



Sustainability Report 2023

AEPI Industrie Srl

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Letter from the Chairman

Dear Colleagues and Stakeholders,

it is with great pleasure that we present to you the new edition of the Sustainability Report 2023, the document that summarises our organisation's objectives, activities, impacts and results towards our stakeholders.

For us, being sustainable means adopting a lifestyle that respects the environment and its resources, ensures present and future social welfare, and is above all economically viable.

In addition to this, the Sustainability Report is the main communication tool for all non-financial reporting.

The results achieved in environmental, economic and social terms derive from the interaction and collaboration with the various stakeholders and all the components of the territory served.

Knowing their point of view and expectations is fundamental to establishing lasting relationships based on mutual trust.

AEPI closed the 2023 financial year with a production value of over 17 million euros, thanks also to its ability to seize the opportunities offered by the markets operating in the industrial automation and special automatic machinery sector.

Employment figures are constant and statistics show a situation of employee loyalty that enables the company to guarantee the professionalism required to meet customer needs.



“
The Sustainability Report is for us, as well as a source of pride and satisfaction, an opportunity to highlight the commitment of an entire organisation to the environment, the whole community and the components of the area in which we operate.

We are also proud to have definitively embraced a flexible way of working, based on trust and empowerment of people, and oriented towards the best possible work-life integration.

In the fifty-four years since the company's inception, we have consistently worked to create a company that is 'one of a kind': as agile and innovative as a start-up, solid and structured to serve global customers, and at the same time a place where each and every employee feels proud of their work.

The Company's Code of Ethical Conduct and Rules of Conduct confirm our commitment to ethical behaviour in all fields of operation.

We still have much to do and build, the future is calling us and we respond with the enthusiasm that sets us apart.

But all the goals we have achieved so far would have been impossible to achieve without the passionate contribution of all the employees and partners who work alongside us, support us, and together with us believe that doing business in a new, modern and sustainable way is possible.

To all of you goes my heartfelt thanks.

The Chairman of AEPI Industrie
Marco Gasparri

Methodological Note

This Sustainability Report is the third document produced by AEPI, aimed at transparently communicating to all Stakeholders the values, strategies and performance directly linked to its economic, social and environmental impacts.

The preparation of the Report is a voluntary exercise for the company, which does not fall into the category of large Public Interest Entities required to report on their non-financial performance under Legislative Decree 254/2016.

References to the Sustainable Development Goals have also been included in this Report to highlight the company's contribution to achieving the targets defined in Agenda 2030.

The drafting of the Sustainability Report, from data collection, to reporting, to the final graphic design, was entirely carried out by an internal working group, representative of the main company functions, in order to gather the information required for the Sustainability Report.

To ensure the reliability of this document and to demonstrate its transparency, the guidelines of the 'GRI Sustainability Reporting Standards' drawn up by the Global Reporting Initiative (GRI) were taken as a reference.

The Sustainability Report covers the year 2023 and has been reported according to the principles for defining the quality of reporting of Accuracy, Balance, Clarity, Completeness, Verifiability and Timeliness, as expressed in the GRI Standards.

AEPI is committed, in its way of doing business, to pursuing the following SDG's, which have been included in the different chapters that make up this Sustainability Report, envisaging future goals for each of them.



Sustainability Policy

AEPI promotes sustainability in economic, social and environmental terms and integrates its principles into corporate governance, aiming for sustainable and inclusive economic growth that enhances the value of available resources and preserves them for the future.

The company is committed to long-term, sustainable development goals for our people and all stakeholders, with a focus on the impacts generated by the business and the quality of services offered to customers.

The sustainability strategy is based on 6 fundamental pillars, which are set out in the Sustainability Policy:

Ethics and integrity

Commitment to conduct business activities in accordance with the highest ethical standards, not tolerating acts of corruption of any kind

Staff value

Valuing human capital, ensuring a safe and inclusive working environment

Customer centricity

Creating value for customers by ensuring high quality standards, accessibility of services, safety and efficiency

Innovation

Promoting innovation, both internally and externally, as an 'enabler of change

Environmental commitment

Integration of environmental aspects within business processes in order to properly manage resource consumption, promoting the reduction of direct and indirect environmental impacts

Community support

Support through financial support and active participation in charitable initiatives

