

# SUSTAINABILITY REPORT



**2023**

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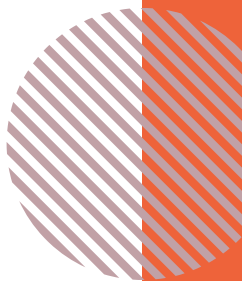
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# LETTER TO THE STAKEHOLDERS

It is with great pride that we share with you an important milestone for Fonderie Valdelsane S.p.A.: Our Sustainability Report according to GRI standards for the year 2023. This document is a moment to share our achievements and future commitments to improve the sustainability of our company.

We would also like to point out that Fonderie Valdelsane has obtained important certifications, including ISO 9001 (of 1996), ISO 14001 and EMAS; which testify to our continuous commitment to quality management and attention to environmental practices. In 2018, the company adopted the MOG 231 by setting up a supervisory body; and in 2023 we joined the Carbon Neutral Alliance Province of Siena.

Over the past few years, we have made deep efforts to reduce our environmental impact and improve the management of energy resources. From 2024, we plan to benefit from the production of a photovoltaic plant, which we have just finished installing, and which will help to meet a significant part of our energy needs from renewable sources.

In addition, we have placed great emphasis on enhancing the value of our human resources. We are aware that our employees are the heart of our company and we are committed to ensuring a safe, inclusive and stimulating working environment. We have developed opportunities for training and professional development and promoted a corporate culture based on diversity, fairness and inclusion. This has led to an improvement in the well-being of our employees and greater internal cohesion. We firmly believe that sustainability is a strategic asset for our company, as well as a moral duty for all of us. The ecological transition will require many changes, profoundly affecting even the most established business models. At Fonderie Valdelsane, we will face this change with courage and dedication at all levels.

A sincere thanks to those who support us in this journey and to those who every day decide to get involved with us.

Best regards,  
*Claudio Anniballi*

# FONDERIE VALDELSANE S.P.A.

## THE SYSTEM OF GOVERNANCE



Fonderie Valdelsane S.p.A. has been in the market for over 60 years, specializing right from the start, in the production of special cast iron and bronze castings for molds used in the processing of hollow glass. In recent years, the company has consolidated its leadership in the glass sector, thanks to significant investments in new technologies, automation, and human resources, as well as strong collaborations with its partners.

ISO 9001 (since 1996) and ISO 14001 certifications, numerous awards for quality, safety, and the environment, and the daily improvement of the supply chain allow Fonderie Valdelsane to look to the future with renewed enthusiasm.

To this date, Fonderie Valdelsane S.p.A. is headquartered at Via Strada di Gabbricce 6, 53035 Monteriggioni (SI). The Monteriggioni plant occupies a total of 40,000 m<sup>2</sup>, of which approximately 7,500 m<sup>2</sup> is covered.

The company is owned by Arventia Valdelsane Group S.R.L., Gesar S.r.l., and MPL Gestioni S.r.l. Fonderie Valdelsane is managed by a Board of Directors elected by the company's shareholders. The Board of Directors is composed of Roberto Gerbi as Chairman of the Board; Claudio Anniballi as a member of the Board and CEO of the company; Gian Maurizio Argenziano as Vice-Chairman of the Board; and Stefano Gerbi as a member of the Board.

The company's operations are supervised by the Board of Auditors, which consists of five members and is chaired by Emilio Martinotti.

Additionally, Fonderie Valdelsane S.p.A. employs Ernst & Young S.p.A. to audit the statutory financial statements.

### Diversity of governance bodies

Age	<30	30-50	>50
Male	0%	25%	75%
Female	0%	0%	0%

Table 1 : Diversity of governance bodies



# FONDERIE VALDELSANE S.P.A.



## THE SYSTEM OF GOVERNANCE

The objectives that determine the variable remuneration of the company's Board of Directors and top management are not linked to ESG objectives.

In 2023, there were no proven cases of corruption, legal actions relating to anti-competitive behaviour or other non-compliance with laws and regulations.

In addition, Fonderie Valdelsane S.p.A. is a member of Confindustria, the main organisation representing Italian manufacturing and service companies, and Assofond, which is the industry organisation representing the main Italian foundry companies.

The consolidated financial statements of Fonderie Valdelsane S.p.A. for the reference year 2023 are illustrated below. In detail, the item concerning the direct economic value generated refers to the company's revenues in the year, remuneration of lenders refers to interest or bank charges, remuneration of shareholders refers to taxes, investments in the community refers to donations, and the retained economic value takes into account the various depreciations.

In 2023, Fonderie Valdelsane S.p.A. generated a direct economic value of EUR 25,421,074.

	Euro	Euro
Data	2022	2023
<b>Direct economic value generated</b>	27.410.297	25.421.074
Distributed economic value	22.741.744	20.238.051
Remuneration of suppliers	18.744.504	15.580.907
Remuneration of employees	3.771.238	3.686.911
Remuneration of financiers	-31.450	151.542
Remuneration of the public administration	254.822	807.511
Investments in the community	2.630	11.180
Retained economic value	4.668.553	5.183.023

Table 2: Direct economic value generated and distributed

# FONDERIE VALDELSANE S.P.A.

## SERVICES OFFERED



Fonderie Valdelsane S.p.A. is internationally recognized as the most experienced and specialized company in the production of molds for hollow glass. Today, as in the past, the company's identity is strongly tied to the production of glass: a pure, unchanging, and safe material that is also synonymous with environmental sustainability. It is the material of the future, with origins in the distant past, just like Fonderie Valdelsane.

