



2022
SUSTAINABILITY
REPORT

Roberto Bucci e C. S.p.A.

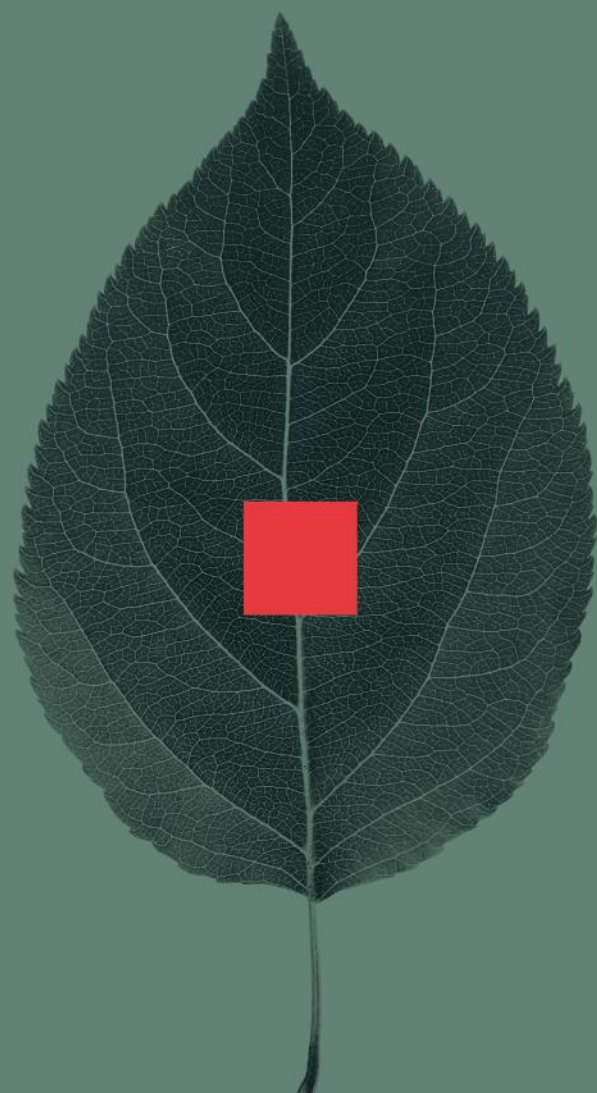




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MESSAGE FROM THE CHAIRMAN AND THE CEO

Letter to the stakeholders

THE BUCCI INDUSTRIES GROUP AND SUSTAINABILITY

The voluntary drafting of the first sustainability report is a source of pride for the Bucci Industries Group, an organisation which has always been attentive to such issues and to the well-being of the local area in which it operates.

By means of this voluntary report we have equipped ourselves with a tangible medium for assessing and communicating to all the stakeholders the results achieved by the Bucci Industries Group in the sphere of sustainability.

We have implemented various sustainability initiatives integrating these values in our business model and corporate culture.

Sustainability, which has always been an integral part of our business, will increasingly be a lever characterising financial and economic growth inextricably linked to social and environmental growth, and that of the local areas.

*Massimo Bucci, Chairman
Tomaso Tarozzi, CEO*



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METHODOLOGICAL NOTE

GRI 2-1; GRI 2-2; GRI 2-3



PURPOSE OF THE DOCUMENT



This document, drawn up on a voluntary basis, represents the first Sustainability Report (hereinafter also “Report”) of the ROBERTO BUCCI e C. S.p.A. Group [hereinafter also the “Bucci Industries Group” or simply “Bucci Industries”], with registered offices in Faenza (Via Mengolina 22 - 48018), Italy.

This Sustainability Report is the medium by means of which the company intends to communicate to the internal and external stakeholders the objectives, strategy, management methods and results of the company’s activities, with a particular focus on the three pillars of sustainability: the economic, environmental and social dimensions of its business operations.

Reporting scope and period

The reporting scope of this Sustainability Report comprises ROBERTO BUCCI e C. S.p.A. and the two main operating entities of Bucci Industries, i.e. Bucci Automations S.p.A. [Iemca, Giuliani, Sinteco and Vire Divisions] and Bucci Composites S.p.A..

The information and data contained in this Sustainability Report refer to the 2022 financial year, including the period from 1 January to 31 December, with the comparison with the previous year, 2021, to ensure the principal of data comparability.


Any exceptions or exclusions with regard to the scope are illustrated within the document by means of appropriate notes.

The reporting of the information contained in the Sustainability Report is provided on an annual basis.

DOCUMENT DRAFTING PROCESS AND REPORTING STANDARDS

With regard to the process for the drafting of the 2022 Sustainability Report, Bucci Industries set up an internal Work Group, made up of Top Management and the main business units, which contributed to the following activities:

- identification of the scope covered by the reporting and the reference stakeholders;
- preparation of the materiality analysis;
- definition of the non-financial indicators to be reported on;
- collation and processing of the qualitative and quantitative data necessary for the drafting of the document;
- drafting of the Sustainability Report.

A large, semi-transparent portrait of a middle-aged man with dark hair and glasses, wearing a striped shirt and a dark jacket. The portrait is positioned on the right side of the page, with a large, light-colored geometric shape (a triangle) overlaid on it. In the top left corner, there is a small red square and a small green square.

The Report was drawn up using the guidelines issued by the “Global Reporting Initiative Sustainability Reporting Standards” published by the “Global Reporting Initiative” in 2016 and updated as at 2021 [hereinafter also referred to as the “GRI Standards” or “GRIs”], advocating the “with reference to” reporting method.

The reporting standards issued by the 2021 GRI Standards (GRI 1: Foundation 2021), such as accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability, were also considered in the drafting of the document.

The final document was presented, discussed and approved by the Board of Directors on 25 July 2023.

In order to ensure an accurate representation of the performances and the reliability of the data, the use of estimates has been kept to a minimum and, where they exist, they have been based on the best available methodologies and appropriately documented within the Report.

This Sustainability Report has been drawn up with the technical-methodological support of PricewaterhouseCoopers Business Services Srl. Please note that this Sustainability Report has not been subject to third-party assurance activities.



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BUCCI INDUSTRIES AND THE SUSTAINABILITY STRATEGY

GRI 3-3; GRI 2-28; GRI 2-29; GRI 3-1; GRI 3-2

THE HISTORY OF BUCCI INDUSTRIES

The Bucci family from Faenza has been involved in projects in various industrial sectors since 1945, always paying specific attention to the growth of People and the Local Area in which it operates.

It all started thanks to the intuition of Roberto Bucci, who in 1945 laid the foundations for the establishment of CISA in Faenza, which he developed into a world leader in the security sector.

Roberto Bucci is an entrepreneur of great insight and sensitivity who, over the next 30 years, was to be a leading player in the industrial growth of the Faenza area.

The Bucci Industries Group, controlled by his son Massimo Bucci, is today one of the world leaders in industrial automation and robotics and in new advanced composite materials.

The evolution and global leadership of Bucci Industries

Roberto Bucci e C. S.p.A., which controls the companies Bucci Automations S.p.A. operating in the automation and robotics sector and Bucci Composites S.p.A. operating in the composite materials sector, carries out management and co-ordination activities, influencing the company's management in order to implement a shares program in harmony with the company's objectives.

The legal form that best supports the corporate structure and works towards the achievement of the corporate goals is the Italian joint-stock company.

The reporting of the information contained in the Sustainability Report is provided on an annual basis.

**BUCCI INDUSTRIES
OPERATES UNDER THE
FOLLOWING BRAND NAMES:**

BUCCI
INDUSTRIES



BUCCI
AUTOMATIONS

BUCCI
COMPOSITES

IEMCA

GIULIANI

SINTECO

VIRE

OUR BRAND NAMES



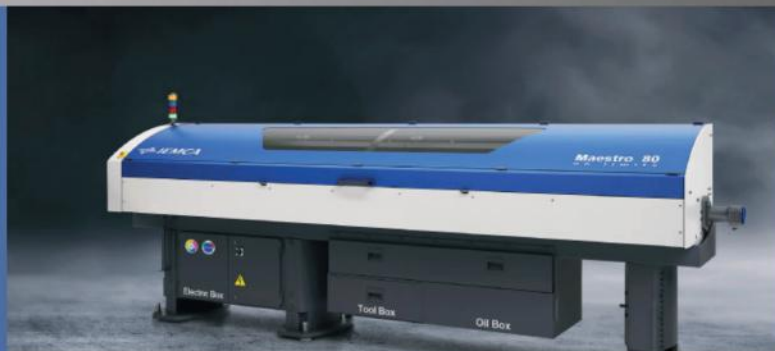
Automation & Robotics

We operate in the field of automation and industrial robotics under the brand names Iemca, Giuliani, Sinteco and Vire held by Bucci Automations S.p.A.



World leader in automatic bar feeders

IEMCA designs and produces automatic bar feeders since 1961 and is today the worldwide leader for every type of application for the turning industry, machining centres, grinding machines, gear cutters and other types of machine tools.



High productivity and flexibility machine tools and transfer machines

Since 1957, GIULIANI is the foremost global supplier of machine tools, transfer machinery and equipment for lock manufacturing and fitting.



Automation and robotics for assembly applications and management of medical unit doses

SINTECO since 1984 is the leading name in the design and production of industrial, medical and hospital automation systems.



Point of reference for the packaging of hygiene products

VIRE since 1973 designs and builds packaging machinery for the hygiene industry (baby nappies, adult diapers, sanitary towels) and machines for manufacturing medical plasters.





Advanced Composite Materials

Leader in the design and manufacturing of structural parts and components in advanced composite materials for the automotive, aerospace, marine and industrial sectors.