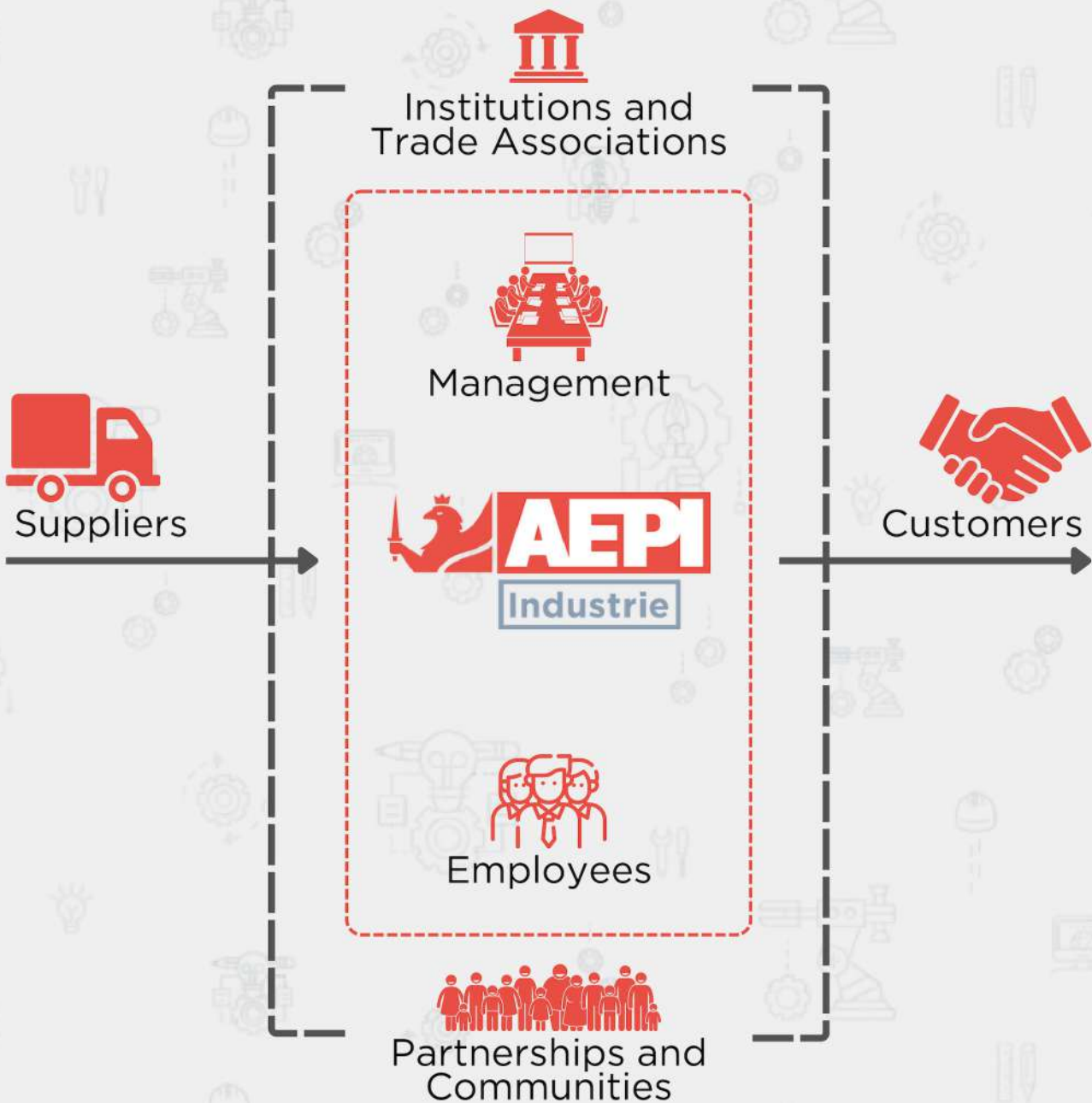
Stakeholder

The term 'stakeholder' refers to all those who can influence or have an interest in achieving the company's objectives.

AEPI's operations are based on dialogue, consultation and engagement initiatives that enable a dynamic understanding of legitimate expectations and issues relevant to stakeholders.

This choice derives from the need to foster a reconciliation between AEPI and its Stakeholders with the aim of creating shared value.

Engagement activities are confirmed as a priority in order to define and launch processes that contribute to the definition of initiatives, projects and good practices based on the principles of corporate social responsibility.



Materiality Analysis

Through the Sustainability Report, AEPI aims to identify the issues considered of greatest interest by Stakeholders in order to provide them with an adequate response.

To give further added value to its Sustainability Report, AEPI prepared the **Materiality Analysis**, an approach suggested by the GRI (Global Reporting Initiative) guidelines.

The Materiality Analysis allows the company to identify material issues, i.e. those that reflect the organisation's impacts (positive and negative) in the economic, environmental and social spheres.

Material issues influence stakeholder decisions and should therefore be included in the reporting process.

The final result of the Materiality Analysis conducted by AEPI is the **Materiality Matrix** below, i.e. a Cartesian plane that graphically summarises the interrelationship between the relevance of the issues identified as 'material' for Stakeholders and Management.

For the third year, the company therefore carried out a process of updating the 'materiality matrix', as it is a valuable tool for intercepting information needs to be included in the reporting.

Through the analysis carried out, 20 topics were identified as potentially relevant to the sector in which AEPI operates.

Each of them was assigned a different level of relevance, respectively in terms of 'Relevance for Stakeholders' and 'Relevance for AEPI'.

The two dimensions respond to the need to identify, for each issue, the degree of relevance perceived by Stakeholders on the different topics and the degree of commitment that the company has made or will make on each issue.



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Products & Services

AEPI has been active in the Imola area for over fifty years and specialises in industrial automation solutions.

AEPI's core business can be identified in 3 different and structured business units that are able to satisfy every technical need of the customer:

- **Automation Panels:** production of electrical panels for automation and control of industrial processes;
- **Engineering Services:** advanced SW & HW design to optimise production processes;
- **AEPI Special Division:** design and manufacture of customised and special automatic machines.



€17 Mln
Annual turnover

128
Between
workers and
employees

+35
Skilled
technicians

3
Production
plants

Brand evolution

Among the various responsibilities of a company, there is an area of great value related to brand reputation.

This sector includes all activities that help to increase and improve the visibility of the company in contexts that may reflect a positive image of it.



AEPI has implemented a corporate responsibility path to improve brand reputation and market positioning.

This includes personnel management, innovation in business relations, Corporate Social Responsibility and management quality.

In addition, it is active on several social fronts to engage stakeholders with news and initiatives:



+10.000
Annual sessions
via Website



4000
Users connected to the
AEPI's LinkedIn network



+300
Followers on the new
Facebook page



+150
Followers on
X page (Twitter)



+50
Subscribers to the
company YT channel

AEPI's History

1969

Foundation year

From the idea of three young entrepreneurs from Imola, including Topi Tonino, progenitor of the Topi family, current owner of the Group, **A.E.P.I., Automatismi Elettrici Pneumatici Imolesi**, was born.

1995

Foundation of IPREL Progetti

From a joint venture between AEPI Industrie and Sacmi Imola, **IPREL Imola Progetti Elettrici** was born, an essential part of the AEPI Group as it will further expand the range of engineering services.

2011

Group expansion

AEPI's expansion in the territory continued with the acquisition of **El.Mecc.**, a company that deals with boards for industrial automation, energy distribution and M.T./B.T. transformer substations, and **ECR Elettrocablaggi Romagnola** Srl, specialised in crimping, tacking, wire and cable sealing.

2017

NOVANET's production department is transferred to AEPI

NOVANET Impianti e Sistemi's production unit was transferred from the Lugo plant to AEPI's current production facility in Imola.

2020

Disposal of shares in IPREL Progetti and merger of NOVANET into AEPI

All the shares of IPREL Progetti belonging to AEPI were sold to the SACMI Group of Imola. Merger by incorporation of NOVANET Impianti e Sistemi into AEPI Industrie.

