



Sustainability Report

2024

	Letter to Stakeholders	5
	Highlights 2024	6
	Corporate identity	8
	Company purpose	10
	Ownership structure and operating structures	12
	Company headquarters and factories	13
	History	14
	Corporate governance	16
	Governance structure	18
	Company policies	20
	Certifications	22
	Membership in associations	23
	Value creation	24
	Strategy, products, markets, and resources related to sustainability	26
	Description of the external context	27
	The context in which we operate	28
	Our core business	30
	Production capacity	30
	Main distribution channels	30
	Products	31
	The value chain	36
	Officine Ambrogio Melesi's work process	38
	The ESG journey	40
	Sustainability strategy	42
	Environment and people	56
	Environmental Dimension	58
	Environmental impact activities 2024	60
	Social Dimension	62
	Social impact activities 2024	62
	Governance Dimension	66
	Governance impact activities 2024	68
	Appendix	70
	Methodological note on the report	72
	GRI and VSME cross-reference table	74
	Environmental Dimension	78
	Social Dimension	82
	Glossary	88





At Officine Ambrogio Melesi, sustainability is not just a goal, but a solid guide for our daily decisions and corporate strategy.

Letter to Stakeholders

At Officine Ambrogio Melesi, sustainability is not just a goal, but a solid guide for our daily decisions and corporate strategy. During 2024, we consolidated the practices initiated last year, strengthening our commitment in all ESG (Environmental, Social, Governance) areas and measuring the impact of our activities more accurately.

This **second Sustainability Report** represents an opportunity to review and reflect on the progress made, but also to define future challenges. We do not simply comply with regulations: we aim to be promoters of real change, transforming the data collected into concrete objectives and measurable actions.

The 2024 Report provides an updated overview of the results achieved, highlighting improvements in terms of environmental efficiency, social responsibility, and corporate governance. The methodology we adopt allows us to transparently monitor each key indicator, providing a clear view of the value created and the areas where we can grow further.

We thus renew our commitment to building a consistent, concrete, and forward-looking ESG strategy capable of generating value for all our stakeholders and consolidating a responsible and sustainable corporate culture. This year's Report confirms that we are on a solid path and motivates us to continue with determination toward increasingly ambitious goals.

Ambrogio Invernizzi
Chairman and Chief Executive Officer



GRI 2-22 Statement on sustainable development strategy
VSME B2



Highlights 2024

The business

€ 135 MILLION

Turnover

€ 33 MILLION

EBITDA

Environmental protection

13,942 tCO₂e

GHG Emissions (Scope 1+2) (Market Based)

(-15,17% reduction over 2023)

5,343 t

Total weight of waste produced

(-2% reduction over 2023)

People and their involvement

243

Employees

(92% of whom are on permanent contracts)

3,558

Hours of internal training

32

New employees hired

32

Employees who left

- 9

Days lost due to injuries over 2023

ISO 45001

Certification

17%

Female employees

(+2% compared to 2023)

83%

Male employees

Corporate identity



Company purpose

At Officine Ambrogio Melesi, we see business as a means of driving industrial progress and promoting collective well-being, grounded in respect for people, the environment, and the local community.

Our mission is to produce reliable, safe, and technologically advanced forged components, while providing excellent service to ensure their suitability for efficient and effective use.

With over a century of history, we place the customer at the heart of our strategic decisions and leverage our extensive expertise, continually investing in innovation, digitalization, and sustainability.

We are committed to maintaining high-quality production processes, minimizing our environmental impact, promoting employee well-being, and contributing to the economic and social development of the communities where we operate.

Every day, with passion and a sense of responsibility, we strive to balance competitiveness, industrial strength, and ethical responsibility, aiming to forge not only products of excellence but also a more sustainable and inclusive future.

Vision

To be recognized as a leader in our target markets for our ability to:

- Fully satisfying customer needs.
- Ensure that every product is made right the first time, every time.
- Deliver competitive products in terms of quality and delivery times.
- Guarantee our customers all the services that make our products suitable for effective and efficient use.

Mission

Guarantee customers all the services that make our products safe, reliable, and always suitable for use.

Our MISSION is pursued through:

- Actively listening to customer needs in terms of quality, design, and delivery.
- Proactive relationships with customers globally thanks to our network of international resources.
- Involving all company resources to best meet our customers' expectations in terms of quality and services.

Values

Our Values are the “steel” elements of our history, our present, and our future, and are based on passion, dedication, respect, practicality, and seriousness.

All resources (owners, managers, employees) are responsible for making these values an active part of business processes to ensure the sustainable growth of Officine Ambrogio Melesi:

- Ensuring the centrality of the customer in all activities.
- Enhance the company's wealth of know-how.
- Ensuring the effectiveness of processes in terms of quality and physical and environmental safety.
- Pursue the sustainable growth of the business and the local area by taking on market challenges without compromising the company's solidity and business ethics.
- Pursuing the investments necessary for the technological improvement of processes, the qualitative improvement of products, and the expansion of the range of products offered to the market.
- Pursue differentiation from competitors through the ability to guarantee customers services that make our products suitable for effective and efficient use.



Ownership structure and operating structures

The history of Officine Ambrogio Melesi began in 1914 in Cortabbio di Primaluna (Lecco). It then moved to Cortenova in 1946. For over 70 years, Officine Ambrogio Melesi has specialized in the design, manufacture, and supply of flanges, forged and rolled products. It is a global market leader in the Oil & Gas markets, which are the main users of the products developed to date, and is also increasingly interested in seizing new opportunities in emerging and technologically more advanced industrial sectors.

The company ranks among the medium-large companies in the sector, with approximately 250 employees, and is undergoing a major organizational change with the addition of new managerial figures.

This will allow the owners to focus on new strategic choices capable of maintaining and increasing the competitiveness and solidity of Officine Ambrogio Melesi & C. S.r.l.



The strengths are:

- A fully automated and industrialized production system, which guarantees the reliability of products characterized by high quality standards.
- Technical consulting, with qualified expertise.
- Flexibility in meeting all customer requirements,
- Guaranteed service and products, always suitable for effective and efficient use.
- Customer focus in all activities.



For Officine Ambrogio Melesi, it is essential to:

- Enhancing the company's know-how;
- Ensuring the effectiveness of processes in terms of quality, worker health and safety, and respect for the environment.
- Pursuing the sustainable growth of activities and the territory by taking on market challenges without compromising the company's solidity and business ethics.

Company headquarters and factories

Officine Ambrogio Melesi covers a total area of over 160,000 square meters across five production sites.

The company, whose headquarters were established and are located in the municipality of Cortenova in Valsassina in the province of Lecco, has expanded over the years by absorbing other small companies in the sector and, to date, the production units that make up the group are located along the lower valley.