Bucci Industries is also active under the Bucci Composites brand name, which since 1988 has been producing aesthetic components and structural systems in advanced composite materials such as carbon fibres, aramid fibres, glass fibres and other types of fibres. Today, the company is a leading player in Europe in the field of advanced composite materials for applications in the automotive, aerospace, marine and industrial sectors.

BUCCI INDUSTRIES AROUND THE WORLD

At the end of 2022 Bucci Industries had more than 1,300 employees worldwide, 11 branches and is present in more than 50 countries.

+ 1,300
employees
worldwide

11
branches
in more than 50
countries

BUCCI INDUSTRIES' INTERNATIONAL PRESENCE

THE HEAD OFFICES OF THE BRANCHES			
BELGIUM	SOUTH KOREA	JAPAN	SWITZERLAND
BRAZIL	FRANCE	UNITED STATES	TAIWAN
CHINA	GERMANY	SWEDEN	-
MARKETS WHERE THE GROUP ALSO OPERATES THROUGH BRANCHES			
ALGERIA	IVORY COAST	KUWAIT	UNITED KINGDOM
ARABIA SAUDITA	CROATIA	LATVIA	CZECH REPUBLIC
ARGENTINA	EGYPT	LEBANON	SERBIA
AUSTRALIA	UNITED ARAB	MALTA	SINGAPORE
AUSTRIA	FINLAND	MOROCCO	SLOVENIA
BAHRAIN	GREECE	MEXICO	SPAIN
BULGARIA	INDIA	NEW ZEALAND	TURKEY
CANADA	IRELAND	PERÙ	HUNGARY
CILÉ	ISRAËL	PORTUGAL	VENEZUELA
COLOMBIA			

BUCCI INDUSTRIES' VISION, MISSION AND VALUES

Bucci Industries works constantly to ensure quality and innovation for its partners and to grow with them in the global market.

VISION

"Improve our customers' performance through excellent solutions in automation, robotics and the use of new materials".



MISSION

"Be the forerunners of the future, by means of on-going dialogue with our global stakeholders".



VALORI

"Our shared values are the reference point for all our activities and the actions of every person and employee of the company around the world:

- Cherish the customers and serve them with great passion
- Think innovatively so as not to be outdated
- Bring and transmit positive energy and solutions".

BUCCI INDUSTRIES ECONOMIC AND FINANCIAL PERFORMANCE

During 2022, Bucci Industries recorded an overall positive economic and financial performance, despite some challenges faced along the way.

In particular, the Bucci Industries Group recorded a sales turnover of Euro 213 million, up by Euro 23 million compared to the previous year (+12%), achieving a gross operating margin of approximately Euro 20 million and a net profit of approximately Euro 6 million.

The outbreak of the conflict in Ukraine presented a challenge with sharp impacts on the economic and social fabric, which posed an important question as to how best manage energy. In this context, the Group accelerated its energy internal-production projects by means of the installation of new photovoltaic plants and the future possibility of establishing a Renewable Energy Community.

As far as the Automation and Robotics area is concerned, Bucci Automations S.p.A., with its IEMCA division, operating in the production of automatic bar feeders, and with its SINTECO division, operating in contract automation for various sectors (industrial and hospital), recorded the most significant increase in sales turnover compared to the previous year. Also with regard to the area of innovative materials, Bucci Composites reported an increase in sales turnover compared to the previous year.

2022 was also characterised by important investments which concerned the completion of the expansion of the Longarone plant and the acquisition of additional space to be developed in which the SINTECO division operates, in order to be able to follow up on the prospects for growth in specific market segments, as well as investments in machinery and plant in the IEMCA division, including the upgrading of the existing photovoltaic plant, and the purchase of new presses by Bucci Composites.

The Bucci Industries Group has always been committed to developing solutions that support constant economic growth while respecting environmental and social values.



Sales turnover

€ 213 million

+ 12%

compared with
the previous year

Bucci Industries and membership of trade associations

Bucci Industries plays an active role in various sector associations and organisations, in which it participates so as to be constantly informed of the needs of the various stakeholders. In particular, the organisation is present in trade associations such as:

- **CONFINDUSTRIA**, present in the provinces where the operational headquarters of the local units of the companies involved are based, with particular interest in the UCIMU Association - Italian Manufacturers of Machine Tools, Robots and Automation.
- **FEDERMECCANICA**, which pays special attention to industrial relations, to the interests of the Italian manufacturing-metalworking industry, presenting and promoting the metalworking industry in relations with general public and Italian and European institutions.

In these venues the Bucci Industries Group plays the role of spokesperson for a tangible and important industrial entity, actively participating in strategic policy decisions.



THE SUSTAINABILITY STRATEGY

For the Bucci Industries Group, sustainability both in the automation and robotics sector and in the composite materials sector has always been a priority, also considering the growing environmental and social challenges that characterise the current global scenario.

The Bucci Industries Group is aware that the process of evolution towards sustainability requires commitment and resources from the entire organisation; in fact, it has carried out an assessment of the impact that its business activities may have on the external context, considering the ESG [Environmental, Social and Governance] areas. The company's primary goal is to adopt new sustainable solutions in terms of technology and know-how.

The shared approach

The sustainability report is targeted at each category of stakeholder, with whom the Bucci Industries group undertakes on a daily basis to maintain a transparent and collaborative relationship, based on discussion, understanding of mutual expectations and reconciliation of interests.

IDENTIFICATION AND ENGAGEMENT OF THE STAKEHOLDERS

TYPES OF STAKEHOLDERS	ENGAGEMENT METHOD	ENGAGEMENT FREQUENCY
SHAREHOLDERS	Presentations and General Meetings	Periodic
SUPPLIERS	Questionnaires, meetings, conferences	Periodic
EMPLOYEES AND ASSOCIATES	Assessment interviews, group	Annual
SCHOOLS, UNIVERSITIES AND RESEARCH BODIES	Work groups, scholarships, internships	Periodic
LOCAL COMMUNITY	Events, specific encounters, press	Periodic
TRADE UNIONS AND ASSOCIATIONS	Round tables	Periodic
CUSTOMERS	Customer satisfaction surveys, market research, trade fairs, dedicated communication channels, social networks	Periodic

Cultivating ongoing relations with all its stakeholders is a priority for the Bucci Industries Group, using various tools for engagement and feedback, such as trade fairs, open houses and specific events, in order to guide its strategic choices with a view to creating and distributing value to people, the environment and all stakeholders.

The process for determining the material issues

Bucci Industries has shared and outlined its sustainability strategy, taking into account the context in which it operates and the people directly or indirectly involved in its business activities. In order to draw up the first Group Sustainability Report, Bucci Industries has carried out the initial materiality analysis to identify the sustainability issues and the economic, social and environmental aspects relevant to its business.

In order to carry out the materiality analysis, Bucci Industries was inspired by the GRI 3 guidelines, which introduce the concept of impact for the identification of material issues. According to the GRI, in fact, in order to determine material issues, an organisation must identify its actual and potential impacts on the economy, the environment and people, including those on their human rights, in the context of the organisation's activities and business dealings. Actual impacts are those that have already occurred, while potential impacts may occur but have not yet done so. Impacts may also be negative or positive, short-term or long-term, intentional or unintentional, reversible or irreversible.

The process that led to the determination of the Group's material issues entailed the following phases:

- 1_preliminary analysis of the external and internal sustainability context of Bucci Industries;
- 2_ involvement of the Group's Top Management and the main company units to identify the main positive and negative, actual and potential impacts generated by the organisation on the external context, in the environmental, social and economic sphere;
- 3_ assessment of the significance of the impacts identified in ESG spheres and their prioritisation, based on the business activities and mitigation and/or improvement action implemented by the Group. In particular, within the sphere of these activities, identified impacts were prioritised by Top Management, considering both the organisation's point of view and the perspective of key stakeholders.
- 4_ determination of the material issues associated with the identified priority impacts.



List of the material issues identified

The materiality analysis process led to the identification of 10 material issues, which are listed below:

- 1 Product quality and safety
- 2 Energy consumption and GHG emissions
- 3 Waste management
- 4 Occupational health and safety
- 5 Sustainable supply chain management
- 6 Managerial ethics, integrity and transparency
- 7 Employee wellness and satisfaction
- 8 Innovation and sustainable research
- 9 Diversity, equal opportunities and inclusion
- 10 Employee promotion and development

The final results of the materiality process and this Sustainability Report were submitted to the CEO for approval.

The 2030 Agenda and the Sustainable Development Goals

The 2030 Agenda for Sustainable Development is an action plan for people, the Planet and prosperity. It was signed in 2015 by 193 United Nations countries, including Italy, to share a commitment to ensure a better present and future for the Planet and the people who inhabit it. The Global Agenda defines 12 Sustainable Development Goals (SDGs) to be achieved by 2030, divided into 169 Targets, which represent the approach towards development.

The contribution of Institutions, Governments, Businesses, Citizens and Society is required to achieve the SDGs.

Bucci Industries recognises the importance determined by the contribution that businesses can make to the achievement of these goals, and has analysed the requirements of the 12 goals as well as of the 169 related targets, in order to identify those to which it can best contribute by means of its own activities.