The main services offered by Fonderie Valdelsane S.p.A. are as follows:

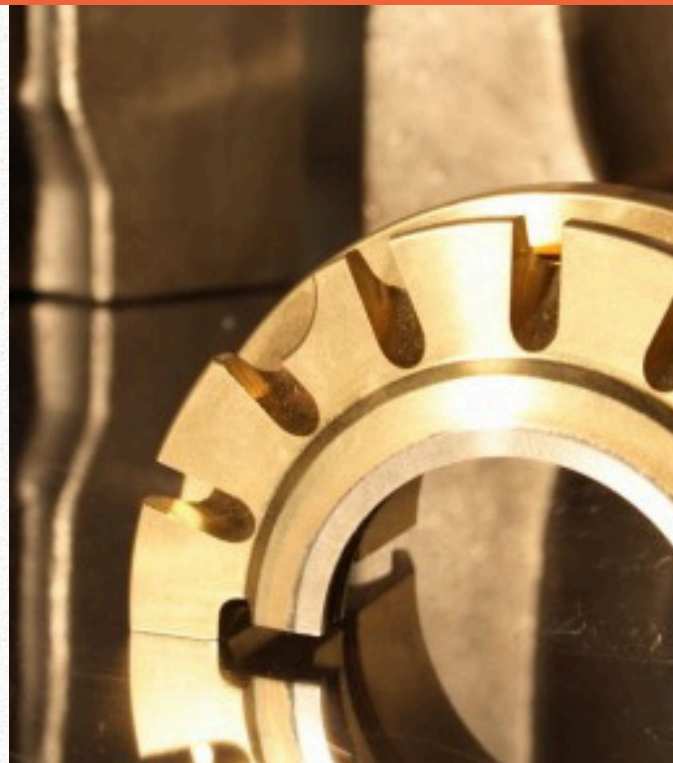
**Pre-sales service:** In addition to offering alloys available in the catalogue, Fonderie Valdelsane is capable of manufacturing any type of cast iron or bronze required. This also applies to the models and shapes to be produced, which the Moulding Department can process with remarkable speed. The company provides its know-how and advanced technology to customers, enabling it not only to meet requests but also to suggest the best solutions.

**Quality control:** The quality of Fonderie Valdelsane's products is absolutely guaranteed. Numerous checks are carried out at every stage of the production chain. Various checkpoints assess the dimensional characteristics and analyze the structure and chemical composition of the molds to achieve ever-higher production standards. During each casting, 42 different elements are monitored, with a precision level of 0.001%. The highly specialized staff and the use of advanced technologies enable Fonderie Valdelsane to offer a product of internationally recognized quality.

**Delivery:** Fonderie Valdelsane's corporate history is distinguished by its rapid response to orders. In an increasingly fast-paced world, where the exchange of information is almost instantaneous, the company has developed an exceptional ability to process and fulfill requests with remarkable speed. Fonderie Valdelsane is also capable of managing shipments by both land and sea, thanks to its own transportation resources and long-standing partnerships with fast and reliable forwarding agents.

**After-sales service:** The services provided by Fonderie Valdelsane to its customers do not end at the time of delivery. The Analysis Laboratory, along with the company's know-how, is always available to customers. Fonderie Valdelsane has a traceability system for the process parameters used in its production. At any time, the company is ready to assist customers in resolving issues that may arise in the use of the molds.





# FONDERIE VALDELSANE S.P.A.

## SERVICES OFFERED

Fonderie Valdelsane is constantly updating the quality of its materials, improving workability and resistance during use. Currently, the catalogue includes multiple chemical compositions for cast irons and bronzes, as well as variants that can be produced on request. The company's know-how and advanced tools allow it not only to meet customers' specifications, but also to assist them in finding the most suitable material for use in glassworks.

### Cast Irons:

- **Lamellar Graphite:** This cast iron, which is easy to machine and has rapid heat dissipation, is ideal for high-speed glass production.
- **Spheroidal Graphite:** With a compact and polishable graphite structure, it is suitable for cosmetics, pharmaceuticals and high quality glass production.
- **Vermicular Graphite:** Known as compact graphite cast iron, it offers mechanical and thermal resistance, with great compactness in glass contact, suitable for special production.

### Bronzes:

The special bronze produced by Fonderie Valdelsane are developed to offer maximum thermal conductivity, ease of metallisation, strength and durability. Thanks to significant investments in research and development and new automated lines, the company now offers three types of high quality bronzes at competitive prices.



# FONDERIE VALDELSANE S.P.A.

## STAKEHOLDER

Fonderie Valdelsane S.p.A. pays close attention to its stakeholders, i.e., those who influence or are influenced by the company's activities. Stakeholders, in fact, are bearers of interests and expectations regarding the company's economic, social, and environmental impacts. Despite the wide range of stakeholders affected by the company's activities, certain stakeholders are of particular importance.

In 2023, the stakeholders that Fonderie Valdelsane S.p.A. pays special attention to were mapped. Specifically, employees are the driving force behind all activities, and the company is committed to ensuring their safety and well-being in the workplace. From the market's perspective, it is the customers who drive environmental and social sustainability, and for this reason, they are fundamental to the company's improvement process. Lastly, Fonderie Valdelsane S.p.A. depends heavily on its suppliers, with whom it interfaces daily to tackle the challenges of an ever-evolving market.

Other important stakeholders for the company include financial institutions, public administration, schools and other educational institutions, the local community, non-profit organizations, and trade associations.

Operating in a regulated market, relationships with institutions, regulators, and trade associations are crucial for Fonderie Valdelsane, as regulatory compliance and collaboration with these entities ensure efficient and safe operations while maintaining high-quality standards. Additionally, the local community is central to the company, as demonstrated by initiatives that support the community and its commitment to well-being and development, which is reflected in environmental sustainability projects, cultural and social activities, and corporate social responsibility programs. Lastly, when internal efforts are insufficient, the company supports associations and non-profit organizations to address key issues. Collaborating with these entities allows the company to contribute to meaningful causes, promoting a more sustainable and inclusive future.

**EMPLOYEES**

**CLIENTS**

**SUPPLIERS**

**FINANCIAL  
INSTITUTIONS**

**PUBLIC  
ADMINISTRATION**

**SCHOOLS &  
EDUCATIONAL  
INSTITUTES**

**LOCAL  
COMMUNITY**

**NON-PROFIT  
ASSOCIATIONS**

**TRADE  
ASSOCIATIONS**

# FONDERIE VALDELSANE S.P.A.

## MATERIALITY ANALYSIS



For the first time, the company conducted a materiality analysis in 2023, following the guidelines provided by the GRI Sustainability Reporting Standards. The purpose of the materiality analysis is to identify the company's environmental, social, and economic impacts. The impacts considered as most significant impacts become 'material impacts' and will be analyzed in this report. Once material impacts are identified, they will shape the sustainability strategy of Fonderie Valdelsane.

