WAMGROUP®

PEOPLE PLANET PRODUCT

2022 SUSTAINABILITY REPORT



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WAMGROUP®

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2022 SUSTAINABILITY REPORT

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LETTER TO THE STAKEHOLDERS

Dear stakeholders,

We are proud to present you WAMGROUP's first Sustainability Report with which we account for our activities and achievements in the areas of environmental, social, and corporate governance.

2022 was a year of excellent results for the Group. Thanks to steady organic growth, we achieved consolidated sales of close to € 400 million, up 23% year-on-year. During the year, we continued to put People at the centre of our business, in line with our sustainable growth approach focused on People, Planet and Product, also demonstrated by the adoption of our first Sustainability Plan based on the three pillars: People, Planet and Product. Our first Sustainability Plan defines and outlines the path the Group intends to take in the coming years, following the values that have always distinguished us.

At WAMGROUP, we are constantly striving to offer innovative products that contribute to the reduction of raw material consumption and emissions, while meeting market demands for quality, safety, performance, and energy savings. At the same time, we work to enhance our global competence by continuously training our sales force, deepening our analysis of individual markets, and identifying new segments to serve.

We are aware that the Group's successes can be attributed to the more than 2,500 employees in 136 countries around the world, whose skills and professionalism support its growth. We have continued to work closely with our suppliers and customers, contributing to their development and the growth of the communities around us. Indeed, we firmly believe that the wellbeing of people and the health of the planet are closely interconnected, and we want to ensure that this is the true legacy we leave to future generations.

We have renewed our commitment to implementing the principles of economic circularity and combating climate change with the establishment of the *Risaia del Duca*, the Group's first benefit company. This smart farm integrates the Company's objectives with those of common benefit in order to generate a positive impact on the environment and society, acting responsibly, sustainably and transparently towards all stakeholders. Currently, *Risaia del Duca* is taking the steps towards future BCorp certification.

With regard to energy efficiency projects, we are promoting the purchase and production of energy from renewable sources. Currently, 62% of the electricity used in our Italian plants comes from alternative energy sources. In the context of domestic production, we have installed photovoltaic panels with a peak capacity of around 1.7 MW and contracted installation projects for an additional 2.0 MW by 2024. In addition, studies have been carried out to double the installed capacity in the coming years.

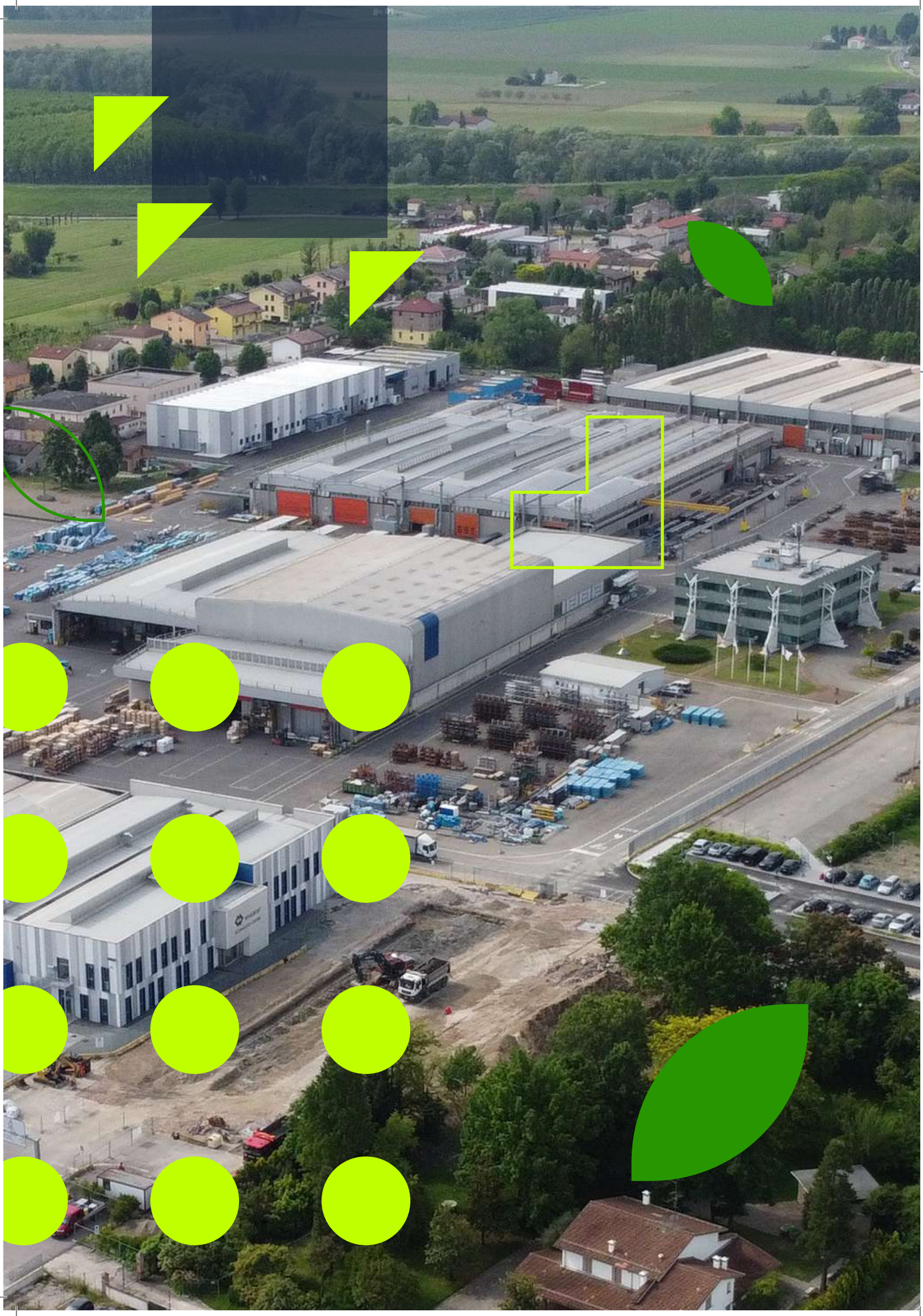
We continued to share our core values with colleagues and business partners around the world in order to promote respect for ethical, environmental and social duties throughout the entire value chain.

We also offered our support to people affected by tragic events in Italy and around the world, acting swiftly to provide the necessary assistance to communities affected by emergencies in Ukraine, Türkiye, Syria and Morocco.

Only by strictly adhering to the three strategic pillars of our Sustainability Plan, and with dedication, passion, and enthusiasm, will we be able to generate further sustainable growth and offer significant value to all our stakeholders. In this journey, we are deeply impressed by the extraordinary dedication of our people and partners, who continue to give their all to make WAMGROUP an example of excellence in terms of performance and care for the world around us. It is to all of them that we wish to express our heartfelt thanks

Enrico Storchi
Managing Director
WAMGROUP





1. OVERVIEW

Snapshot and Executive Summary
[GRI 201-1]

This section provides a concise overview of the main findings and performance in the preparation of this Sustainability Report.

WAMGROUP has decided to adopt a formal reporting system to demonstrate its commitment to sustainability. This document brings together the initiatives carried out during 2022 and provides a summary of the sustainability strategy, which is the result of the integration of ESG (Environmental, Social, and Corporate Governance) objectives into the way the Group conducts business.

Indeed, WAMGROUP is committed to playing an active role in promoting sustainability, generating a positive impact throughout its value chain, and maximising the involvement of its stakeholders.

90%
Employees with permanent contract

-8.3%
Energy Intensity

-6%
Carbon Intensity

-15.8%
Hazardous waste destined for disposal

To identify the most relevant issues to be reported in this document, a materiality analysis was carried out following the guidelines provided by the Global Reporting Initiative Sustainability Reporting Standards of 2021, structuring the identification of relevant reporting issues on the concept of impact (i.e., the effect potentially generated by the Group on the economy, the environment and people).

The idea of sustainability for WAMGROUP is based on three pillars: the first one concerns People. This document presents the initiatives aimed at increasing the well-being of employees, ensuring their professional and personal growth, and aiming to guarantee fairness and non-discrimination.

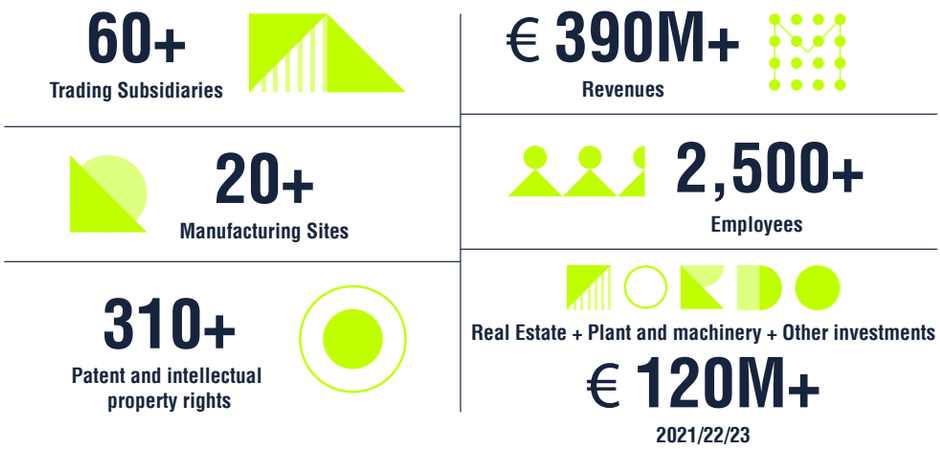
More than 90% of employees are hired on a permanent basis, and salary levels are reviewed annually, taking into account seniority and accrued skills.

WAMGROUP firmly believes in the importance of training, which is why various initiatives are carried out to enable people's professional development.

The second pillar, Planet, concerns the environment. The Group has always integrated environmental sustainability into its business model, aiming at the constant reduction of energy consumption from fossil fuels, investing in renewable energy production, monitoring energy withdrawals in a timely manner, and managing waste and waste materials responsibly and recycling them. In 2022, energy intensity (energy consumed per turnover) was reduced by 8.3% and carbon intensity (greenhouse gases emitted per turnover) was reduced by 6.0%. In addition, the generation of hazardous waste for disposal was reduced by 15.8%.

WAMGROUP is a manufacturing company and the third pillar, Product, refers to the heart of the business: the production of top-quality goods with a constant focus on sustainability. Product quality is guaranteed by the people and certifications obtained, both at product and management system level. In addition, the Group has set itself the goal of reducing the consumption of raw materials and energy, both during production and during the service life of its products. WAMGROUP is constantly engaged, through its internal R&D, in research and development projects with the aim of optimising and improving processes, reducing the use of energy and virgin raw materials, and improving the environmental impact of products. All with the aim of pursuing customer satisfaction.

In addition, some product lines are dedicated to activities with a direct positive environmental impact, such as wastewater treatment or the filtration of polluting particles.



Corporate Identity

[GRI 2-6; 2-9; 2-10; 2-11; 2-12; 2-13; 2-14]

The Group was founded in Italy in 1968 with the aim of producing screw conveyors. The founder is the current President, Vainer Marchesini. Today, the Group operates on an international scale in the sector of equipment and components for bulk solids handling and processing plants; some companies carry out ancillary or complementary activities to the main one (provision of intra-group services, property management, etc.).

WAMHOLDING S.p.A. is the non-operating holding company and manages participations through the sub-holding WAMGROUP S.p.A.
WAMGROUP performs the following functions:

- coordinates the Group's activities from a strategic, commercial, financial and administrative point of view;
- holds, develops and protects the Group's intangible assets (trademarks, patents, designs, know-how);
- coordinates the financial management and provides financing for the Group's companies;
- performs centralised functions and services;
- performs research and development functions for all Group subsidiaries.

WAMGROUP's activities as an industrial holding company also include the following functions:

- institutional communication and marketing (guidelines and coordination of initiatives);
- control and consultancy of the Group's companies;
- guidelines for the management of accounting systems and procedures;
- guidelines for personnel management;
- centralised treasury for companies participating in cash pooling.

The Group's structure was conceived according to the logic of concentrating each company on its specific geographical market for production or commercial purposes. Since the beginning of its expansion into international markets, the Group has placed a strong emphasis on local presence, through direct trading and production companies in major areas of the world such as Europe, North America, South America, Asia, Australia and Oceania.

Fields of activity

The Group operates in the production of equipment and mechanical components for bulk material handling and processing plants and for water purification.
Production generally covers screw conveyors, dust collectors, industrial mixers, rotary valves, micro-batch feeders, flow intercepting valves, screw screens, grit separators, and other specialised components for concrete production, flour milling, animal feed milling, plastics and chemical plants, secondary battery production, waste recycling, as well as civil and industrial wastewater treatment to name but a few.

Governing bodies

WAMGROUP S.p.A. has adopted a traditional form of administration and control:

- company management is assigned to the Board of Directors (BoD);
- supervisory functions are assigned to the Board of Statutory Auditors;
- the statutory auditing of the accounts as well as auditing are assigned to a Single Auditor.

WAMGROUP S.p.A. exercises management and coordination activities pursuant to Article 2497 of the Italian Civil Code in respect of its Italian subsidiaries, which maintain legal autonomy and apply the principles of proper corporate and entrepreneurial management.
The WAMGROUP Board of Directors is responsible:

- for supervising and directing the company's activities; board members play a key role in making strategic decisions, defining the company's mission, and monitoring company performance;
- for making important decisions, such as approving strategic development plans, allocating resources, appointing and supervising management, and managing business risks; the board has an obligation to act in the interests of the shareholders and to ensure compliance with regulations and corporate guidelines;
- meeting regularly to discuss and make decisions on company matters; during these meetings, topics such as financial performance, growth strategies, recruitment policies, investments and regulatory issues are discussed.

The Board of Directors plays a central role in the corporate governance of WAMGROUP S.p.A., with broad powers and competences in governance, internal control system and risk management, as well as in the definition of sustainability policies with the aim of pursuing sustainable success through the creation of long-term value for the benefit of its shareholders and stakeholders. In this context, the Board of Directors, assisted by the Sustainability Steering Committee (SSC), actively contributes to the assessment and management of sustainability issues.

WAMGROUP's Board of Directors consists of seven members. In addition to the members of the Marchesini family it is made up of William Fantini, Enrico Storchi and Giorgio Gavioli. The members of the Board of Directors partly coincide with the ultimate beneficiaries of the chain of control.