OBIETTIVI  **PER LO SVILUPPO SOSTENIBILE**

The table linking the SDGs identified by the Group, the related targets and the material issues is presented below:

SDGs	TARGETS	RELATED MATERIAL ISSUES
	3.8 Achieve universal health coverage, including protection from financial risks, access to quality essential health care services and safe, effective, quality and affordable access to basic medicines and vaccines for all;	Occupational health and safety;
	3.d Strengthen the capacity of all countries, especially developing countries, to anticipate, reduce and manage health-related risks, both domestically and globally.	Employee wellness and satisfaction
	4.3 By 2030, guarantee every woman and man equal access to cost-effective, quality technical, vocational and tertiary education - including university education;	Employee promotion and development
	4.4 Increase substantially by 2030 the number of young people and adults with specific skills - including technical and vocational skills - for employment, decent jobs and entrepreneurship.	
	5.1 End all forms of discrimination against women and girls everywhere;	Diversity, equal opportunities and inclusion
	5.c Adopt and intensify a sound policy and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls, at all levels.	
	7.2 By 2030, substantially increase the share of renewable energy in the global energy mix;	Energy consumption and GHG emissions
	7.3 By 2030, double the global rate of improvement in energy efficiency.	
	8.2 Achieve higher standards of economic productivity through diversification, technological progress and innovation, including with a focus on high value-added and labour-intensive sectors;	Innovation and sustainable research;
	8.3 Promote development-oriented policies that support production activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of small- and medium-sized enterprises, including through access to financial services;	
	8.5 Guarantee by 2030 full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value;	Product quality and safety;
	8.6 Reduce the proportion of young people unemployed and out of education or training by 2030;	Employee wellness and satisfaction;
	8.8 Protect the right to work and promote a healthy and safe working environment for all workers, including immigrants, especially women, and casual workers.	Diversity, equal opportunities and inclusion.

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SDGS	TARGETS	RELATED MATERIAL ISSUES
	<p>9.2 Promote inclusive and sustainable industrialisation and significantly increase by 2030, the rates of industrial employment and gross domestic product, in line with the national context, and double this rate in the least developed countries;</p>	<p><i>Product quality and safety;</i></p>
	<p>9.4 By 2030, improve infrastructure and sustainably reconfigure industries, increasing resource use efficiency and adopting cleaner and more environmentally sound industrial technologies and processes, with all members states taking action within their respective capabilities;</p>	<p><i>Innovation and sustainable research;</i></p>
	<p>9.b Support internal technological development, research and innovation in developing countries, including by ensuring a favourable environmental policy, inter alia, for industrial diversification and added value for products.</p>	<p><i>Energy consumption and GHG emissions</i></p>
	<p>12.2 By 2030, achieve the sustainable management and efficient use of the natural resources;</p>	<p><i>Energy consumption and GHG emissions</i></p>
	<p>12.4 By 2030, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and substantially reduce their release into the air, water and soil to minimise their negative impact on human health and the environment;</p>	
	<p>12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse;</p>	
	<p>12.6 Encourage companies, particularly large multinational companies, to adopt sustainable practices and integrate sustainability information in their annual reports.</p>	
	<p>13.2 Integrate climate change measures into national policies, strategies and planning.</p>	<p><i>Energy consumption and GHG emissions</i></p>
	<p>16.5 Significantly reduce corruption and abuse of power in all their forms;</p> <p>16.b Promote and enforce non-discriminatory laws and sustainable development policies.</p>	<p><i>Managerial ethics, integrity and transparency</i></p>



3

GOVERNANCE, ETHICS AND COMPLIANCE

GRI 3-3; GRI 2-9; GRI 2-10; GRI 2-11; GRI 2-14;
GRI 2-27; GRI 204-1; GRI 205-3

CORPORATE GOVERNANCE

Corporate Governance is organised according to the traditional system and consists of the General Shareholders' Meeting [in the person of Massimo Bucci], which appoints a Board of Directors, made up of executive, non-executive and independent members, a Board of Statutory Auditors, and an Auditing Firm with the task of the official accounts audit.

In addition, the operating companies Bucci Automations and Bucci Composites hold, on a monthly basis, their respective Strategic Committee meetings, which have the purpose of identifying, implementing and verifying strategic operational actions over the short and medium term, aimed at achieving the objectives set by the Board of Directors.

The Strategic Committees of Bucci Automations and Bucci Composites are also responsible for overseeing and managing the organisation's impacts on the economy, environment and people. They are currently not formal but essential bodies. An analysis is underway to implement this form of governance in a formal manner as well.



Sustainability governance

With regard to the Sustainability Report, Bucci Industries has created a specific work group to prepare the sustainability reporting, which will be shared in the Strategic Committees and approved by the Board of Directors of Roberto Bucci e C. S.p.A.

ROBERTO BUCCI E C. S.P.A.

Board of Directors

Stefano Bucci – Chairman
Massimo Bucci – CEO
Tomaso Tarozzi – CEO
Antonio Cibotti – Director
Alberto Maffei Alberti - Independent director
Riccardo Taroni – Director
Marco Malesani - Independent director
Francesco Ubertini - Independent director

BUCCI AUTOMATIONS S.P.A.

Board of Directors

Massimo Bucci - Chairman and CEO
Tomaso Tarozzi - CEO
Antonio Cibotti - Director
Carlo Giulio Casadio - Independent director
Enrico Sangiorgi - Independent director

Strategic Committee

Massimo Bucci (CEO)
Tomaso Tarozzi (CEO)
Antonio Cibotti (Marketing and Export Director)
Giampaolo Morandi (Gen. Manager IEMCA Div.)
Stefano Giacomelli (Gen. Manager SINTECO/Tecnosint Div.)
Dario Cusumano (Gen. Manager Giuliani/Vire Div.)
Alessandro Faucci (Management Control and IT Director)
Christian Bernardi (A&F Director)
Nicola Gasparoni (HR Director)

BUCCI COMPOSITES S.P.A.

Board of Directors

Massimo Bucci - Chairman and CEO
Tomaso Tarozzi - CEO
Antonio Cibotti - Director
Carlo Giulio Casadio - Independent director

Strategic Committee

Massimo Bucci (CEO)
Tomaso Tarozzi (CEO)
Antonio Cibotti (Marketing and Export Director)
Andrea Bedeschi (Gen. Manager Bucci Composites)
Alessandro Faucci (Management Control and IT Director)
Christian Bernardi (A&F Director)
Nicola Gasparoni (HR Director)

COMPANY ETHICS AND COMPLIANCE



The Bucci Industries Group recognises the importance of maintaining high standards of corporate governance. The “Managerial ethics, integrity and transparency” topic is considered a material issue for Bucci Industries because it affects corporate reputation, employee engagement and business risk management. Adopting an ethical and transparent culture helps to ensure the sustainability and longevity of the company in today’s context, where the focus on these aspects is increasingly relevant. Managerial ethics, integrity and transparency have a direct impact on the corporate culture and employee engagement. Bucci Industries strongly believes that an ethical and transparent work environment furthers a sense of belonging and pride for employees, fostering a climate of trust and collaboration. This can have a positive impact on productivity, innovation and the company’s ability to attract and retain talent.

The Bucci Industries Group, which has always been committed to issues related to ethics, integrity and managerial transparency, is working on specific policies and procedures to effectively address these issues.

The Code of Ethics, already formally implemented in Bucci Composites, will be extended during 2023 also to Bucci Automations and progressively to all Group Companies.

The rules of conduct, values and principles pursued by the Bucci Industries Group are at the basis of its daily business life, and the result of a shared culture born from the values of loyalty, fairness, transparency and respect, favouring the adoption of informed decisions, refraining from situations of conflict of interest.

The Bucci Industries Group adopts a zero-tolerance approach to corruption and is committed to complying with applicable laws and regulations.

During the reporting period, there were no significant cases of non-compliance with laws and/or regulations, nor were there any monetary or non-monetary sanctions for non-compliance with laws and/or regulations. In the same period, there were also no incidents of bribery and corruption, nor any public lawsuits undertaken related to the aspect of bribery and corruption.

SUSTAINABLE SUPPLY CHAIN MANAGEMENT

Sustainable supply chain management is a material issue of primary importance for the Bucci Industries group, as it contributes to improving product quality, customer satisfaction and supporting the local economy. By means of an informed choice of its suppliers, Bucci Industries is committed to reducing the overall environmental impact, improving energy efficiency and promoting the adoption of materials with a low environmental impact.

The Group has environmental policies that guide the supplier evaluation and selection system. In addition, there are supply chain monitoring activities aimed at improving impacts on the environment and the local area with a view to environmental sustainability. The selection of business partners is geared towards compliance with the principles of integrity, impartiality and fairness, carrying out assessments on the quality provided, price and utility requirements depending on the service requested.

Bucci Industries collaborates with its suppliers to develop sustainable processes, activities and products, sharing industry best practices and furthering sustainability awareness.

The Group is also committed to creating consolidated relationships with its suppliers, in order to create a virtuous network of shared social responsibility.

Bucci Industries turns first to local suppliers, who offer significant benefits to the company and the local community, including reducing environmental impact and supporting the local economy. Choosing local suppliers represents a tangible commitment towards the sustainable development of the local area, by means of the creation of value at local level, fuelling a virtuous circle of mutual benefit between the company and the communities in which it operates.



Proportion of expenditure to local suppliers

The Group's local suppliers are considered to be suppliers with a corporate name located in the same region of Italy where Bucci Industries has its headquarters or suppliers from the province and neighbouring provinces. The following table shows the number of suppliers and the value of supplies recorded in 2021 and 2022:

90,7%
Italian
suppliers

47%
of purchases from
local suppliers

NUMBER AND PERCENTAGE OF SUPPLIERS BY GEOGRAPHIC AREA

GEOGRAPHIC AREAS OF THE SUPPLIERS	2022		2021	
	No.	%	No.	%
ITALY	1,330	90.7	1,255	90.3
GERMANY	67	4.6	59	4.2
CHINA	8	0,5	4	0.3
OTHERS	62	4.2	72	5.2
TOTAL	1,467	100	1,390	100

The figures show that the Bucci Group prefers Italian suppliers.

In 2022, the % of suppliers with a corporate name in Italy increased slightly from 90.3% to 90.7%.