1988

Company transformation and expansion

The progressive commercial expansion, combined with the increase in production capacity and quality necessitated the acquisition and relocation of production to new sites. As a result, **AEPI Costruzioni Elettromeccaniche S.r.l.** was born.

2004

Integration of NOVANET into AEPI

The company **NOVANET Ingegneria e Sistemi**, a company that deals with plant systems, building management and automation, building automation and home automation, was integrated into AEPI.

2012

Foundation of NOVANET Impianti e Sistemi

A structural transformation begins in which the new company merges NOVANET Ingegneria e Sistemi, El.Mecc. Srl and E.C.R Srl, thus creating **NOVANET Impianti e Sistemi**, a company based in Lugo. AEPI's company name also changes, officially becoming **AEPI Industrie S.r.l.**

2018

Foundation of AEPI Special Division

A new Business Unit was created within the group, called **AEPI Special Division**, dedicated to the design and manufacture of special, tailor-made automatic machines for different production sectors.

Mission, Vision e Valori

AEPI's organisation responds concretely to the need to optimise work processes, guaranteeing high standards of quality in the services it provides. Thanks to the experience gained over time, the company has achieved excellent results in terms of performance and has established an excellent balance between quality and price, fully satisfying customer needs. Constant commitment to research and development of increasingly competitive technologies has led to extraordinary results. Creativity and dedication have been the driving forces in pursuing concrete and comprehensive solutions for AEPI.

MISSION



We continue to be the excellent partner for companies in need of industrial automation, plant manufacturers and automatic machines. We are committed to high quality, reliable and sustainable solutions.

VISION



Expand the new business model dedicated to the design and realisation of customised automatic and industrial robotic solutions, while maintaining the main core, i.e. quadrastics.

Innovation and Digitalisation

AEPI focuses both on the availability of increasingly advanced process technologies and on strengthening production know-how through continuous improvement and digitisation of work processes.

In 2023, the company participated in the **Bando Sostegno all'Imprenditoria Femminile (PR-FESR EMILIA ROMAGNA 2021-2027)**, which facilitates interventions and activities aimed at the growth of female entrepreneurship.



Presenting the **AEPI Sustainable, Innovative and Digital** project, an important economic contribution was obtained for the realisation of investments, to be completed by next year, aimed at strengthening corporate life, acting on three aspects:

- **Financial sustainability:** new Management Control Software;
- **Work-life balance:** Smart-Working enhancement;
- **Reduction of physical fatigue:** equipment to limit repetitive movements and less handling of loads, so that all operational tasks can also be performed by female staff.

These interventions contribute to strengthening corporate sustainability for the achievement of the following Agenda 2030 goals: 5. Gender equality; 8. Decent work and economic growth; 9. Enterprise, innovation and infrastructure.

Customer relationship

The customer is one of the most important stakeholders in measuring the effectiveness of AEPI's choices and resources. It is therefore at the centre of the efforts for continuous improvement and recipient of the company's philosophy and quality.

AEPI differentiates its customers according to their type:

- **OEM:** manufacturers of automatic machines for different production sectors;
- **ENDUSERS:** end users of automatic machines interested in customised solutions for process automation.

AEPI'S CERTIFICATIONS

In the context of product and service safety, AEPI's initiatives and assessments are crucial. For example, when installing a security system, it is important to comply with product standards to ensure quality of work and sustainability.

- **CEI EN 60204-1:2006-09:** Safety of Machinery and Electrical Equipment of Machines;
- **CEI EN 60439-1:** Switchgear and controlgear assemblies for LV switchboards;
- **Direttiva 2004/108/CE:** Electromagnetic Compatibility EMC;
- **60364 (CEI 64-8):** User electrical systems with rated voltage <1000V AC and 1500V DC.;
- **ATEX CEI EN 60079 e norme collegate:** Equipment intended for use in hazardous areas;
- **Normativa standard UL e ETL:** North American market (ULfile No. E194002).

Annual	Daily
over 2000 automation systems	about 8 switchboards made every day
over 10.000 deliveries	over 40 deliveries every day
over 60 satisfied customers	

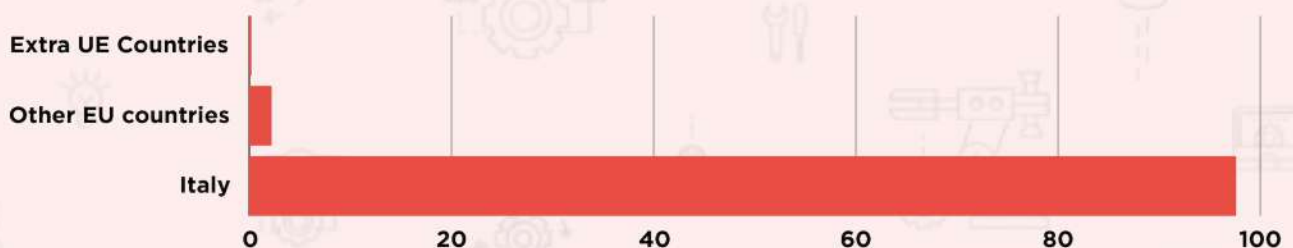
Supply Chain

Major corruption risks in suppliers are mitigated by AEPI through the selection of strategic suppliers recommended by major customers, ensuring high quality, reliability and regulatory compliance.

Non-strategic suppliers are subject to periodic evaluations and comparisons with competitors.

AEPI assesses the quality of suppliers not only technically, but also in terms of tax compliance, environmental regulations and occupational safety.

Distribuzione dei fornitori nel mondo



The decision to maintain production in Italy is reflected in the supply chain, which in **97%** of cases is located in Italy, confirming the strong link with the territory also from the point of view of relations with suppliers.

