due to the sensitivity of the data it is not possible to disclose the volume of materials used during 2022.

MATERIALS USED IN 2022

100%
RENEWABLE



ALUMINIUM ALLOYS



ALLOYS SERIES 1000

(industrially pure aluminum - at least 99%) the alloys in this series are characterised by excellent resistance to corrosion resistance, conductivity thermal and electrical conductivity high, good machinability, mechanical characteristics rather low.



ALLOYS SERIES 2000

the main alloying element is copper; in some alloys there are additions of magnesium and manganese. These are alloys by heat treatment and characterised by excellent machinability in machine tools.



ALLOYS SERIES 3000

the industrial alloys of the 3000 series contain 1-1.5 % of manganese. This element considerably increases characteristics in terms of mechanical resistance of aluminum.



ALLOYS SERIES 5000

the industrial alloys of the 5000 series have a magnesium content > 3, which confers qualities of resistance corrosion resistance, as well as good heat resistance and excellent ductility and machinability.



ALLOYS SERIES 6000

the materials in the 6000 series are alloyed with magnesium and silicon. These are alloys by heat treatment; after heat treatment they develop intermediate mechanical properties: good mechanical strengths, relatively low sensitivity to hardening, good resistance to corrosion.

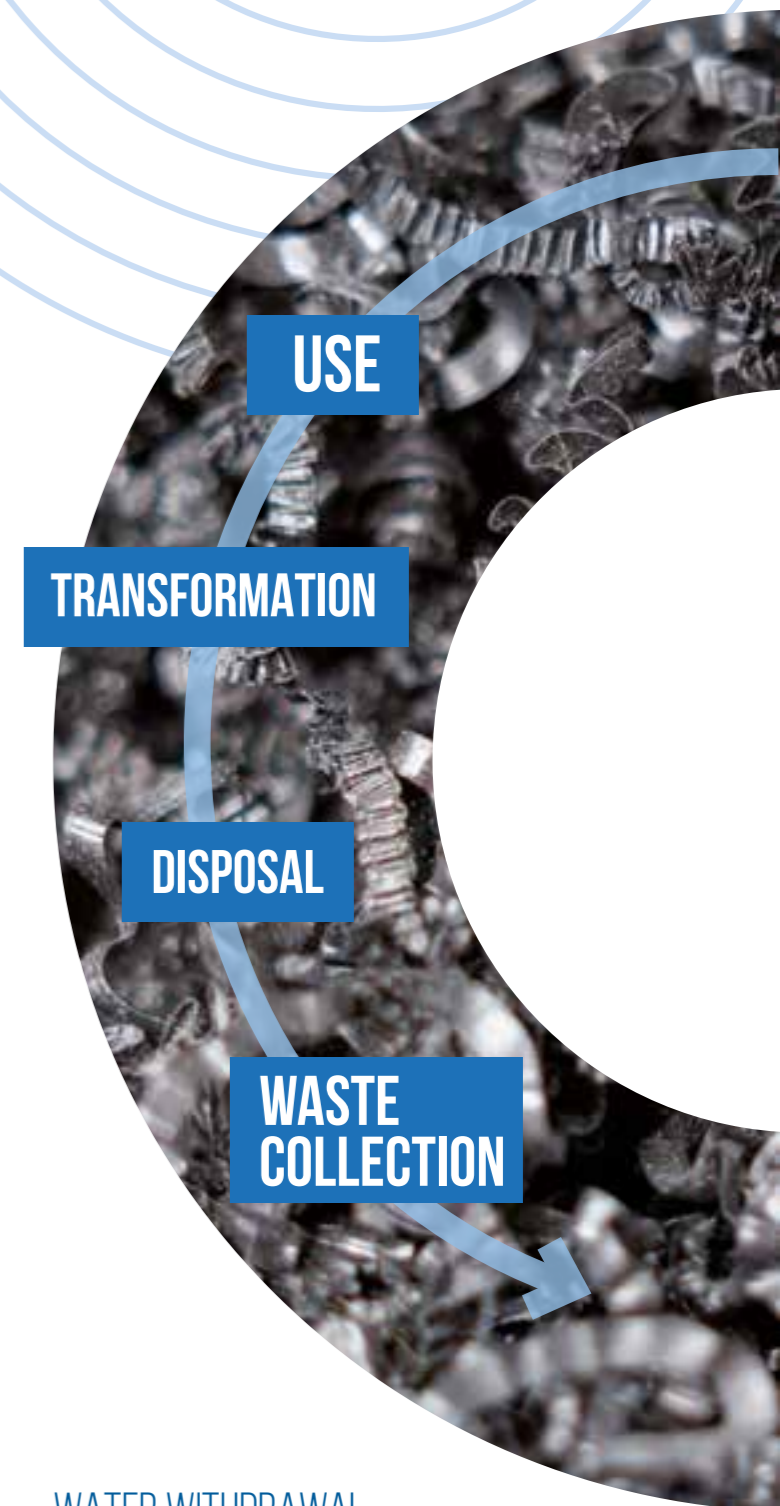


ALLOYS SERIES 7000

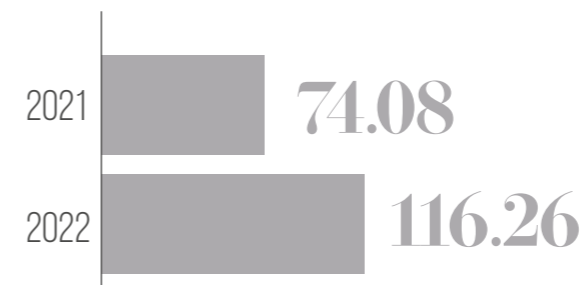
the main alloying element is Zinc. These alloys are by heat treatment; these alloys develop the highest mechanical properties, highest among aluminum alloys.

The Company adopts recycling practices, through a **process of separation starting from waste, manufacturing, or non-compliance, in the various main alloys**. This procedure allows the material to be singled out in its main alloys, preparing it for the stage of reprocessing and transformation into a new product. To carry out this procedure, Alluminio di Qualità has equipped itself with special containers for the collection of all types of alloys, especially for those sectors that require specific alloys such as the naval sector and the automotive sector. The goal of this procedure is to return the alloys that have already been separated to the manufacturer, with a view to circularity, thus allowing the scraps to be reintroduced into the production process.

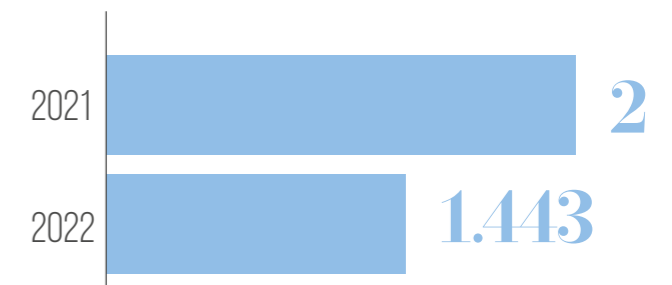
Thanks to the intrinsic qualities of aluminum, the recovery, transformation, and reuse process allows continuous recycling without causing alterations to the material.



WASTE GENERATED (t)
not hazardous



WATER WITHDRAWAL (Ml)
total water withdrawal





CHAPTER

7

RESPONSIBILITY
TOWARDS THE
FUTURE

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7

RESPONSIBILITY TOWARDS THE FUTURE