Member	Role
Vainer Marchesini	President
Marcello Marchesini	Board Member and General Manager
Roberto Marchesini	Managing Director
Elena Marchesini	Board Member
William Fantini	Managing Director
Enrico Storchi	Managing Director
Giorgio Gavioli	Board Member

In managing proxies and responsibilities to create an organisation for the future, the President, who nevertheless remains operational in all strategic company areas, has for some years now begun a process of delegation aimed at creating a management team capable of guaranteeing a generational transition.

The Board of Directors recently saw the addition of two new members, one of whom is an independent director.

The Board of Statutory Auditors of WAMGROUP S.p.A. is composed as follows:

Member	Role
Gino Rossini	President
Giovanni Rossini	Statutory Auditor
Silvio Pasquinelli	Statutory Auditor
Gian Luca Rossini	Alternate Auditor
Maria Grazia Filocamo	Alternate Auditor



The Marchesini family.
From the left: Marcello Marchesini, Vainer Marchesini, Roberto Marchesini and Elena Marchesini



2. BUSINESS MODEL

Our Stakeholders and Ways of Involvement

[GRI 2-29]

WAMGROUP has an action plan for stakeholder engagement: working with stakeholders to enable the Group to develop innovative projects and products by creating shared value.

Stakeholders are informed about ongoing projects and the results achieved with respect to the areas of engagement with ad hoc reporting and through publications on the Group's website. It is through these channels that the Group 'speaks' and 'responds' to stakeholders.

To date, WAMGROUP is in constant contact with its customers and suppliers, with whom it keeps open channels for dialogue and listening.

Discussions with suppliers ensure the accurate design of products, maximising their efficiency and guaranteeing their quality and compliance with the required standards. Constant and continuous communication with customers ensures that products meet the requirements. Over the years, WAMGROUP has developed an extensive network of contacts with local authorities, which is a fundamental element for harmonious growth with the local area. Finally, for WAMGROUP, involving employees is an essential aspect to monitor the degree of involvement and satisfaction.

Materiality Analysis

The materiality analysis is essential to identify the most relevant issues for the organisation. The same issues are the guide to define the disclosures and indicators that are reported in WAMGROUP's first Sustainability Report.

In order to define the list of the most relevant issues for its business, WAMGROUP has carried out the materiality analysis following the guidelines provided by the Global Reporting Initiative Sustainability Reporting Standards published in 2021, which suggest a structured process for identifying relevant issues, with a specific focus on the concept of impact, to be understood as the effect the Group has or could have on the economy, the environment and people, including human rights.

As defined by the GRI (Global Reporting Initiative), impacts can be actual or potential, negative or positive, reversible or irreversible. Furthermore, based on the identified impacts, it is possible to understand the Group's contribution to the sustainable development of the context in which it operates.

The analysis conducted by WAMGROUP took place in four steps:

1. understanding the internal and external context;
2. identification of impacts;
3. prioritisation of impacts;
4. definition of materiality issues.

In the first phase, the sustainability context within the vast WAMGROUP reality was analysed and, subsequently, through a macro-trend analysis of the Sustainable Development Goals (SDGs), sector trends and a structured benchmark analysis based on the public information of 33 peers and competitors of the Group, the sustainability context of the *industrial manufacturing* sector was framed.

In the second phase, based on the results of the context understanding, the long-list of impacts was prepared. This list was completed and refined through a punctual involvement of critical figures for the Group's business. The impacts identified are of different nature, and are defined as negative or positive, actual or potential, short or long term, reversible or irreversible and intentional or unintentional.

After drawing up the long-list of potentially relevant impacts, these were submitted to the WAMGROUP Sustainability Committee for evaluation. In the third phase, impacts were then assessed from an inside-out perspective and evaluated according to *Scale, Scope* and *Remediability* or *Durability* parameters for negative and positive impacts respectively, and then prioritised.

Stakeholder evaluations were then collected for each potentially relevant issue, in correlation with their current or potential positive and negative impacts. The evaluation involved several modes of analysis: internal stakeholders were involved through interviews and round tables, then the evaluations were supplemented by desk-analysis to identify the prioritisation of issues by stakeholders not directly involved.

Impacts were assessed based on two main parameters: *Severity* or *Significance*, for negative and positive impacts respectively; *Likelihood*.

The assessment of the significance of negative impacts is represented by Severity, which is the result of the combination of the following parameters:

- *Scale* (Intensity), i.e., a measure of the magnitude of the impact;
- *Scope* - how widespread the negative effect is;
- *Remediability* - (Durability) how easy it is to remedy the negative effect.

The assessment of the significance of positive impacts is instead represented by *Significance*, i.e., the result of combining the following parameters:

- *Scale* (Intensity), i.e., a measure of the magnitude of the impact;
- *Scope* - how widespread the negative effect is;
- *Remediability* - (Durability) how easy it is to remedy the negative effect.

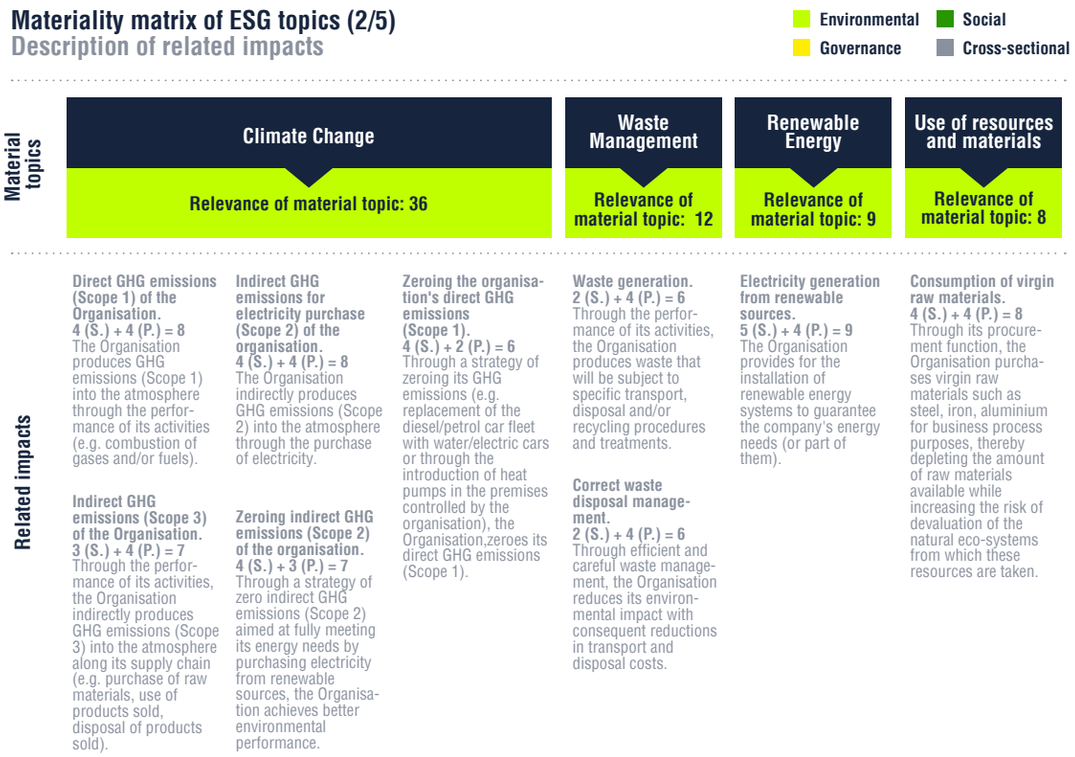
Likelihood (Probability) represents the level of likelihood that the impact will occur; current impacts have the highest Likelihood value.

Specifically, stakeholders were asked to express *Severity* or *Significance*, and *Likelihood* values for each impact on the long-list. To prioritise impacts, the *Severity* or *Significance* value of each impact was added to the relative *Likelihood* value to obtain the final value of the significance of each impact.

Impacts were then prioritised according to their significance value and *Materials* were defined as all those with a significance value above the previously defined minimum threshold. In total, 27 impacts were assessed, of which 24 exceeded the minimum threshold.

To group the impacts into sustainability topics, since the GRI Sector standard of reference of WAMGROUP is not available to date in order to use the categories and areas identified by the same document, we proceeded on the basis of the benchmarking carried out on competitors/peers.

Thus, having defined the material impacts, they were divided according to their nature by clustering them into Environmental, Social, Governance and Transversal impacts. After that, impacts were further grouped into 13 material themes. For each theme, materiality was calculated as the sum of the materiality of each underlying impact.



Materiality matrix of ESG topics (3/5)
Description of related impacts

Environmental · Social · Governance · Cross-sectional

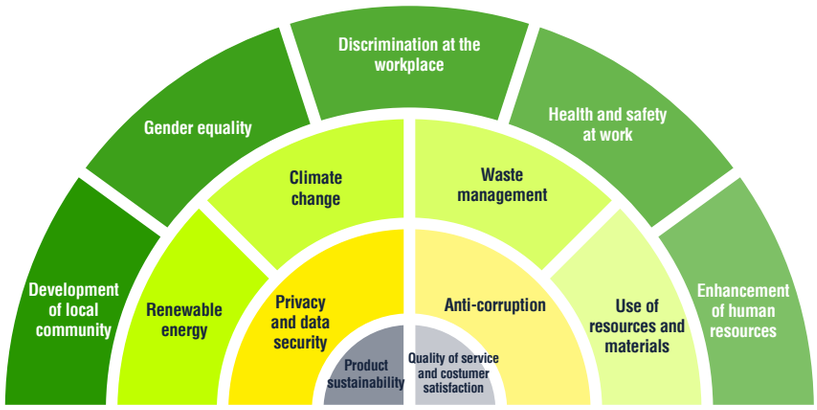
Material topics	Enhancement of Human Resources	Health & Safety at Work	Gender Equality	Development of Local Community	Discrimination at the Workplace
	Relevance of material topic: 23	Relevance of material topic: 20	Relevance of material topic: 14	Relevance of material topic: 9	Relevance of material topic: 7
Related impacts	**Qualified and competent personnel.** **4 (S.) + 4 (P.) = 8** Through its activities and investments, the Organisation provides workers with training in order to structure a competent and up-to-date workforce.	**Increased youth employment rate.** **2 (S.) + 4 (P.) = 6** Through its work, the Organisation enables university students/ recent graduates to enter the world of work and contributes to their educational growth.	**Contribution to the promotion of health and safety in the workplace.** **3 (S.) + 4 (P.) = 7** Through information and awareness-raising activities and partnerships with specialist companies, the Organisation supports its workers to safely manage the main health risks, including those not strictly related to work.	**Accidents at work.** **3 (S.) + 4 (P.) = 7** Through its activities, the Organisation may, as described in the DVR (Risk Assessment Document), present risks related to the safety of workers that may materialise in workplace accidents.	**Gender equality** **5 (S.) + 2 (P.) = 7** The Organisation does not discriminate, but rather ensures gender equality and protects women at all stages of their careers without prejudice to their recruitment, promotion or holding top positions.	**Contribution to the socio-economic development of the territory.** **6 (S.) + 3 (P.) = 9** By supporting local communities, the Organisation generates socio-economic development in the area in which it operates. For example, the inclusion of members of the local community among the Organisation's senior managers improves the Organisation's market presence, generates economic benefits for the local community and improves the Organisation's ability to understand local needs.	**Incidents of discrimination at the workplace.** **5 (S.) + 2 (P.) = 7** Despite its human rights and human resources management, the Organisation may be experiencing incidents of discrimination at the workplace.
	Work-life-balance. **5 (S.) + 4 (P.) = 9** Through its actions, the Organisation guarantees its employees the possibility of a peaceful coexistence of the professional and private spheres, e.g. flexible working possibilities, employee benefits and advantages, career development, etc.		**Occupational diseases.** **4 (S.) + 2 (P.) = 6** Through its activities, as described in the DVR (Risk Assessment Document), the Organisation could lead workers to contract occupational diseases.		**Equal pay for men and women in the same role/occupation.** **5 (S.) + 2 (P.) = 7** The Organisation does not discriminate; on the contrary, it ensures gender equality by remunerating men and women equally at the same		

Materiality matrix of ESG topics (4/5)
Description of related impacts

Environmental · Social · Governance · Cross-sectional

Material topics	Product Sustainability	Quality of Service and Customer Satisfaction	Anti-corruption	Privacy and Data Security
	Relevance of material topic: 17	Relevance of material topic: 9	Relevance of material topic: 7	Relevance of material topic: 7
Related impacts	**Efficiency in logistics.** **4 (S.) + 4 (P.) = 8** By implementing eco-design, the organisation plays a key role in improving the material and transport efficiency of products.	**Customer dissatisfaction (claims received).** **5 (S.) + 4 (P.) = 9** Operating in the market, the Organisation, is subject to claims from customers expressing dissatisfaction.	**Incidents of corruption.** **6 (S.) + 1 (P.) = 7** No matter how it manages the issue, through its failure to adopt and implement processes and systems that ensure that the Organisation operates according to high ethical standards and in line with current regulations, the Organisation is subject to the possibility of incurring incidents of corruption within its business.	**Employees trained on digital tools.** **4 (S.) + 3 (P.) = 7** The Organisation provides hours of training to employees on the use of new technologies and digital tools to protect the Organisation from potential cyber attacks.
	Improved energy efficiency of products/services sold. **5 (S.) + 4 (P.) = 9** Through R&D on the efficiency and sustainability of its products the Organisation brings to the market goods characterised by a lower environmental impact (in relation to industry standards).			

The above analysis revealed that the material themes of WAMGROUP are as follows:



Strategy

The Group's strategy focuses on efficiency by reducing costs, controlling product quality and service level according to demand requirements (factors on which the production activity also focuses thanks to the exploitation of patented solutions and WAMGROUP's know-how).

The Group aims to increase volumes and market share (commercial objectives) through careful management of costs and thus sales prices, setting itself the strategic objective of being the best price-performance solution on the market together with concrete and effective proximity to customers.

In recent times, the introduction of new product lines and technologies and the development of new applications are generating a cycle of revenue expansion, which is also supported by the dislocation of production and widespread commercial presence.

The Group aims to combine the advantages of synergies and economies of scale resulting from the centralisation of functions and services (mainly in WAMGROUP) and the benefits of market presence through production centres in the main geographical areas and active trading in specific markets.