The Governance

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Corporate Governance

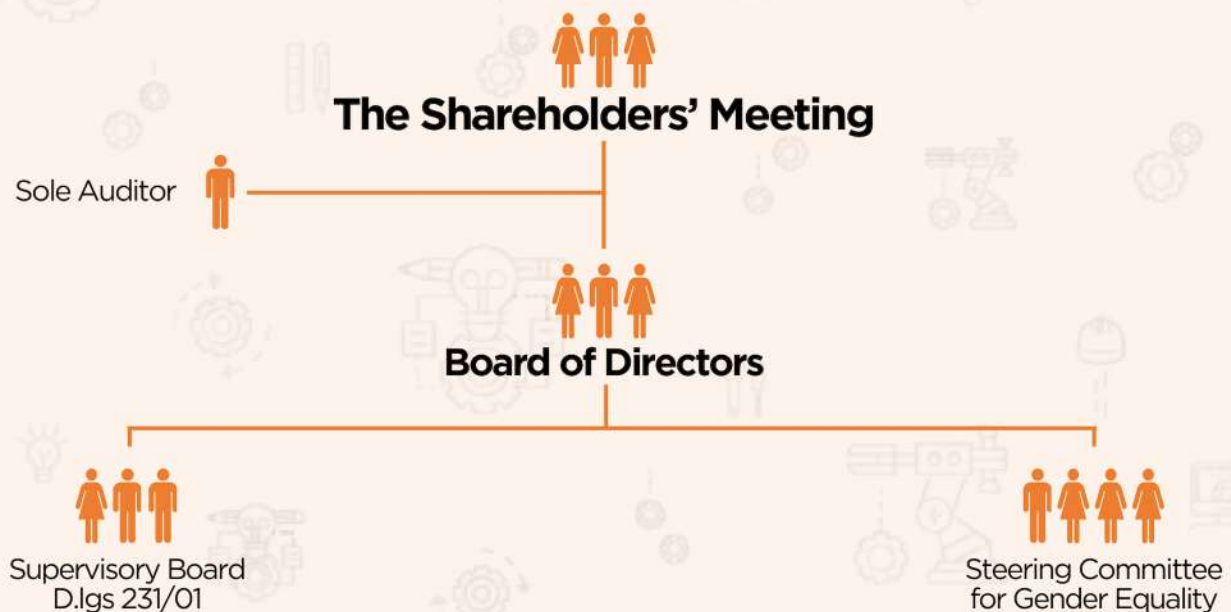
AEPI uses a traditional governance structure, which favours management efficiency and effective controls for the type of company.

- **The Shareholders' Meeting:** represents the interests of the company's shareholders and makes the crucial decisions for the company's life;
- **The Board of Directors:** consists of three directors, with a balanced gender distribution;
- **The Sole Auditor:** with the task of auditing, he is responsible for verifying the accuracy of the financial statements, the company's accounts and their adherence to current regulations.

In addition to these bodies, an internal control system has been implemented, consisting of rules, procedures and organisational structure, as required by the Corporate Crisis Code.

In order to supervise the operation of the Organisation, Management and Control Model issued by AEPI pursuant to Legislative Decree 231/2001, in 2013 the Board of Directors appointed a **Collegial Supervisory Board (ODV)** composed of 3 members, with autonomous powers of initiative and control, which reports directly to the Board of Directors. In 2024, the transformation of the OVD from a collegial to a monocratic composition is planned.

Finally, following the obtainment of the Gender Equality certification, according to UNI PDR 125:2022, which took place in December 2023, the **Gender Equality Steering Committee** was established, composed of the 3 members of the Board of Directors and an external consultant, with the task of ensuring the achievement of the objectives set out in the Diversity, Inclusion and Gender Equality Policy and Strategic Plan.



Compliance and Risk Management

Although AEPI does not have a true Corporate Risk Model with a consequent risk mapping and risk scoring methodology, it nevertheless implements a control aimed at identifying the company's priority risks, in order to assess their potential negative effects in advance and take appropriate action to mitigate them.



Cyber Security

The topic of Cyber Security has been of increasing attention and sensitivity for AEPI in recent years, both at organisational and project level.



Privacy

AEPI has set up a procedure that can be consulted on the website with regard to the Privacy regulations pursuant to Article 13 of EU Regulation 2016/679, to ensure the safety of users browsing the website.



Whistleblowing

Following Legislative Decree 24/2023, AEPI has adopted an internal channel through which staff can anonymously report a violation, crime or offence.

Legality Rating

Since 2021 AEPI has been awarded the legality rating by **AGCM (Autorità Garante della Concorrenza e del Mercato)** with a score of **★★+**, just one step away from the maximum score of 3 stars.

Specifically, this was achieved through initiatives such as:

- using efficient payment traceability systems
- adopting an organisational structure that carries out compliance checks on company activities, pursuant to Legislative Decree 231/2001;
- adopting processes to ensure forms of Corporate Social Responsibility;
- be registered in one of the lists of suppliers and service providers not subject to mafia infiltration attempts;
- adhere to self-regulatory ethical codes adopted by trade associations;
- adopt organisational models for preventing and combating corruption.



AUTORITÀ GARANTE
DELLA CONCORRENZA
E DEL MERCATO



Business ethics and integrity

As part of its business activities, AEPI intends to guarantee an ethical approach as a prerequisite for every action it undertakes and for the marketing of its products.

The **Code of Ethics**, drawn up in 2013 and supplemented in 2017, gathers together the essential nucleus of values rooted in the corporate culture at the basis of people's actions and defines the ethical commitments and responsibilities of AEPI's directors, employees and collaborators, both in conducting business and in managing relations.

The values underpinning the business culture set out in the Code of Ethics are the principles of Legality, Integrity, Fairness, Dignity and Protection of the Individual, Transparency and Confidentiality, Anti-Money Laundering and Anti-Corruption.