EXPENDITURE

GEOGRAPHIC AREAS OF THE SUPPLIERS	2022		2021	
	€/1000	%	€/1000	%
ITALY	92,200		65,542	
of which from local suppliers	42,903	47%	30,148	46%
GERMANY	3,411		1,763	
CHINA	1,235		997	
OTHERS	5,824		2,692	
TOTAL	102,672		70,996	

The figures also show that 42% of purchases involve local suppliers (i.e. suppliers located in the province and provinces neighbouring the Group's facilities). This shows how the Group cares about the growth of the local area in which it operates.

4

EMPLOYEE MANAGEMENT AND DEVELOPMENT

GRI 3-3; GRI 2-7; GRI 2-30; GRI 401-1;
GRI 404-1; GRI 403-1; GRI 403-5; GRI
403-9; GRI 405-1; NON-GRI 1 indicator



DIVERSITY AND EQUAL OPPORTUNITIES

Developing human resources is an aspect of fundamental importance for the Bucci Industries Group, which strongly believes in the contribution that each person can make in a serene and collaborative work environment.

When selecting personnel, the Group offers equal opportunities to people, avoiding any form of discrimination due to differences in gender, age, nationality, political or religious opinions.

There is a personnel management policy covering all aspects from resource selection to career development inspired by the principles of meritocracy, transparency and equal opportunities.

The selection channels used in recent years are manifold: application through advertisements, support from external consultants who are professionals in the recruiting sector, the company portal in the “work with us” section and by means of career days, always in compliance with the Group’s values.

The Group constantly keeps abreast of its diversity, equal opportunities and inclusion initiatives, both by participating in specific events and by developing its own initiatives to achieve an increase in possible jobs occupied by female staff.

The Group maintains that in order to mitigate potential negative impacts regarding diversity and inclusion, it is important to devote time to the adults of the future, through measures at high schools, presenting the most in-demand professional figures and fighting the battle to abolish stereotypes such as that some roles can only be filled by male personnel.



TOTAL EMPLOYEES BY TYPE OF CONTRACT *

CONTRACTUAL TYPES	UoM	2022			2021		
		MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
EMPLOYEES UNDER PERMANENT EMPLOYMENT CONTRACTS	No.	644	106	750	575	102	677
EMPLOYEES UNDER FIXED-TERM EMPLOYMENT CONTRACTS	No.	28	8	36	28	7	35
TOTAL EMPLOYEES	No.	672	114	786	603	109	712

*The table "Total employees by type of contract" discloses the employee workforce calculated as the number of employees as at 31 December of each pertinent year.

TOTAL EMPLOYEES BY PROFESSIONAL CATEGORY *

TOTAL EMPLOYEES	UoM	2022			2021		
		MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
EXECUTIVES	No.	7	-	7	7	-	7
MIDDLE MANAGERS	No.	17	-	17	16	-	16
WHITE-COLLARS	No.	252	85	337	220	82	302
BLUE-COLLARS	No.	396	29	425	360	27	387
TOTAL EMPLOYEES	No.	672	114	786	603	109	712

*The table "Total employees by professional category" discloses the employee workforce as at 31 December of each pertinent year. Co.Co.Com workers (contract for freelance work coordinated by an employer), temporary workers, trainees, interns, occasional collaborators are excluded.



Percentage of women out of total FTE workers:

14%

THE BUCCI INDUSTRIES GROUP'S COMMITMENT FOR GENDER INCLUSION

The Bucci Group, which has always been committed to the growth of new resources specialised in STEM subjects, is now strongly focused on increasing the number of recruits of female STEM specialists. The lemca division has the highest number of women specialised in STEM subjects.

MEMBERS OF THE GOVERNANCE BODIES (BOD) BY GENDER AND AGE BRACKET*

MEMBERS BY AGE BRACKET	UoM	2022			2021		
		MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
< 30	No.	-	-	-	-	-	-
30 - 50 YEARS	No.	2	-	2	2	-	2
> 50 YEARS	No.	8	-	8	8	-	8
TOTAL MEMBERS		10	-	10	10	-	10

PERCENTAGE BY AGE BRACKET	UoM	2022			2021		
		MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
< 30	%	-	-	-	-	-	-
30 - 50 YEARS	%	20%	-	20%	20%	-	20%
> 50 YEARS	%	80%	-	80%	80%	-	80%
TOTAL PERCENTAGE		100%	-	100%	100%	-	100%

*The table "Members of management bodies (BoD) by gender and age bracket" discloses the members of the management bodies by gender and age bracket calculated as at 31 December of each pertinent year.



Percentage of employees covered by collective employment agreements

100%

TOTAL EMPLOYEES COVERED BY COLLECTIVE EMPLOYMENT AGREEMENTS

*The table "Number of employee covered by collective employment agreements" discloses the employee workforce as at 31 December of each pertinent year. Co.Co.Com workers (contract for freelance work coordinated by an employer), temporary workers, trainees, interns, occasional collaborators are excluded.

EMPLOYEES COVERED BY COLLECTIVE AGREEMENTS	UoM	2022	2021
NUMBER OF EMPLOYEES COVERED BY COLLECTIVE EMPLOYMENT AGREEMENTS	No.	786	712
PERCENTAGE OF EMPLOYEES COVERED BY COLLECTIVE EMPLOYMENT	%	100%	100%



EMPLOYEE PROMOTION AND DEVELOPMENT

The promotion and development of employees is a priority material issue for the Buccì Group, considering that the motivation of its resources is an asset of the organisation. Satisfied and motivated resources are valuable resources that give their best in every area.

The issue of employee promotion and development is handled by means of a group of internal resources that support the department managers in defining training courses, periodic evaluation and management of these aspects, which are very important and a priority for the Group.

In some departments of the Buccì Group, occasions have been set up for manager-employee dialogue that allow both to express the positive and negative aspects in the management of the activities. These moments of dialogue and reflection are of great help in motivating company resources.

This dialogue between manager and employee will in time be extended to all the Group's departments in order to assess the company climate on an annual basis and also to assess the aspirations and needs of its people, as well as allowing them to find themselves in the organisation in which they work.

The Group is increasingly moving towards a process of improvement and digitalisation to facilitate the creation of training plans and career promotions.

The Group believes that business success is closely linked to the success and work fulfilment of each individual.

2022 was a year of great growth for the Group, which is also reflected in the increase in recruitment; in fact, the percentage of recruitment increased from 13% to 19%. In 2022, the percentage of female recruits aged < 30 years also increased.

Terminations, on the other hand, are attributable to fixed-term contracts and retirements.

TURNOVER, RECRUITS AND TERMINATIONS (EMPLOYEES)

RECRUITS BY AGE BRACKET	UoM	2022			2021		
		MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
< 30	No.	96	15	111	57	11	68
30 - 50 YEARS	No.	27	3	30	18	2	20
> 50 YEARS	No.	8	-	8	4	1	5
TOTAL RECRUITS	No.	131	18	149	79	14	93
PERCENTAGE OF RECRUITS OUT OF TOTAL EMPLOYEES	%	20%	16%	19%	13%	13%	13%
TERMINATIONS BY AGE BRACKET	UoM	2022			2021		
		MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
< 30	No.	28	8	36	20	7	27
30 - 50 YEARS	No.	20	3	23	17	5	22
> 50 YEARS	No.	18	0	18	15	2	17
TOTAL LEAVERS	No.	66	11	77	52	14	66
PERCENTAGE OF LEAVERS OUT OF TOTAL EMPLOYEES	%	10%	10%	10%	9%	13%	9%

With regard to the employee skills development process, Bucci Industries not only provides courses of a mandatory nature, but each year the Human Resources department gathers the training needs that have arisen from the department managers in order to develop specific training courses.

In the years 2021 and 2022, training was organised in the following areas: technical, linguistic, IT, soft skills and safety. The training activities that were carried out were aimed at developing or expanding the knowledge and skills of workers to enable them to perform their assigned job tasks to the best of their ability, increasing personal and company satisfaction.

AVERAGE HOURS OF PROFESSIONAL TRAINING PER PROFESSIONAL CATEGORY

AVERAGE HOURS OF TRAINING PROVIDED	2022			2021		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
EXECUTIVES	14.57	0	14.57	1.43	0	1.43
MIDDLE MANAGERS	6.85	0	6.85	8.25	0	8.25
WHITE-COLLARS	8.64	8.14	8.51	9.08	6.36	8.34
BLUE-COLLARS	6.20	5.21	6.13	4.05	0.69	3.24
TOTAL AVERAGE HOURS OF TRAINING	7.22	7.39	7.24	5.95	5.97	5.81



EMPLOYEE WELLNESS AND SATISFACTION

The Bucci Industries Group recognises the crucial importance of the well-being and satisfaction of its employees, as these factors affect company productivity, appeal as an employer, corporate image and corporate social responsibility. Investing in employee care is a key element in ensuring sustainable success and long-term growth.

The Bucci Industries Group is actively committed to creating a healthy, safe and rewarding working environment for its employees through a series of internal policies, procedures and responsibilities.

The Bucci Industries Group has implemented several significant initiatives for the well-being and health of its employees, including the Bucci Industries Wellness Program. The program offers employees a wide range of opportunities to promote a healthy and balanced lifestyle. They can participate in numerous sports, educational and training activities. Weekly courses and sessions are organised, led by experts and qualified coaches, covering a wide range of disciplines such as yoga, Pilates, functional training, postural gymnastics and swimming. In order to ensure a complete experience, the technical clothing required to engage in these activities comfortably and safely is also provided. In addition, the program also includes seminars and workshops, covering topics such as proper nutrition for a healthy lifestyle, to help educate employees on a healthy lifestyle.

The Bucci Industries Group plans to develop further wellness projects and initiatives in the coming years. The aim is to expand the range of sports activities on the agenda and increase the number of seminars dedicated to the psychophysical well-being of employees.



EMPLOYEE WELLNESS AND SATISFACTION INITIATIVES ARE EXTENDED TO ALL EMPLOYEES IN THE ORGANISATION.