The internationalisation strategy is accompanied by the management of the technical and commercial know-how component, mainly developed in the Italian facilities. In particular, the strategic functions of technical and commercial development and centralised services are united in WAMGROUP, with reference to which important areas of synergy and economies of scale have been identified.

High quality and best value for money have enabled and continue to keep the Group's products in an excellent position in the market. In this sense, the Group is constantly engaged in the development of a wide range of products, leading to the design and construction of specialised machines consisting of standard components.

Management Systems and Certifications

The Group has obtained several certifications, including UNI EN ISO 9001:2015 (WAM Industriale S.p.A., WAMGROUP S.p.A., WAM Italia S.p.A., TOREX S.p.A., RONCUZZI S.r.l., FLITECH S.r.l., SAVI S.r.l., SAVECO Italia S.r.l.); UNI EN ISO 14001:2015 (WAM Industriale S.p.A., SAVI S.r.l., SAVECO Italia S.r.l.), and UNI ISO 45001:2018 (SAVI S.r.l., SAVECO Italia S.r.l.).

Risks and Opportunities

[GRI 2-23; 2-24; 2-25; 2-26; 2-27; 205-1; 205-2; 205-4]

WAMGROUP considers the implementation of transparent, ethical and law-abiding conduct and behaviour to be fundamental in the performance of its business activities.

This is underpinned by the Group's Code of Ethics, which has been duly approved by the Board of Directors, applied to all subsidiaries, and is available on the WAMGROUP website in Italian, English, German and Portuguese. The Code also contains generic anti-corruption principles and a section on conflicts of interest.

A procedure is currently being implemented to ensure that each new employee is made aware of the Code of Ethics and that it is mentioned in the contracts they sign.

A code of conduct aimed at preventing episodes of corruption and a platform for whistleblowing, necessary to allow staff to make anonymous reports, will also be introduced shortly.

In addition, there is a team of people within the Group who work at regular intervals to preserve and protect the company values (People, Teamwork, Customer, Integrity, Responsibility, Passion and Sustainability).

The planned activities focus on the well-being of employees, the growth of ties with the region and the company, and charitable activities. The 'Values Group' is systematically developing activities aimed at safeguarding and disseminating the aforementioned values that underpin the daily choices and actions and inspire the activities of all WAMGROUP people.
Policies are made public through the corporate intranet portal and shared with all new employees. The implementation of new policies is always communicated to staff through appropriate tools.
Reference is made here to the Code of Ethics: https://wamgroup.com/WAMGROUP/media/WGRCodeOfEthics/Code-Of-Ethics.pdf




PEOP
PLAN
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WAMGROUP®



HARMONISATION WITH SUSTAINABLE DEVELOPMENT GOALS

PEOPLE

- Widespread company engagement
- Promoting a fair and inclusive workspace
- Territorial resilience



PLANET

- Fighting climate change
- Energy transition
- Responsible waste management and recycling
- Sustainable supply chain



PRODUCT

- Development of sustainable, safe and efficient products
- Building brand loyalty
- Transparency and security of ICT systems



As a global company, WAMGROUP recognises the need for extensive cooperation to tackle significant challenges facing people and the planet. Released in 2015, the United Nations' 2030 Agenda for Sustainable Development is a universal framework that serves as a tool to align priorities and efforts to advance aspirations for the world we want to live in – now and in the future.
The 17 UN Sustainable Development Goals (SDGs) lie at the core of the agenda and outline sustainable development challenges to address topics such as climate change, sustainable production, quality education, good health, and gender equality.

WAMGROUP has worked to create a set of goals that both support sustainable development and align with our stakeholder priorities. The Group is committed to playing its part in addressing these global challenges. The relevant SDGs for WAMGROUP are:

- Good Health and Wellbeing
- Gender Equality
- Decent Work and Economic Growth
- Industry, Innovation and Infrastructure
- Affordable and Clean Energy
- Responsible Consumption and Production
- Climate Action

To learn more about the United Nations' 2030 Sustainable Development Goals and their targets, please visit www.un.org/sustainabledevelopment


RCULE

3. PEOPLE

Inclusion and Empowerment of People[1]

[GRI 2-7; 2-8; 2-19; 2-20; 2-21; 2-30; 401-1; 401-2; 404-3]

WAMGROUP considers employees and collaborators an indispensable factor for its success. The Group protects and promotes the value of human resources to improve and increase the wealth of knowledge and skills possessed by each employee, pursuing and guaranteeing respect for human and workers' rights, the freedom and dignity of the individual, as well as the principles of justice, fairness and solidarity. The Group also guarantees the physical and moral integrity of its employees and collaborators, ensuring work conditions that respect individual dignity and a safe and healthy work environment. WAMGROUP is committed to responding to the current challenges that the socio-economic context and the labour market pose for most organisations worldwide. These include the high degree of difficulty in finding and retaining skilled labour and new talent, and the complexity of defining long-term strategies due to the uncertainty of the current labour market. In addition to these complexities, there is also the imperative need to ensure that all workers, both employees and non-employees, have suitable working conditions that are healthy and as free from hazards as possible. The main policies adopted to monitor issues relating to personnel management and health and safety in the workplace are set out in the Code of Ethics and within the Occupational Health and Safety Guidelines. In particular, through these policies, the Group is committed to:

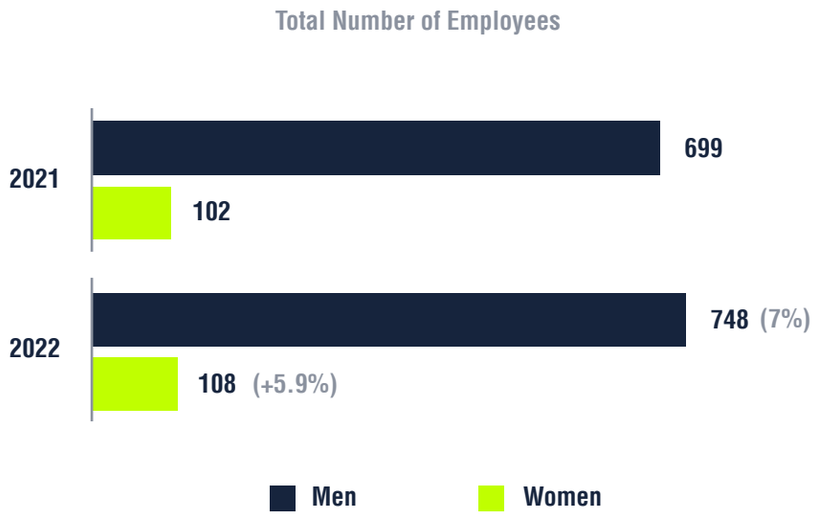
- protecting working conditions and trade union freedom;
- prevent accidents, injuries and occupational diseases;
- ensuring compliance with occupational health and safety regulations, spreading a culture focused on responsible behaviour by all workers;
- supporting the adoption of procedures and protocols to ensure the control of emergency situations;
- developing the professional and managerial skills of its employees and collaborators;
- attracting new talent and retaining the best resources.

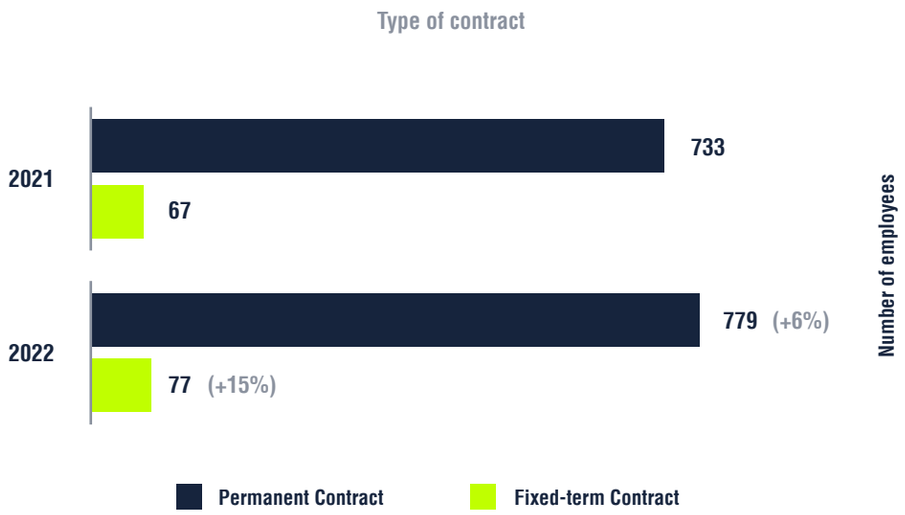
In this regard, within the ESG Plan, WAMGROUP has defined, among its short and medium-term objectives, actions aimed at (i) containing the frequency of accidents, (ii) extending the implementation of certified health and safety management systems as far as possible, (iii) increasing training hours, and (iv) developing talent retention programmes, including the 'Young Talents' programme. In line with its strategies over the years, the Group continues to invest in its employees, increasing its workforce and consequently its professional skills. To this end, WAMGROUP plans and organises training courses aimed at developing the skills necessary to carry out individual tasks and the growth of managerial skills. Adequate preparation and training also increase knowledge of operational processes, improve quality standards and simultaneously prevent accident risks.

1 As specified in the Methodological Note, the reporting scope for this documents is limited to the Italian Group companies.

The Group of Italian companies consists of 856 employees, 748 men and 108 women, more than 90% of whom are employed on a permanent basis. 100% of employees are covered by collective negotiation agreements, with the National Labour Contract being applied in all companies.

Employees by gender	2022			2021		
	Men	Women	Total	Men	Women	Total
Number of employees	748	108	**856**	699	102	**801**
Permanent Contract	683	96	**779**	641	92	**733**
Fixed-term contract	64	12	**77**	58	9	**67**
Full-time	744	92	**836**	694	87	**781**
Part-time	4	16	**20**	5	15	**19**





Employees by grade	2022			2021		
	Men	Women	Total	Men	Women	Total
Managers	10	-	**10**	8	-	**8**
Middle managers	33	1	**34**	28	1	**29**
Employees	229	74	**303**	224	67	**291**
Workers	476	34	**510**	439	33	**472**

Non-employed workers	2022			2021		
	Men	Women	Total	Men	Women	Total
Number of workers	97	11	**108**	94	17	**111**

Non-employees also include workers with a staff leasing contract concluded between the company and the temporary employment agencies, as well as students with curricular internship projects concluded between the company and the training institution (secondary school, university, ...).
The value includes all temporary workers and trainees who have had any experience during the year in question and is not a snapshot as of 31st December 2022.
The Group sees the use of temporary contracts as a way to get to know and be known, at the end of the period, if the conditions (professional, behavioural and market) are met, the aim being always direct stabilisation with WAMGROUP.

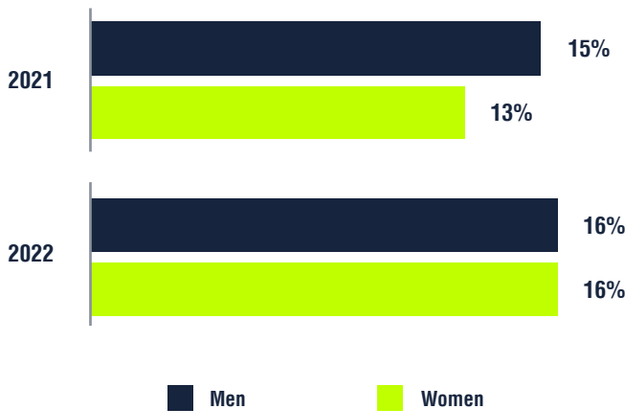
WAMGROUP actively promotes interaction with training organisations in the area (universities, colleges and vocational schools), seeing it as a valuable opportunity to get to know new resources and make oneself known.

To do so, WAMGROUP promotes both participation in local Career Days (in secondary schools, universities) and by offering to host curricular interns, on which WAMGROUP builds constructive and participative internship projects related to the different work teams.

Total number of new hires and turnover in the reporting period by age group, gender						
Number of new hires (1)	**2022**			**2021**		
	Men	Women	Total	Men	Women	Total
<30	35	8	43	43	4	47
30-50	64	8	72	47	8	55
>50	17	1	18	13	1	14
Total	**116**	**17**	**133**	**103**	**13**	**116**
Number of employees left	**2022**			**2021**		
	Men	Women	Total	Men	Women	Total
<30	16	3	19	14	1	15
30-50	25	1	26	21	3	24
>50	16	3	19	16	3	19
Total	**57**	**7**	**64**	**51**	**7**	**58**
Reasons for leaving	**2022**			**2021**		
	Men	Women	Total	Men	Women	Total
Resignation	38	4	42	31	4	35
Retirement	9	2	11	11	3	14
Redundancies	4	0	4	5	0	5
Non-renewed fixed-term	6	1	7	4	0	4
Total	**57**	**7**	**64**	**51**	**7**	**58**

Rate of new hires and turnover in the reporting period by gender						
	2022			**2021**		
	Men	Women	**Total**	Men	Women	**Total**
New hires	15%	13%	**14%**	16%	16%	**16%**
Employees left	7%	7%	**7%**	8%	6%	**7%**

New employees recruitment rate



It is also significant to note that in 2021, 7 employees were promoted to middle management and 3 new managers were appointed. In 2022, 5 new middle managers and 2 new managers were appointed.

This testifies to how growth in role and responsibility within the Group is a real prospect offered to all employees.

Internal communication ensures an effective exchange of information among our employees, creating a climate of cooperation and participation. At WAMGROUP, we are committed to taking a 360-degree approach to involving colleagues.

All employees are informed through the company website, a key tool in this process. Through this platform, in fact, one can access a wide range of information about the company: from our history, mission, values and the technological solutions we offer. But that's not all, the website also represents a place of connection for the entire Group.

In addition, another highly effective internal communication tool was implemented: the SharePoint intranet platform. This solution offers direct access to detailed information and resources specific to each department or corporate role. Templates, guidelines, images, and much more can be found there. The intranet also hosts a self-teaching section, which facilitates the exchange of knowledge among colleagues across the Group. A true treasure trove of resources for professional development.

The Group communicates officially with all Italian employees through the ZConnect application, which, thanks to a series of specific functionalities, allows them to easily access a wide range of company information and receive updates anywhere and in real time. This solution guarantees flexibility and ease

of use, simplifying the flow of communication and increasing efficiency. Through the mobile app, you can consult your payroll, request holidays and leave and approve your employees' slips in a timely and uncomplicated manner.