The **Sustainable Development Goals (SDGs)** are 17 objectives approved in September 2015 by the governments of the 193 member countries of the United Nations General Assembly and recognize the close link between human well-being and the health of natural systems, highlighting the common challenges that all countries are called to face for a sustainable future.

The goals are part of the ambitious action program for peace and prosperity for people and the planet, known as the 2030 Agenda for Sustainable Development, and are in turn broken down into 169 'targets' or targets.

The SDGs are universal in nature, addressing both developing and developed countries, and are based on the integration of the three dimensions of sustainable development: environmental, social and economic.

The 17 goals therefore concern **various areas of development**, from the fight against hunger to the elimination of inequalities, from the protection of natural resources to urban development, from agriculture to consumption patterns.



SUSTAINABLE DEVELOPMENT GOALS



CULTURE OF A FORWARD LOOKING PRESENT

Alluminio di Qualità wants to improve its impact on the territory and on people, promoting **development based on responsibility and constant commitment to sustainability.**

For this reason, it has embarked on a business growth path that embraces sustainability in every aspect. The Company has set out a plan of objectives, divided into **three main strategic lines – Digitilization, Development of Human Capital and Technology and Innovation in Production** – which demonstrate how Alluminio di Qualità has at heart the commitment to promote respect for the environment, of the territory and of the people.

These strategic guidelines will be enriched, in the coming years, with the definition of a more detailed action plan which will concern the entire value chain of Alluminio di Qualità, as well as the strengthening of good practices for the management of the most relevant sustainability issues for the company.

The strategic objectives of Alluminio di Qualità materialize the company's culture of sustainability, and these strategic lines can be correlated to the **17 objectives set by the 2030 Agenda for Sustainable Development.**



RESPONSIBILITY TOWARDS THE FUTURE

Indeed, the Company has examined the 169 targets in which the SDGs are divided, identifying those to which it can contribute most in the daily execution of its activities. These SDGs are: **Goal 3** – Health and well-being, **Goal 5** – Gender equality, **Goal 8** –

Decent work and economic growth, **Goal 9** – Industry, innovation and infrastructure, **Goal 12** – Consumption and responsible production and **Goal 13** – Climate action, as specified in the following graph:

OUR CONTRIBUTION TO THE SDGS

DEVELOPMENT OF HUMAN CAPITAL

Role and contribution of Alluminio di Qualità in the development of human capital, through the generation of job posts.