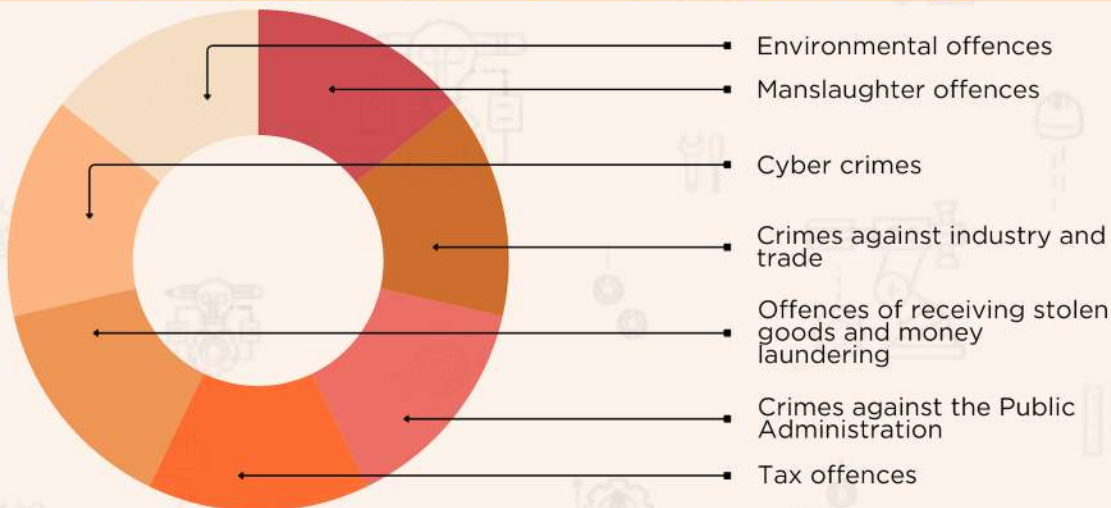
«The Code of Ethics is AEPI's reference tool for promoting, disseminating and managing work and business ethics within the company»

In 2013, AEPI introduced an **Organisation, Management and Control Model** (MOG) pursuant to Legislative Decree 231/2001, which gathers, lists and informs about the rules and procedures to be followed within the company's activities.

The MOG, which was last updated in March 2022, applies to both internal relations and relations with stakeholders outside the company, and is aimed at preventing the occurrence of offences in the areas governed by Law 231.

Since it was set up, the Supervisory Board **has not detected any episodes of internal corruption** within the company, nor have any measures been recorded that have imposed the payment of sanctions, in application of Legislative Decree 231/2001.

Structure of the MOG - Policy on Offences



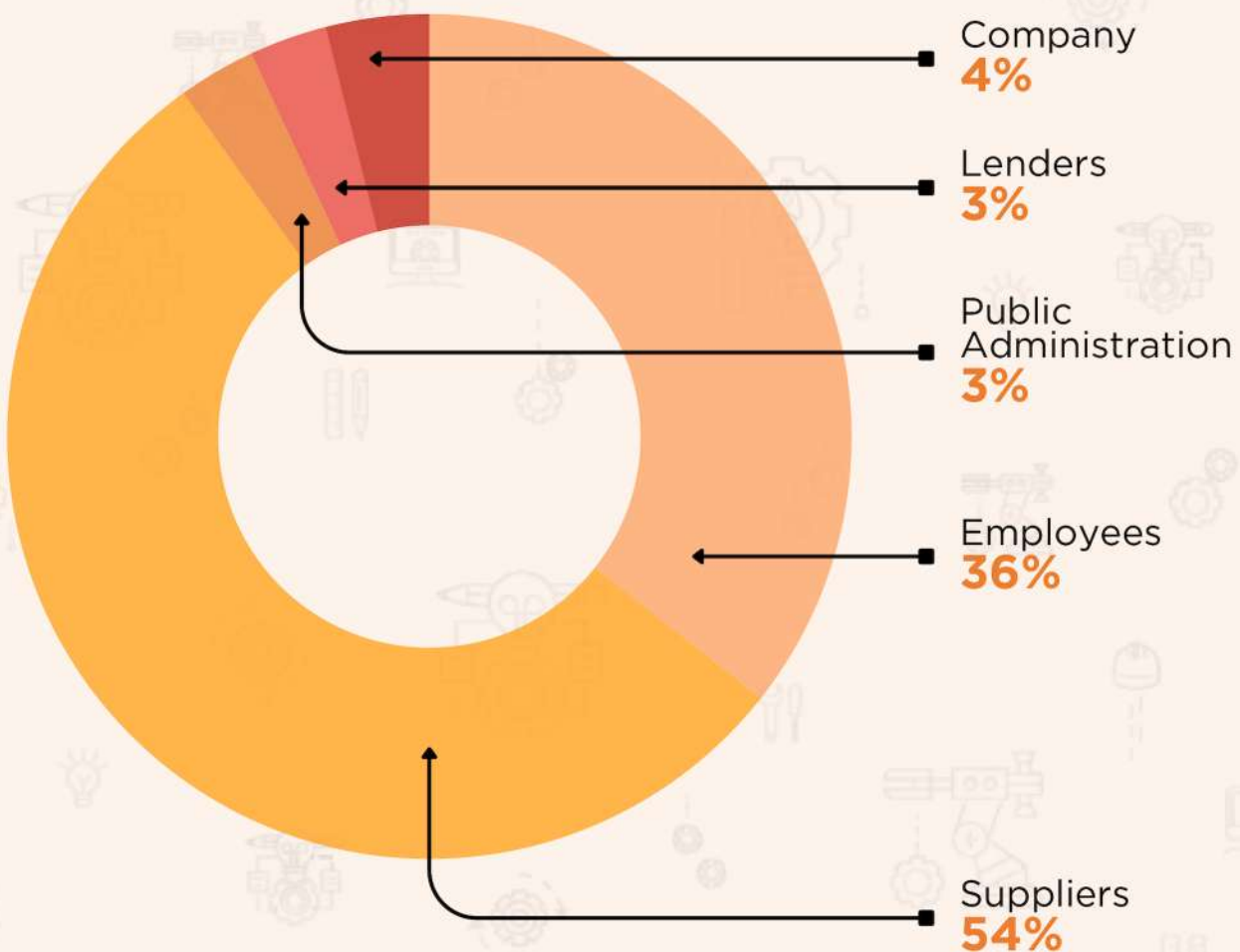
Distributed Economic Value

The calculation of Distributed Economic Value shows the economic value directly generated by a company during the period and its distribution to the various internal and external stakeholders.

The Economic Value Generated refers to the Value of Production as stated in the Financial Statements (Revenues and Other Operating Revenues), net of losses on receivables and including financial income.