Headquarters and registered office
Largo De' Vecchi, 11 - Cortenova (LC)
84,000 sq m



PI Division
Via A. Modigliani, 7 - Cortenova (LC)
37,000 sq m - 0.5 KM from the HQ




MFH Division
Via Provinciale 125 - Primaluna (LC)
6,800 sq m - 3 KM from the HQ



ODC Division
Via Provinciale 147 - Cortabbio (LC)
Via Merla 8 - Cortabbio (LC)
27,000 sq m - 2.5 KM from the HQ



RPI Division
Via Vittorio Veneto,16 - Introbio (LC)
5,200 sq m - 6.5 KM from the HQ

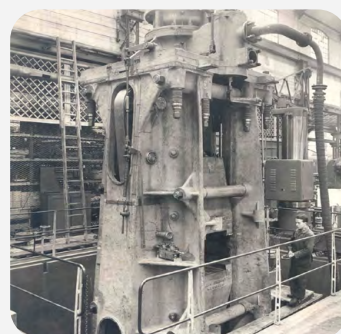
 **GRI 2-1** Organizational details
GRI 2-2 Entities included in the organization's sustainability reporting
VSME B1

History



The two families Melesi and Selva split, and Ambrogio Melesi founded Officine Ambrogio Melesi & C S.r.l. in Cortenova, specializing in the production of agricultural forks and shuttle bits.

1946



Installation of a 20,000 kgm recoil hammer.

1977



In 1993, the 35,000 kgm recoil hammer is installed, completing the range of offerings, enabling penetration into new markets. The quality management system receives ISO 9001 certification.

1991-1998



Acquisition of two new production sites in Cortenova with an incremental area of 60,000 sq m (Pigazzi & Benedetti).

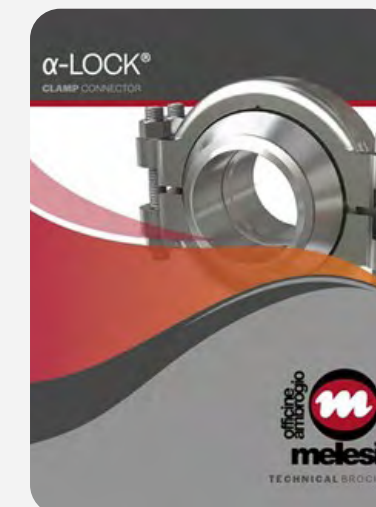
First productions of the New PV 630 rocker arm.

2011-2015



Acquisition of Metalforch Srl in Primaluna (7,000 sq. m.) & launch of its own range of Clamp Connectors, registered as α -LOCK®.

2020-2021



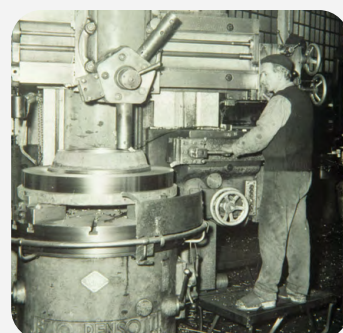
1914

Melesi & Selva Families founded Officine Melesi & Selva in Cortabbio di Primaluna in Valsassina in 1914 from the manufacture of agricultural tools to the production of forged products.



1950-1970

Start Production of the first flanges for the emerging Chemical and Petrochemical Industry.



1980-1990

Introduction of the first CNC lathes, installation of a 2,500-ton stamping press, a 1,200-ton hydraulic press, a horizontal rolling mill, and order management becomes computerized.



2000-2010

Installation of 4 new mechanical and hydraulic presses, 3 new rolling mills, 1 40,000 kgm recoil hammer, 1 milling-boring machine and 1 innovative automatic raw material warehouse.



2016-2019

ISO 14001, ISO 17025 & ISO 45001 certifications.

First productions with New Lasco 8000 kgm Hammer.

Acquisition of new production site in Introbio (5000 sq. m.) for what will become the RPI Division.



2022-2024

Growth of PI Division in Cortenova (37,000 sq. m.) & acquisition of "Officine di Cortabbio Srl" (27,000 sq. m.) for a total of 5 production sites & total extension of 160,000 sq. m.



Corporate governance



Governance structure



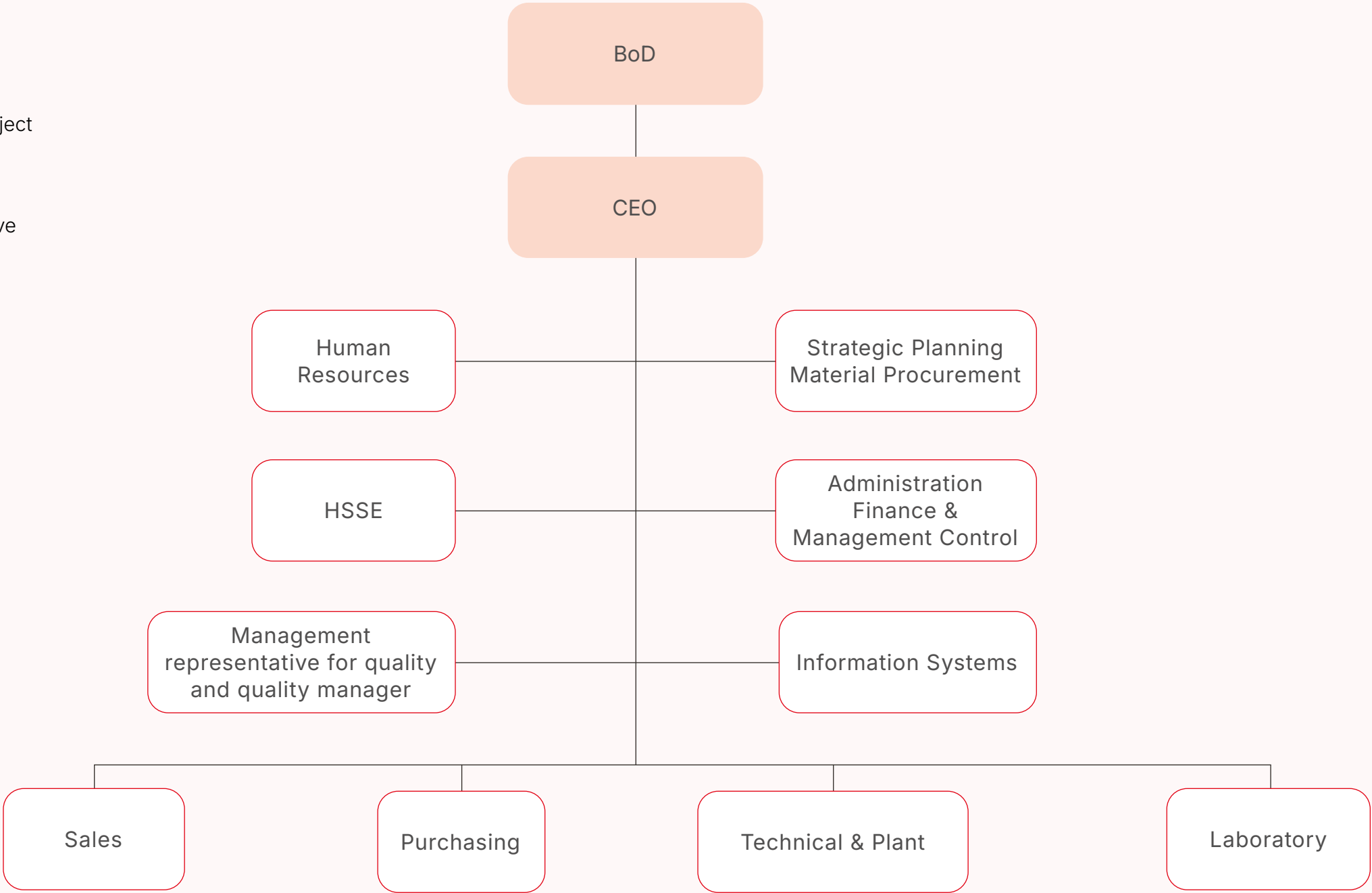
GRI 2-9 Governance structure and composition
GRI 2-11 Chair of the highest governance body
GRI 2-12 Role of the highest governance body in overseeing the management of impacts
GRI 2-13 Delegation of responsibility for managing impacts

The corporate structure is represented by the following organizational chart.