INITIATIVES FOR THE PROMOTION OF THE WELLNESS OF EMPLOYEES	UoM	2022	2021
NUMBER OF PROGRAMS IMPLEMENTED FOR THE PROMOTION OF EMPLOYEE WELLNESS AND SATISFACTION	No.	15	12
AVERAGE RATE OF PARTICIPATION PER YEAR OF EMPLOYEES IN THE INDIVIDUAL WELLNESS AND SATISFACTION PROGRAMS	%	34.99%	29.07%

The organisation recognises the importance of investing in the well-being and satisfaction of its employees as part of its long-term sustainability strategy. Bucci Industries has made plans to allocate resources and devote continuous efforts to develop and implement projects and initiatives in the coming years, as well as to create a working environment that promotes employees' well-being, and to provide them with the necessary tools to achieve a healthy balance between professional and personal life.

Well-being and sustainable mobility

In 2022 the Bucci Group joined the municipal "Bike to Work" program for the disbursement of mobility vouchers to employees of public and private companies and organisations located in the Municipality of Faenza.

Thanks to the Group's people actively participating in more sustainable mobility, the Bucci Group ranks first as a company in the Municipality of Faenza and second overall.



OCCUPATIONAL HEALTH AND SAFETY

Workplace health and safety is one of the main issues for the Bucci Group, which strongly believes in spreading a solid safety culture among its employees in order to guarantee a working environment free from health hazards for its resources.

The Bucci Group operates in compliance with the laws and regulations on occupational health and safety, assigning primary importance to constantly improving working conditions and the working environment by reducing risks and dangers as much as possible. For this reason, the Group is constantly committed to spreading and furthering a culture of health and safety at all company levels.

Each of the Group's divisions has its own safety manager with appropriate spending powers, precisely to enable each of them to promptly improve any critical or potentially critical aspects that may be encountered.

Over the years, increasingly more risk mitigation measures have been undertaken, adopting all required PPE in every area where it was deemed necessary.

In conjunction with the company's Prevention and Protection Service, a questionnaire for reporting near-misses has been implemented over the past year, to be filled in by the PPSM and safety officers. By means of this questionnaire, some potentially dangerous situations have been reported and promptly resolved. Accident indicators are monitored and evaluated periodically in order to promptly identify mitigation action.

It should be noted that, in the reporting period, Bucci Industries did not engage in any disputes relating to health and safety issues.

Improvements in this area are implemented on the basis of risk assessments, periodic audits of the PPS and reports of near-misses sent in by the supervisors. Improvement action is periodically proposed by the general managers to the CEO.



Occupational health and safety management system

The Bucci Industries Group uses internal and external resources to fulfil all legal obligations on health and safety at work. The Group has always been sensitive to occupational health and safety issues.

The Bucci Industries Group avails itself of professionals and an internal team to deal with these issues. The Bucci Group team consists of the Employer, PPSM, in-house doctor, WSM and external consultants appointed under specific agreements.

Every year the Bucci Group invests economic resources in the area of occupational health and safety in order to significantly improve working conditions and workplaces for its employees. Personal protective equipment (PPE) and collective devices are made available to staff. In addition, countless hours of funded and non-funded training are provided each year.

Training of workers on occupational health and safety

The training provided on occupational health and safety is organised annually with the help of qualified external consultants who work together with the Prevention and Protection Service and assess the specific risks for each identified task. Based on the risks identified in the DUVRI (interference risk assessment document), the topics to be covered and the groups of workers to be involved are planned. The training is provided during working hours and is therefore remunerated.

Work-related accidents and injuries

The Group has drawn up a risk assessment associating each task with the related risks and improvement actions. This data is shared periodically with the company's Prevention and Protection Service.

WORK-RELATED ACCIDENTS AND INJURIES FOR ALL EMPLOYEES

CASES	2022		2021	
	No.	RATE*	No.	RATE*
Number of hours worked	1,179,028	-	1,294,707	-
Number and rate of deaths further to work-related accidents and injuries	0	0	0	0
Number and rate of work-related accidents and injuries with serious consequences (excluding deaths)	0	0	0	0
Number and rate of work-related accidents and injuries	9	0.00000763	14	0.00001081
The main types of work-related accidents and injuries	Fractures/infractures, sprains, minor injuries and bruises		Injuries/ bruises, trauma, strains	

*The work-related accident and injury rate is calculated using the following formula: "accident/injury rate = number of accidents / number of hours worked".


No serious accidents or injuries occurred during the reporting period

During the reporting period, the Group took action to eliminate and minimise the risk of accidents and injuries, using the hierarchy of controls. The action taken in the reporting period in relation to this issue is as follows:

LIST OF THE ACTIONS UNDERTAKEN TO REDUCE AND ELIMINATE RISKS AND HAZARDOUS FOR OCCUPATIONAL HEALTH AND SAFETY

1. Purchase of formaldehyde-free cooling lubricants
2. Elimination of chemicals with sensitising effects
3. New welding station to reduce diffuse emissions
4. Improvement of industrial hygiene
5. Checks carried out with a thermographic camera to monitor the main fire and short circuit risks in the company's electrical panels
6. Emergency prevention: defibrillators installed in production facilities and operators trained by means of the BLSD (Basic Life Support with Defibrillation) course
7. Lowering of material storage racks to reduce material falls from heights
8. Traffic regulation of external vehicles entering and leaving the loading/unloading area

No worker was excluded from the company disclosures.



5

PRODUCT QUALITY AND INNOVATION

GRI 3-3; non GRI 2 indicator

OUR PRODUCTS

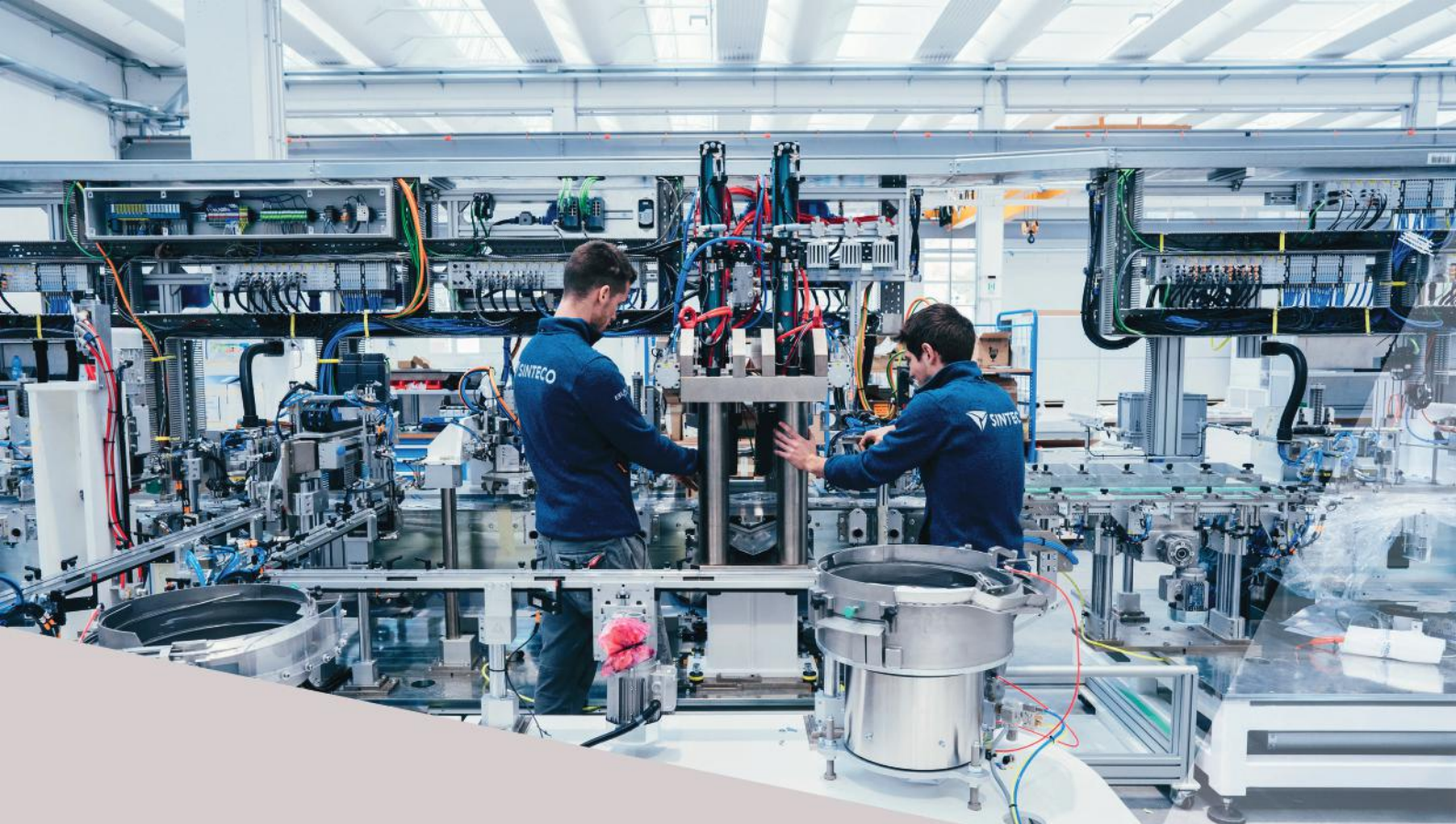


IEMCA division

IEMCA has designed and produced automatic bar feeders since 1961 and is today the worldwide reference for every type of application for lathes, machining centres, grinding machines, gear cutters and other types of machine tools.

IEMCA's product range dedicated to the bar turning sector is the widest available on the market and includes automatic feeders for single-spindle fixed and sliding (Swiss-type) headstock lathes, for bar lengths up to 6 metres, for diameters from 0.3 mm to 100 mm and beyond, as well as solutions for multi-spindle lathes up to 8 spindles, with integrated bar feeders and back-feeders for tube bundles. IEMCA offers a range of highly qualified services in every corner of the world thanks to its global presence.