SDGs contribution:



Actions taken:

- Development of trainings for key people and for functional areas to improve competences;
- Improvement of existing initiatives;
- New employee hires, with particular attention to the age group under 36 and the protected categories of d.l. 68/1999.

TECHNOLOGY AND PRODUCTION INNOVATION

Role and contribution of Alluminio di Qualità in the promotion of initiatives, at all levels, to fight climate change.

SDGs contribution:



Actions taken:

- New investment in plants and machines "industria 4.0";
- New investment in plants that allow to contribute to the improvement of the circular economy, the reduction of consumption and the waste generation;
- New investment that allow to reduce our environmental impact in terms of net CO₂ emissions.

DIGITALIZATION

Role and contribution of Alluminio di Qualità in the value generation for the local community and the environment.

SDGs contribution:

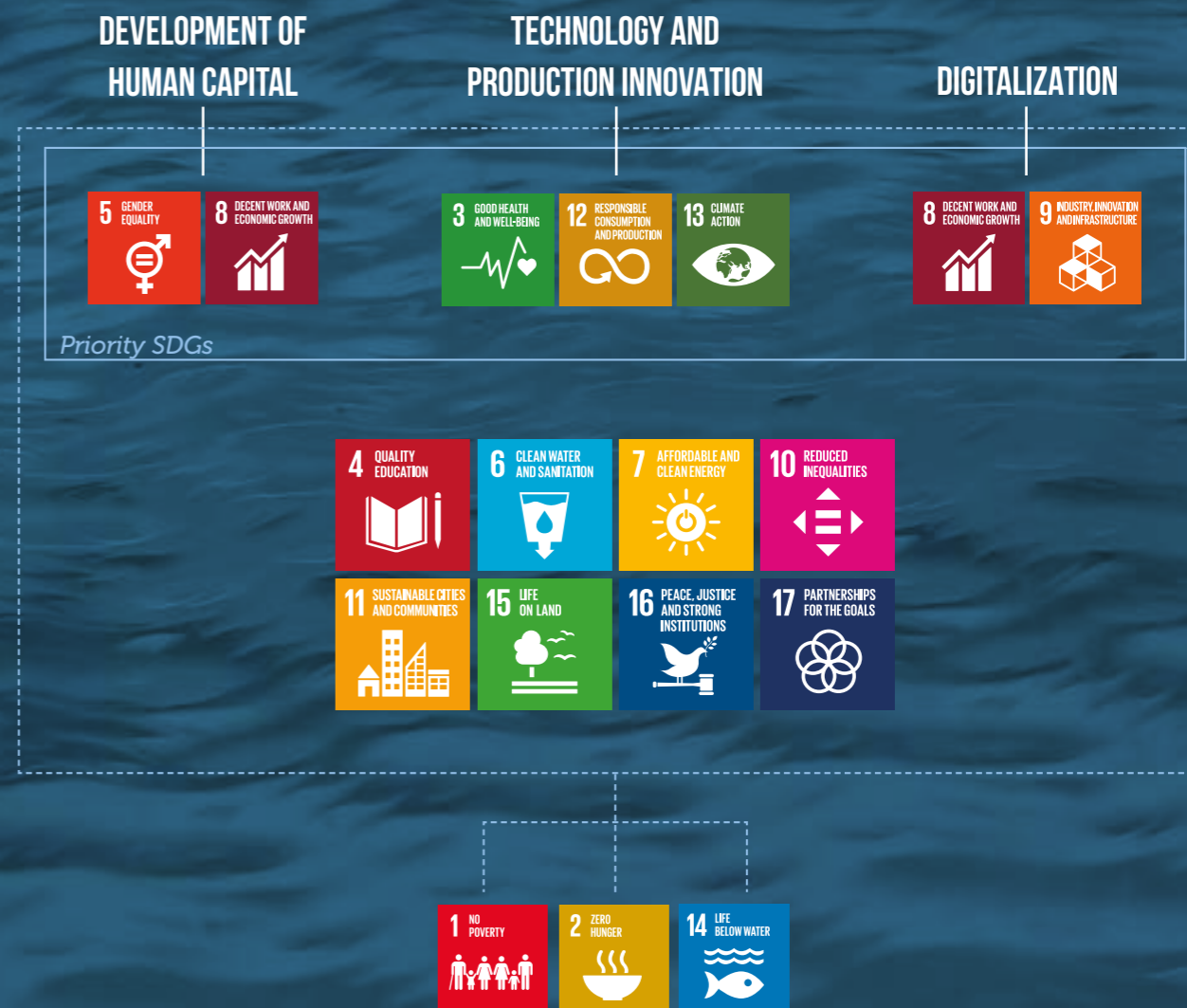


Actions taken:

- Development of an online platform for the improvement of customer experience;
- Introduction of CRM for the improvement of the sales network management;
- Introduction of TMS for the improvement of logistics and expediting;
- Development of an advanced platform BI for the improvement of operational efficiency and the decision-making process.