At the top is the **Invernizzi family**, which presides over the functions and positions of General Management, Sales, and the Project and Innovation Coordination Committee.

The Board of Directors is composed of members of the Invernizzi family who have been assigned specific powers.

The Chairman of the Board of Directors is Ambrogio Invernizzi.



Company policies

Quality policies

Ensuring the highest standard of service and product quality is an essential corporate value for Officine Ambrogio Melesi, and it derives from the contribution of every single person working in the production chain.

Officine Ambrogio Melesi & C. S.r.l. firmly believes that only through quality is it possible to maintain and develop its position of excellence on international markets, and therefore it renews its commitment to meet the needs and expectations of its customers and to comply with mandatory regulatory requirements and voluntary and/or contractually required product standards, as well as to continuously improve the effectiveness of its Quality Management System.

The maintenance of an effective and efficient Quality Management System is considered by the management of Officine Ambrogio Melesi to be an indispensable vehicle for the overall growth of the entire company, for pursuing corporate objectives and continuous improvement, aware of the fact that the pursuit of quality must be a daily commitment, spread at every level of the company, and that the responsibility for the pursuit of Total Quality ultimately lies with the company management.

HSE Policy

The company is **UNI EN ISO 14001** and **UNI ISO 45001** certified.

Through the development of the UNI EN ISO 14001 - UNI ISO 45001 Integrated Management System, Officine Ambrogio Melesi promotes a culture of safety and the environment based on the centrality of the human factor and the protection of natural heritage.

At the heart of the company's Safety and Environment Policy are elements such as:

- **Knowledge**
- **Involvement**
- **Improvement**

Knowledge of all company processes is a prerequisite for the complete identification of sources of danger and environmental impacts. Staff are constantly involved, trained, and updated in order to develop qualified skills. On this basis, the company intends to promote the continuous improvement of environmental, health, and safety performance, ensuring full compliance with laws and regulations.



Code of Ethics

Officine Ambrogio Melesi has implemented a Code of Ethics that clearly outlines the set of corporate ethical values recognised and shared by the company.

The company's intention is to clearly express the principles, values, and responsibilities that guide the way it behaves and operates in the market, with local communities, with the people who work in the company, and with stakeholders.

Officine Ambrogio Melesi is committed to ensuring that all those who collaborate with the company are aware of and comply with the contents of the Code of Ethics, which are essential factors in guaranteeing the efficiency, reliability, excellence, and transparency of its activities and behaviours.

The company provides adequate information, prevention, and control activities to ensure compliance with and implementation of the Code of Ethics. The credibility and reputation of our conduct are crucial elements of our relationship with all our stakeholders and the success of our company.

- The **general principles** contained in the Code of Ethics:
- Compliance with Laws and Regulations
 - Fairness and Honesty
 - Non-discrimination
 - Health and safety monitoring
 - Environmental Protection
 - Confidentiality and Privacy
 - Conflict of Interest
 - Respect for property
 - Value of Human Resources



Whistleblowing Policy

Officine Ambrogio Melesi has implemented a reporting system in accordance with Legislative Decree 24/2023.

The company provides a legal tool for reporting any irregular conduct encountered in the course of its work, guaranteeing protection against any possible retaliation, even indirectly, in relation to the reported facts, and ensuring the complete anonymity of each report.

Reports made through the platform

are received by the designated manager within the company, who is autonomous and independent. The platform allows for dialogue, even anonymously, between the whistleblower and the report manager for requests for clarification, further information, or additions, without the need to provide personal contact details, and can be consulted and accessed without any restrictions.

Certifications

Officine Ambrogio Melesi has always been attentive to the quality of its products, which are mainly intended for industrial plant engineering.

The products are manufactured in compliance with national and international standards and in accordance with customer specifications.

Continuous checks are carried out during the production processes; mechanical tests conducted at the ISO 17025-certified in-house laboratory and NDE checks managed by qualified operators satisfy the most demanding requirements.

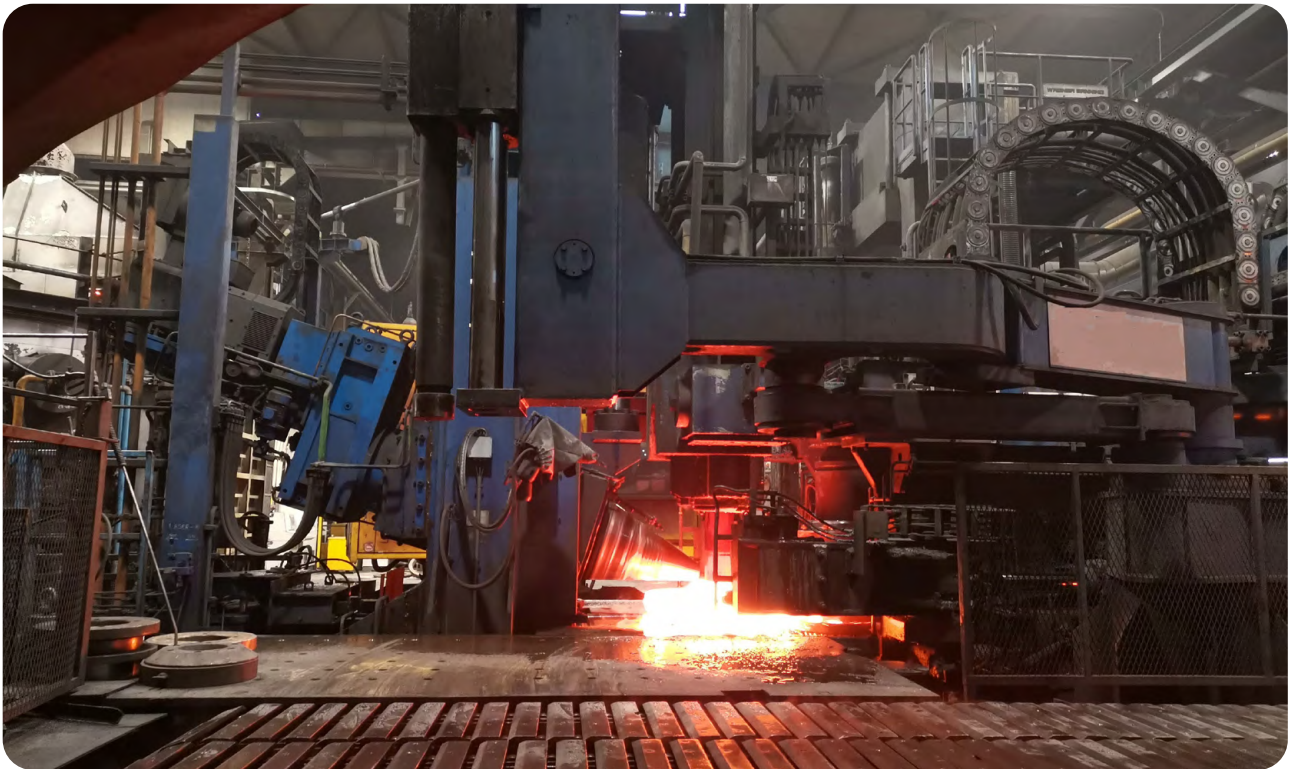
Main sectors of use: oil & gas, energy, chemical and pharmaceutical, desalination and water treatment.