SINTECO division

Leader in the design and production of automation and robotic systems in the industrial, medical and hospital sectors. The Industrial branch produces turnkey plants for the assembly of industrial components for the automotive, mechanical, locksmithing, electronics and cosmetics sectors. The Medical section designs and manufactures automatic machines for the assembly of medical applications in clean rooms. The Healthcare department creates solutions for unit dose management of medicines in the hospital sector.



GIULIANI division

GIULIANI manufactures transfer machines for machining automotive components, compressor components, casting components, hydraulic components and machining and assembly machines dedicated to the locksmith industry. They are highly productive machines dedicated to non-stop 24/2 machining, durable, solid, technologically cutting-edge and with a proven track record care of customers.





VIRE division

VIRE designs and builds packaging machinery for the hygiene industry (baby diapers, adult diapers, sanitary towels) and machines for manufacturing medical plasters. Our core values are focus on the customer, the market in which we operate and the society in which we live.





BUCCI COMPOSITES

BUCCI COMPOSITES is a leader in the design and production of structural parts and components in advanced composite material for the automotive, aerospace, marine and industrial sectors. Since 1988 BUCCI COMPOSITES has been producing aesthetic components and structural systems in advanced composite materials such as carbon fibres, aramid fibres, glass fibres and other types of fibres.



PRODUCT QUALITY AND SAFETY

The primary importance of product quality and safety

Bucci Industries assigns primary importance to product quality and safety and for this reason certification processes have been undertaken that demonstrate how the Group believes in and is sensitive to these issues.

The Group's commitment in this sphere is demonstrated by the certifications obtained over time. It is of fundamental importance for Bucci Industries to share and formalise the organisation's policies, procedures and responsibilities concerning the quality and safety of the products offered. In fact, the organisation has always been geared towards the continuous improvement and efficiency of all company processes. All this is guaranteed by the UNI EN ISO 9001 certifications present in all the Group's divisions. The certifications present within the Bucci Industries Group are listed below:

CONTINUOUS IMPROVEMENT IS OUR PRIMARY GOAL EVERY DAY. THAT IS WHY WE HAVE IMPLEMENTED, IN SOME DIVISIONS OF THE GROUP, A CRM SYSTEM THAT ALLOWS US TO KEEP TRACK OF OUR RESULTS AND THE MOST CRITICAL ASPECTS TO BE IMPROVED.

BUCCI AUTOMATIONS



BUCCI COMPOSITES



Every day, Bucci Industries' design engineers strive to innovate and improve the product in terms of quality, safety and service life. This is why the organisation has been working side by side with research centres and universities for years. Innovation and research are an essential goal of our organisation.

Bucci Industries has not had to deal with any litigation relating to product quality and safety issues during the reporting period.



INNOVATION AND SUSTAINABLE RESEARCH

Our planet is our priority. In fact, economic results and social benefits are additional objectives for the organisation, on the basis of which we have always created value for the company, customers, employees, suppliers and the community.

Bucci Industries is aware of the need to redirect its mindset towards new and ambitious growth objectives.

The Group aims to achieve the above mentioned goal, starting from the innovation of its products and production processes, with the awareness that today's commitment will contribute to improve tomorrow's world.

The Bucci Group develops eco-sustainable projects that strike a balance between the need to produce and generate shared wealth, fighting climate change and reducing environmental impact.

INNOVATION AND SUSTAINABLE RESEARCH IN BUCCI INDUSTRIES

Our guidelines in the area of sustainable product design are summarised in the following 4 programs:

1

HUMAN CENTRIC PROGRAM
people at the core of every initiative

3

NO PLASTIC PROGRAM
Materials replacing plastic

2

LOW IMPACT PROGRAM
implement sustainable practices

4

SUSTAINABLE MOBILITY PROGRAM
New mobility solutions

There are numerous innovation and sustainable research initiatives carried out by the Group.



The IEMCA Division has recently launched on the market high-pressure control units for the management of coolant machining fluids (pressure range 40 • 250 bar).

The introduction of high-pressure units in conventional multi-purpose machine tools (capable of machining all materials, including those that are “difficult to cut” - stainless steel or titanium) makes it possible to expand the potential of the machine tool. In this way, it will no longer be necessary to move a piece by dividing operations up between roughing on the traditional machine tool and finishing on the grinding machine, with obvious advantages in terms of cost and sustainability.

IEMCA, however, has decided to develop a unique range of HPC units, introducing an energy-efficient product that, unlike the market standards, only compresses the oil that is strictly necessary to operate the lathe.

This greatly reduces the need to subsequently cool the pressurised oil, thereby optimising the energy efficiency of the system.



The SINTECO Division, a leader in automated pharmaceutical management within hospitals, after years of research and development, is now able to guarantee the recyclability of 100% of the consumables used in its systems, with the medium-term objective - through a second, not insignificant R&D phase - of also guaranteeing their biodegradability.



- The first phase will involve 20% of the consumables: specifically, we are talking about the tamper-proof closure systems of prescriptions (clips) and multi-dose containers (sticks).
- The second phase will affect all pouches containing the single-dose drug, to reach the target of 20% of the total. The remaining 30%, however less impacting, will be addressed in a third phase.

Again in the sphere of Hospital Automation, with a clear view to sustainability, Sinteco has implemented a very important process for the gradual reduction of air consumption in its drug packaging, storage and management systems, replacing pneumatic handling with low-consumption electric drives; to date, the latter have already reached 60% of the total and within a year and a half the realistic objective is to reach 95%.

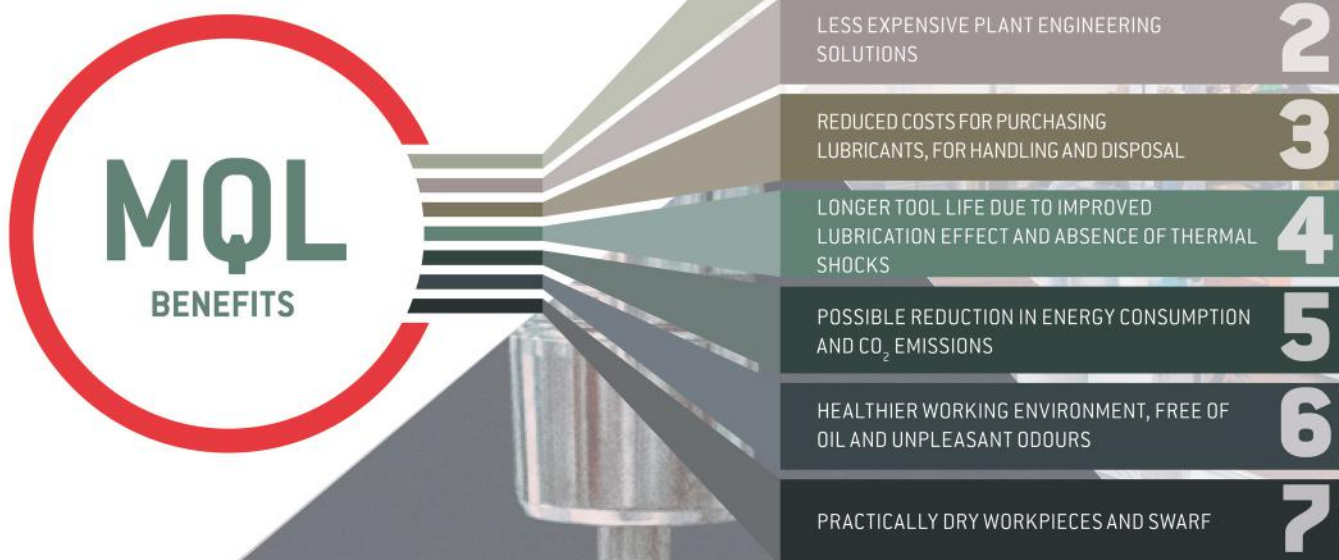
In addition, the IT division is evaluating the possibility of applying specific software strategies for energy saving, essentially working on optimising the operation of the machines, drawing inspiration, for example, from the start&stop concept.



The GIULIANI Division has recently developed a new line of machine tools that revolutionises the approach to the world of swarf removal by switching from machining oil within the tool to MQL (Minimal Quantity Lubrication). The machined piece and swarf come out dry; the machine tool does not have to be designed to be “fluid-tight” and can therefore be designed for maximum operator ergonomics. The materials that are most suitable for cutting with this method are those typical of the Giuliani market: brass alloys and aluminium alloys.



THE BENEFITS PRODUCED BY THIS NEW TECHNOLOGY CAN BE SUMMARISED AS FOLLOWS:



The VIRE Division is developing optical control systems, based on artificial intelligence and machine learning, to control the most delicate operation: bag sealing.

Vire is also promoting machines or groups of machines dedicated to handling packaging with plastic-free, compostable or biodegradable, recyclable and/or more sustainable plastic-based materials, via research and experimentation of alternative processes.

BUCCI COMPOSITES, always aware of environmental aspects, has started on the journey towards greater sustainability in the production of composite components. Reducing the amount of composite material destined for disposal, whether already consolidated or not yet processed, will result in an important ecological benefit in the coming years. This is also in light of the extensive use of composite materials in the aeronautical, automotive, wind energy, and pressure vessel sectors, which in a few years' time will lead to the accumulation of huge quantities of composite products that will have reached the end of their service life, creating a genuine disposal problem. In order to contribute to the reduction of these quantities and thus contribute to the reduction of the CO₂ footprint, Bucci Composites is working on two main lines of applied research:

- The first concerns the use of recycled carbon fibre, obtained from the pyrolysis process. The research project was developed by Curti S.p.A.'s energy division in collaboration with Bucci Composites S.p.A., which supplied the materials to be processed. In particular, the pyrolysis of treated and non-treated composite materials, i.e. prepreg plies, the latter coated with polyethylene film on both sides, was tested. The material obtained after the pyrolysis process, suitably treated and processed into felts of various sizes, was then used for the production of components with interesting mechanical properties.
- The second is the use of natural fibres, such as hemp fibre, for the production of components for use in the automotive sector.