For quick and informal communication, a virtual noticeboard has been set up on WhatsApp. This WhatsApp group is a place for sharing news, announcements, events and information in real time. The virtual noticeboard fosters a strong sense of community and facilitates communication between Corporate, the different departments and affiliated companies. A way to stay connected and involved at all times.

In addition to these digital tools, an internal newsletter keeps colleagues updated on the latest Group news. The newsletter includes articles on ongoing projects, global successes and other relevant Group information. It is a communication channel that helps create a sense of belonging and involvement. Through this newsletter, the aim is to make employees feel part of the company's growth path.

At WAMGROUP, internal communication is firmly rooted. Creating an engaging ecosystem allows information to be shared, learning to take place and growing together. Fostering a culture of open and transparent communication, where every voice counts, contributes to our shared success.

Remuneration policies

[GRI 2-19; GRI 2-20; GRI 2-21]

The expected remuneration is primarily determined by the classification level to which the remuneration provided for in the applicable collective agreements is associated. The classification level is determined by the tasks assigned and the level of autonomy characterising their performance. Salary values for both new hires and existing staff may vary upwards due to the market salaries that are expected for similar figures.

Proposals for salary adjustments are drawn up by HR, considering both the market value and the skills acquired during a career in the company. The proposals are examined by the respective managers, who assess the appropriateness of the proposal and its functionality in the work team. The overall proposal is then submitted to management for approval.

In 2022, the ratio of the annual total compensation of the Company's highest-paid individual (General Manager) to the average annual total compensation of all employees excluding the highest-paid individual is 18%. The average of the percentage increase in the annual total remuneration of all employees excluding the highest-paid individual is around 2% in 2022.

Training of Our People

[GRI 404-1; 404-2]

Training is a core value and a factor of great importance to WAMGROUP. As a leading company in the field of bulk solids handling and processing technologies, WAMGROUP fully understands the importance of a highly qualified and trained workforce to meet the ever-increasing challenges of the global market.

WAMGROUP invests significantly in the continuous training of its employees, recognising that the acquisition and development of specialised skills is a key competitive advantage. Training aims to provide employees with the technical knowledge and skills needed to address customer needs and demands, as well as to stay abreast of technological developments and industry trends.

Training at WAMGROUP is not only limited to technical aspects, but also includes the development of soft skills such as leadership, time management and effective communication.



In addition, WAMGROUP fosters an environment of continuous growth by encouraging employees to share their knowledge and best practices through workshops and internal training sessions. This culture of knowledge sharing fosters the development of a cohesive and stimulated team, where innovation and efficiency are always at the core of the work.

Training is also a means of fostering the personal growth and development of employees. WAMGROUP offers career advancement opportunities and promotes internal and international mobility through specific training, mentorship and coaching programmes. This not only increases employee satisfaction and commitment, but also enables the company to develop solid leadership prepared for future challenges.

WAMGROUP successfully launched a two-year group talent training programme called 'Young Talents' with the aim of developing management skills for the company's future leaders. After successfully completing the first of the two Italian editions in 2023, WAMGROUP is excited to launch the first international edition of this programme, which will take place in the following two years.

The 'Young Talents' programme represents a significant investment by WAMGROUP to identify and nurture the potential of its most promising employees. Through a structured and intensive learning path, participants acquire management skills, leadership and strategic knowledge that is crucial for their future role as managers within the Group.

The results so far of the two Italian editions of the programme have been extremely satisfying. The participants have demonstrated a high level of commitment and motivation, putting into practice the skills they have learnt to face business challenges effectively and efficiently. They have emerged as true talents, showing significant growth both professionally and personally.

The launch of the first international edition of the programme represents an important milestone for WAMGROUP, as it testifies to the success and effectiveness of the training model adopted. The international scope of the programme will make it possible to involve employees from different cultures and work contexts, facilitating the exchange of ideas and best practices on a global level.

The Group is proud to be able to offer its employees the opportunity to participate in such an exciting and challenging programme, which will help develop a new generation of leaders within the Group. WAMGROUP once again demonstrates its commitment to fostering a culture of continuous learning and professional growth by investing in people to create a dynamic and stimulating work environment.

In addition to the 'Young Talents' programme, WAMGROUP continues its relentless training efforts by offering a wide range of internal and external training courses accessible to all employees.

WAMGROUP is committed to complying with compulsory training regulations and constantly keeps abreast of the latest laws and regulations relating to professional training by ensuring that its employees are trained in accordance with these regulations. This helps to ensure that all employees receive the training they need to fulfil legal requirements and improve their professional skills.

All these initiatives highlight WAMGROUP's ongoing commitment to providing training and development opportunities for its employees. The Group recognises that continuous training is essential to keep up with industry developments and to ensure a high level of competence and professionalism within the organisation.

The processes used to track the effectiveness of actions include internal (feedback) and external (audits) reviews and personal Gap Analysis forms assessed jointly between managers and employees (this is an ongoing process, valid in 2022 for WAMGROUP and WAM Industriale only; in the coming years it will be extended to the other Italian companies).

Training objectives are set annually at each GAP Analysis review (where present), or at the indication of individual managers to cover training GAPs and various training needs. In addition, companies registered with the Interprofessional Funds use the resources made available to finance part of the training, following the guidelines indicated by them.

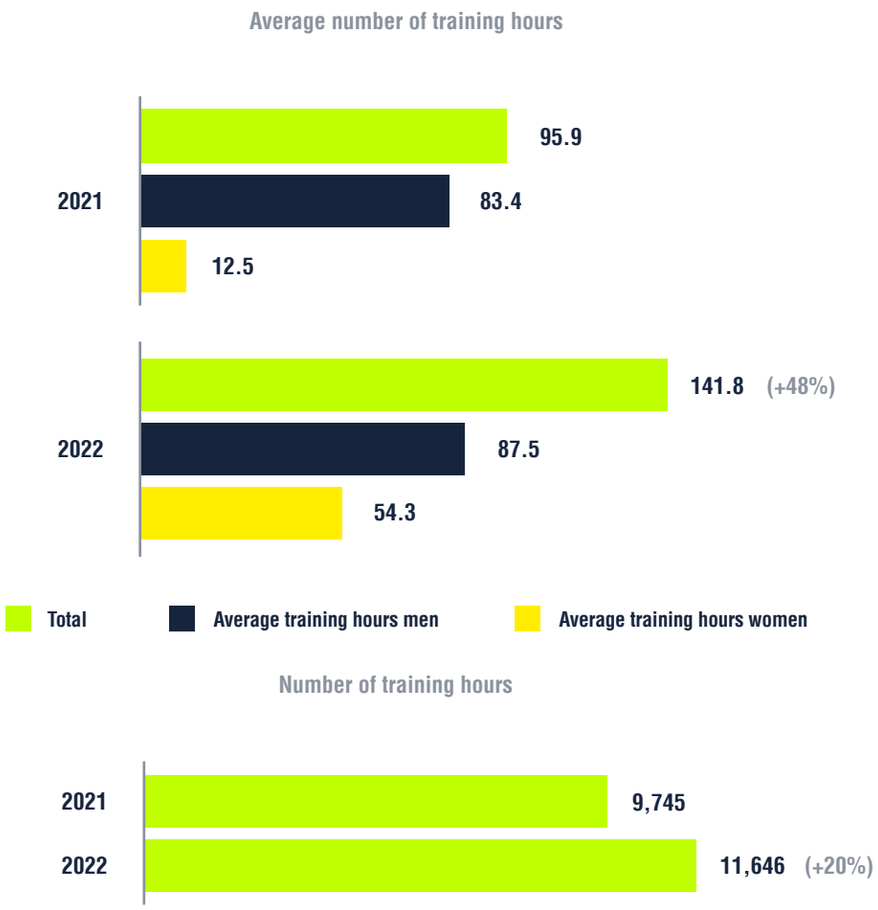
The effectiveness of the training so far is obtained from the feedback of the trainers and participants themselves as well as the managers.
WAMGROUP is currently in the process of implementing a Learning Management System (LMS365) that will help improve this aspect and better reorganise the Group's training management.

Average hours of training provided to employees during the reporting period, by gender and category

Number of training hours	2022			2021		
	Men	Women	Total	Men	Women	Total
Managers	239	0	239	122	0	122
Middle managers	919	41	960	1,086	0	1,086
Employees	6,954	933	7,887	5,330	753	6,083
Workers	2,538	22	2,560	2,410	44	2,454
Total	**10,650**	**996**	**11,646**	**8,948**	**797**	**9,745**

Average hours of training provided to employees during the reporting period, by gender and category						
Average number of training hours per employee	**2022**			**2021**		
	Men	**Women**	**Totale**	**Men**	**Women**	**Total**
Managers	23.9	0	23.9	15.3	0.0	15.3
Middle managers	27.8	41	68.8	38.8	0.0	38.8
Employees	30.4	12.7	43.1	23.8	11.2	35.0
Workers	5.3	0.6	6	5.5	1.3	6.8
Total	**87.5**	**54.3**	**141.8**	**83.4**	**12.5**	**95.9**
Number of training hours broken down by topic	**2022**			**2021**		
	Men	**Women**	**Totale**	**Men**	**Women**	**Total**
Compliance	696	48	**744**	327	26	**353**
ICT	832	108	**940**	1,335	189	**1,524**
Linguistics	666	144	**810**	545	75	**620**
Product	650	58	**708**	2,041	38	**2,079**
Health & Safety	1,167	28	**1,195**	1,014	22	**1,036**
Technical-professional	2,499	154	**2,653**	1,441	50	**1,491**
Soft skills	2,861	294	**3,155**	1,761	293	**2,054**
Other [2]	1,279	162	**1,441**	506	82	**588**
Workers	10,650	996	**11,646**	8,970	775	**9,745**
Number of participants	**2022**			**2021**		
	Men	**Women**	**Totale**	**Men**	**Women**	**Total**
Compliance	124	13	**137**	71	3	**74**
ICT	50	6	**56**	36	20	**56**
Linguistics	37	10	**47**	22	4	**26**
Product	122	16	**138**	147	5	**152**
Health & Safety	153	5	**158**	91	5	**96**
Technical-professional	141	13	**154**	127	6	**133**
Soft skills	143	14	**157**	99	8	**107**
Other [3]	42	10	**52**	40	4	**44**
Workers	812	87	**899**	633	55	**688**

2-3 "Other" refers to courses for new employees aimed at introducing the company's procedures and production methods.



In the last two years, the following internal training courses have been promoted:

- Courses in the area of Products;
- Courses in the area of Organisation and Corporate Knowledge;
- Courses in the area of Sales.

In the last two years, the following external training courses have been promoted:

- Courses in the area of Soft Skills (Communication, Time and Resource Management, Leadership, Problem Solving, etc.);
- Courses in the Technical area;
- Various courses (Project Management, Marketing, Operations, etc.).

An end-of-employment accompaniment programme, the Tutoring Project, was also consolidated: some retired senior employees were asked to continue working in the company as trainers for the younger generation.

A Fair and Inclusive Workplace

[GRI 405-1; 405-2; 406-1]

The Group, which has been present on the market and in the territory for over 55 years, has always invested in its workforce, guaranteeing respect for the rights of its employees and at the same time promoting inclusion and equal opportunities. The company does not believe it has caused any negative impact in this respect.

WAMGROUP is not involved in negative impacts. To promote wellbeing, equal opportunities and a better work-life balance it welcomes, where possible, employees' requests for part-time and leave of absence, access to flexible working hours for family needs and maternity/paternity leave.

WAMGROUP is committed to ensuring equal opportunities for its personnel from the time of recruitment and throughout the entire employment relationship. Aspects such as career advancement, training, remuneration, promotions and professional development are offered equally to all employees. Employees are treated equally, avoiding any form of discrimination based on ethnicity, gender, sexual orientation, physical and health condition, disability, age, nationality and religion.

Ratio of basic salary and pay of women to men		
Basic salary	**2022**	**2021**
	Total	**Total**
Managers	**-**	**-**
Middle managers	**81%**	**83%**
Employees	**79%**	**81%**
Manual and technical operators	**89%**	**89%**
Average salary	**2022**	**2021**
	Total	**Total**
Managers	**-**	**-**
Middle managers	**82%**	**81%**
Employees	**77%**	**75%**
Manual and technical operators	**84%**	**90%**

The following table concerns diversity in governing bodies.

Age groups									
2022	**<30**			**30-50**			**>50**		
	Men	Women	**Total**	Men	Women	**Total**	Men	Women	**Total**
Members of governing bodies	0	0	**0**	0	1	**1**	6	0	**6**

Age groups									
2021	**<30**			**30-50**			**>50**		
	Men	Women	**Total**	Men	Women	**Total**	Men	Women	**Total**
Members of governing bodies	0	0	**0**	0	1	**1**	4	0	**4**

Health and Safety at Work

[GRI 403-1; 403-2; 403-2; 403-4; 403-5; 403-6; 403-7; 403-8; 403-9; 403-10]

The analysis of each accident and the study of near misses has led to improved accident statistics over time. The number of working hours lost due to accidents has thus been reduced.

Periodic health checks on workers prevent the occurrence of possible occupational illnesses attributable to work in the company and consequent negative effects on the company's economy.

Among WAMGROUP's objectives is the improvement of occupational health and safety performance, with particular reference to the state of well-being and comfort of its workers. In addition, it is important to promote the participation of all workers in the process of risk prevention and health and safety protection towards their colleagues and third parties.

During the annual safety meeting, the Workers' Safety Representatives (RLS) and the Management are informed about: accident analysis, health surveillance, occupational diseases and the safety programme.

The management system follows the requirements of national legislation, in particular Legislative Decree 81/08 on safety at work.

An assessment of all risks within in the company (chemical risks, load handling, fire, etc.) is carried out; these assessments are periodically updated with each change in production processes. Depending on the type of risk, the assessment method differs. For each piece of equipment used by an operator, procedures and/or operating instructions are given on the operation and risks of the relevant equipment he or she uses.

On the occurrence of a dangerous or abnormal situation, the worker must immediately give verbal notification to his or her supervisor (Department or Service Manager), or his or her deputy, who will communicate by telephone with the Emergency Coordinator or his or her deputy. He or she must remain at the workplace until one of the following events occurs: arrival of the Emergency Team, significant delay in the intervention of the Emergency Team or evidence of serious risk.

Adequately trained workers are available during working hours, with courses in first aid. Workers' Safety Representatives (RLS) are also present in the workplace. The competent physician is available to carry out extraordinary medical examinations at the worker's request.