In this case, an analysis of industry-specific impacts was conducted to compile a list of impacts potentially relevant to Fonderie Valdelsane. The sustainability team then held an in-person workshop, assessing the relevance of the identified impacts based on the criteria of severity and likelihood of each impact.

No direct stakeholder engagement was conducted during the first year.



# FONDERIE VALDELSANE S.P.A.

## MATERIALITY ANALYSIS

Topic	Impacts	Involvement
Materials	Use of recycled raw materials	
	Recyclability of by-products	
Business ethics	Raw materials from conflict zones	Caused by the group
	Compliance with laws and regulations	
Employee Wellbeing	Benefits for employees	
	Employee dissatisfaction	Caused by the group
	Sustainable working hours	
Climate change and emissions	Greenhouse gas emissions	Caused by the Group and related to business relationships
	Adaptation to climate change	
Water and effluents	Water consumption	Caused by the group
Local community	Support for the local community	
Equal opportunities	Employee training and development	
Local and traceable supply chain	Support for local suppliers	
	Exploitation of labor in the supply chain	Caused by the Group and related to business relationships
Waste and scraps	Waste and scrap production	Caused by the Group and related to business relationships

Table 3: Materiality analysis

# FONDERIE VALDELSANE S.P.A.

## CONTRIBUTION TO THE SDG

The 2030 agenda for Sustainable Development, signed in September 2015 by the governments of the 193 UN member states, is an agenda for action for people, planet and prosperity. The agenda comprises 17 Sustainable Development Goals (SDGs), which in turn are broken down into 169 specific targets. Given the activities of Fonderie Valdelsane S.p.A., the company contributes to three of the Sustainable Development Goals. Specifically, the targets to which it contributes are the following.



### »»» GOAL 8: DECENT WORK AND ECONOMIC GROWTH

It aims to promote sustainable and inclusive economic growth, along with decent jobs for all. This includes the creation of job opportunities and the adoption of employment-friendly policies, as well as the protection of workers' rights and the fight against forced labour and exploitation.

### »»» GOAL 9: INDUSTRY, INNOVATION, AND INFRASTRUCTURE

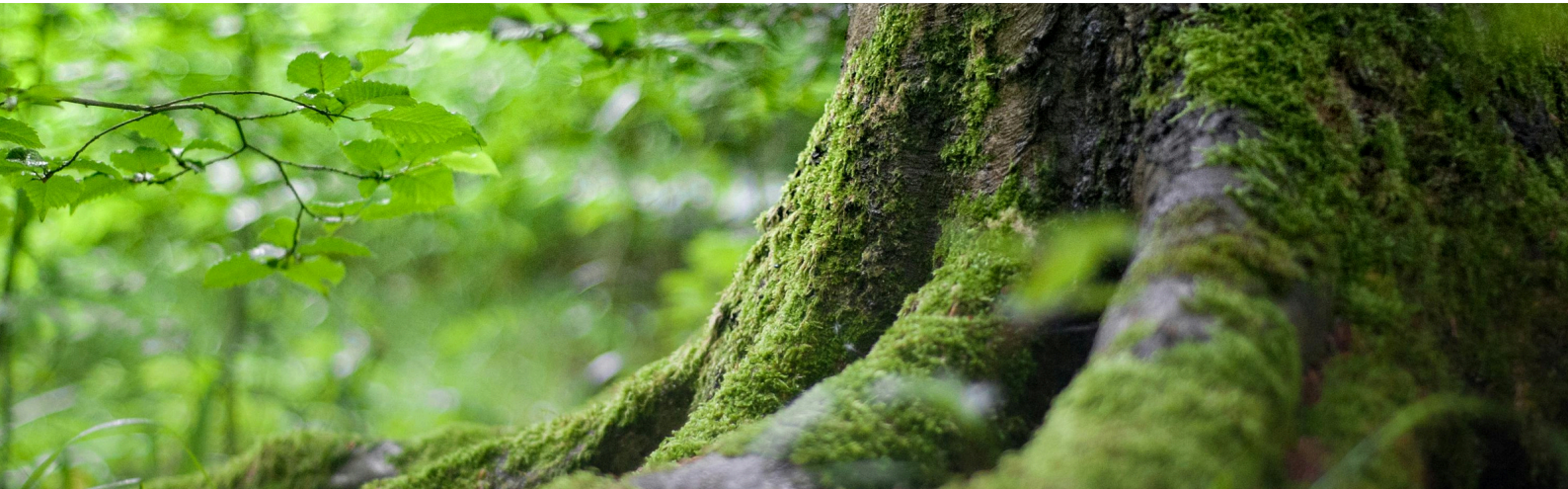
It focuses on developing resilient, sustainable and quality infrastructure, promoting innovation and building an inclusive industry. This includes investment in research and development, encouragement of technological innovation and equitable and sustainable access to basic services such as energy and water.

### »»» GOAL 12: RESPONSIBLE CONSUMPTION AND PRODUCTION

It aims to promote sustainable consumption and production patterns. It aims to reduce food waste, sustainably manage natural resources and encourage resource efficiency. It also encourages recycling and the reduction of emissions and waste to contribute to a cleaner and healthier environment.

# ENVIRONMENTAL SUSTAINABILITY

## USE OF ENERGY RESOURCES



Fonderie Valdelsane has an environmental policy that directs all its actions towards environmental sustainability. The company is committed to preventing and mitigating the impact of its activities on the surrounding environment, with particular reference to limiting energy consumption and emissions into the atmosphere. In addition, Fonderie Valdelsane S.p.A. is ISO 14001 certified, testifying to its ongoing commitment to environmental management and improving its performance.

The energy vector mainly used by Fonderie Valdelsane S.p.A. is natural gas, the consumption of which derives from the use for melting cast iron and final annealing of moulds.

The second energy vector is electricity, the consumption of which amounted to 4,274,860 KWh in 2023. Electricity consumption comes mainly from electric furnaces, which are used to maintain the melt after the metal has been melted in special gas furnaces. For bronze, there are two electric furnaces that carry out the melting. In addition, a photovoltaic plant will be connected from 2024, which is expected to have a capacity of 1430 kW.