The company's Quality System is certified in accordance with ISO 9001 / ISO 29001 standards.

Over the years, the company has obtained a series of additional certifications, such as:

- **TUV AD 2000 W0**
- **2014/68/EU** (Pressure Equipment Directive)
- **LLOYD'S REGISTER** Manufacturer of steel forgings
- **NORSOK – TR 2000**
- **ABS** - Steel forgings and components for marine applications
- **BV Marine & Offshore** - Flanges and forgings
- **RINA** - Forgings and hot rolled rings
- **DNV** - Steel forgings for marine and offshore applications
- **NSF61** - Drinking Water System Components

In addition to being approved and registered in the vendor lists of the major companies in the oil & gas sector, the company maintains ISO 14001 and ISO 45001 certifications for its Environmental Management System and Occupational Health and Safety Management System, respectively.



Membership in associations

Officine Ambrogio Melesi is part of **Confindustria Lecco**.

The company has been awarded the Bollino per l'**Alternanza di Qualità** (BAQ) and the **Bollino Impresa in ITS** (BITS), recognized by Confindustria, to highlight the commitment of companies to training the younger generation.

Both awards testify to Officine Ambrogio Melesi's commitment to promoting training for the younger generation, which is essential for the continuous improvement and progress of businesses and society.



Value creation



Strategy, products, markets, and resources related to sustainability

The company’s solid financial position supports investments in technological innovation, production efficiency, and environmental sustainability. The company thus confirms its ability to generate value and sustain future growth.

GRI 201-1 Direct economic value generated and distributed VSME B1		2022	2023	2024
A	ECONOMIC VALUE GENERATED	127,340,325 €	154,806,710 €	135,466,029 €
B	ECONOMIC VALUE DISTRIBUTED	124,354,267 €	121,011,066 €	117,621,538 €
B1	Operating costs	107,565,755 €	95,853,142 €	95,016,367 €
B2	Employee wages and benefits	14,052,831 €	14,090,408 €	14,979,778 €
B3	Payments to providers of capital	- €	- €	- €
B4	Payments to government	2,711,437 €	10,948,999 €	7,558,674 €
B5	Community investments	24,244 €	118,517 €	66,719 €
A-B	ECONOMIC VALUE RETAINED (A-B)	2,986,058 €	33,795,644 €	17,844,491 €
		2022	2023	2024
EBITDA		21,119,349 €	45,706,944 €	33,254,572 €

Description of the external context

GRI 2-6 Activities, value chain and other business relationships
VSME B1

Officine Ambrogio Melesi has a long and consolidated experience in the production of flanges, forged and rolled parts of all types. Thanks to continuous investments and the strategic vision of the Ownership and Management, the company has significantly **expanded its range of forging products**, obtaining numerous **awards from some of the most influential companies** worldwide, **operating in the following sectors**:

- Oil & Gas
- Chemical and petrochemical
- Aerospace
- Transmission
- Construction and mining
- Power generation
- Wind power
- General mechanics
- Water treatment - Desalination



Raw material suppliers are mainly located in the EU. Sourcing involves the following raw materials:

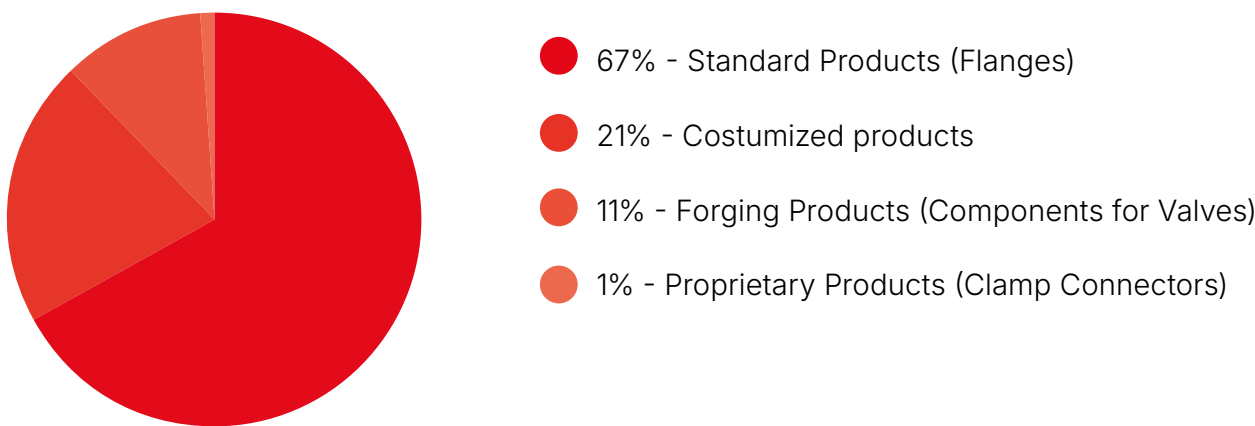
- Steels in accordance with major international standards (e.g., ASTM).
- Carbon Steels
- Low alloyed steels
- High alloyed steels
- Austenitic Stainless Steels
- Martensitic Stainless Steels
- Duplex/Superduplex Stainless Steels
- Austenitic-Ferritic Stainless Steel
- Nickel Alloys
- Copper Alloys
- Aluminum Alloys
- Titanium

Main materials used for **anti-corrosion filler welding**:

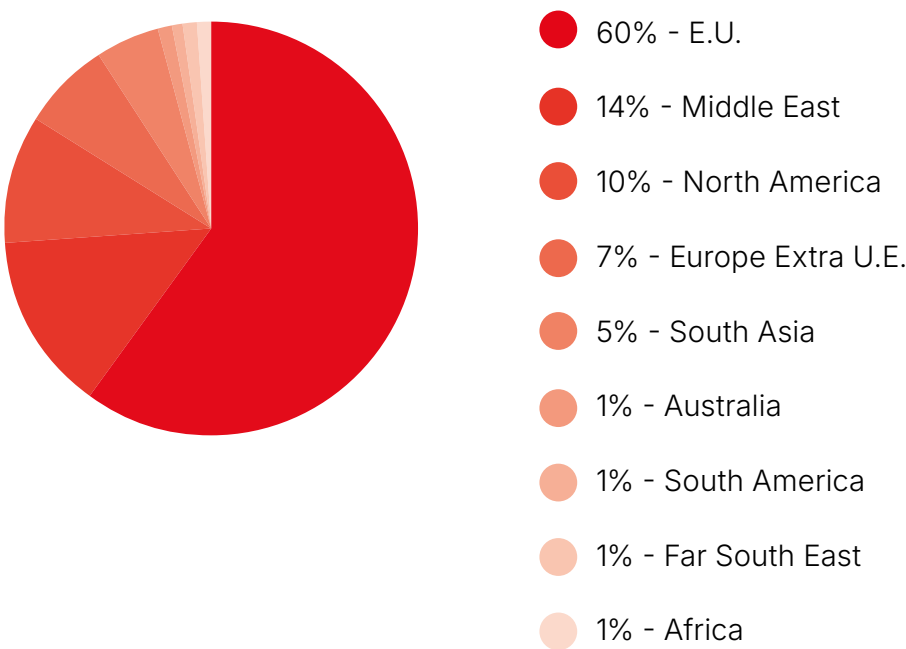
- ER NiCrMo-3 (inc 625);
- ER 309L Mo + ER 316L Si (F316);
- ER 309L Mo + ER 310 (F310);
- ER NiFeCr-1 (inc 825);
- ER NiCrMo-4 (hast C276);
- ER 2209 (F51);
- ER NiCrMo-13 (alloy 59).