In 2023, €16.10 mln of economic value was generated.

The table shows that this value was primarily distributed to suppliers and employees, with shares of 54% and 36% respectively. Indeed, they represent the main stakeholders in the company's business and, consequently, those who benefit from it in the first place. 3% goes to financiers, in the form of financial charges. The same 3% goes to the public administration in the form of taxes and fees. The economic value retained by the company, 4%, is mostly in the form of depreciation and provisions.

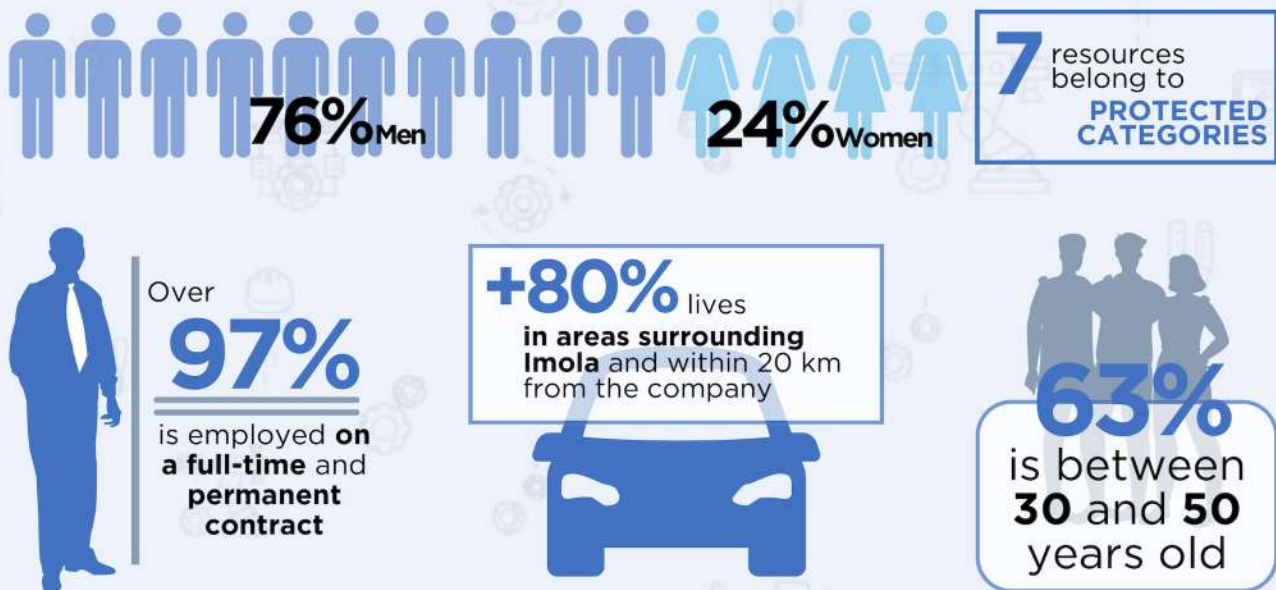


Social Sustainability

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- Gender Equality Certification 21
- Training, Health and Safety 22
- Corporate Welfare 23
- Internal communication and involvement 24
- Relationship with the community 25

At the end of 2023, AEPI Industrie's workforce numbered **128 employees**, with a gender distribution, as illustrated below, indicating a male predominance of employees of approximately 76%, in line with the average values for the industrial sector in which AEPI operates.

In terms of classification, 22% of the workforce is made up of white-collar workers and 78% of blue-collar workers.



Ensuring the **continuity of employment** for its workers is a fundamental objective for AEPI: this is confirmed by the fact that 98% of employees are employed through an open-ended contract; furthermore, almost all employees (around 97% of the total) are employed through full-time contracts.

Type of contract	AI 31/12/2022			AI 31/12/2023		
	Men	Women	Total	Men	Women	Total
Permanent contract	94	33	127	94	31	125
Non permanent contract	1	0	1	3	0	3
TOTAL	95	33	128	97	31	128

Fundamental importance is placed on the search for and development of new resources to be included in its professional ranks, launching scouting initiatives through the company's LinkedIn platform and forging partnerships with local recruitment agencies, with a particular focus on technical profiles specialised in industrial automation.

Gender Equality Certification

Based on UNI PdR 125:2022

In 2023, AEPI implemented the Gender Equality Management System according to UNI PdR 125:2022, reinforcing its commitment to diversity and inclusion, in line with the social issues of the ESG framework.

The certification, achieved in December, attests to AEPI's compliance with the requirements of the Reference Practice and reaffirms the company's dedication to ensuring equal treatment and opportunities at every stage of the employment cycle.

AEPI attaches great importance to the selection and recruitment process in order to ensure a balanced gender representation and to train staff to respect and welcome diversity.

The performance appraisal system is designed to prevent any form of discrimination, promoting an ongoing dialogue between managers and employees to foster professional development without gender bias.



AEPI is committed to providing equal opportunities for growth, raising awareness among all employees of the importance of diversity and inclusion, and promoting a meritocratic culture that values the skills and abilities of each individual. It ensures equity in pay and adopts policies that support work-life balance, while combating all forms of harassment and discrimination.

Through structured exit interviews and predefined internal communication channels, feedback is collected to continuously improve processes and address any gender-related issues.

In summary, the adoption of UNI PdR 125:2022 has laid the foundations for a more inclusive, fair and meritocratic corporate culture, where every individual can express his or her potential while enjoying a respectful and discrimination-free work environment.

Training, health and safety



In 2023 **1590 hours of training** were provided, of which **40% in health and safety** and the remaining **60% in continuing professional development**, the latter divided equally into on-the-job training and classroom training.

AEPI has always paid great attention to health and safety issues in the workplace.

The certified Management System for Occupational Health and Safety (OHSAS 18001) has been in place for over twelve years, leading to a progressive change in behavioural approach throughout the organisation.

Accident Index Indicators	2022	2023
Total work-related accidents	1	1
Fatal accidents	0	0
Injury days	0	19
Accident frequency index in relation to hours worked	0,57	0,58
Accident Severity Index	0,00	0,60

In order to achieve the goal of **“zero accidents”**, health and safety risks in the workplace are closely monitored, especially in production facilities, where there are potentially dangerous situations that can lead to accidents.