Using a matrix approach, where the risk R is calculated as the product of the probability of occurrence P and the damage D, an attempt is made to decrease both the probability and the damage. The probability is decreased primarily through training, while the extent of the harm is reduced through the provision of all necessary PPE (Personal Protective Equipment).

The Workers' Safety Representatives (RLS) participate, together with management, the Head of Prevention and Protection Service and the competent physician, in the annual safety meeting on health surveillance, accidents, Risk Assessment Document updating and occupational diseases. Annual workplace inspections are also carried out together with the Workers' Safety Representatives (RLS) and the competent physician. The Unitary Trade Union Representation (RSU) can report any critical situations to the management at any time.



The following training courses were conducted during the reporting year:

- General training;
- Specific training (high and low risk);
- Use of forklift trucks;
- Fire-fighting (medium risk);
- First aid (class A);
- Self-propelled cranes;
- Mobile elevating work platforms;
- Work at height and category III protective equipment;
- Supervisors;
- Workers' Safety Representatives (RLS);
- Driving self-propelled telescopic boom trucks;
- Operating procedures for working on machinery/equipment.

Workers covered by an occupational health and safety management system

	2022		2021	
Total number of employees covered by an occupational health and safety management system that has been audited or certified by independent third parties.	55	6%	55	7%

The number of employees covered by the ISO 45001 safety management system is the total number of employees of the companies SAVI (36) and SAVECO (19). All other Group companies do not have a certified management system but comply with Legislative Decree 81/08. Non-employees are not included in the safety management system.

Accidents at work and occupational diseases

WAMGROUP is committed to minimising the possibility of accidents and to limiting as far as possible the exposure to risk of all employees and non-employees working within its company boundaries.
Within the Group's procedures, with regard to the assessment and determination of occupational hazards that constitute a risk of an accident with serious consequences, a twofold recognition has been defined, which can be summarised in the following two steps:

1. analysis of the activities carried out by the operators, analysis of the facilities, plant, machinery and equipment present;
2. detailed analysis of all the risk categories envisaged by Legislative Decree 81/2008 and related decrees.

In order to eliminate hazards at work and minimise risks, WAMGROUP works through the following main steps:

- cognitive inspections aimed at examining departments, work areas, workstations, machines, etc;
- data acquisition meetings: all necessary information;

- examination of all material deemed necessary for the purposes of the assessment, including accident data, the results of health surveillance, existing documentation, etc;
- continuous comparison between the figures in charge of the assessment: Data Definition Language (DDL), Head of Prevention Service (RSPP), competent physician and Workers' Safety Representatives (RLS).

With the general risk assessment document, an analysis is made of all the activities carried out in the company, the production cycle, the tasks present and the work environment, oriented towards outlining a general risk picture. It may then be followed by specific in-depth studies, where deemed necessary, oriented towards investigating certain risk categories in greater detail (chemical risk, noise, etc.).

Accidents at work for all employees		
Employee accidents	**2021**	
	Nbr	**Rate**
Number and rate of deaths as a result of accidents at work	**0**	**0**
Number and rate of occupational accidents with serious consequences (excluding deaths)	**0**	**0**
Number and rate of accidents at work	**32**	**25.9**
Main types of accidents at work (brief description)	**Mechanical injuries (crushing, impacts and cuts) and foreign bodies in the eyes**	

Employees' occupational diseases		
Infortuni dipendenti	**2022**	
	Nbr	**Rate**
Number and rate of deaths as a result of accidents at work	**0**	**0**
Number and rate of occupational accidents with serious consequences (excluding deaths)	**0**	**0**
Number and rate of accidents at work	**24**	**19.3**
Main types of accidents at work (brief description)	**Mechanical injuries (crushing, impacts and cuts) and foreign bodies in the eyes**	

No occupational diseases are reported for the year 2021.

Employees' occupational diseases	2022
Recordable occupational diseases as of 31st December	**1**
of which deaths	0
Occupational diseases of other workers	**2022**
Recordable occupational diseases as of 31st December	**0**
of which deaths	**0**
Main types of occupational diseases	

In 2022, a bilateral occupational disease (Carpal Tunnel Syndrome) was diagnosed in an employee.

Workers' health promotion

For several years now, WAMGROUP has entered into territorial agreements with medical centres, outpatient clinics, physiotherapy centres, dentists, gyms and pharmacies, in order to offer direct and indirect employees, as well as their families, subsidised medical support and promote individual well-being.

In 2021 and 2022, WAMGROUP organised an initiative called "3K Run" to encourage physical activity such as running or walking for people's well-being and donate the proceeds from each kilometre run to charities. In addition, an open-air Pilates class has been organised at the company site in Ponte Motta since 2022, which is completely free of charge.

WAMGROUP also pays attention to psychophysical wellbeing and, in 2023, has set up a listening desk at the office of a psychologist with whom it has been collaborating for years, aimed at all employees (the first sessions are free of charge). Also in 2023, WAMGROUP organised a health information event to raise employee awareness of health prevention and plans to organise similar events in the future, as well as to include health-related packages in company welfare.

Social Commitment

[GRI 2-28; 201-1; 202-2; 413-1]

Relations with local communities

WAMGROUP has been present for over 55 years in the area and neighbouring territories in which it has invested and built several production plants.

The Group does not believe that it has caused any negative impacts as the types of production it carries out are non-polluting. No deforestation has been carried out to build the production plants.

Through its support of local communities, WAMGROUP generates socio-economic development in the area in which it operates. For example, the inclusion of members of the local community among an organisation's senior managers improves its market presence, generates economic benefits for the local community and improves a company's ability to understand local needs.

The Group has always maintained relations with local public administrations, seeking to achieve a continuous exchange with the local area. Over the years, several projects have been carried out with local administrations to develop and enrich the territory as well as the associations present.



Determination of Directly Generated and Distributed Economic Value		
	2021	2022
Economic value generated	**164,674,514.90** €	**217,489,372.49** €
Suppliers (reclassified operating costs)	90,411,997.28 €	118,507,790.95 €
Employees	43,315,779.07 €	48,277,874.82 €
Public administration	2,965,013.84 €	1,933,603.68 €
Shareholders	- €	- €
Financial system	369,145.44 €	767,150.52 €
Distributed economic value	**136,323,644.75** €	**167,952,118.93** €
Retained economic value	**28,350,870.15** €	**49,537,253.56** €

Among the most significant activities are charitable donations aimed at supporting local associations mainly related to children with disabilities: see the association Bimbi Sperduti (Lost Children), ASD PRIMAGIOCO and Fispes. Sums are also regularly donated to the local Croci Blu (Blue Crosses) and local parishes.

In 2022, WAMGROUP built and then donated to the Municipality of Cavezzo a multi-purpose football and rugby pitch with synthetic grass. A car park was built adjacent to the Ponte Motta production site. The car park is public and can be used by everyone, even non-WAMGROUP employees. A major renovation of a 'Votive Wayside Shrine' was recently completed, which can be used by company personnel but also by third parties. A road was built at the company's expense, which was then transferred as property to the municipality. The Group is also supporting the construction of a course for Alzheimer's patients, which will include several stations where the patients will be able to better develop the senses affected by the disease.

Every year 0.15‰ of the consolidated turnover is used for charitable and community-related activities. In years when the amount is not spent in full, it is set aside for the following year. In 2022, it was used. To date, no procedure has been formalised, but it is an established practice that has persisted for over 20 years[4].

4 Please note that the above indicator refers to the Italian territory.

WAMGROUP has always been very closely linked to the local territory, and for some years now has also been collaborating with associations that care for amputee and brain-damaged children.
The associations with which WAMGROUP collaborates include:

- "Bimbi Sperduti" A.s.d. (Lost Children)
- Basket Cavezzo A.s.d.
- Fispes (until end of 2022)
- Ganaceto Football Club
- Association "Prima Gioco"
- Municipality of San Prospero
- Croce Blu (Blue Cross)

Percentage of senior managers at significant operational sites recruited from the local community[5]		
Number and percentage of senior managers at significant operating sites hired from the local community	**2022**	**2021**
	3	1

5 Local staff are all employees who are resident in the region of the place of work and/or who are living up to 60km from the place of work.





4. PLANET

In the WAMGROUP organisation, ‘senior managers’ are defined as employees in a management role, managing people and budgets.

Fighting Climate Change

[GRI 305-1; 305-2; 305-4]

WAMGROUP has assessed the following risks of negative impact in its production process emissions:

- malfunctioning of fume and dust extraction and abatement systems
- emissions from thermal heating plants

Each production company in the Group is responsible for its own emissions, so any malfunction, failure or lack of maintenance can cause pollutants to be released into the air. For this reason, emissions are monitored with sampling. Regarding emissions from thermal power plants, annual flue gas tests are carried out.

To mitigate negative impacts, preventive maintenance activities are carried out on dust extraction and abatement systems and periodic checks, as required by regulations.

The Group’s companies scrupulously comply with the obligations imposed by law. However, no specific indicators have been set for emission control, the objective being strict compliance with the levels imposed by law. Any anomalies or malfunctions are reported directly by workers to the maintenance department. The periodic monitoring of filtration efficiency, planned by in-house maintenance staff, mitigates the risk of unwanted dust and smoke emissions. Thanks to the in-house production of dust collectors and filter fabrics with nanofibres, the detected emissions are often far below the legal limit.

Thanks to WAM Industriale S.p.A.’s ISO 14001 certification, actions to combat climate change are planned and monitored annually.

Direct emissions	UdM	2022	2021
Emissions related to petrol consumption	tCO2eq	45	32
Emissions related to diesel consumption	tCO2eq	225,527	198,820
Diesel for power generation	tCO2eq	41.9	0
Emissions from natural gas consumption for heating	tCO2eq	1,813	1,665

Fugitive emissions	UdM	2022	2021
R410A	tCO2eq	53.5	0
R134A	tCO2eq	1.4	0
R407C	tCO2eq	26.6	0
TOTAL EMISSIONS SCOPE 1	**tCO2eq**	**227,508**	**200,517**

Data on fugitive and direct emissions are reported through direct measurements.

Indirect emissions	UdM	2022	2021
Total electricity purchased and/or acquired [Italy]	kWh	8,590,574	8,103,503
Total electricity purchased and/or acquired from renewable sources [Italy]	kWh	4,737,864	4,482,220
Total emissions Scope 2 Location based	**tCO2eq**	**2,908**	**2,743**
Total Scope 2 Market based emissions	**tCO2eq**	**1,795**	**1,687**

Data on indirect emissions are collected from invoices received, as well as verified by monthly meter readings.

The intensity of Scope 1 and Scope 2 emissions is reported using Group turnover as the denominator.

Emissions Scope 1 + 2 - Market based	$kgCO_2$	229,303	202,204
Greenhouse Gas (GHG) emission intensity of Scope 2 - Market Based		**1.08**	**1.13**

In terms of emission intensity, by 2022, WAMGROUP had improved its emission efficiency by 4% by reducing its emissions by 0.05 kg of emissions per € turnover.

Energy Transition

[GRI 302-1; 302-3; 305-2]

To mitigate the negative impacts of electricity use, WAMGROUP implements a number of actions:

- control of energy consumption with possible reduction of losses or waste;
- use of energy from renewable sources;
- implementing self-production and consequently self-consumption of electricity;
- optimisation of consumption;
- achieving 25% energy self-production at most sites;
- reduction of methane consumption through the implementation of underfloor heating systems on all new buildings, which guarantee greater well-being and significantly reduce methane consumption;
- reduction of methane consumption by installing remote control management;
- LED lighting system replacement plan;
- improving monitoring of energy consumption to reduce waste and evaluate savings actions, by installing a system for monitoring and measuring electrical parameters aimed at:
    - control of consumption reduction actions;
    - management of alarms on abnormal consumption;
    - periodic analysis of consumption.

A plan to improve the monitoring of energy consumption was prepared in order to reduce waste and evaluate savings actions, by installing a system to monitor and measure electrical parameters aimed at:

1. Monitoring of consumption reduction actions;
2. Management of alarms on abnormal consumption;
3. Periodic analysis of consumption.

Within the activities included in the Environmental Management System, certain indicators are monitored in relation to waste and electricity and gas consumption.

	UdM	2022	2021	UdM	2022	2021
Petrol consumption car fleet and other means	Litres	13,639	19,316	GJ	640	452
Diesel consumption car fleet and other means	Litres	198,820	225,485	GJ	8,148	7,184
TOTAL CONSUMPTION FLEET CARS AND OTHER MEANS	**Litres**	**212,459**	**244,801**	**GJ**	**8,787**	**7,636**
Natural gas consumption for heating	m³	823,618	896,882	GJ	32,144	29,518
TOTAL CONSUMPTION FOR HEATING	Litres	823,618	896,882	**GJ**	**32,144**	**29,518**
Diesel consumption for power generation	Litres	0	15,500	GJ	560	0
TOTAL CONSUMPTION OTHER FUELS	Litres	0	15,500	**GJ**	**560**	**0**
Consumption of electricity purchased from renewable sources	kWh	3,549,431	3,346,879	GJ	12,778	12,048
Consumption of electricity purchased from NON-renewable sources	kWh	5,041,143	4,756,624	GJ	18,148	17,123
Purchased electricity consumption	kWh	8,590,574	8,103,503	GJ	30,926	29,172
Electricity produced by photovoltaic system	kWh	1,528,916	1,461,503	GJ	5,504	5,261
Electricity produced by photovoltaic system sold	kWh	340,483	326,162	GJ	1,226	1,174
Self-consuming electricity produced by photovoltaic system	kWh	1,188,433	1,135,341	GJ	4,278	4,087
TOTAL ELECTRICITY CONSUMPTION	**kWh**	**9,779,007**	**9,238,844**	**GJ**	**35,204**	**33,260**
TOTAL ENERGY CONSUMED	**kWh**	**10,936,190**	**10,274,921**	**GJ**	**76,696**	**70,414**

The data were obtained both from individual invoices and from a monthly meter reading.

Energy intensity

As with emissions, the intensity of energy consumption per € of turnover was calculated.

Energy intensity	UdM	2022	2021
	MJ/€	0.36	0.39

In terms of energy intensity, by 2022, WAMGROUP had improved its efficiency by 8% by reducing its energy consumption by 0.03 MJ per € turnover.



Responsible Waste Management and Recycling

[GRI 306-1; 306-2; 306-3]

Most of the waste consists of ferrous waste and waste from wood packaging.