The context in which we operate

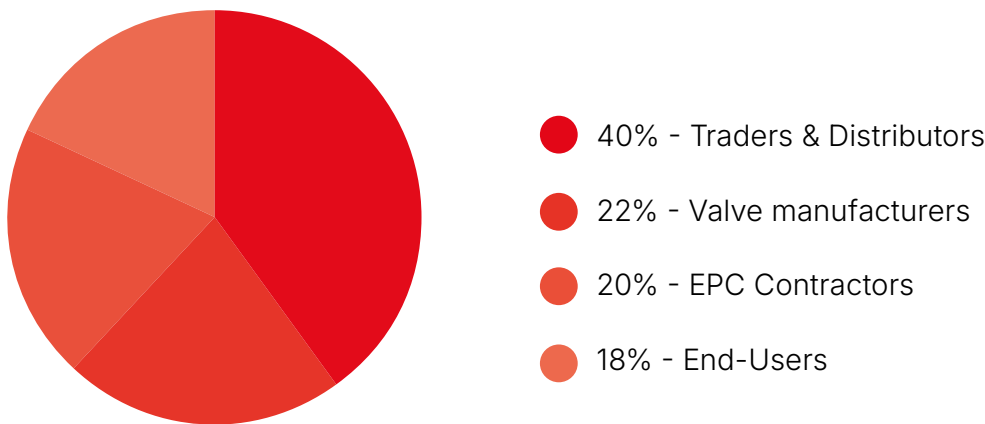
TYPE OF PRODUCT (REF ORDERS 2024)



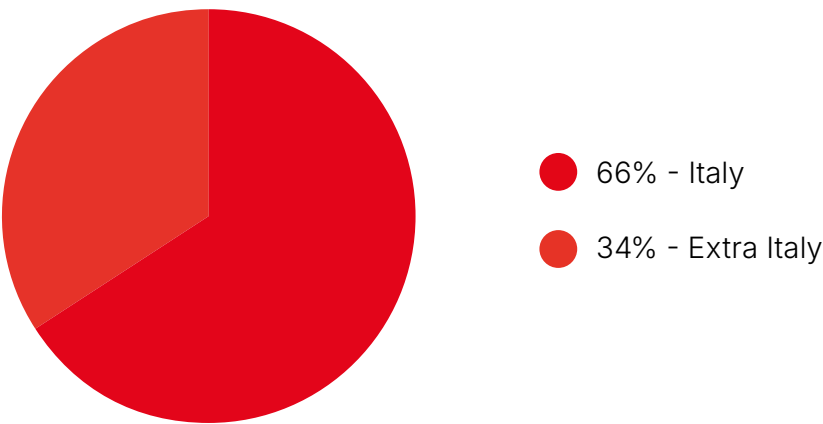
SALES (REF TURNOVER 2024)



CUSTOMER OVERVIEW (REF TURNOVER 2024)



PURCHASE (REF TURNOVER 2024)



Our core business

Officine Ambrogio Melesi has **state-of-the-art technological/production equipment** that allows it to respond promptly to customer priorities and needs, ensuring excellent service in terms of assistance, quality, and delivery times.

It consists of:

- Numerous forging & rolling lines (mechanical presses, drop hammers, hydraulic presses, screw presses, horizontal and vertical rolling mills)
- Heat treatment plants
- Numerous fully automated CNC machines
- A fully equipped in-house testing laboratory for conducting destructive and non-destructive tests to guarantee high-quality products

Thanks to its **high technical standards**, Officine Ambrogio Melesi is able to design, manufacture, and guarantee special parts specifically designed to meet all requirements and application scenarios, while also offering **highly qualified and certified technical advice** to assist customers and meet every level of expectation.

Quality is the common denominator that distinguishes all products and characterizes all Officine Ambrogio Melesi activities.

Production capacity

We produce special parts up to 5500 kg and 3500 mm in diameter and have a potential production capacity of 1,000,000 pieces/year and 60,000 tons/year.

Main distribution channels

Officine Ambrogio Melesi uses direct distribution channels to sell its products, which are distributed worldwide directly to customers and end users, and sometimes indirectly through distributors or dealers.

Products

Standard Products (Flanges)

Officine Ambrogio Melesi manufactures flanges in accordance with the main industry standards:

- ASME B16.5
- ASME B16.47 A (MSS SP44)
- ASME B16.47 B (Api 605)
- ASME B16.36
- ASME B16.48
- EN1759-1
- EN1092-1
- API 6A
- API 17D
- NORSOK L-005 (ISO 27509)
- CSA Z245.12
- BS3293
- AWWA C207
- JIS B2220
- GOST 33259/28759.3
- EEMUA 234
- SAE J518 (ISO 6162)



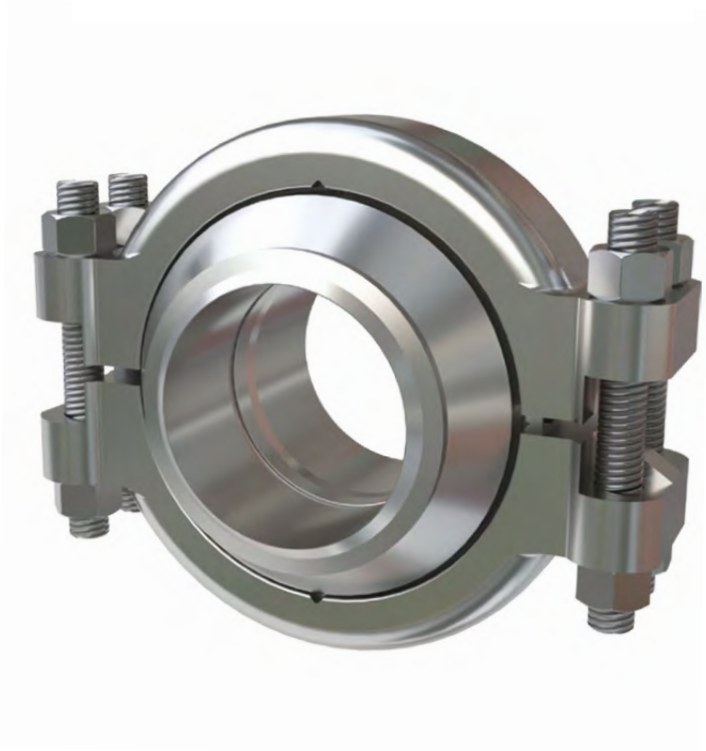
GRI 2-6 Activities, value chain and other business relationships
VSME B1