The total energy consumption in 2023 was 62,289 GJ. To make the energy consumption even more comparable with other companies, some energy intensity metrics are also reported.

The conversion into GJ is based on the standard parameter table published by ISPRA. However, the conversion factors published by DEFRA were used to convert litres of liquid fuels, such as diesel and petrol.

# ENVIRONMENTAL SUSTAINABILITY

## USE OF ENERGY RESOURCES



	Unit of measure	Consumption		GigaJoule (GJ)	
		2022	2023	2022	2023
Total consumption	GJ	-	-	62.634	62.289
Electric energy	kWh	4.438.315	4.274.860	15.978	15.389
Natural gas	Sm3	1.271.748	1.274.558	44.940	45.192
Diesel	Litri	45.980	45.750	1.658	1.650
Gasoline	Litri	1.804	1.805	58	58

Table 4 Internal Energy Consumption of the Organization

These metrics display the values in GJ of the energy carriers used in relation to revenue and the quantity of metal melted in kilograms. This information enables an assessment of the company's energy efficiency, highlighting the relationship between energy consumption and actual production, both in terms of economic value and production volume. This approach allows for a more precise and transparent evaluation of energy performance, facilitating comparisons with other companies in the sector.

	Unit of measure	2022	2023
Total consumption	GJ	62.634	62.289
Revenue	Euro	27.441.747	25.269.532
Tons of metals melted during the year	Tons	11.977	11.668
Energy intensity based on revenue	GJ/Euro	0,002	0,002
Energy intensity on tons of metals melted	GJ/Tons	5,2	5,3

Table 5 Energy Intensity based on Revenue and Units Produced



# ENVIRONMENTAL SUSTAINABILITY

## ATMOSPHERIC EMISSIONS



Greenhouse gas emissions into the atmosphere are closely linked to the company's energy consumption. Therefore, fossil-fuelled machines are routinely checked for proper functioning and atmospheric emission levels. In 2023, CO<sub>2</sub> emissions produced directly by the company (Scope 1) amounted to 2,680 tonnes of CO<sub>2</sub>. The main emission sources come from the use of natural gas for smelting and heat treatment of metals.

	Unit of measure	2022	2023
Emissions from non-renewable fuels	Tons of CO2	2.659	2.680
Natural gas	Tons of CO2	2.532	2.554
Diesel	Tons of CO2	123	122
Gasoline	Tons of CO2	4	4

Table 6 Direct Greenhouse Gas (GHG) Emissions (Scope 1)





# ENVIRONMENTAL SUSTAINABILITY

## ATMOSPHERIC EMISSIONS



However, indirect CO2 emissions related to electricity purchased from the network account for a significant portion of emissions. In fact, these emissions are defined as Scope 2 emissions and are rather high in the case of Fonderie Valdelsane S.p.A., since about 37% of the energy purchased comes from renewable sources. In 2023, a photovoltaic plant was installed to produce electricity; this will supply Fonderie Valdelsane S.p.A. with 35% of the electricity used.

There are two main approaches to calculating Scope 2 emissions: the 'Location-based' method, which calculates emissions based on the type of energy used and the average emissions in the geographical region where the energy is consumed. In contrast, the 'Market-based' method considers emissions associated with purchased energy, but takes into account options to purchase renewable or low-carbon energy, thus assigning a different value based on the type of energy actually purchased by the company.

For the calculation of greenhouse gas emissions, the emission factors published by ISPRA in the Standard Parameter Table were used. According to this calculation method, emissions are expressed in tonnes of CO2, thus excluding emissions from other greenhouse gases such as nitrous oxide and methane, which have a negligible impact on greenhouse gas emissions (CO2 equivalents) anyway.

For the location-based calculation method the coefficients published by ISPRA were used, while for the market-based calculations the source of the emission factors is AIB.

	Unit of measure	Emissioni location-based		Emissioni market-based	
		2022	2023	2022	2023
Emissions from purchased electricity	Tons of CO2	1.371	1.321	1.281	1.234

Table 7 Indirect Greenhouse Gas (GHG) Emissions from Energy Consumption (Scope 2)

# ENVIRONMENTAL SUSTAINABILITY

## ATMOSPHERIC EMISSIONS



Adding up the direct Scope 1 emissions and the indirect Scope 2 emissions according to the market-based method, Fonderie Valdelsane emitted a total of 3,914 tonnes of CO<sub>2</sub>.

	Unit of measures	2022	2023
Total Emissions (Scope 1 + Scope 2 Location-Based)	Tons of CO <sub>2</sub>	4.030	4.001
Total Emissions (Scope 1 + Scope 2 market-based)	Tons of CO <sub>2</sub>	3.940	3.914

*Table 8 Greenhouse Gas (GHG) Emissions Scope 1 + Scope 2*

Similar to the approach taken for energy consumption, several emission intensity metrics are reported to enhance the comparability of overall Scope 1 and 2 emissions with those of other companies. These metrics relate the CO<sub>2</sub>-equivalent values of emissions to revenue and the amount of metal melted in a year. Utilizing emission intensity metrics is essential, as it provides a more accurate and contextualized assessment of a company's environmental performance.

	Unit of measure	2022	2023
Total Emissions (Scope 1 + Scope 2 (Market-Based))	Tons of CO <sub>2</sub>	3.940	3.914
Revenue	Euro	27.441.747	25.269.532
Tons of metals melted during the year	Tons	11.977	11.668
<b>Emission intensity based on revenue</b>	<b>Tons of CO<sub>2</sub>/Euro</b>	<b>0,0002</b>	<b>0,0002</b>
<b>Emission intensity on ton of metals melted</b>	<b>Tons of CO<sub>2</sub>/Ton</b>	<b>0,3</b>	<b>0,3</b>

*Table 9: Greenhouse Gas (GHG) Emission Intensity*

# ENVIRONMENTAL SUSTAINABILITY

## WASTE MANAGEMENT



Waste production and disposal represent a significant environmental impact for Fonderie Valdelsane. The company is committed to promoting waste separation at every stage of its operations. Additionally, Fonderie Valdelsane S.p.A. conducts educational initiatives to raise employee awareness about recycling and proper waste disposal practices, encouraging them to actively contribute to reducing environmental impact.