Hazardous waste, on the other hand, includes aqueous washing solutions from the phosphodegreasing plant, shotblasting waste, emulsions, paint waste, as well as grinding bodies.

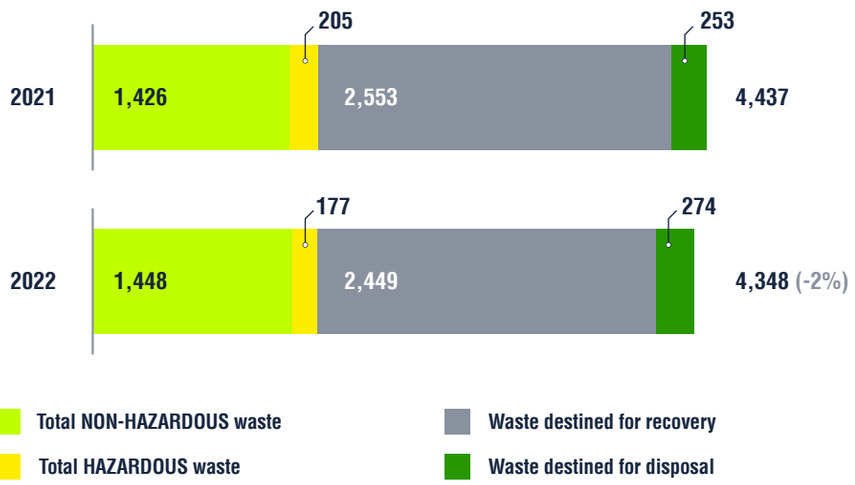
In terms of costs, the most impactful hazardous waste is EWC 120116* (residues of blasting materials containing hazardous substances). The index 'Hazardous waste produced / Raw material purchased' in 2022 increased slightly compared to the previous years due to this waste.

Approximately € 12,000 were spent on this waste. Another major hazardous waste in terms of costs is EWC 120301* (aqueous washing solutions): almost € 8,000. Some € 7,000 were spent on 120109* (emulsions)
.
Waste management is handled internally; no third-party company is involved.

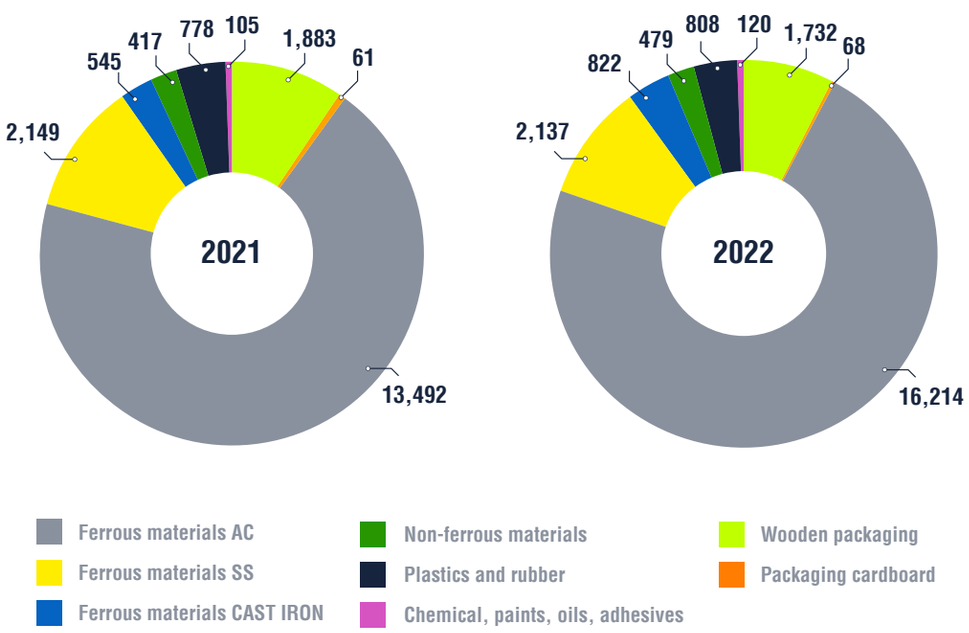
Total weight in tonnes of waste generated and breakdown of total weight according to waste composition*			
Waste produced	**UdM**	**2022**	**2021**
Total NON-HAZARDOUS waste	*t*	1,448.91	1,426.73
waste destined for recovery	*t*	2,374.02	2,475.49
waste destined for disposal	*t*	76.07	17.48
Total HAZARDOUS waste	*t*	176.97	205.30
waste destined for recovery	*t*	75.76	78.01
waste destined for disposal	t	198.68	235.92

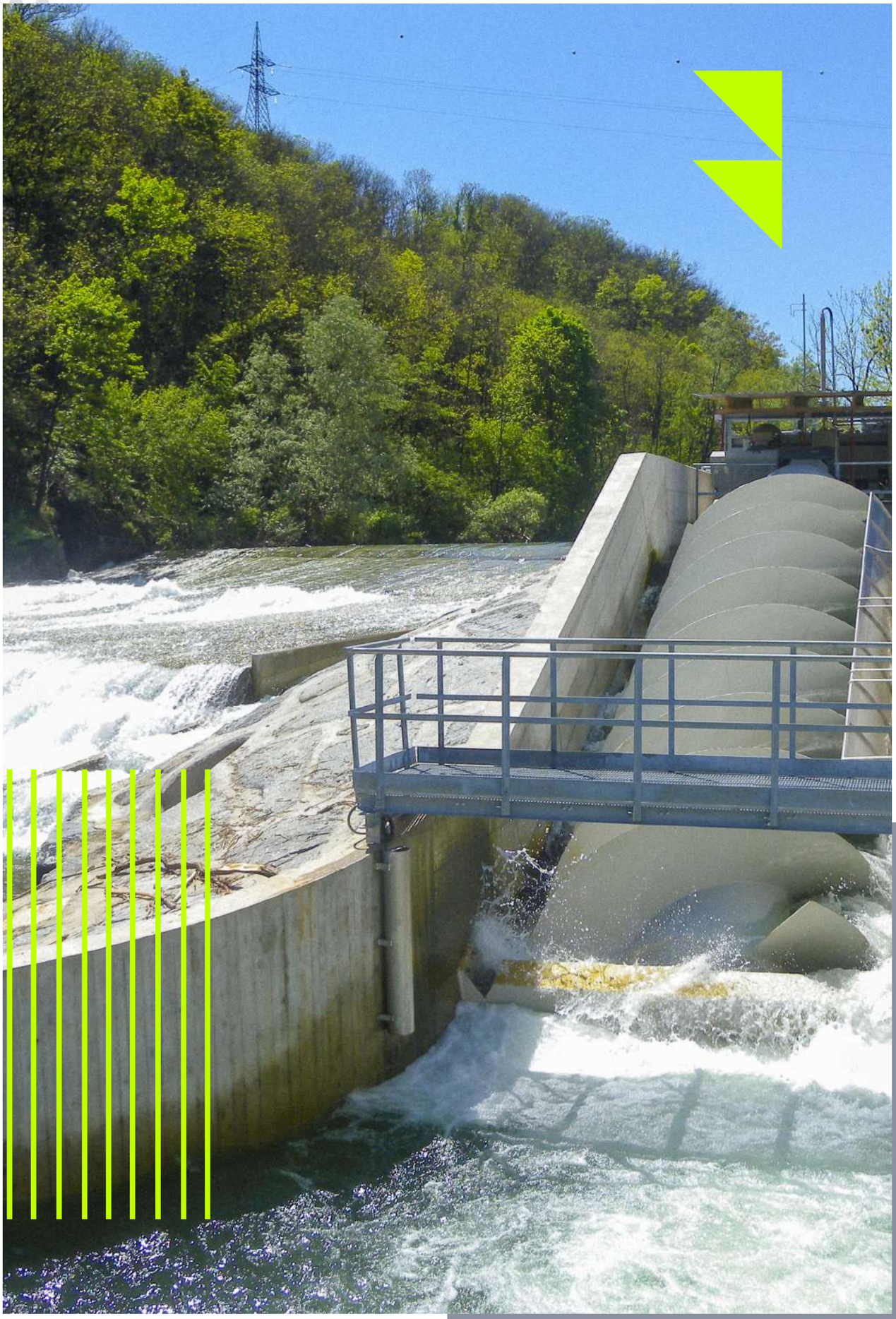
** The figures do not include waste produced by the following companies: TECNO CM and FLITECH.*

Waste produced (t)



Type of Waste (t)





During the reporting period, the company reduced the amount of hazardous waste produced by 15.8%.

The data are derived from direct measurements through forms. WAM Italia and SAVECO Italia deliver waste to WAM Industriale.

Risaia del Duca did not produce any waste in 2022 as the activity only started in July 2022.

At present, hazardous waste is placed in specially demarcated and designated areas.

Handling and transport of waste produce a potential negative impact of hazardous waste (especially liquid) spills on soil. Aesthetic pollution of the landscape, subsoil, air and surface water pollution represent potential negative impacts.

Poorly controlled disposal of waste on land can lead to a number of negative impacts on environmental components and public health.

To mitigate the negative impacts, WAMGROUP aims to reduce the impact on draining water and to reduce the undifferentiated fraction of municipal waste and related costs. To this end, a new ecological island/ temporary storage facility for hazardous waste was built complete with covers and double containment.

To monitor the effectiveness of the actions undertaken, the following indicators are used:

- Hazardous waste produced (kg);
- Disposal costs (€);
- Hazardous waste / total hours worked;
- Hazardous waste / raw material purchased;
- Mixed packaging waste produced / total hours worked.

With regard to the actions planned last year, it is noted that:

- The construction of the new temporary storage facility for hazardous waste is pending. In the meantime, several improvements have been made to the existing one.
- The wastewater project has meanwhile progressed, and work on the extension of an existing shed in the east yard has also been reduced.
- A feasibility study for separate waste collection and contacts with the public waste manager, AIMAG, are in the final stages.

The Environmental Policy, communicated inside and outside the Group and available to all interested parties and those who request it, defines the principles established for:

- protection of the environment by reducing pollution;
- meeting obligations to comply with environmental legislation;
- continuously improving the environmental management system to increase environmental performance.

WAMGROUP is therefore committed to:

- aiming for maximum yield in process energy consumption and methane consumption;
- aiming for maximum raw material yield by minimising waste;
- reducing the environmental impact of waste production, minimising its production and favouring recovery over disposal as the final destination of waste;
- improving the safety of storage of hazardous substances and waste;
- gradually raising awareness among contractors and suppliers of the benefits of environmental management of their processes;
- minimising the impact of atmospheric emissions including the emission of Volatile Organic Compounds (VOC);
- keeping monitored and limiting the acoustic impact of work in the external environment;
- improving the aesthetic impact of the site;
- reduceing light pollution resulting from night lighting.

In an energy-intensive sector such as the metalworking industry, the company's desire is to distinguish itself and assert itself with respect to competing companies, using environmental policy as a strong point in view of customers who are increasingly sensitive and attentive to global environmental protection. Concrete and lasting improvement requires the commitment and involvement of all functions in the organisation, from workers to managers, all supervised by Top Management.

In view of the above, the Management defines an environmental policy that responds to the need and desire to guarantee economic and social development, paying greater attention to protecting the environment of the Modenese lowlands.

Sustainability of Raw Materials and Circularity

[GRI 301-1; 301-2]

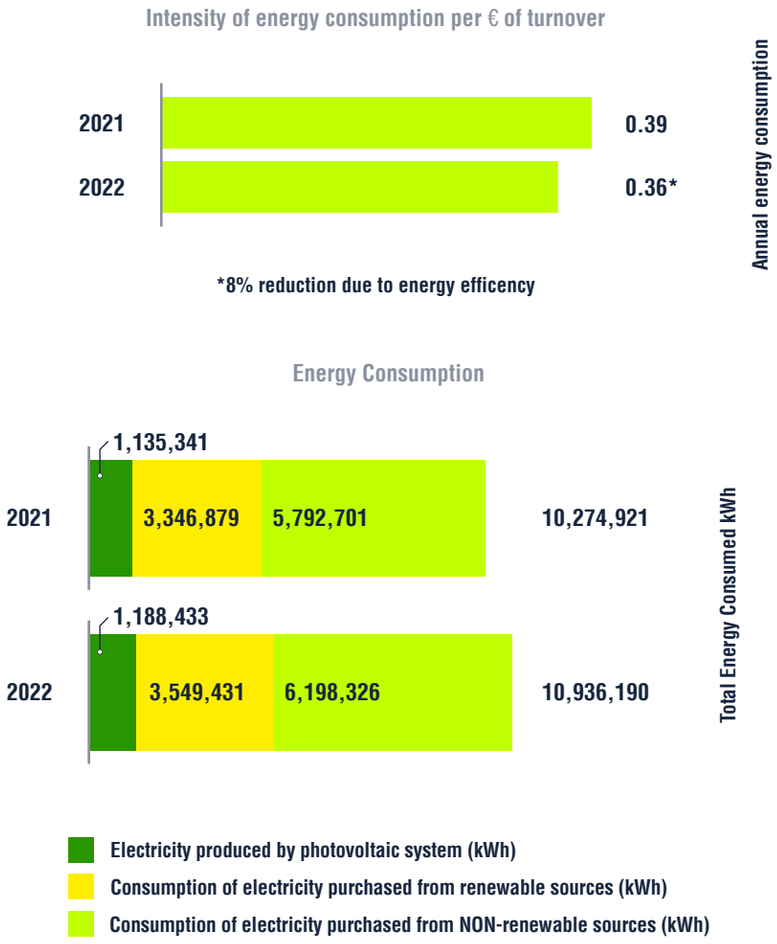
Renewable materials	UdM	2022	2021	Notes
Wooden packaging (PSG 832,833, 836)	**ton**	1,732	1,883	The WAMGROUP Merchandise Classification reads: 832: Undefined wooden packaging; 833: Patterned wooden packagings (folding cartons, pallets, crates, cages); 836: Wooden pallets
Packaging cardboard (PSG 831)	**ton**	68	61	The WAMGROUP Merchandise Classification reads: 831: Patterned cardboard packaging
NON-renewable materials	**UdM**	**2022**	**2021**	**Notes**
Ferrous materials AC (RM01, RM11, RM21, SP15)	**ton**	16,214	13,492	The WAMGROUP Merchandise Classification reads: RM01: PLATES, THREADED AND EXTRUDED CARBON STEELS, ALLOYED AND SPECIAL STEELS (subclasses ERP code 001÷015); RM11: CARBON, ALLOYED AND SPECIAL STEEL PIPES (080÷083); RM21: STEEL CASTINGS (ROUGH) (120÷121); SP15: CARBON-STEEL WIRE MESHES (260÷263)
Ferrous materials SS (RM02, RM12, SP16)	**ton**	2,137	2,149	The WAMGROUP Merchandise Classification reads: RM02: STAINLESS-STEEL PLATES, THREADED AND EXTRUDED (subclasses ERP code 030÷043); RM12: STAINLESS-STEEL PIPES (090÷092); SP16: STAINLESS-STEEL WIRE MESH (270÷273)
Ferrous materials CAST IRON (RM22)	**ton**	822	545	The WAMGROUP Merchandise Classification reads: RM22: (COARSE) CAST IRON CASTINGS (subclasses ERP code 130÷136)
Non-ferrous metals (RM03, RM23)	**ton**	479	417	The WAMGROUP Merchandise Classification reads: RM03: ALUMINIUM AND ALLOYS (subclasses ERP code 060÷062); RM23: CASTINGS (UNWROUGHT) IN ALUMINIUM AND ITS ALLOYS (150÷157)