DIRECT AND INDIRECT CORRELATION BETWEEN THE SDGS ACTIVITIES AND THE STRATEGIC DIRECTIONS OF ALLUMINIO DI QUALITÀ

SUSTAINABILITY CULTURE





CHAPTER

8

ANNEX

DIRECT AND INDIRECT ECONOMIC IMPACT

201-1 Direct economic value generated and distributed (in EUR thousands)

ECONOMIC VALUE	2021	2022
Direct economic value generated	67,275	91,097
Economic value distributed	64,517	88,290
Operational costs	59,205	83,101
Remuneration of collaborators	2,798	2,941
Remuneration of investors	71	253
Remuneration of the Public Administration	1,267	1,017
Donations and liberalities	16	17
Retained economic value	3,917	3,767

RESPONSIBLE MANAGEMENT OF THE SUPPLY CHAIN

GRI 204-1 Proportion of spending on local suppliers

	2021	2022
Local	72%	75%
Not-local	28%	25%
Total spending on suppliers	100%	100%

DIVERSITY, INCLUSION AND EQUAL OPPORTUNITIES

GRI 2-7 Employees

TYPE OF CONTRACT	2021			2022		
	Men	Women	Total	Men	Women	Total
Temporary	3	1	4	2	-	2
Permanent	38	13	51	43	12	55
Total	41	14	55	45	12	57

GRI 2-7 Employees

FULL-TIME / PART-TIME	2021			2022		
	Men	Women	Total	Men	Women	Total
Full-time	40	14	54	44	12	56
Part-time	1	-	1	1	-	1
Total	41	14	55	45	12	57

GRI 405-1: Diversity of the governance bodies and employees

EMPLOYEE CATEGORY	2021		2022	
	Men	Women	Men	Women
Executives	0%	0%	0%	0%
Middle management	100%	0%	100%	0%
Employees	52%	48%	54%	46%
Workers	96%	4%	96%	4%
Total	75%	4%	79%	21%

GRI 405-1: Diversity of governance bodies and employees

EMPLOYEE CATEGORY	2021			2022		
	<30 years old	30-50 years old	>50 years old	<30 years old	30-50 years old	>50 years old
Executives	0%	0%	0%	0%	0%	0%
Middle management	0%	50%	50%	0%	60%	40%
Employees	19%	59%	22%	21%	63%	17%
Workers	12%	42%	46%	14%	39%	46%
Total	15%	51%	34%	16%	51%	33%

PEOPLE AND TALENT DEVELOPMENT

GRI 401-1: New employee hires and employee turnover

NUMBER OF NEW EMPLOYEE HIRES	2021			2022		
	<30 years old	30-50 years old	>50 years old	<30 years old	30-50 years old	>50 years old
Men	1	13	0	0	9	0
Women	0	2	0	0	1	0
Total	1	15	0	0	10	0
Rate of new employee hires (%)	13%	54%	0%	0%	34%	0%

GRI 401-1: New employee hires and employee turnover

NUMBER OF EMPLOYEE TURNOVER	2021			2022		
	<30 years old	30-50 years old	>50 years old	<30 years old	30-50 years old	>50 years old
Men	0	3	1	1	4	1
Women	0	0	1	1	1	0
Total	0	3	2	2	5	1
Rate of employee turnover (%)	0	11%	11%	22%	17%	5%

HEALTH AND SAFETY OF WORKERS

GRI 403-9 (2018): Work-related injuries

RATES OF EMPLOYEE WORK-RELATED INJURIES	U.o.M	2021	2022
Number of total work-related injuries of employees¹²	n.	-	-
Of which:			
Fatal injuries	n.	-	-
High-consequence work-related injuries ¹³	n.	-	-
Recordable work-related injuries ¹⁴	n.	1	2
Number of hours worked by employees	n.		
GRI Work-related injury rates ¹⁵			
Rate of total injuries/number of hours worked	%	-	-
Rate of fatalities /number of hours worked	%	-	-
Rate high-consequence work-related injuries/ number of hours worked	%	-	-
Rate of recordable work-related injuries/ number of hours worked	%	-	-

12- "work-related injuries" refers to all accidents which can be caused by death, days of absence, limitations on work, transfer to other duties, medical treatments that go beyond first aid, loss of consciousness. These are all injuries generated by risks and dangers to which workers are exposed in the workplace (e.g. death, amputations, lacerations, fractures, hernia, burns, loss of consciousness and paralysis).

13- "High-consequence work-related injuries" refers to accidents are understood to have resulted in at least 6 months of recovery time, excluding deaths.

14- "Recordable work-related injuries" refers to injuries that resulted in less than 6 months of recovery time.

15- The calculation of the work-related injury rate is based on 100.000 hours worked, according to the following formula:

Rate of total work-related injuries/number of hours worked: (total work-related injuries/number of hours worked) * 100.000;

Rate of fatalities/number of hours worked: (number of fatalities/number of hours worked) * 100.000;

Rate of high-consequence work-related injuries/number of hours worked: (number of high-consequence work-related injuries /number of hours worked) * 100.000;

Rate of recordable injuries/ number of hours worked: (number of recordable injuries/ number of hours worked) * 100.000.