By means of these activities, Bucci Composites is committed to reducing the CO₂ footprint of the products it manufactures. Through the use of recycled fibres, Bucci Composites has begun the journey towards the more sustainable production of composite components.



The Bucci Industries Group has always been committed to making a significant contribution to social and environmental development through sustainable research and innovation projects for the constant improvement of its production processes. The Group has been working together for some time with numerous Research Institutions and Universities in Italy and abroad, in particular with the University of Bologna, developing an increasingly extensive form of collaboration between the University, its research activities and the Bucci Group.

The value of investments in innovation and sustainable research is summarised below.

INVESTMENTS IN INNOVATION AND SUSTAINABLE RESEARCH

	UoM	2022	2021
ECONOMIC VALUE OF THE EXPENDITURE FOR INNOVATION AND SUSTAINABLE RESEARCH	€/1000	6,403	5,749
PERCENTAGE OF EXPENDITURE FOR INNOVATION AND SUSTAINABLE RESEARCH OUT OF TOTAL ANNUAL EXPENDITURE OF THE COMPANY	%	3.51%	4.35%

Sustainable research is of equal importance to all projects undertaken by group companies.





6

BUCCI INDUSTRIES FOR THE ENVIRONMENT AND THE SOCIAL SECTOR

GRI 3-3; GRI 302-1; GRI 305-1; GRI 305-2; GRI 306-1;
GRI 306-2; GRI 306-3; GRI 306-4; GRI 306-5;
NON GRI 3 indicator; NON GRI 4 indicator

WASTE MANAGEMENT

The Bucci Group constantly evaluates solutions applicable to the reduction of waste generated and has therefore adopted an environmental management system certified according to the UNI EN ISO 14001:2015 standard.

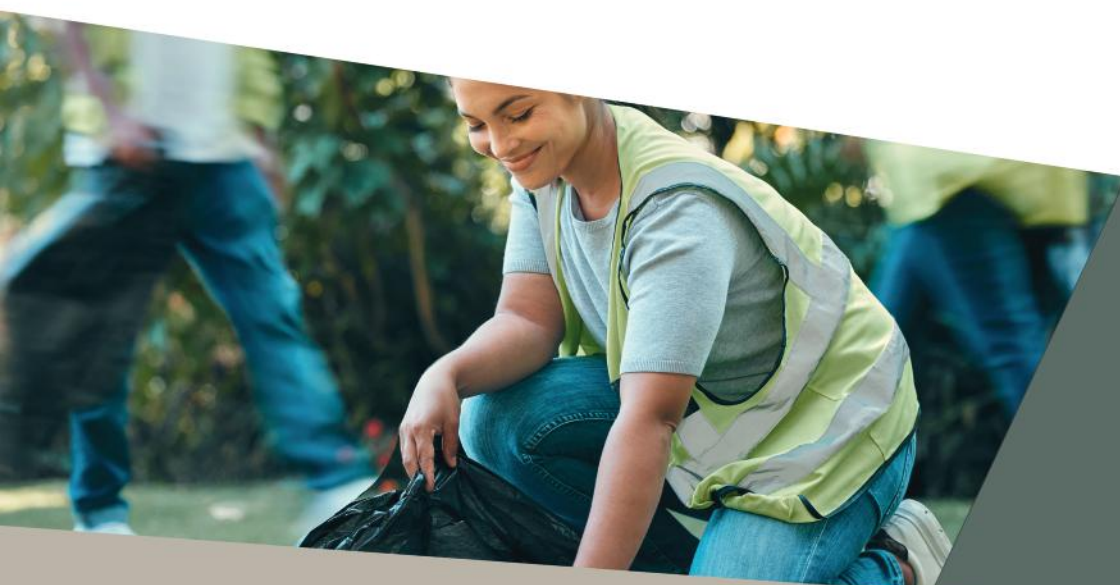
Common environmental policies have been implemented in the Group's divisions, demonstrating an informed management of environmental issues that contribute to environmental sustainability. With regard to waste management there is an "Internal Team" supported by IT instruments for improved management.


Thanks to the UNI EN ISO 14001 environmental certification, we have analysed all production processes, also improving the differentiation of waste produced and increasing the percentage of waste sent for recovery.

We are dedicated to reducing waste by optimising and recycling the packaging of both the products supplied to us and the products we supply to our customers.

In order to raise awareness and encourage the reduction of plastic waste, all employees of the Bucci Group have been provided with a personalised metal water bottle. This has contributed significantly to the reduction of single-use plastic bottles.

**BUCCI INDUSTRIES IS
COMMITTED TO REDUCING ITS
ENVIRONMENTAL FOOTPRINT BY
UNDERTAKING PROACTIVE ACTION
AGAINST CLIMATE CHANGE AND
SUPPORTING ITS CUSTOMERS
AND PARTNERS IN THEIR
DECARBONISATION PROCESSES.**





We have drafted a life cycle perspective for our products, to provide environmental information to users at the end of life or end-of-cycle of the machinery/product.

The Group has defined annual indicators for waste monitoring. These aspects are discussed annually during the Annual Management Reviews. Employee training and awareness-raising campaigns have also been implemented, including the creation of dedicated brochures.

The company is subject to waste management legislation and no waste-related disputes have been encountered.

Information systems for waste management have been adopted, so that our team is increasingly attentive to monitoring the most critical environmental aspects. Investments have been made to improve the containment basins and waste storage areas. We have also implemented an ISO 14001 environmental management system in recent years, certified by a third party.

Generation of waste and significant impacts associated with waste

The Bucci Group has analysed all its production processes assessing environmental inputs and outputs (in and out). This is why it has adopted the “LCP” [Life Cycle Perspective] methodology to quantify the overall impact of the company’s production processes on the environment, going beyond the boundaries of the company.

Bucci Industries implements measures to reduce the amount of waste produced, by means of the optimisation of production processes.

To deal with the sustainable impacts and waste generated, the Group adopts an integrated approach, which considers both direct and indirect activities linked to the value chain. The company is continuously striving to reduce, recycle and properly manage waste, to pursue true sustainability and contribute to creating a more eco-friendly future.

Bucci Industries has analysed the inputs and outputs of the production process, identifying the types of materials used, the key stages of the production process and the activities that may generate waste. The company pays particular attention to reducing or eliminating possible impacts related to the environment, workers’ health and safety, the local area and the local community in which it operates.

Generation of waste and significant impacts associated with waste

The scrapped electronic components are separated by type, with a view to recycling. Spent toners are entrusted to a company for recovery. An authorised intermediary takes care of the collection, treatment and disposal of electronic components.

There is a dedicated waste management team within the organisation that collects and monitors the waste produced and is concerned with limiting risks and proposing improvement action.

PRODUCTS BY TYPE, IN TONNES

	UoM	2022	2021
NON-HAZARDOUS WASTE PRODUCED	t.	575.50	426.52
HAZARDOUS WASTE PRODUCED	t.	56.82	73,72
TOTAL WASTE PRODUCED	t.	632.32	500.24

Waste produced

The waste produced has been divided up into hazardous and non-hazardous waste. In 2022, the amount of waste produced increased due to a rise in production, post-covid. In 2022, despite the increase in waste production, the amount of hazardous waste decreased, thanks to improved management, which also led us to environmental certification.

Hazardous waste mainly concerns: oily emulsions from machine tools, compressor waste water, paints, cans and filters contaminated with hazardous substances.

WASTE INTENDED FOR DISPOSAL, IN TONNES

	UoM	2022	2021
NON-HAZARDOUS WASTE PRODUCED	t.	453.09	342.43
HAZARDOUS WASTE PRODUCED	t.	20.38	19.,11
TOTAL WASTE PRODUCED	t.	473.47	361.54

WASTE SENT TO LANDFILLS BY TYPE, IN TONNES

	UoM	2022	2021
NON-HAZARDOUS WASTE PRODUCED	t.	122.41	84.09
HAZARDOUS WASTE PRODUCED	t.	36.45	54.61
TOTAL WASTE PRODUCED	t.	158.86	138.70

THANKS TO IMPROVED HAZARDOUS WASTE MANAGEMENT, IN 2022 LESS WASTE WAS SENT FOR DISPOSAL AND MORE WASTE WAS SENT FOR RECOVERY.





ENERGY AND EMISSIONS

Energy efficiency and transition

Attention to the environment is a fundamental element of the Group's sustainability approach and a key aspect of its Corporate Social Responsibility and integrated Quality and Environment policy, in terms of respect for and protection of the environment. Marketing goods all over the world and maintaining active supply chains inevitably entails generating an impact on the environment; this is why Bucci Industries optimises the use of resources and is committed to reducing its emissions wherever possible.

To optimise the management of its impact on the environment, the Group has implemented an environmental management system compliant with the UNI EN ISO 14001:2015 standard.

Attention to the environment involves constant monitoring of the impact generated by Bucci Industries' activities in terms of: use of natural resources, atmospheric emissions and impacts on the local area, our suppliers and customers.

Commitment to sustainable business also means constantly searching for sustainable energy sources and implementing all possible devices and initiatives to reduce energy consumption.

The Group monitors the main parameters influencing the energy efficiency of the sites and the greenhouse gas emissions, seeking to discover current sustainable practices and future trends.

With regard to the reporting period, the organisation did not report any legal action or litigation of an environmental nature.