Plastics and rubber (RM41, SP85, CP12, 834, 835)	**ton**	808	778	The WAMGROUP Merchandise Classification reads: RM41: PLASTIC AND RUBBER MATERIALS (ERP subclasses code 180÷184); SP85: PLASTIC AND RUBBER COMPONENTS (TO DRAWING) (430÷435; 440÷444); CP12: PLASTIC AND RUBBER COMPONENTS (COMMERCIAL) (651÷653); 834: Plastic packaging; 835: Packaging materials and accessories (polyethylene bags, shrink film, bubble wrap, steel or plastic strapping, nails, stretch wrap, adhesive tapes)
Chemicals, paints, oils, adhesives (RM51, IM02)	**ton**	120	105	The WAMGROUP Merchandise Classification reads: RM51: CHEMICALS (DIRECT) (190÷194); IM02: OILS, PAINTS, ADHESIVES, SEALANTS, FUELS AND RESINS (807÷813; 951; A53; A54)
Filtering materials (630-631)	**ton**	167	124	The WAMGROUP Merchandise Classification reads: 630: Nonwoven fabrics (fleece); 631: Felt fabrics
Materials used	**UdM**	**2022**	**2021**	**Notes**
Wooden packaging (PSG 832,833, 836)	**ton**	1,732	1,883	The WAMGROUP Merchandise Classification reads: 832: Undefined wooden packaging; 833: Patterned wooden packagings (folding cartons, pallets, crates, cages); 836: Wooden pallets
of which recycled	**ton**	n/a	n/a	
Packaging cardboard (PSG 831)	**ton**	68	61	The WAMGROUP Merchandise Classification reads: 831: Patterned cardboard packaging
of which recycled	**ton**	n/a	n/a	
Ferrous materials AC (RM01, RM11, RM21, SP15)	**ton**	16,214	13,492	The WAMGROUP Merchandise Classification reads: RM01: PLATES, THREADED AND EXTRUDED CARBON STEELS, ALLOYED AND SPECIAL STEELS (subclasses ERP code 001÷015); RM11: CARBON, ALLOYED AND SPECIAL STEEL PIPES (080÷083); RM21: STEEL CASTINGS (ROUGH) (120÷121); SP15: CARBON-STEEL WIRE MESHES (260÷263)
of which recycled	**ton**	n/a	n/a	
Ferrous materials SS (RM02, RM12, SP16)	**ton**	2,137	2,149	The WAMGROUP Merchandise Classification reads: RM02: STAINLESS-STEEL PLATES, THREADED AND EXTRUDED (subclasses ERP code 030÷043); RM12: STAINLESS-STEEL PIPES (090÷092); SP16: STAINLESS-STEEL WIRE MESH (270÷273)

of which recycled	**ton**	n/a	n/a	
Ferrous materials CAST IRON (RM22)	**ton**	822	544	The WAMGROUP Merchandise Classification reads: RM22: (COARSE) CAST IRON CASTINGS (subclasses ERP code 130÷136)
of which recycled	**ton**	n/a	n/a	
Non-ferrous metals (RM03, RM23)	**ton**	479	417	The WAMGROUP Merchandise Classification reads: RM03: ALUMINIUM AND ALLOYS (subclasses ERP code 060÷062); RM23: CASTINGS (UNWROUGHT) IN ALUMINIUM AND ITS ALLOYS (150÷157)
of which recycled	**ton**	n/a	n/a	
Plastics and rubber (RM41, SP85, CP12, 834, 835)	**ton**	808	778	The WAMGROUP Merchandise Classification reads: RM41: PLASTIC AND RUBBER MATERIALS (ERP subclasses code 180÷184); SP85: PLASTIC AND RUBBER COMPONENTS (TO DRAWING) (430÷435; 440÷444); CP12: PLASTIC AND RUBBER COMPONENTS (COMMERCIAL) (651÷653); 834: Plastic packaging; 835: Packaging materials and accessories (polyethylene bags, shrink film, bubble wrap, steel or plastic strapping, nails, stretch wrap, adhesive tapes)
of which recycled	**ton**	n/a	n/a	
Chemicals, paints, oils, adhesives (RM51, IM02)	**ton**	120	105	The WAMGROUP Merchandise Classification reads: RM51: CHEMICALS (DIRECT) (190÷194); IM02: OILS, PAINTS, ADHESIVES, SEALANTS, FUELS AND RESINS (807÷813; 951; A53; A54)
of which recycled	**ton**	n/a	n/a	
Filtering materials (630-631)	**ton**	167	124	The WAMGROUP Merchandise Classification reads: 630: Nonwoven fabrics (fleece); 631: Felt fabrics
of which recycled	**ton**	n/a	n/a	
Total materials used	**ton**	**22,547**	**19,554**	
Total recycled materials	**ton**	**N/A**	**N/A**	
Total recycled materials	**%**	**N/A**	**N/A**	

WAMGROUP has joined the EcoVadis platform to assess its sustainability performance. EcoVadis is among the most important eco-sustainability rating platforms operating worldwide.

Focus on: Experience in Sustainability/1 – Energy Production from Photovoltaics







5. PRODUCT

Development of Sustainable, Safe, and Efficient Products

[NON-GRI Indicator Claims Management]

The Group's companies are involved in generating negative or positive effects (when performing well) in relation to the defined indicators. The Group is committed to continuous improvement processes, both as a consequence of ISO 9001 certification and as a general attitude to process optimisation.

Business relations with direct and indirect customers concern marketing of powder and granule handling products for industry and the treatment of wastewater and organic waste.

With some product lines such as Dust Collectors from the Filter Division, the Wastewater Treatment Division, as well as the Solids-Liquid Separation Division, the Group contributes to the reduction of the impact of human and production activities on the environment. The 'Risaia del Duca' farm is aimed at training future agricultural entrepreneurs and demonstrating the possibility of creating farms with a circular economy.

The Group aims to improve its activities to gain new market shares, reduce waste that generates costs and environmental impact, reduce defects that reach the market and improve customer satisfaction.

In particular, for the Group's companies operating in environmental sectors, the focus on compliance with standard and legal requirements is progressively increasing, with the continuous development of new products and improvement of existing products and processes, and with the collaboration of universities and public bodies.

Non-quality products may cause direct soil and air pollution, as well as requiring remedial work that impacts the environment (transport, waste, production of new parts/products) and forces operators to work in sub-optimal conditions (climate, ergonomics, working environment). Low-quality services force urgent activities (fast and/or non-optimised transport) that have a greater impact on the environment. For operators, working in an urgent situation leads to stress.

The system for dealing with problems in the field is implemented by means of the claims management process and includes, in the most extreme case, the possibility of a product recall. In the most frequent cases, it envisages product and/or production process improvements (corrective actions) and always the resolution of the problem in the field (problem management). User and installer customers (if any) are always involved in these processes to convey to them the Group's commitment to continuous product improvement.

WAMGROUP offers customers training on its products to enable proper use that prevents negative impacts on the environment and the operators working on the equipment.

No cases of impactful problems have been reported in the recent past that would require action beyond normal claims management.

As described above, WAMGROUP has developed a number of product lines aimed at environmental sustainability issues; the most innovative products are illustrated to the market through industry conferences and academic articles written by university researchers with whom the Group collaborates in the research phase.

Being certified, processes to measure and control the effectiveness of actions include internal and external audits, KPIs for measurement, claim management and internal final customer satisfaction monitoring. New or developing products are benchmarked, as are purchasing activities.

Targets for each KPI are set in a realistic but challenging manner by the Management. For products subject to regulations, performance is determined by the regulations themselves, by government bodies and by legal dictates.

By company policy, start-up companies are not ISO 9001 certified: MVM, CHIOR, Risaia del Duca. Companies that produce or market products for environmental sectors are also ISO 14001-certified: SAVI, WAM Industriale, SAVECO Italia.

Claims received and managed	UdM	2022	2021
Claims received	n	1,360	1,579
Claims managed	n	1,319	1,534
Customer retention rate	**UdM**	**2022**	**2021**
Number of customers previous year	n	3,946	2,975
Number of new customers acquired during the year	n	404	928
Number of customers at year end	n	4,203	3,946
Customer Retention Rate	**%**	**96%**	**101%**
Compliance with delivery lead time	**UdM**	**2022**	**2021**
Total number of orders received*	n	14,989	15,108
Number of orders for which the delivery lead time was respected	n	14,814	14,882
% of orders for which the delivery lead time was respected	**%**	**99%**	**99%**

** The figure is only available for WAM Industriale and CHIOR.*

Notes to claims data and number of customers

The implementation of control procedures along all stages of the process, from the design phase through to the production phase, has had a significant positive impact on reducing the number of claims compared to 2021. This means that through careful management of each stage of the production cycle, WAMGROUP has managed to improve product quality and better meet customer expectations, leading to a gradual decrease in the number of complaints and problems encountered.

Claims received and managed by order



In 2021, marketing actions aimed at acquiring new customers were undertaken. In 2022, a stabilisation of acquisition rates was observed. Despite this stabilisation, it should be noted that the total number of customers acquired in 2022 set a new record, representing an important milestone for WAMGROUP. This success made it possible to further expand the global customer base and consolidate the Group's position in the market.

Customer retention rate



Sustainability of the Supply Chain

[GRI 308-1; 308-2]

Sustainable sourcing

The Group uses suppliers who, due to the type of products and services they offer and due to their geographical location, can have an impact on the environment, people and the economy.

For this reason, the MILK RUN project has been in operation for some years now, thanks to which the logistics department has optimised pick-ups and deliveries of materials between the most distant companies to avoid inefficient journeys. Thanks to this system, indirect emissions have been reduced, with an estimated saving of 60,000 km/year and a cost reduction of approximately € 40,000/year.

Regarding the impact on the environment, the Group purchases raw materials (e.g., flat products, drawn/extruded products, pipes, castings and moulded parts) which originate from virgin, non-renewable ferrous and non-ferrous materials and which require a lot of energy to be transformed into the materials mentioned above, with a consequent additional impact on the environment. A positive aspect of these semi-finished materials is the possibility of recycling.
The production of these raw/semi-finished materials can have negative impacts related to the safety and health of workers, as they are 'dirty' production processes.
Another type of purchase that could have a negative impact especially on the environment is that concerning materials with a medium/high level of difficulty in terms of their recyclability (i.e., polymers, laminated or drawn plastic or rubber items, plastic and rubber semi-finished and finished products) and that concerning wooden and cardboard packaging, if not produced in a sustainable manner.
Group companies use suppliers that are not only 'local', but also physically quite 'distant', with a consequent environmental impact related to transport.

Evaluated suppliers	UdM	2022	2021
New suppliers assessed according to environmental criteria	Nbr	0	0
New suppliers appointed during the year	Nbr	480	370
Percentage of new suppliers assessed according to environmental criteria	**%**	**0**	**0**

** The figure is estimated and does not cover all the companies included in the perimeter. The SAP update will lead to greater uniformity and completeness of data in future reporting years.*

Innovation and ICT Safety

[GRI 418-1]

WAMGROUP has a Privacy Code for internal staff and there is a Privacy Policy on the site to manage the data of those who access the site https://supplier.wamgroup.com/it-IT/supplier/policy_it

A company PEC (certified e-mail) was established for reports/enquiries.
During 2023 (outside the reporting period), WAMGROUP has equipped itself with innovative software systems seized to mitigate cyber-attacks also with the aim of protecting all data.

Investment in advanced technology:

- New antivirus system with XDR
- New anti-spam system
- Antivirus protection on Office 365
- Antivirus on all Linux servers
- Audit log system for user activity, system administrators and IT suppliers
- VDI activation for technical office PC workstations

Planned future IT security investments on SASE and DLP.

Monitoring and prevention services:

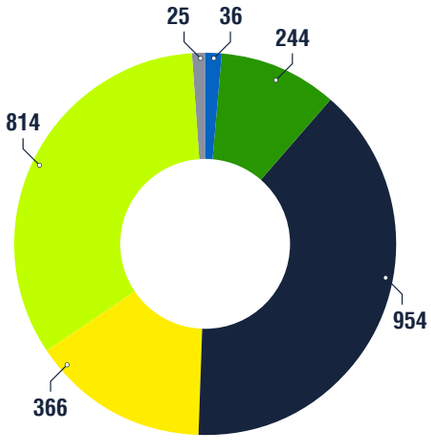
- SOC: Security Operation Centre
    - SIEM platform
    - Threat identification and response
    - Alerting & Early Warning
    - Vulnerability Assessment
    - Cyber Intelligence
    - Security Device Management
- NOC: Network Operation Control
    - Monitoring Platform
    - Proactive monitoring of servers and data centre infrastructure
    - Service desk and call centre
    - First and second level Help Desk
    - System support
- CLOC: Cloud Operation Centre
    - Centralised backup management console
    - Backup remotisation

Investments will be planned in the coming years to implement a Disaster Recovery solution.

In 2021 and 2022, there were no substantiated complaints received concerning breaches of customer privacy, neither from external parties nor regulatory bodies.