ENERGY TRANSITION AND FIGHT AGAINST CLIMATE CHANGE

GRI 302-1 Energy consumption within the organization

ENERGY	U.o.M	2021	2022
Natural gas	GJ	134	278
Diesel fuel (for vehicles owned by the organization or on a long-term lease)	GJ	789	2,396
Petrol (for vehicles owned by the organization or on a long-term lease)	GJ	57	169
Self-produced electricity	GJ	-	42
Purchased electricity - ITALY	GJ	1,820	2,419
Total energy consumption	GJ	2,800	5,214
Renewable energy	GJ	-	42
% Renewable energy rinnovabile	%	0.00%	0.80%

GRI 305-1: Direct Scope 1 Emissions

GRI 305-2: Energy Indirect Scope 2 Emissions

EMISSIONS (ton CO2eq)	2021	2022
Total Direct Emissions (Scope 1) ¹⁶	70	201
Total Indirect Emissions (Scope 2) - Location-based ¹⁷	131	175
Total Indirect Emissions (Scope 2) - Market-based ¹⁸	232	307
Total Scope 1 and Scope 2 (Location-Based) Emissions	201	376
Total Scope 1 and Scope 2 (Market-Based) Emissions	302	508

16- The calculation of Scope 1 emissions of 2020/2021 and 2021/2022 refers to the emission factors published by the Ministry of Environment- Table on the national standard parameters for the monitoring and communication of greenhouse gas effects.

17- The calculation of Scope 2 emissions-location based refers to the emission factors published by ISPRA-Factors of atmospheric emission of greenhouse gasses in the national electricity sector and in the main European Countries.

18- The calculation of the Scope 2 Emissions Market-Based relies on the emission factors published by the Association of Issuing Bodies (AIB) European Residual Mixes (2020 e 2021).

MANAGEMENT OF RESOURCES AND CIRCULAR ECONOMY

TYPE OF MATERIAL ¹⁹	U.o.M.	2021	2022
		Renewable	Renewable
Interposed paper	%	-	0.1%
Corrugated cardboard (100/1250/1500)	%	0.2%	0.2%
Wooden pallets (timber)	%	2%	2.3%
Cardboard corners	%	0.2%	0.1%
Aluminum alloys	%	93.7%	93.1%
Automotive alloys (processing waste)	%	0.2%	0.3%
Marine alloys (processing waste)	%	0.9%	0.9%
Industrial alloys (processing waste)	%	2.6%	2.9%
Total	%	100%	100%

Recycled materials used

TYPE OF MATERIAL	U.o.M.	Tot materiale riciclato	
		2021	2022
Interposed paper	%	100%	100%
Corrugated cardboard (100/1250/1500)	%	100%	100%
Corrugated cardboard	%	100%	100%
Cardboard corners	%	100%	100%

GRI 303-3 Water withdrawal

SOURCE OF WITHDRAWAL	U.o.M.	2021		2022	
		(1 st January-31 st December)		(1 st January-31 st December)	
		All areas	Areas with water stress	All areas	Areas with water stress
Surface water (total)	MI	2	-	1	-
Total water withdrawal	MI	2	-	1	-

19- The data represents the % of the total kg of material. The data is given in %, as the weight in Kg is considered a sensitive information for the Company.

GRI 306-3 Waste Generated

COMPOSITION OF THE WASTE	U.o.M.	2021			2022		
		(1 st January-31 st December)			(1 st January-31 st December)		
		Hazarduos	Not Hazarduos	Total	Hazarduos	Not Hazarduos	Total
Iron and steel	t		22,280	22,280		24,360	24,360
Paper and cardboard	t		41,220	41,220		45,040	45,040
Mixed material packaging	t		10,580	10,580		17,040	17,040
Wood packaging	t		-	-		29,820	29,820
Total	t	-	74,080	74,080	-	116,260	116,260
Percentage	%	0%	100%	100%	0%	100%	100%

CORRELATION MATERIAL TOPICS – GRI STANDARDS

ESG MACRO AREA	MATERIAL TOPIC	PERIMETER		CORRELATION GRI STANDARD
		WHERE DOES THE IMPACT OCCUR	TYPE OF IMPACT	
Environmental	Management of environmental impacts	Company, suppliers and business partner	Caused by the Company and directly connected through a business relation	GRI 3: Material topics (2021)
	Fight against climate change	Company	Caused by the Company	GRI 3: Material topics (2021) GRI 305: Emissions
	Energy efficiency	Company	Caused by the Company	GRI 3: Material topics (2021) GRI 302: Energy
	Management of water resources	Company	Causato dalla Società e direttamente connesso attraverso una relazione di business	GRI 3: Material topics (2021) GRI 303: Water and Effluents
	Circular economy and waste management	Company, suppliers and business partner	Caused by the Company	GRI 3: Material topics (2021) GRI 301: Materials GRI 306: Waste
Responsibility towards people	Health and Safety of employees	Company	Caused by the Company	GRI 3: Material topics (2021) GRI 403: Occupational Health and Safety
	Human capital development	Company	Caused by the Company and directly connected through a business relation	GRI 3: Material topics (2021) GRI 401: Employment GRI 404: Training and Education
	Diversity, Inclusion and non-discrimination in the work place	Company	Caused by the Company	GRI 3: Material topics (2021) GRI 405: Diversity and equal Opportunity GRI 406: Non-discrimination