ENERGY CONSUMPTION*

ENERGY CONSUMPTION FROM FOSSIL FUELS	UoM	2022	2021
CONSUMPTION OF NATURAL GAS (METHANE) (FOR HEATING AND PLANTS)	GJ	23,444	24,183
CONSUMPTION OF DIESEL (FOR AUTOMOTIVE PURPOSES)	GJ	4,710	4,061
TOTAL ENERGY CONSUMPTION FROM FOSSIL FUELS	GJ	28,154	28,244
DISTRICT HEATING CONSUMPTION			
DISTRICT HEATING CONSUMPTION	GJ	1,659	1,565
TOTAL DISTRICT HEATING CONSUMPTION	GJ	1,659	1,565
ELECTRICITY CONSUMPTION			
CONSUMPTION OF ELECTRICITY PURCHASED FROM THE ITALIAN GRID	GJ	19,752	19,191
CONSUMPTION OF ELECTRICITY INTERNALLY-PRODUCED BY PHOTOVOLTAIC SYSTEMS	GJ	3,652	1,402
TOTAL ELECTRICITY CONSUMPTION	GJ	23,404	20,593
TOTAL ENERGY CONSUMPTION (FROM FOSSIL FUELS AND ELECTRICITY)	GJ	53,217	50,402

*The conversion factors provided by the UK Department for Environment, Food and Rural Affairs (DEFRA) for the years 2022 and 2021 were used to represent Bucci Industries' energy consumption in Giga Joules.

RENEWABLE ELECTRICITY GENERATION AS A TANGIBLE COMMITMENT TO REDUCING THE GROUP'S EMISSIONS

Our company's commitment to environmental sustainability is evident by means of the investment in and creation of **three photovoltaic plants totalling approximately 1MW of power**, installed on our production facilities, which allow us to internally-generate renewable energy for our operations.

This initiative has a significant impact on reducing greenhouse gas emissions, thereby contributing to the fight against climate change. Our photovoltaic panels represent a tangible step towards the adoption of sustainable energy practices, allowing us to power our operations with a clean and environmentally friendly source.

We will continue to invest in monitoring energy consumption, highlighting energy and emission deficiencies and improvement plans, and identifying innovative solutions to achieve greater energy efficiency, reduced emissions and promote a sustainable future for generations to come.

GENERATION AND INTERNAL CONSUMPTION OF RENEWABLE ELECTRICITY

TOTAL PHOTOVOLTAIC PLANT POWER	UoM	2022	2021
TOTAL ELECTRICITY CONSUMED	MWh	6,501	5,720
TOTAL ELECTRICITY INTERNALLY-PRODUCED BY PHOTOVOLTAIC SYSTEMS	MWh	1,273	514
TOTAL ELECTRICITY CONSUMED INTERNALLY FROM PHOTOVOLTAIC SYSTEMS	MWh	1,015	389
PERCENTAGE OF ELECTRICITY CONSUMED INTERNALLY AND PRODUCED BY PHOTOVOLTAIC SYSTEMS OUT OF TOTAL ELECTRICITY CONSUMED	%	16%	7%

Management of emissions

The Bucci Group also pays great attention to CO₂ emissions resulting from business and corporate activities. The Group's objective is to act on the reduction of consumption and emissions as a strategic and sustainable business choice, ultimately reducing direct and indirect emissions (Scope 1 and Scope 2). In recent years, the organisation has implemented systems to improve energy efficiency and internal generation of electricity, thus reducing its ecological footprint. Furthermore, Bucci Industries encourages conscientious initiatives along the entire value chain to address and monitor indirect Scope 3 emissions. Targeted company initiatives have been undertaken to raise staff awareness on the correct use of low environmental impact means of transport. Carpooling has been encouraged at some locations and efforts have been made with external partners to encourage home-to-work journeys by bicycle. These efforts testify to a firm commitment to the responsible management of CO₂ emissions and the pursuit of a sustainable lifestyle.

ENERGY CONSUMPTION EMISSIONS*

	UoM	2022	2021
SCOPE 1 EMISSIONS	tCO ₂ e	1,531	1,517
SCOPE 2 EMISSIONS	tCO ₂ e	2,685	2,601
TOTAL SCOPE 1&2 EMISSIONS	tCO₂e	4,216	4,118

*The emission factors provided by the UK Department for Environment, Food and Rural Affairs (DEFRA) for the years 2022 and 2021 were used to calculate the direct GHG emissions (Scope 1), deriving from energy consumption. Whereas indirect greenhouse gas emissions linked to the purchase of energy (Scope 2) were calculated conservatively by adopting the residual mix approach and using the most recently available conversion factors provided by the Association of Issuing Bodies (2022).



OUR COMMITMENT TOWARDS THE COMMUNITIES AND THE LOCAL AREA

Initiatives for the local communities

The Bucci Industries Group over all these years, despite the strong growth and expansion it has achieved, has never lost the fundamental value of solidarity towards its local area, implementing projects and furthering initiatives.

Every year the organisation dedicates resources to contributions and sponsorships to local entities such as non-profit associations, scientific training associations, parish youth centres and universities. One example is the Fiori d'Acciaio Association, a landmark in the area in supporting women with breast cancer, by means of prevention information campaigns and the purchase of equipment to be donated to cancer wards. This is just one example of the numerous contributions made.

Furthermore, the Bucci Industries Group participates in many partnership projects within the university sphere.

The Group is one of the participants that contributed to the creation of a new professionalising degree course in Mechatronics Engineering, in order to develop suitable forms of liaison between the world of training and the world of work, as well as to improve the quality of training processes, also by focusing more closely on the needs of businesses. Bucci Composites is the main sponsor of the Ma.Co.F, Master in Composite Materials in Faenza: the project is developed in the chemical and plant engineering fields with specific knowledge in the spheres of industrial chemistry/materials or mechanical engineering. One of the main selling points of the Master's Degree in Composite Materials is a lengthy company internship, which students undertake both in local companies and in other important organisations in the sector located throughout Italy.





INSIEME PER COSTRUIRE IL NOSTRO FUTURO.

The Group entered into a joint financing agreement with the University of Bologna for scholarships in the Mechanics and Advanced Engineering Sciences PhD course, for an annual amount of Euro 23,000.

The Sinteco division has renewed for the second year running its free intensive in-house training program, the Sinteco Academy, to train qualified personnel with the possibility of employment at the end of the course.

Roberto Bucci Scholarships

The Bucci family has always been particularly keen to contribute every year to the initiative of awarding scholarships worth a total of Euro 5,000 to the most deserving students of the ITIP Bucci technical institute and the Liceo Scientifico Torricelli Ballardini high school in Faenza, selected on the basis of the interest shown in scientific subjects and aptitude in terms of technological innovation, assessed positively both in group relations and in scholastic activities.

INITIATIVES FOR THE LOCAL COMMUNITY AND SCHOLARSHIPS

	UoM	2022	2021
NUMBER OF INITIATIVES IMPLEMENTED IN FAVOUR OF THE LOCAL COMMUNITY	no.	4	4
ECONOMIC VALUE OF THE INITIATIVES IMPLEMENTED IN FAVOUR OF THE LOCAL COMMUNITY	€	59,633	8,500
NUMBER OF ROBERTO BUCCI SCHOLARSHIPS AWARDED	no.	4	4
ECONOMIC VALUE OF THE ROBERTO BUCCI SCHOLARSHIPS AWARDED	€	5,000	5,000
TOTAL ECONOMIC VALUE OF THE INITIATIVES FOR THE LOCAL COMMUNITY	€	64,633	13,500



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TABLE OF THE GRI INDICATORS AND OTHER RELEVANT KPIS

ATTACHMENT

Declaration of Use

In this document, Bucci Industries has reported the information mentioned in this GRI Indicator Table for the period from 1 January 2022 to 31 December 2022 with reference to the GRI standards. Bucci Industries has chosen to include data for the last two years of operations in order to allow a comparison of the information and to describe data trends over time.

GRI 1 utilisation

GRI 1 – Fundamental Principles – 2021 version

Pertinent GRI sector standards

The GRI Standards specific to the sector in which Bucci Industries operates are not currently available.

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Methodological note			
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Bucci Industries and the sustainability strategy			
GRI 2: General Disclosure - 2021 version			
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GRI 3: Material issues 2021		
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GRI 401-1 Recruitment of new employees and staff turnover 30

GRI 404-2 Average number of training hours per year per employee 30

Employee wellness and satisfaction**GRI 3: Material issues 2021**

GRI 3-3 Management of the material issues 31

NON GRI: Wellness programs implemented

NON GRI 1 Initiatives for the promotion of the wellness of employees 33

Occupational health and safety**GRI 3: Material issues 2021**

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GRI 403: Occupational health and safety- 2018 version

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Product quality and safety**GRI 3: Material issues 2021**

GRI 3-3 Management of the material issues 43

GRI 416: Customers' health and safety - 2016 version**Innovation and sustainable research****GRI 3: Material issues 2021**

GRI 3-3 Management of the material issues 44

NON GRI: Investments in innovation and sustainable research

NON GRI 2 Expenditure in investments in innovation and sustainable research

Waste Management**GRI 3: Material issues 2021**

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GRI 306: Waste Management

GRI 306-1 Generation of waste and impacts 52

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Consumption and GHG emissions			
GRI 3: Material issues 2021			
GRI 3-3	Management of the material issues	55	
GRI 302: Energy efficiency and emissions			
GRI 302-1	Energy consumed within the organisation	56	
GRI 305: Emissions - 2016 Version			
GRI 305-1	Direct GHG emissions (Scope 1)	57	The direct GHG emissions (Scope 1) were calculated only in relation to the Group's energy consumption
GRI 305-2	Indirect GHG emissions from energy consumption (Scope 2)	57	
Our commitment towards the community			
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