Focus on: Experience in Sustainability/2 - R&D Projects for Energy and Process Efficiency

Energy saved by new products sold in 2022



- Micro-batch feeders for powders “MBH”
- Gear reduction units for wastewater treatment sector, S-series
- Silo venting filters “SILOTOP”
- Configurable dust collectors
- Cement screw feeders “DEC”
- Sludge treatment system “POLYLESS”

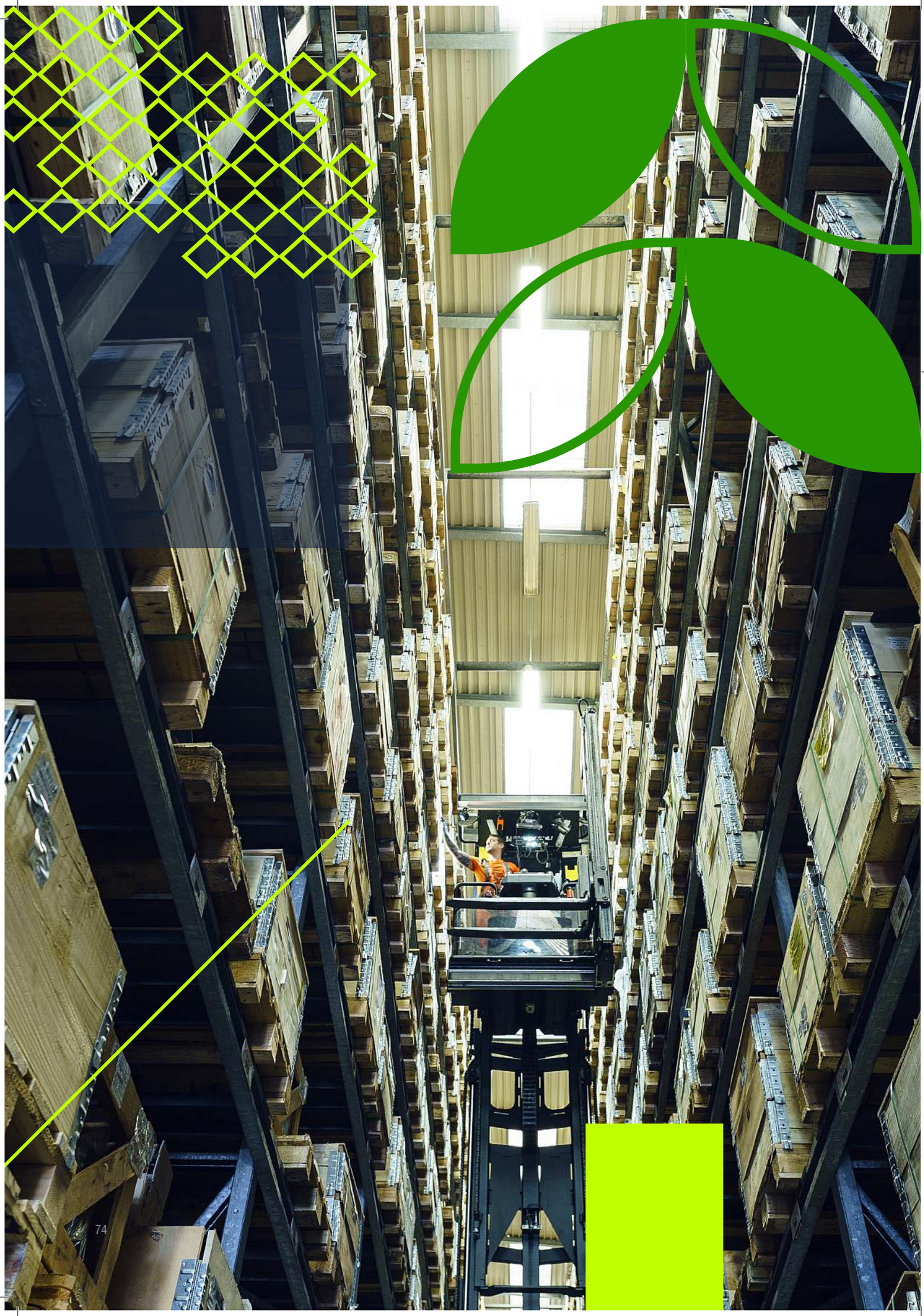
Product/service*	Year Baseline	UdM	Value Baseline	Baseline calculation methodology	Notes
Gear reduction units for wastewater treatment sector, S-series	2022	GJ	2,700	Energy consumed by the total range of old gear reducers sold in 2022	Conservative calculation considering an average usage of only 8 hours/day
Sludge treatment system “POLYLESS”	2022	GJ	50	A conventional plant with a filter press consumes about 12,800 kWh per year.	Conservative calculation carried out on pilot plant approved by Italian Ministry of Economic Development
Micro-batch feeders for powders “MBH”	2021	GJ	10	Energy consumption of the old machine considering working 16 hours/day	Considering 16 hours per day usage of the machines sold. We only consider the number of machines replacing the previous ones.
Silo venting filters "SILOTOP"	2021	GJ	1.5	Electricity consumed, production of compressed air needed for filter cleaning	Annual consumption per filter
Configurable dust collectors	2021	GJ	3	Electricity consumed, production of compressed air needed for filter cleaning	Annual consumption per filter
Cement screw feeders “DEC”	2021	GJ	6	Old screw feeders 5.5 t/kWh, new 6.5 t/kWh, estimated handling 8,900 t/year per screw	Calculation made after tests on two sites

** Data refer to WAM Industriale*

Product/service*	UdM	Energy consumption product sold	Number of products sold/ services provided 2021	Number of products sold/ services provided 2022	Reduction of energy require-ments of products sold 2021	Reduction of energy require-ments of products sold 2022
Micro-batch feeders for powders “MBH”	GJ	4	35	22	- 207	- 130
Gear reduction units for wastewater treat-ment sector, S-series	GJ	1,872	/	92	/	- 881
Silo venting filters “SILOTOP”	GJ	0.97	/	7,085	/	- 3,443
Configurable dust collectors	GJ	2	/	1,466	/	- 1,322
Cement screw feed-ers “DEC”	GJ	5	3,620	3,277	- 3,244	- 2,937
Sludge treatment system “POLYLESS”	GJ	37	/	10	/	- 91

** Data refer to WAM Industriale*


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6. METHODOLOGICAL NOTES

Objectives of the Document

This document constitutes WAMGROUP S.p.A.'s first Sustainability Report. It has been drawn up on a voluntary basis. The Company decided to draw up a first non-financial report to track and communicate its commitment to environmental, social and governance sustainability issues.

Scope and Reporting Period

The following companies of the Group constitute the subjects included in the sustainability reporting: WAMGROUP S.p.A.; WAM Industriale S.p.A.; WAM Italia S.p.A.; TECNO C.M. S.r.l.; SAVECO Italia S.r.l.; TOREX S.p.A.; CHIOR Meccanica S.r.l.; FLITECH S.r.l.; RONCUZZI S.r.l.; Azienda Agricola Risaia del Duca Società Benefit; MVM S.r.l.; SAVI S.r.l.

For 2022, being the first year of reporting, the Group's foreign companies have not been included in the reporting scope. For this first reporting year, it was decided not to have the Sustainability Report audited by external companies.

The sustainability reporting period of this document refers to 2022 with a comparison of data to 2021, where possible.

The Sustainability Report will be published annually.

Document Drafting Process and Reporting Standards

WAMGROUP has decided to draft this document using the "Global Reporting Initiative Sustainability Reporting Standards" (hereinafter GRI Standards) issued by the "Global Reporting Initiative" in 2021 as a technical-methodological reference. These standards are one of the main international reference models for sustainability reporting and allow the use of common parameters for the assessment and measurement of ESG (Environment, Social and Governance) performance. In particular, WAMGROUP has chosen to prepare the document according to the "with reference to" option provided by the GRI Standards.

Below is a list of the activities carried out to prepare the Sustainability Report:

- identification of the reporting limits;
- identification of stakeholders;
- identification of relevant issues;
- materiality analysis;
- definition of the indicators to be reported;

- collection, processing and consolidation of qualitative and quantitative data;
- preparation and approval of the Sustainability Report.

The process of drafting the Sustainability Report involved the Group's Sustainability Committee, consisting of senior figures from key corporate functions. The Committee is responsible for defining the scope of the analysis, collecting data in the Group's various Italian locations, processing and consolidating the data collected and writing the Report.
For next year, WAMGROUP intends to extend the scope of this Sustainability Report to the subsidiaries located in Europe and the rest of the world.

Source of conversion factors used: DEFRA 2021, DEFRA 2020.

Date of publication: 09/2023

Reference contact: info@wamgroup.com



GRI CONTENT INDEX

WAMGROUP reported the information mentioned in this GRI Content Index for the period from 1st January 2022 until 31st December 2022 with reference to the GRI Standards “GRI Referenced”.

GRI Standard	Information	Location
GENERAL INFORMATION		
GRI 2 – General information 2021	2-1 Organisational details	Snapshot of executive summary
	2-2 Entities included in the reporting of sustainability of the organisation	Scope and reporting period
	2-3 Period of reporting, frequency and contact person	
	2-4 Restatement of information	
	2-5 External assurance	
	2-6 Activities, value chain and other business relations	Corporate identity
	2-7 Employees	Inclusion and empowerment of people
	2-8 Non-employee workers	
	2-9 Governance structure and composition	Corporate identity
	2-10 Appointment and selection of the highest governing body	
	2-11 President of the highest governing body	
	2-12 Role of the highest governing body in impact management control	
	2-13 Delegation of responsibility for impact management	
	2-19 Rules concerning remuneration	Inclusion and empowerment of people
	2-20 Procedure for determining remuneration	
	2-21 Annual total remuneration ratio	
	2-22 Sustainable Development Strategy Statement	Letter to the stakeholders
	2-23 Policy commitment	Risks and opportunities
	2-24 Integration of policy commitments	
	2-25 Processes to remedy negative impacts	
	2-26 Mechanisms for requesting clarification and raising concerns	
	2-27 Compliance with laws and regulations	
	2-28 Membership in associations	Social commitment
	2-29 Stakeholder engagement approach	Stakeholders and ways of involvement
	2-30 Collective bargaining agreements	Inclusion and empowerment of people

GRI 3 – Management of material themes 2021	3-1 Process for determining material issues	Materiality analysis
	3-2 List of material topics	
	Material topic: Climate Change	
	GRI 305: Emissions 2016	
	3-3 Management of material subject matter	Fighting climate change
	305 – 1 Direct GHG (Greenhouse Gas) emissions (Scope 1)	
	305 – 2 Indirect GHG (Greenhouse Gas) emissions from energy consumption (Scope 2)	
	305 – 4 Intensity of GHG (Greenhouse Gas) emissions	
	Material topic: Renewable energy	
	GRI 305: Energy 2016	
	3-3 Management of material subject matter	Energy transition
	302 – 1 Energy consumed within the organisation	
	302 – 3 Energetic intensity	
	302 – 5 Reducing energy requirements of products and services	
	Material topic: Use of resources and materials	
	GRI 301: Materials 2016	
	3-3 Management of material issues	Sustainability of raw materials and circularity
	301 – 1 Materials used by weight or volume	
	301 – 2 Materials used that come from recycling	
	Material topic: Waste management	
	GRI 306: Waste 2020	
	3-3 Management of material subject matter	Responsible waste management and valorisation
	306 – 1 Waste generation and significant waste-related impacts	
	306 – 2 Management of significant waste-related impacts	
	306 – 3 Waste generated	
	Material topic: Enhancement of human resources	
	GRI 401: Occupation 2016	
	3-3 Management of material subject matter	Inclusion and empowerment of people
	401 – 1 New recruitments and turnover	
	401 – 2 Benefits provided for full-time employees, but not for part-time or fixed-term employees	
	GRI 404: Training and education 2016	
	3-3 Management of material subject matter	Training our people
	404 – 1 Average annual training hours per employee	

GRI 3 – Management of material themes 2021	404 – 2 Employee skills upgrading and transition assistance programmes	
	404 – 3 Percentage of employees receiving regular performance and professional development appraisals	Inclusion and empowerment of people
	Material topic: Health and safety at work	
	GRI 403: Health and safety at work 2018	
	3-3 Management of material subject matter	Health and safety at work
	403 – 1 Occupational health and safety management system	
	403 –2 Hazard identification, risk assessment and accident investigation	
	403 – 3 Occupational health services	
	403 – 4 Worker participation and consultation and communication on health and safety at work	
	403 – 5 Worker training in occupational health and safety	
	403 – 6 Workers' health promotion	
	403 – 7 Prevention and mitigation of occupational health and safety impacts within business relationships	
	403 – 8 Workers covered by an occupational health and safety management system	
	403 – 9 Accidents at work	
	403 – 10 Occupational diseases	
	Material topic: Gender equality	
	GRI 405: Diversity and equal opportunities 2016	
	3-3 Management of material subject matter	Health and safety at work
	405 – 1 Diversity in governing bodies and among employees	
	405 – 2 Ratio of basic salaries and wages of women to men	
	Material topic: Discrimination at the workplace	
	GRI 406: Non-discrimination 2016	

GRI 3 – Management of material themes 2021	3-3 Management of material subject matter	A fair and inclusive workplace
	406 – 1 Incidents of discrimination and corrective measures takenadottate	
	Material topic: Local community development	
	GRI 201: Economic performance 2016	
	3-3 Management of material subject matter	Social commitment
	201 – 1 Directly generated and distributed economic value	
	GRI 202: Market presence 2016	
	202 – 2 Proportion of senior managers hired from the local community	Social commitment
	GRI 413: Local communities 2016	
	413 – 1 Activities involving local community involvement, impact assessments and development programmes	Social commitment
	Material topic: Product sustainability	
	GRI 308: Environmental assessment of suppliers	
	3-3 Management of material subject matter	Supply chain sustainability
	308 – 1 New suppliers that were evaluated using environmental criteriai	
	308 – 2 Negative environmental impacts in the supply chain and actions taken	
	Material topic: Privacy and data security	
	GRI 418: Customer privacy 2016	
	3-3 Management of material subject matter	Innovation and safety
	418 – 1 Proven complaints regarding breaches of customer privacy and loss of customer data	
	Material topic: Anti-corruption	
	GRI 205: Anti-corruption 2016	
	3-3 Management of material subject matter	Risks and opportunities
	205 – 1 Operations assessed for corruption risks	
	205 – 2 Communication and training on anti-corruption policies and procedures	
	205 – 3 Established incidents of corruption and actions taken	



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