All waste is either disposed of as municipal waste or handed over to specialized waste management and disposal companies. The largest quantities of waste generated consist of foundry molds and cores, totaling 2,644 tonnes in 2023. This type of waste is sent to cement factories that repurpose it for cement production.

Another important category of waste is melt slag, with a total of 1,108 tonnes produced in 2023. This waste is divided into two types: cast iron slag, which is either sent to landfill or reused for road sub-bases, and bronze slag, which is sent to non-ferrous metal refineries. The bronze slag is reused in their production processes, transforming it from waste into a valuable input for new production.

In total, Fonderie Valdelsane produced 4,766 tonnes of waste in 2023. The company's ongoing commitment to effective waste management and recycling reflects its dedication to minimizing its environmental footprint and enhancing sustainability.



# ENVIRONMENTAL SUSTAINABILITY

## WASTE MANAGEMENT



Waste type – CER Code	Unit of measure	Non-hazardous		hazardous		Total	
		2022	2023	2022	2023	2022	2023
Sawdust, shavings, cutting residues, wood, chipboard panels, and veneers - 030105	Ton	147	133	-	-	147	133
Primary and secondary production slags - 100601	Ton	27	17	-	-	27	17
Melting slag - 100903	Ton	1.192	1.108	-	-	1.192	1.108
Used foundry molds and cores - 100908	Ton	2.823	2.644	-	-	2.823	2.644
Dust from combustion gases containing hazardous substances - 100909*	Ton	-	-	16	22	16	22
Particulates - 100912	Ton	730	616	-	-	730	616
Shavings and chips of non-ferrous materials - 120103	Ton	0	11	-	-	0	11
Used tool bodies and grinding materials - 120121	Ton	1	5	-	-	1	5
Other oils for engines, gears, and lubrication - 130208*	Ton	-	-	0,3	0,3	0,3	0,3
Paper and cardboard packaging - 150101	Ton	13,8	0	-	-	13,8	0
Wood packaging - 150103	Ton	15,4	32	-	-	15,4	32
Mixed material packaging - 150106	Ton	11	12	-	-	11	12
Absorbents, filter materials, rags, and protective clothing contaminated with hazardous substances - 150202*	Ton	-	-	0,4	0	0,4	0
Absorbents, filter materials, rags, and protective clothing - 150203	Ton	0,5	0	-	-	0,5	0
Waste equipment containing hazardous components - 160213*	Ton	-	-	0	0,01	0	0,01
Waste equipment - 160214	Ton	0,1	14	-	-	0,1	14
Other coatings and refractory materials from metallurgical processes - 161104	Ton	143	114	-	-	143	114
Iron and steel - 170405	Ton	21	24	-	-	21	24
Other insulating materials containing or consisting of hazardous substances - 170603*	Ton	-	-	0	2	0	2
Bulky waste - 200307	Ton	0,1	0	-	-	0,1	0
Packaging containing residues of hazardous substances or contaminated by such substances - 150110*	Ton	-	-	0	0,5	0	0,5
Biodegradable waste - 200201	Ton	13	0	-	-	13	0
<b>Total</b>	<b>Ton</b>					<b>5.155</b>	<b>4.766</b>

Table 10: General Waste



# ENVIRONMENTAL SUSTAINABILITY

## WATER RESOURCES



For Fonderie Valdelsane, water is a vital resource not only for production processes but also in light of the severe drought that has characterized recent years. All water used is potable, and the withdrawal occurs in an area classified as having medium to high water stress. To assess water stress, the online tool Acqueduct, developed by the World Resources Institute (WRI), was utilized. The water withdrawn is sourced from wells and is primarily used in production processes, while water for sanitary services is obtained from aqueducts. Specifically, in production, water is used for preparing molding materials and for cooling purposes. Additionally, water is employed in adiabatic coolers located along the processing line. This evaporative cooling method is highly efficient, lowering the working environment's temperature without the use of refrigerant gases, thereby enhancing energy efficiency and reducing environmental impact. In 2023, total water withdrawal amounted to 8.1 million liters (ML).

		Total		Of which at water stress	
Data	Unit of measure	2022	2023	2022	2023
Water withdrawal from the aquifer	ML	9,2	8,1	9,2	8,1
Water withdrawal from the aqueduct	ML	2,5	1,5	2,5	1,5
Total water withdrawal	ML	11,7	9,6	11,7	9,6

Table 11: Water withdrawal



# ENVIRONMENTAL SUSTAINABILITY

## WATER RESOURCES



In the context of energy diagnostics, Fonderie Valdelsane examined the amount of water drawn from the well and used per ton of product generated. In 2022, water consumption was 0.78 m<sup>3</sup> per ton of product, while in 2023 it decreased to 0.70 m<sup>3</sup> per ton. By multiplying the cubic meters of water by the tons of molten metal products in both years, the data regarding water consumption was obtained, which corresponds to the amount of water drawn from the well.

		Total		Of which at water stress	
Data	Unit of measure	2022	2023	2022	2023
Water discharge into groundwater – potable water	ML	0	0	0	0
Water discharge into aqueduct water – potable water	ML	2,5	1,5	2,5	1,5
Total water discharge	ML	2,5	1,5	2,5	1,5

Tabella 12 water discharge

		Total		Of which at water stress	
Data	Unit of measure	2022	2023	2022	2023
Water consumption from groundwater	ML	11,7	9,6	11,7	9,6
Water consumption from the aqueduct	ML	0	0	0	0
Total water consumption	ML	11,7	9,6	11,7	9,6

Table 13 Water consumption

# SOCIAL SUSTAINABILITY

## THE SUPPLY CHAIN



To improve the impact in terms of environmental and social sustainability, it is essential to know the entire life cycle of the product, starting from the raw material. For this reason, it is important to consciously choose your suppliers, with the aim of ensuring respect for the environment and human rights throughout the supply chain. Fonderie Valdelsane believes in creating a sustainable supply chain, favoring local suppliers and selecting them also based on some criteria such as availability of material, price, service, product quality.