ESG MACRO AREA	MATERIAL TOPIC	PERIMETER		CORRELATION GRI STANDARD
		WHERE DOES THE IMPACT OCCUR	TYPE OF IMPACT	
Social Responsibility	Involvement, support and development of the local community	Company and local community	Caused by the Company and directly connected through a business relation	N/A
	Responsible management of the supply chain	Company, suppliers and business partner	Caused by the Company and directly connected through a business relation	GRI 3: Material topics (2021) GRI 204: Procurement practices
	Safeguard of human rights	Company, suppliers and business partner	Caused by the Company and directly connected through a business relation	GRI 3: Material topics (2021)
Responsibility of the Product and towards the customers	Attention towards customers	Company, Customers	Caused by the Company and directly connected through a business relation	GRI 3: Material topics (2021) GRI 416: Customer Health and Safety
	Product sustainability	Company, suppliers and business partner	Caused by the Company and directly connected through a business relation	N/A
	Innovation and process digitalization	Company	Caused by the Company and directly connected through a business relation	N/A
	Ethics, integrity and transparency	Society, Suppliers, Government, Institutions, and regulatory bodies	Caused by the Company and directly connected through a business relation	GRI 3: Material topics (2021) GRI 205: Anti-corruption GRI 206: Anti-competitive Behavior
	Direct and indirect economic impact	Company	Caused by the Company	GRI 3: Material topics (2021) GRI 201: Economic Performance
Governance	Privacy and information safeguard	Company	Caused by the Company	GRI 418: Consumer Privacy
	Sustainability Culture	Company	Caused by the Company	N/A

The table below summarizes the GRI indicators reported in this Sustainability Report.

GRI 2: GENERAL DISCLOSURE (2021)

GRI INDICATOR		PAGE	NOTE
Statement of use	Alluminio di Qualità has reported following the GRI Standards for the period 1 st January 2022 to 31 st December 2022.		
GRI 1 used	GRI 1 - Foundation - version 2022		
The organization and its reporting practices			
GRI 2-1	Organizational details	4-5	
GRI 2-2	Entities included in the organization's sustainability reporting	6-7	
GRI 2-3	Reporting period, frequency and contact point	6-7	
GRI 2-4	Restatements of information	6-7	
GRI 2-5	External assurance		The Sustainability Report 2022 is not subject to external assurance
Activities and workers			
GRI 2-6	Activities, value chain and other business relationships	24-31	
GRI 2-7	Employees	70-71; 103	
GRI 2-8	Workers who are not employees	70-71; 103	
Governance			
GRI 2-9	Governance structure and composition	53	
GRI 2-10	Nomination and selection of the highest governance body	53	

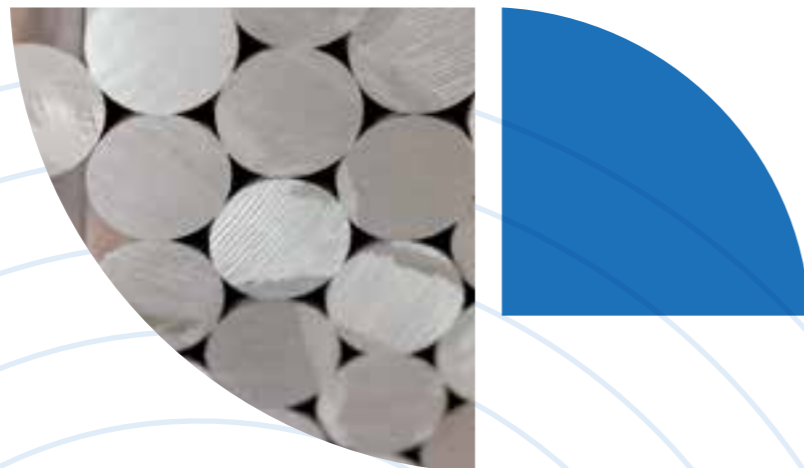
GRI INDICATOR		PAGE	NOTE
Strategy, policies and practices			
GRI 2-22	Statement on sustainable development strategy	4-5	
GRI 2-27	Compliance with laws and regulations	54	
Stakeholder engagement			
GRI 2-29	Approach to stakeholder engagement	38-39	
GRI 2-30	Collective bargaining agreements	70	
SPECIFIC STANDARD DISCLOSURE			
GRI 3 – MATERIAL TOPICS - 2021			
Material topic: Ethics, integrity and transparency			
GRI 3: MATERIAL TOPICS (2021))			
GRI 3-3	Management of material topics	43-48; 54; 108-109	
GRI 205: ANTI-CORRUPTION (2016)			
GRI 205-3	Confirmed incidents of corruption and actions taken		During 2022 there have been no cases of corruption
GRI 206: ANTI-COMPETITIVE BEHAVIOR			
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		No anti-competitive incidents occurred during 2022
Material topics: Direct and indirect economic impacts			
GRI 3: MATERIAL TOPICS (2021)			
GRI 3-3	Management of material topics	43-48; 55-57; 108-109	
GRI 201: ECONOMIC PERFORMANCE			
GRI 201-1	Direct economic value generated and distributed	56	