Products

Own products

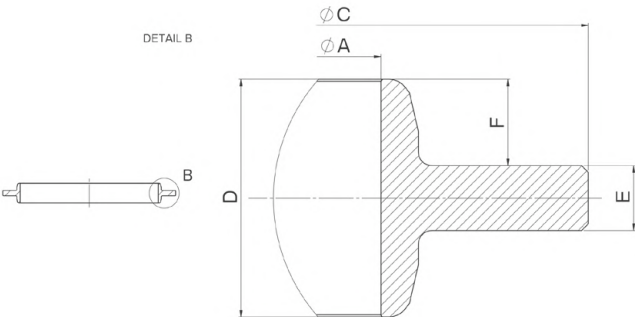
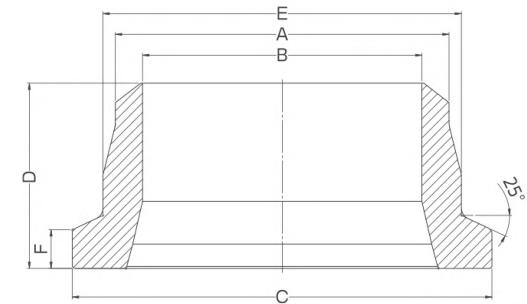
α-LOCK® Clamp Connector

The Clamp Connector is a fully tested alternative to the conventional flanged connection used in the industries of oil, gas, petrochemical, and power generation. Produced in a full range of sizes and materials, they offer versatility, compactness, weight and cost savings in the semi-permanent connection of two industry pipelines/components. The Clamp Connector is designed according to ASME VIII Div1/2 standards to meet the pressure classes provided by ANSI B 16.5/API6A [up to 10000 psi] and also conform to other recognized international design codes.



Joint Description α-LOCK®

The α-LOCK® connection is designed to offer maximum reliability even under the most critical operating conditions. The flexibility of the seal ring allows energization of the joint by storing elastic energy during the tightening phase of the tie rods. This makes the joint suitable for use in systems that require high seal integrity under corrosive/erosive conditions and severe cyclic pressure/temperature conditions.



The basic α-LOCK® connector is shown below and consists of:

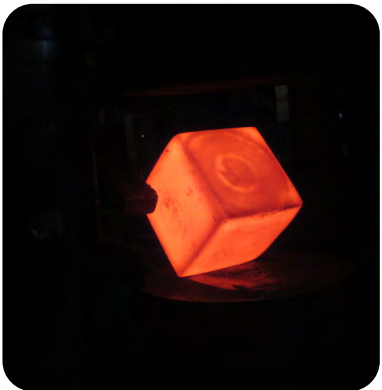
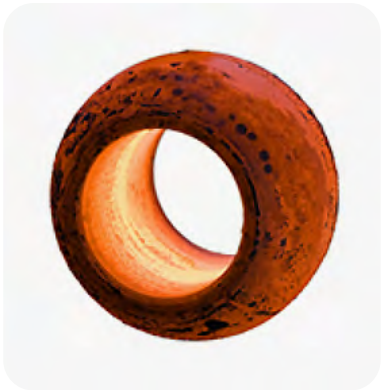
- two hubs
- set of clamps
- one self-energizing sealing ring (gasket)
- four tie rods
- eight spherical nuts



Forged parts

The company offers Forged parts produced on customer design, with various types of forging processes (close die, open die, ring rolling to shape):

- Valve closure
- Valve end closure
- Ball for valves

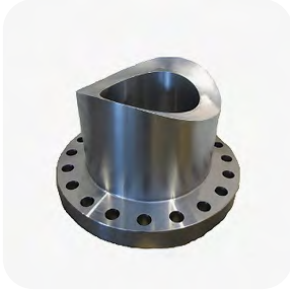


GRI 2-6 Activities, value chain and other business relationships
VSME B1

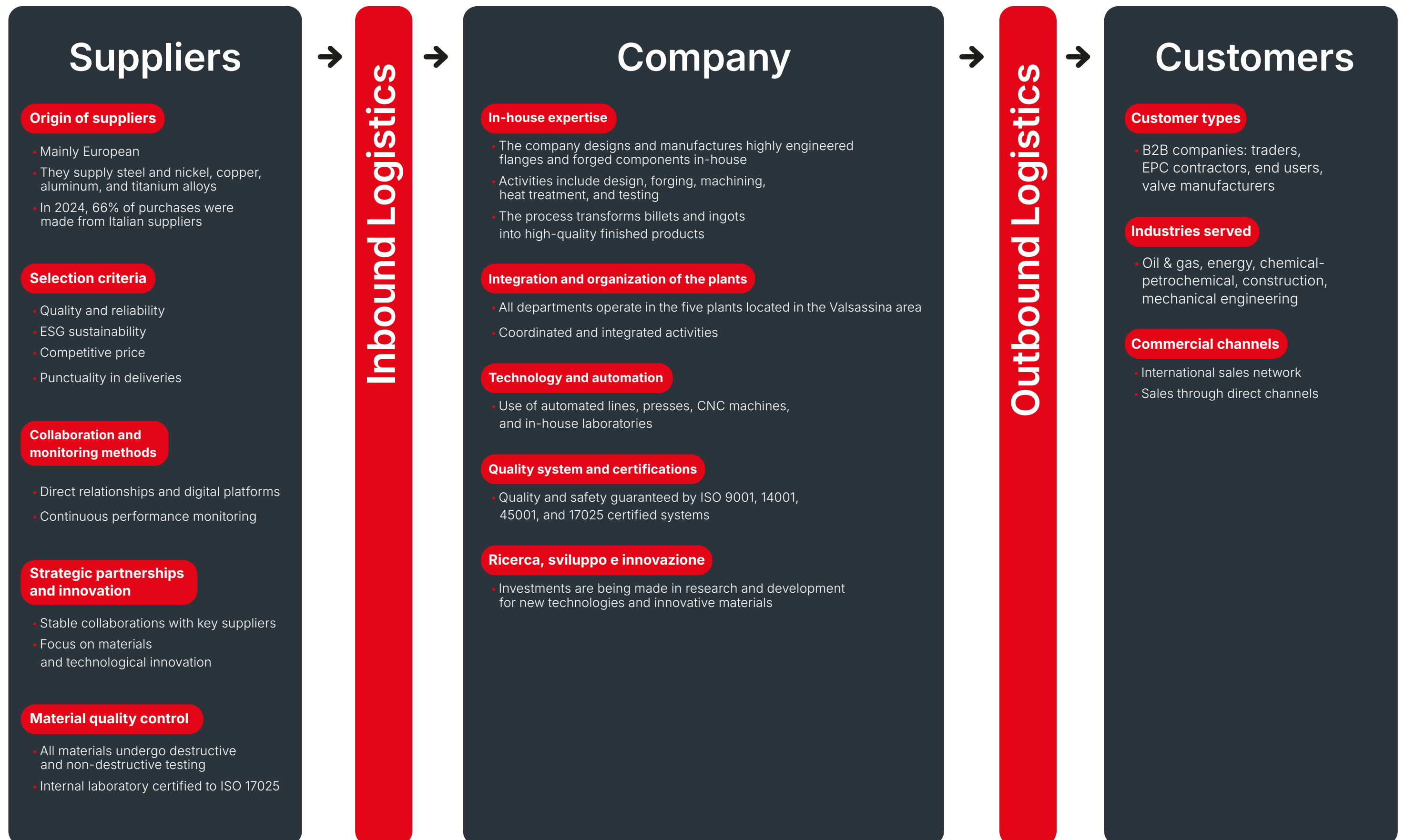
Tailor made products

The company offers customized components, studied and designed on specific customer's requests:

- Misalignments flanges
- Bulkheads
- Api block
- J-lay collars
- Venturi
- Api flanges
- Long welding neck compact
- Swivel rings
- Cladded flanges weld overlayed flanges
- Drip rings
- Adaptors
- Flanged bosses
- Rings
- Special forgings
- Long welding neck
- Tube sheets
- Special forgings in accordance to client drawing
- Weldolet
- Nozzles
- Sweepolet
- Shell elbow
- Special flanges in accordance to client drawing or designed

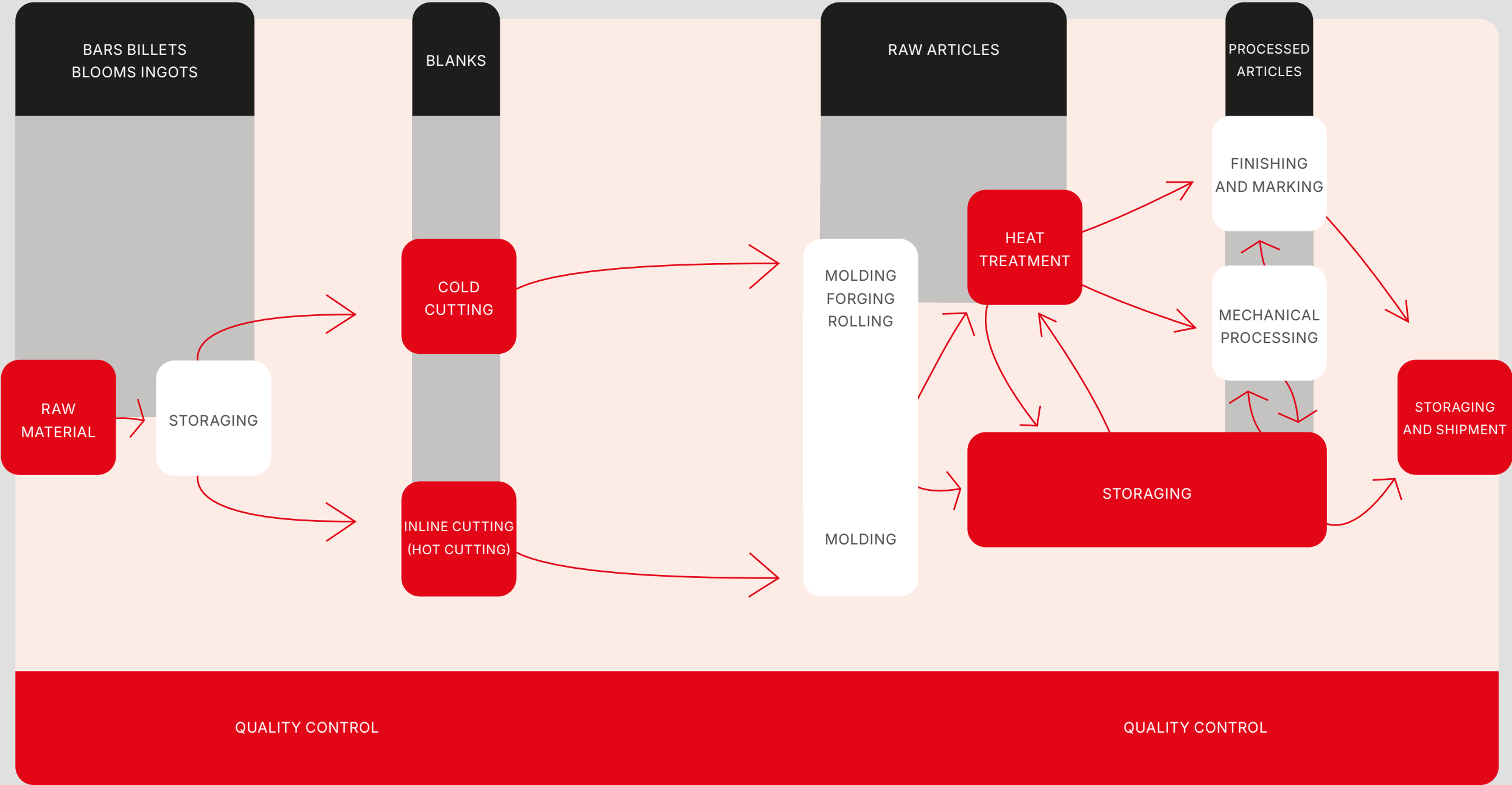


The value chain



Officine Ambrogio Melesi's work process

GRI 2-6 Activities, value chain and other business relationships
VSME B1



The ESG journey

The double materiality analysis

In order to determine our material ESG themes, significant themes were analyzed by applying Double Materiality Analysis.

Double Materiality Analysis is an analytical process that helps organizations in identifying and selecting their material ESG themes through a logical and progressive process.

The analysis considers two different perspectives that help the organization identify the ESG themes with the greatest impact (Materials):

- *Inside-Out* Perspective: i.e., how the organization produces impacts outside the organization (on environment and society);
- *Outside-In* Perspective: i.e., how sustainability themes have a financial economic impact within the organization.

In a process of progressive compliance with emerging instances of ESG reporting (i.e., CSRD), we wanted to proceed with a material themes identification exercise specifically in a double materiality logic.

At the operational level, through a dedicated guided activity and Survey, the Management Team was led along a process of in-depth analysis of each significant theme brought under consideration.

Each theme was presented and divided into elements of relevance.

The results of the stakeholder engagement process were considered as an indication for a more informed process of analysis and evaluation of the significant themes.

The Management Team was guided in reflecting on:

- Identify the likelihood (high-medium-low) of certain dynamics with environmental, social and financial impacts occurring;
- Predict what the impact would be (high-medium-low) should the event occur;
- Identify where the main impact falls on the ecosystem in which the company is located (for example: along the supply chain, the customer, the community or the environment...).

The diagram below shows the study conducted, and the result obtained by the Management Team.

Theme	TIER 1	TIER 2	TIER 3
Energy efficiency	■		
Fight and adaptation to climate change	■		
Environmental footprint		■	
Natural resources and biodiversity			■
Occupational health and safety	■		
Human capital development	■		
Wellbeing, diversity and inclusion		■	
Supply chain sustainability		■	
Regulatory compliance	■		
Integration of ESG concerns in corporate governance		■	
Business ethics			■

The **material themes** resulting from this analysis, which are a key part in the design of one's business **sustainability path and plan**, are the following:

- Environmental footprint
- Energy efficiency
- Fight and adaptation to climate change
- Occupational health and safety
- Human capital development and well-being
- Regulatory Compliance

Sustainability strategy

Our ESG (Environmental, Social, and Governance) Plan represents a strategic, **long-term commitment to sustainability**, with the aim of integrating ethical and environmental principles into business decisions and operational processes. Through this plan, we intend **to promote balanced growth that generates shared value for our stakeholders, while reducing the impact of our activities on the environment and improving social well-being**. The plan is not limited to meeting regulatory requirements, but aims to go further, actively contributing to the achievement of broader global sustainability goals, in line with the United Nations Sustainable Development Goals (SDGs).