In addition to respect for environmental and social rights, geographical location is one of the fundamental criteria for Fonderie Valdelsane in choosing suppliers. Local suppliers are favored both to bring wealth to the territory and to minimize the environmental impact caused by the transport of goods. In 2023, 80% of spending went to local suppliers, where local means all suppliers of goods and services that are based in Italy, a figure that has increased compared to the previous year.

	2022	2023
Proportion of spending on local suppliers	76%	80%

Table 14: Proportion of expense on local suppliers

# SOCIAL SUSTAINABILITY

## THE SUPPLY CHAIN



Among the materials purchased, the most purchased category refers to cast iron, used to create cast iron castings for glass molds. The company uses different types of cast iron depending on the field of application, including lamellar, spheroidal and vermicular graphite cast irons, each chosen for its specific properties such as workability, mechanical resistance and the ability to dissipate heat. The second most purchased category of materials is sand, which is used to produce the molds that will contain the liquid cast iron, according to the process called "green forming". Other materials purchased in significant quantities are bronze, used in the process of creating bronze molds started in 2014. The bronze used by the company is characterized by high thermal conductivity and resistance, thanks to continuous investments in new chemical compositions and production techniques. Also important are the graphitizers that are used during the annealing heat treatment carried out on gray cast irons to improve their mechanical properties. In particular, the graphitizers are included in the category of "auxiliary materials", therefore serving the production process. We then find the subsidiary materials, such as the sleeves used in metal casting processes to improve the quality of the castings.

Data	2022	2023	Unit of measure
Cast Iron	6.561.042	6.257.830	kg
Sands and aggregates	3.914.170	3.880.880	kg
Auxiliary materials	619.131	380.415	kg
Bronze	531.832	329.996	kg
Ferroalloys	379.441	380.415	kg
Subsidiary materials	211.712	233.144	kg
Refractory materials	115.666	172.802	kg

Table 15: Input materials used

# SOCIAL SUSTAINABILITY

## HUMAN RESOURCE MANAGEMENT



Employees are a fundamental element in the corporate ecosystem of Fonderie Valdelsane S.p.A. The company recognizes the irreplaceable role that its collaborators play in driving long-term success and sustainability. Employees are the main strategic asset, as each individual significantly contributes to the creation of value and innovation within the company.

Fonderie Valdelsane places the utmost importance on ensuring fair and respectful treatment of its employees. The company is committed to promoting an organizational culture that centers on the individual, respecting the principles of equality and diversity. Respect for human rights and labor regulations is a priority, and company practices are oriented towards creating a safe, inclusive, and collaborative work environment.

To prevent discrimination during the hiring process, the Group is committed to evaluating new hires using parameters that are as objective as possible, focusing on the candidates' skills and suitability for the job position. Furthermore, Fonderie Valdelsane applies the National Collective Labor Agreement (CCNL) to govern employment relationships, including union relations and contractual models. Specifically, the company adheres to the metalworking industry CCNL.

In addition to the salary provided by the contract, Fonderie Valdelsane has, for years, introduced a second-level contract that regulates a substantial production bonus, which is partly fixed and partly variable based on annual productivity and individual absenteeism. Since 2022, it has also made a welfare platform available to employees, allowing them to partially transfer their performance bonus to take advantage of the provided benefits.

Overall, in 2023, the number of employees reached 56. The female presence in the company is relatively modest, in part due to the nature of the sector in which the company operates.





# SOCIAL SUSTAINABILITY

## HUMAN RESOURCE MANAGEMENT



	Male		Female		Total	
Data	2022	2023	2022	2023	2022	2023
<b>Total Employee</b>	45	48	9	8	54	56
Managers	2	2	0	0	2	2
Executives	3	6	1	1	4	7
Employees	7	4	6	5	13	9
Workers	33	36	2	2	35	38
<b>Percentage</b>	83%	86%	17%	14%	100%	100%
Manager	4%	4%	0%	0%	4%	4%
Executive	6%	11%	2%	2%	7%	13%
Employees	13%	7%	11%	9%	24%	16%
Workers	61%	64%	4%	4%	65%	68%

Table 16: Diversity in the organization's governing bodies

	<30		30-50		>50		Total	
Data	2022	2023	2022	2023	2022	2023	2022	2023
<b>Total Employee</b>	1	1	29	29	24	26	54	56
Managers	0	0	1	1	1	1	2	2
Executives	0	0	2	3	2	4	4	7
Employees	0	0	8	4	5	5	13	9
Workers	1	1	18	21	16	16	35	38
<b>Percentage</b>	2%	2%	54%	52%	44%	46%	100%	100%
Manager	0%	0%	2%	2%	2%	2%	4%	4%
Executive	0%	0%	4%	5%	4%	7%	7%	13%
Employees	0%	0%	15%	7%	9%	9%	24%	16%
Workers	2%	2%	33%	38%	30%	29%	65%	68%

Table 17: Age diversity of the organization's governing bodies





# SOCIAL SUSTAINABILITY

## HUMAN RESOURCE MANAGEMENT



Fonderie Valdelsane is subject to the legal obligation to hire employees from the protected categories established by the Italian State. In compliance with this obligation, the number of employees belonging to protected categories amounted to 1 in 2023.

	2022	2023
Employees belonging to protected categories	2	1
Percentage of employees belonging to protected categories	3.7 %	1.8 %

Table 18: Employees belonging to protected categories

Another important aspect to note about Fonderie Valdelsane is its commitment to seeking new talent, aiming to establish collaborations with schools and educational institutions.

In 2023, the distribution of contracts among Fonderie Valdelsane employees shows an overall increase in staff. The vast majority of employees are hired on permanent contracts, with an increase of one in this category compared to the previous year. Although the female presence is moderate, there is a balance between part-time and full-time contracts for both men and women. This positive trend demonstrates the company's commitment to promoting stable and inclusive employment, contributing to a diverse and dynamic work environment.