GRI INDICATOR		PAGE	NOTE
Material topic: Responsible management of the supply chain			
GRI 3: MATERIAL TOPICS (2021)			
GRI 3-3	Management of material topics	43-48; 62-65; 108-109	
GRI 204: PROCUREMENT PRACTICES			
GRI 204-1	Proportion of spending on local suppliers	65	
Material topic: Privacy and cybersecurity			
GRI 3: MATERIAL TOPICS (2021)			
GRI 3-3	Management of material topics	43-48; 60; 108-109	
GRI 418: CUSTOMER PRIVACY			
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	During 2022 there have been substantiated complaints concerning breaches of customer privacy and losses of customer data	
Material topic: Management of water resources			
GRI 3: MATERIAL TOPICS (2021)			
GRI 3-3	Management of material topics	43-48; 90-93; 108-109	
GRI 303: WATER AND EFFLUENTS			
GRI 303-1	Interactions with water as a shared resource	93	
GRI 303-3	Water withdrawal	93	

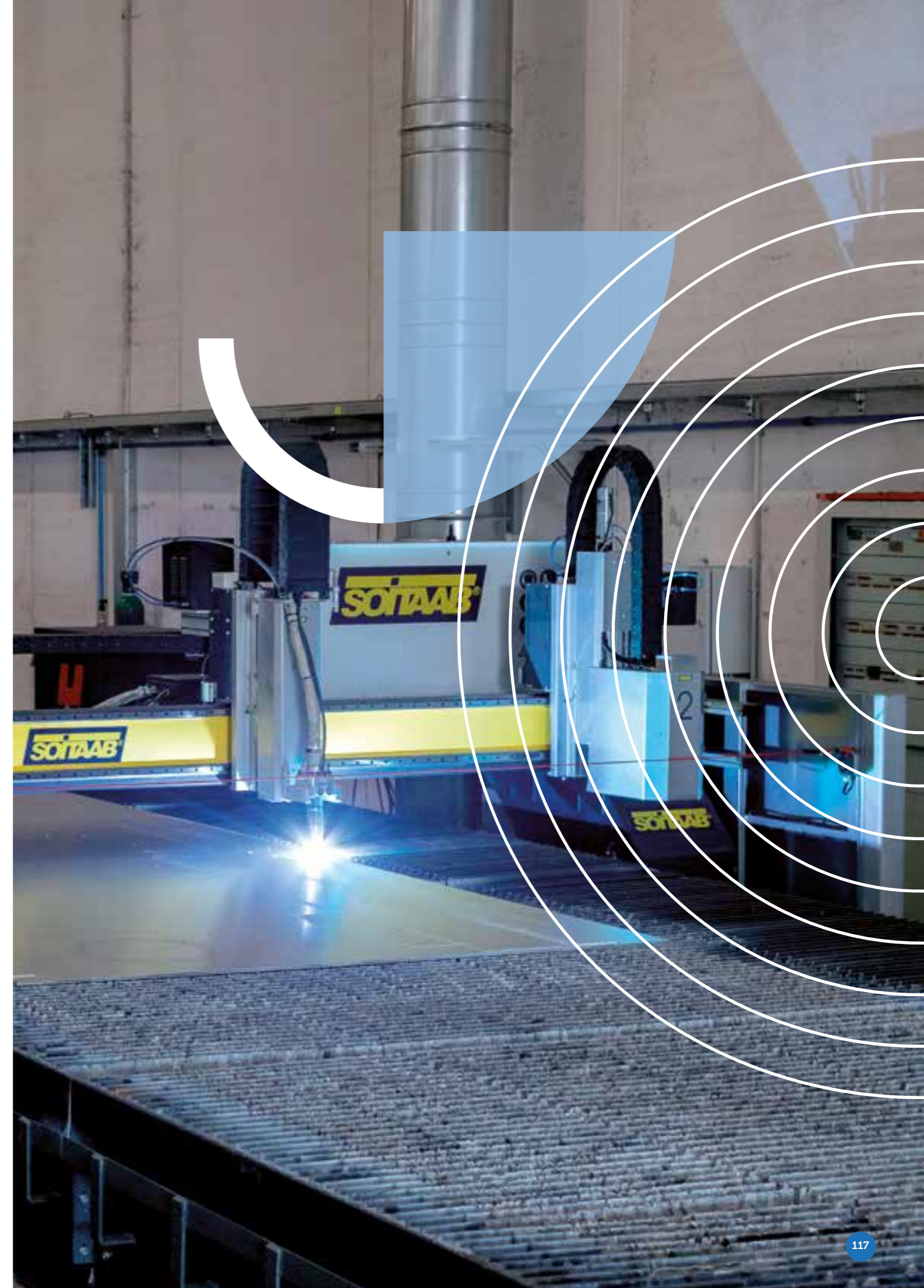
GRI INDICATOR		PAGE	NOTE
Material topic: Circular economy and responsible waste management			
GRI 3: MATERIAL TOPICS (2021)			
GRI 3-3	Management of material topics	43-48; 90-93; 108-109	
GRI 301: MATERIALS			
GRI 301-1	Materials used by weight or volume	90	
GRI 301-2	Recycled input materials used	91	
GRI 306: WASTE			
GRI 306-3	Waste generated	93	
Material topic: Energy efficiency			
GRI 3: MATERIAL TOPICS (2021)			
GRI 3-3	Management of material topics	43-48; 88-89; 108-109	
GRI 302: ENERGY			
GRI 302-1	Energy consumption within the organization	88	
Material topic: Fight against climate change			
GRI 3: MATERIAL TOPICS (2021)			
GRI 3-3	Management of material topics	43-48; 88-89; 108-109	
GRI 305: EMISSIONS			
GRI 305-1	Direct (Scope 1) GHG emissions	89	
GRI 305-2	Energy indirect (Scope 2) GHG emissions	89	
Material topic: Management of environmental impact			
GRI 3: MATERIAL TOPICS (2021)			
GRI 3-3	Management of material topics	43-48; 86-87; 108-109	