Starting from a careful analysis of training needs, in collaboration and sharing with company managers, the following courses were designed and implemented in 2023:



SPECIALISED TECHNICAL TRAINING

- Advanced Excel
- Investment Planning
- CRM application



LANGUAGE TRAINING

- English language courses
- Technical terminologies



TRANSVERAL FORMATION

- Leadership and Problem Solving
- Building an effective team
- Gender Equality

Corporate Welfare

The commitment to welfare has brought excellent results in terms of corporate image and prestige.

In 2022, for the corporate welfare project developed over the last three years, AEPI was among the 150 Italian companies that received the Welfare Champion award as part of the **Welfare Index PMI** initiative, promoted by Generali Italia in collaboration with the trade confederations, aimed at encouraging companies to take an interest in welfare and put it into 'good practice'.

The same prestigious award has been obtained for four consecutive times, except for the year 2023, as it was not awarded by the initiative's promoter.



In 2023, AEPI joined, on a free and voluntary basis, the project promoted by the Emilia-Romagna Region, **“Workplaces that promote health”**, which identifies the work environment as a favourable place for health promotion, aimed at raising staff awareness of the adoption of healthy lifestyles.

By joining the programme, which contributes to protecting the overall health of staff and promoting social equity, the company commits for the next five years to

- Build, an environment that facilitates the adoption of positive health behaviour and choices;
- Taking an active role in the promotion of health and well-being and positively orienting life habits;
- Improving health knowledge and fostering staff change.



Main initiatives during 2023

- In collaboration with **LILT**, programmes to promote and raise awareness of the importance of adhering to cancer screening programmes;
- Adoption of ergonomic solutions that can help the population of video screeners to work with a more correct posture;
- Cardiovascular prevention campaign promoted by the **Municipality of Imola**.

Internal communication and involvement

AEPI believes in the importance of internal communication as a form of employee involvement and inclusion. The way of accessing the various general and institutional information is simple and streamlined.

CORPORATE 'TALK' PORTAL

It is an Intranet portal that staff can easily access from their company or home PCs, it gathers all communications concerning, for example: organisational arrangements, governance, health, safety and welfare.



BOARDS AND WHATSAPP GROUP

Established to provide clearer and more immediate access to communications of an urgent nature, they aim to inform staff in a timely manner about company initiatives or emergency situations.



IMPROVEMENT GROUPS

Conducted annually since 2008, they are a listening tool that the company makes available to its employees, with the aim of improving internal processes and increasing the sense of belonging to the company.



SUGGESTION BOX

Introduced in mid-2023, it is useful as one can share ideas and suggestions for new projects, operational/procedural improvement points, near misses and reporting of bullying or violence, according to UNI:PdR 125:2022.



BUSINESS CLIMATE ANALYSIS

Periodically, the staff is involved in a survey with the aim of identifying any situations of discomfort or unease. The Survey carried out in 2023 did not reveal any critical situations related to gender issues, highlighting instead the presence of a good corporate climate.



ROLE MAPPING

On an annual basis, the organisational manual is updated, which includes about 40 different profiles in the company, through which actions are taken for personnel management and development.



Relationship with the community

Attention to all the company's stakeholders and the sharing of sustainable relations over time leads to the **creation of shared values**.

With this in mind, AEPI has launched, in collaboration with some local Employment Agencies, several school orientation projects and career days with local Technical Institutes, with the aim of involving students in a path of growth and awareness of their future in the world of work.

In 2023 AEPI welcomed 23 internship students from the Technical Institutes of Imola and Faenza, offering them the opportunity to take advantage of the school-to-work alternation teaching method, aimed at fostering professional development and technical and specialist growth.



For the third consecutive year, AEPI consolidated an agreement with the **Alma Mater Studiorum Università di Bologna**, participating in the project related to the **Professionalising Degree Course in Mechatronics**, for the training of highly qualified technicians in mechatronics fields.

Furthermore, in the last two months of 2023, AEPI hosted for a 300-hour training internship a second-year student in Philosophy and Communication Sciences at the University of Bologna and attending an IFTS course organised by **Confindustria Emilia Area Centro**, in the field of database design and implementation and Big Data analysis.

AEPI has been collaborating for several years with the **Fondazione Montecatone Onlus** in Imola. In December 2023, the organisation produced 250 calendars branded with the AEPI logo, which were given to all staff.

The sum incurred for the creation of the calendars was donated in full to the Foundation.



On the occasion of International Women's Day on 8 March, AEPI, together with other companies in the area, joined the initiative promoted by the **Associazione PerLeDonne**, il **Gruppo Mimosa di Imola** e il **Circolo Fiorella Baroncini**, donating a mimosa to all female workers.

With the proceeds of the free offers collected by the adhering companies, a relaxation chair for mothers in childcare was donated to the Paediatrics Department of Imola Hospital.

Environmental Sustainability

- Waste reduction 27
- Consumption reduction 28

Waste Reduction

In recent years, AEPI has paid increasing attention to the environmental impact of its activities.

AEPI adopts specific policies aimed at carrying out environmental protection activities on the basis of legislative provisions, regulations issued by local authorities and its own sensitivity to these issues.

WATER CONSUMPTION

Water discharges are slightly increasing compared to 2022, but do not impact the environment as no water resources are used in the production plants.

+7,56%

WASTE GENERATED

Waste production has seen a decrease compared to 2022, thanks to recovery procedures such as the use of wood and cardboard packaging, with less dust and ferrous particles.

-15,66%



Consumption Reduction

Production activities are analysed annually by technical consultants to assess environmental impacts, monitor consumption and promote the sustainable use of resources and materials.

Sensitive processes include:

- Management of emissions during production;
- Transfer of waste to specialised companies;
- Management of communications and obligations with the PA.



ENERGY CONSUMPTION

In 2023, there will be a slight decrease in energy consumption due to advantageous contracts and technological optimisation of consumption.