# SOCIAL SUSTAINABILITY

## HUMAN RESOURCE MANAGEMENT



	Male		Female		Total	
Dato	2022	2023	2022	2023	2022	2023
Total Employees	45	48	9	8	54	56
Permanent	45	47	9	8	54	55
Temporary	0	1	0	0	0	1

Table 19: Distribution of fixed-term and permanent contracts

	Male		Female		Total	
Data	2022	2023	2022	2023	2022	2023
Total Employees	45	48	9	8	54	56
Full-time	43	46	6	5	49	51
Part-time	2	2	3	3	5	5

Table 20: Distribution of part-time and full-time contracts

In order to measure the salary differences within the organization, the following table shows the ratio of the highest-paid individual in the company to the median employee salary. This indicator provides an overview of pay equity within the company, aiming to assess how the wealth generated is redistributed.

In 2023, this ratio was 4.2. If we look at the ratio between the percentage variation of different salaries, it is noticeable that the salary of the highest-paid individual increased more than the median salary. Despite this, the ratio remained moderate over the two years. The increase is due to the arrival of new hires, which widened the gap between the highest and median salaries.

	2022	2023	Percentage change
Ratio	3,0	4,2	22

Table 21 Payment ratio within the organization

# SOCIAL SUSTAINABILITY

## HUMAN RESOURCE MANAGEMENT



	Base salary ratio		Remuneration ratio	
	2022	2023	2022	2023
Managers	-	-	-	-
Executives	0,91	0,99	0,85	1,03
Employees	0,90	0,98	0,68	0,97
Workers	0,82	0,83	0,39	0,33

Table 22 Ratio of base salaries and remuneration by gender and job classification

Table 22 presents, in the left-hand columns, the ratio of male to female base salaries for each role, and in the right-hand columns, the ratio of total remuneration between genders for each role. The data reveals notable salary equity in the managerial and clerical categories, with ratios nearing parity, underscoring Fonderie Valdelsane’s commitment to gender equality. However, a gender pay gap is evident among workers, primarily due to the prevalence of part-time contracts requested by female employees. Fonderie Valdelsane remains dedicated to enhancing pay equity across all professional categories within the company.

# SOCIAL SUSTAINABILITY

## EMPLOYEE TRAINING AND DEVELOPMENT



Fonderie Valdelsane S.p.A. places great importance on the development and training of its employees, considering corporate skills as a key resource for long-term success. The company is committed to nurturing the potential of each individual within its workforce, believing that a substantial investment in employee growth brings significant benefits at all levels of the organization.

Continuous staff training is another important aspect for Fonderie Valdelsane, which increased its training efforts in 2023. In 2023, all Fonderie Valdelsane S.p.A. employees participated in an average of two hours of training each. The training was divided into two main channels:

- **Production channel:** This channel follows the guidelines of production managers, who organize meetings to identify training needs. These needs may involve process improvements, technological advancements, or filling roles that are currently lacking within the company.
- **Legislative channel:** Mandatory courses were organized by the Health and Safety Prevention and Protection Manager (RSPP), an external figure, who ensured compliance with current regulations.

Thanks to these initiatives, the company has been able to improve employee skills, optimize production processes, and ensure compliance with workplace safety regulations.

The following table reflects the training hours carried out in 2022 and 2023



# SOCIAL SUSTAINABILITY

## EMPLOYEE TRAINING AND DEVELOPMENT



	Male		Female		Total	
	2022	2023	2022	2023	2022	2023
<b>Total training hours</b>	<b>81</b>	<b>92</b>	<b>11</b>	<b>-</b>	<b>91</b>	<b>92</b>
Managers	2	-	-	-	2	-
Executives	7	16	2	-	8	16
Employees	23	12	9	-	32	12
Workers	50	64	-	-	50	64
<b>Average training hours</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>-</b>	<b>2</b>	<b>2</b>
Managers	1	-	-	-	1	-
Executives	2	3	2	-	2	2
Employees	3	3	2	-	2	1
Workers	2	2	-	-	1	2

Table 23 Total and average number of training hours per employee per year



# SOCIAL SUSTAINABILITY

## HEALTH AND SAFETY

Fonderie Valdelsane places the utmost importance on the health and safety of its employees. The company is committed to ensuring a safe and healthy working environment, recognizing that employee protection is essential to the well-being of those who contribute to the company's success. To ensure compliance with the highest standards in occupational health and safety, Fonderie Valdelsane S.p.A. has implemented a strict health and safety management system.

This system involves the identification of hazards according to the Risk Assessment Document (DVR), risk evaluation, and incident investigation, with the aim of preventing injuries and occupational diseases. The proper management of health and safety risks is ensured through the appointment of an external Health and Safety Prevention and Protection Manager (RSPP). All workers, including both direct employees and external workers, are covered under the same health and safety management system. All employees have access to the health services provided by the healthcare funds included in the applicable National Collective Labor Agreement (CCNL). Additionally, Fonderie Valdelsane S.p.A. actively promotes worker participation and consultation regarding occupational health and safety programs, allowing them to contribute to the definition of company policies and processes.

Another crucial aspect is worker training on occupational health and safety. Fonderie Valdelsane invests in targeted training programs to ensure employees are properly informed and prepared on safety-related issues. These programs include raising awareness of sector-specific hazards and promoting best practices to prevent accidents. As a result of this work, the number of injuries in 2023 was six. The main injuries involved hand and shoulder bruises, as well as muscle strains.

No cases of occupational diseases were reported.



# SOCIAL SUSTAINABILITY

## HEALTH AND SAFETY



	2022	2023
Number of working hours performed	93.038	92.412
Number of recordable work-related injuries	10	6
Work-related injury rate	21	13

Table 24 Workplace injuries

As reported by the most recent version of the full set of GRI Sustainability Reporting Standards (GRI Standards), the calculation of Fonderie Valdelsane's work injury rate was performed based on 200,000 hours worked. A rate based on this number of hours worked indicates the number of work-related injuries per 100 full-time employees over the course of one year, assuming that a full-time employee works 2,000 hours per year. For example, a rate of 1.0 means that, on average, one work-related injury occurs for every group of 100 full-time employees over the course of one year.