GRI INDICATOR		PAGE	NOTE
Material topic: human capital development			
GRI 3: MATERIAL TOPICS (2021)			
GRI 3-3	Management of material topics	43-48; 70-77; 108-109	
GRI 401: GRI 401: EMPLOYMENT			
GRI 401-1	New employee hires and employee turnover	72	
Material topic: Diveristy, inclusion and non-discrimination in the workplace			
GRI 3: MATERIAL TOPICS (2021)			
GRI 3-3	Management of material topics	43-48; 70-77; 108-109	
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY			
GRI 405-1	Diversity of governance bodies and employees	53; 73	
GRI 406: NON-DISCRIMINATION			
GRI 406-1	Incidents of discrimination and corrective actions taken	During 2022 there were no cases of discrimination	
GRI 401: EMPLOYMENT			
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	74	

GRI INDICATOR		PAGE	NOTE
Material topic: Customer relations			
GRI 3: MATERIAL TOPICS (2021)			
GRI 3-3	Management of material topics	43-48; 80-83; 108-109	
GRI 416: CUSTOMER HEALTH AND SAFETY			
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	During 2022, there were no incidents of non-compliance with regard to health and safety impacts of products and services	
Material topic: Health and safety in the workplace			
GRI 3: MATERIAL TOPICS (2021)			
GRI 3-3	Management of material topics	43-48; 76-79; 108-109	
GRI 403: OCCUPATIONAL HEALTH AND SAFETY (2018)			
GRI 403-1	Occupational health and safety management system	76-79	
GRI 403-2	Hazard identification, risk assessment, and incident investigation	76-79	
GRI 403-3	Occupational health services	76-79	
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	76-79	
GRI 403-5	Worker training on occupational health and safety	76-79	
GRI 403-6	Promotion of worker health	76-79	
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	76-79	
GRI 403-9	Work-related injuries	78	
GRI 403-10	Work-related ill health	76-79	
Material topics: Culture of Sustainability			
GRI 3: MATERIAL TOPICS (2021)			
GRI 3-3	Management of material topics	43-48; 36; 96-99; 108-109	



GRI INDICATOR		PAGE	NOTE
Material topic: Involvement and support of local communities			
GRI 3: MATERIAL TOPICS (2021)			
GRI 3-3	Management of material topics	43-48; 36; 69; 108-109	
Material topic: Safeguard of human rights			
GRI 3: MATERIAL TOPICS (2021)			
GRI 3-3	Management of material topics	43-48; 69; 108-109	
Material topic: Product Sustainability			
GRI 3: MATERIAL TOPICS (2021)			
GRI 3-3	Management of material topics	43-48; 86; 108-109	
Material topic: Research and development			
GRI 3: MATERIAL TOPICS (2021)			
GRI 3-3	Management of material topics	43-48; 57; 108-109	
Material topic: Product sustainability			
GRI 3: MATERIAL TOPICS (2021)			
GRI 3-3	Management of material topics	43-48; 69; 108-109	





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