-2,22%

GAS CONSUMPTION

Significant decrease in consumption and purchase of natural gas compared to the previous year, mainly used for heating offices and production facilities.

-25,62%

Commitments for the future



- Economic and governance impact 30
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Commitments for the Future - Goals 2024/26

This edition of AEPI's Sustainability Report highlights the promotion of sustainable innovation as part of the company culture.

The company is committed to further improving and contributing to the economic, environmental and social capital of the region.

Through the involvement of various corporate functions, three-year strategic priorities in the area of sustainability are shared, with specific objectives and actions in the pillars of Governance, People, Environment and Community.

ECONOMIC AND GOVERNANCE IMPACT		 
Intervention	What we have done	What we will do
Smart Factory and Process Innovation	Efficient production processes through digitisation tools.	Active, continuous and aimed at integration with AI.
Economic growth and financial performance	<ul style="list-style-type: none"> Implementation of a new SW for the management and optimisation of financial flows; Optimisation of administrative, general and commercial costs. 	Continuous activity, oriented towards the control of current and predictive company economic trends.
Supply Chain Management	Adoption of sustainability practices in the choice of suppliers.	Strengthen supplier involvement in sustainability.
Corporate reputation	Enhancing brand reputation through social outreach.	Strengthen brand reputation by increasing stakeholder engagement.
Product innovation	Development of AEPI Special Division, a company business unit that deals with the manufacture of special and customised automatic machines.	Consolidate the business through the inclusion of new resources and the search for new markets, guaranteeing the quality and safety of the product offered.
Risk management and compliance	<ul style="list-style-type: none"> Adoption of the specific part of Model L.231, concerning tax offences; Compliance with Whistleblowing legislation; No corruption incidents detected. 	Revision of the MOG according to the latest legislation on the administrative liability of entities.
Corporate Governance	Appointment of the Steering Committee for Gender Equality, according to UNI PdR 125:2022.	<ul style="list-style-type: none"> Ongoing activity to ensure that certification is maintained over the next two years; Transformation of the ODV from collegiate to monocratic.
Sustainability Reporting	Description of achievements and future objectives.	Continue the sustainability reporting process with a view to continuous improvement.

IMPACT ON PEOPLE



Intervention	What we have done	What we will do
Continuous training	Training courses for technical, linguistic and transversal skills.	Internal academy to develop technical skills for intermediate roles.
Corporate compliance training	<ul style="list-style-type: none"> • Training on Model L.231 for senior figures; • GENDER EQUALITY' on-line course for all workers. 	Increased investment in training on Risk Management, Model L.231, Sustainability, Cybersecurity, Gender Equality.
Corporate Welfare	<ul style="list-style-type: none"> • Corporate Welfare Initiatives; • Recognition Award; of Welfare Champion within the SME Welfare Index initiative in 2019/2020/2021/2022. 	<ul style="list-style-type: none"> • Strengthen existing work-life balance welfare measures; • Implement new initiatives (e.g. meal vouchers, new company agreements).
More inclusive corporate culture	<ul style="list-style-type: none"> • Obtaining UNI/PdR125:2022 Gender Equality Certification; • Purchase of equipment to reduce fatigue by facilitating the integration of women workers. 	Maintenance of certification on the basis of a strategic plan for diversity, inclusion and equal opportunities.
Communication and engagement	<ul style="list-style-type: none"> • Improvement Groups in Production Departments; • Suggestion box for collecting ideas and recommendations; • Company climate analysis. 	Encouraging people's involvement with new engagement initiatives.
Health and safety in the workplace	<ul style="list-style-type: none"> • Accident and nearmiss indices unchanged; • Resolution of the Non-Compliances that emerged during the Internal Audit to monitor the Management System for Health and Safety at Work (SGSSL). 	<ul style="list-style-type: none"> • Ongoing security training; • Raising awareness of compliance with the SGSSL among supervisors and managers; • Contain Non-Compliances received during audits of the SGSSL.
Workers' health promotion	<ul style="list-style-type: none"> • Adhesion to the project promoted by the ER Region "Workplaces that promote health"; • Raising awareness of the free oncological screening programmes promoted by the local Local Health Authority; • Adoption of ergonomic solutions for a more correct posture; • Free screening for the prevention of oncological diseases for female personnel 	Initiatives to improve health by reducing general risk factors and in particular those most involved in the genesis of chronic diseases.

ENVIRONMENTAL IMPACT



Intervention	What we have done	What we will do
Environmental Protection	Zero observations received in the internal audit performed on environmental matters (water withdrawals, atmospheric emissions, water discharges, waste, etc.).	Continuing the trend of receiving zero non-conformities during the annual Environmental Audit.
Recycling	Reduction of 15.66% of waste produced.	<ul style="list-style-type: none"> Continuing the positive trend of waste reduction; Digitisation and consequent reduction in paper use; Reduction of plastic in packaging.
Efficiency in Energy, Water and Gas consumption	Reduction of 2.22% and 25.62% in electricity and natural gas consumption respectively.	<ul style="list-style-type: none"> Continue monitoring in order to optimise consumption management; Energy efficiency measures, such as the installation of a photovoltaic system on factory roofs, to produce or consume renewable sources.

SOCIAL IMPACT



Intervention	What we have done	What we will do
School orientation initiatives	<ul style="list-style-type: none"> Adhesion to the Professional Degree Project in Mechatronics with UNIBO; School orientation initiatives at local technical institutes; Hosting of students in alternance school/work. 	Increase partnerships with local universities and technical institutes.
Collaboration with local institutions	<ul style="list-style-type: none"> Adhesion to the project promoted by the Emilia-Romagna Region on Workplace Health Promotion principles; Collaboration with LILT (Italian League for the Fight against Tumours); Collaboration with the Associazione dalle Donne, Gruppo Mimosa Imola and Circolo Fiorella Baroncini; Collaboration with the FONDAZIONE MONTECATONE ONLUS for the creation of customised calendars. 	<ul style="list-style-type: none"> Investing in social promotion and identifying partnerships for the development of social projects; Communicating its commitment to social and environmental issues via the company's website and social channels.

Sustainability Report 2023

Financial year 01/01/2023 to 31/12/2023



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