# SOCIAL SUSTAINABILITY

## PROJECTS AIMED AT THE LOCAL COMMUNITY



During 2022 and 2023, Fonderie Valdelsane solidified its commitment to the local community and social solidarity through a series of significant initiatives. In 2023, Fonderie supported local associations such as the Public Assistance of Poggibonsi with a contribution towards the purchase of a new Fiat Doblò, intended for the mobility of people with reduced motor abilities. Additionally, Fonderie Valdelsane contributed to the purchase of a cooling cap for the oncology department of the Campostaggia Hospital in Poggibonsi. A further contribution was made to the Kutahya Chamber of Commerce Industries to support the populations affected by the earthquake of February 6, 2023, in Turkey. These donations demonstrate Fonderie Valdelsane's ongoing commitment to promoting well-being and quality of life within the community, reinforcing the company's role as a responsible and supportive actor in the local social fabric.

Donations	2022	2023
Social donations	2.130 €	3.180 €
Donations in the healthcare sector	500 €	8.000 €

Table 25 Charitable Donations





# METHODOLOGICAL NOTE



This document constitutes the first edition of the Sustainability Report of Fonderie Valdelsane S.p.A. and describes its environmental, social, and economic sustainability performance for the fiscal year 2023 (from January 1st to December 31st). To ensure data comparability over time, it also includes a comparison with data from 2022. Starting this year, the Sustainability Report will be published annually.

This Sustainability Report has been prepared in reference to the "GRI Sustainability Reporting Standards" published by the Global Reporting Initiative (GRI), as indicated in the "GRI Content Index" table. This table highlights the coverage of GRI indicators associated with each sustainability topic reported in this document.

All necessary data for accurate reporting has been made available for these facilities. The scope of the data and economic information follows the consolidated financial statements.

This document has been reviewed and approved by the CEO, the Board of Directors, and the project team that worked on drafting the Sustainability Report. The document has not been subject to assurance by an external auditing company.

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# GRI CONTENT INDEX



Declaration of use: Fonderie Valdelsane S.p.A. has submitted a report with reference to the GRI Standards for the period January 1 - December 31, 2023.  
GRI 1 used: GRI 1 - Fundamental Principles - version 2021  
Relevant GRI Sector Standards: N/A

GRI Standards	Informative	Location	Omission			
GRI 2:Information General 2021			Requested omission	Ragion	Explanation	Ref. No. GRI Industry Standard
	2-1 Organizational details					
	2-2 Entities included in the organization's sustainability reporting					
	2-3 Reporting period, frequency and contact person					
	2-4 Review of information					
	2-5 External Assurance	This report is not subject to external assurance.				
	2-6 Activities, value chain and other business relationships					
	2-9 Structure and composition of governance					
	2-10 Appointment and selection of the highest governing body					
	2-11 President of the highest governing body					
	2-13 Delegation of responsibility for impact management					
	2-14 Role of the highest governance body in sustainability reporting					
	2-21 Total Annual Compensation Report					
	2-22 Declaration on the sustainable development strategy					
	2-23 Policy commitment					
	2-27 Compliance with laws and regulations					
	2-28 Membership of associations					
	2-30 Collective agreements					

# GRI CONTENT INDEX



Material Theme						
<b>BUSINESS ETHICS</b>						
GRI 3: Material themes 2021	3-3 Management of material themes					
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and measures taken					
GRI 206: Anti-Competitive Behavior 2016	206-1 Legal actions relating to anti-competitive behavior, trust activities and monopolistic practices					
<b>MATERIALS</b>						
GRI 3: Material themes 2021	3-3 Management of material themes					
GRI 301: Material 2016	301-1 Materials used by weight or volume					
<b>WATER AND EFFLUENTS</b>						
GRI 3: Material themes 2021	3-3 Management of material themes					
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource					
	303-2 Management of impacts related to water discharge					
	303-3 Water withdrawal					
	303-4 Water discharge					
	303-5 Water consumption					
<b>WASTE AND SCRAP</b>						
GRI 3: Material themes 2021	3-3 Management of material themes					
GRI 306: waste 2020	306-1 Waste generation and significant waste-related impacts					
	306-2 Management of significant waste-related impacts					
	306-3 Waste created					
<b>LOCAL AND TRACEABLE SUPPLY CHAIN</b>						
GRI 3: Material themes 2021	3-3 Management of material themes					
GRI 204: Procurement Practices 2016	204-1 Proportion of expenditure made to local suppliers					



# GRI CONTENT INDEX



<b>EMPLOYEE WELLBEING</b>						
GRI 3: Material themes 2021	3-3 Management of material themes					
GRI 401: Employment 2016	401-1 Hiring of new employees and employee turnover					
	401-2 Benefits provided to full-time employees not provided to temporary or part-time employees					
GRI 3: Material themes 2021	3-3 Management of material themes					
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system					
	403-2 Hazard identification, risk assessment and accident investigation					
	403-3 Occupational health services					
	403-4 Participation and consultation of workers on occupational health and safety programmes and related communication					
	403-5 Training of workers on health and safety at work					
	403-6 Promotion of workers' health					
	403-7 Prevention and mitigation of workplace health and safety impacts directly linked to business relationships					
	403-8 Workers covered by an occupational health and safety management system					
	403-9 Accidents at work					
<b>EQUAL OPPORTUNITIES</b>						
GRI 3: Material themes 2021	3-3 Management of material themes					
GRI 404: Training and education 2016	404-1 Average number of training hours per year per employee					
GRI 405: Diversity and equal opportunities 2016	405-1 Diversity in governance bodies and among employees					
	405-2 Ratio of basic wage to remuneration of women to men					
<b>CLIMATE CHANGE AND EMISSIONS</b>						
GRI 3: Material themes 2021	3-3 Management of material themes					
GRI 302: Energy 2016	302-1 Energy consumption within the organization					
	302-3 Energy intensity					
GRI 305: Emissions 2016	305-1 Direct greenhouse gas (GHG) emissions (Scope 1)					
	305-2 Indirect greenhouse gas (GHG) emissions from energy use (Scope 2)					
	305-4 Greenhouse gas (GHG) emission intensity					
<b>LOCAL COMMUNITIES</b>						
GRI 3: Material themes 2021	3-3 Management of material themes					
GRI 413: Local Community 2016	413-1 Operations with local community involvement, impact assessments and development programmes					