The ESG plan is based on structured planning that identifies material themes for our business, i.e., themes that have a significant impact on the company and society in general. Each **material issue**, from energy efficiency to worker health and safety, has been associated with **specific, measurable, and time-bound objectives**. Through continuous monitoring and the implementation of concrete actions, we are committed to achieve these objectives within the established time frame. This approach allows us to continuously improve our environmental and social performance, with a positive impact on all fronts: economic, environmental, and social.

During the preliminary analysis and assessment of the themes relevant to our ESG Plan, we had the opportunity to reflect on the terminology previously used. With the aim of aligning ourselves with the latest guidelines promoted by the European Union and evolving international regulations, we decided to update our terminology to ensure maximum consistency with current sustainability and social responsibility

policies. This change was necessary to reflect the evolution of the regulatory environment and to ensure that our ESG plan continues to respond appropriately to global sustainability goals, promoting ethical and transparent business practices.

Climate change
Recognizing the importance of climate resilience, we have undertaken a **climate change vulnerability assessment for each of our operating sites**, identifying key risks and potential impacts on operations and logistics. In this context, we will develop **business continuity plans** that include climate risk scenarios and are evaluating investments in infrastructure to mitigate the effects of climate change, such as improved drainage systems and structural reinforcement. We have also planned **investments in renewable energy** and a gradual **increase in the electrification of our forklift fleet**.

Air pollution
With regard to atmospheric emissions, we plan to **modernize our furnaces** and **adopt advanced technologies** to improve energy efficiency and reduce gas emissions.

Substances of concern
We are **mapping the chemicals used in our production processes**, with the aim of gradually eliminating hazardous substances and involving suppliers in the search for safer alternatives.

Water pollution
Our commitment to reduce our environmental impact focuses primarily on **optimizing water consumption** and managing chemicals. We have planned the installation of water withdrawal detection and recording systems to optimize the use of resources, and we

are implementing actions aimed at reduce water consumption in forge cooling circuits. This includes restoring heat recovery technologies and upgrading existing plants in order to minimize waste of resources.

Waste
We have a **plan** that includes measures for managing waste generated during production processes, seeking to **minimize waste production and promote recycling** through efficient systems and collaborations with suppliers and partners.

Worker health and safety
The health and safety of our employees are top priorities. For this reason, we are investing in technologies and infrastructure improvements that reduce physical risks and **make the work environment safer and more comfortable**. An important intervention is the **modernization of equipment** and the **redefinition of interior spaces to improve circulation and reduce operational stress**. We have also launched an innovative **safety training program that goes beyond regulatory requirements**, with the aim of spreading a culture of safety at all company levels.

Training and skills development
Our ESG plan is also committed to the **development of our people**. We have set up **training courses** to develop our employees' skills, with the aim of **improving productivity and quality of work**. We are implementing a continuous **feedback system** that allows our employees to express their opinions and receive constructive feedback.

Diversity
In addition to promoting diversity and inclusion within the organization, we are developing a corporate **welfare system** to support employee well-being and promote work-life balance.

Work-life balance
We are developing a corporate welfare system that supports employees in managing their work-life balance, improving their overall **well-being** and **quality of working life**.

Business conduct
We ensure that all our business operations **comply with applicable laws and regulations** through regular internal and external **audits**. We have implemented a **continuous monitoring system** to promptly detect any non-compliance, reinforced by anonymous tools for reporting violations. To ensure ongoing compliance with regulations, we work with **legal experts** and **consultants** and regularly organize training sessions for employees on compliance issues.

The ESG journey

Stakeholder perspective and engagement

In 2024, Officine Melesi further strengthened its process of listening to and dialoguing with stakeholders, with the aim of consolidating a participatory and structured approach to sustainability. After the experience of 2023, based on a quantitative survey, this year the company chose to deepen the discussion through **direct, qualitative interviews** with key stakeholders from various categories (customers, suppliers, financial institutions, industrial partners, and consultants) at both national and international levels.

This approach made it possible to gather more detailed insights and medium- to long-term perspectives on the most significant ESG themes, focusing on market expectations, emerging trends, and areas for improvement perceived in the steel supply chain and related sectors.

The interviews revealed a **greater awareness of the centrality of decarbonization** as a priority for the steel industry. Many stakeholders emphasized that the transition to low-emission production models is now irreversible, while acknowledging that, in the short term, the economic value of "green" steel is not yet fully realizable. However, the issue remains strategic in the medium term, also in relation to the evolution of European regulations,

such as the CBAM mechanism, and the growing attention of large industrial groups and the automotive sector to the traceability of emissions along the supply chain.

At the same time, there has been an **increase in interest in the measurement and reporting of Scope 3 emissions**, with many companies engaged in launching monitoring systems for their suppliers or experimenting with dedicated platforms. Officine Melesi has been recognized as a collaborative and transparent partner, capable of providing accurate and up-to-date data on its environmental performance, an increasingly sought-after element to ensure reliability and competitiveness in the supply chain.

On the **social and governance** front, stakeholders highlighted the growing importance of topics such as health and safety, worker well-being, diversity in leadership roles, and ethical integrity in corporate behavior. Melesi's solid organizational model and willingness to extend its culture of sustainability to suppliers and business partners was appreciated, promoting a shared vision and a responsible value chain.

Financial institutions emphasized their active role in promoting sustainable transition, highlighting how ESG assessment of customers is now an integral part of the credit granting process. There is a trend towards offering financial instruments linked to sustainability indicators (environmental, social, and governance KPIs), with economic benefits for the most virtuous and transparent companies. In this context, Melesi's ability to structure improvement plans and targets represents a competitive advantage.

On an industrial level, several stakeholders also stressed the need to **collaborate along the supply chain** to build common metrics, avoid fragmentation between standards, and ensure a pragmatic and measurable approach to sustainability. A general preference emerged for **established international standards (e.g., ISO 14064 and ISO 14067)** over more recent or commercial certification schemes, which are sometimes considered inconsistent or difficult to apply comparatively.

The interviews also highlighted the importance of collaborative platforms such as **Open-ES** in facilitating dialogue, data sharing, and continuous improvement of ESG performance throughout the supply chain. Tools of this type are perceived as useful levers for creating value networks, improving traceability, and promoting virtuous behavior, especially for small and medium-sized suppliers.



GRI 2-29 Approach to stakeholder engagement
GRI 3-1 Process to determine material topics

The Sustainability Strategy



ENVIRONMENT

Area	Topic	Objective	Actions	2024	2025	2026	2027
E	Climate change	Adaptation to climate change	Conduction of vulnerability assessment to climate change for each operational site	30%	●	○	○
			Development and implementation of business continuity plans that include climate risk scenarios		○	●	●
			Evaluation of investments in infrastructure improvements to enhance resilience to extreme weather conditions		○	○	●
		Mitigation of greenhouse gas emissions	Investments in renewable energy installations		○	●	○
			Increased electrification of the forklift fleet	65%	●	●	●
			Organizational CF calculation (Scope 1, 2, 3) and evaluation of carbon offset projects		○	●	●
			Conduction of a market analysis and a feasibility study for a new high-efficiency furnace	100%	○	○	○
			Purchase and installation of a new gas furnace		●	●	○
			Verification of results and evaluation of technology extension to two other induction furnaces		○	○	●
		Improving energy efficiency	Energy analysis of compressor rooms + air leak detection	60%	●	○	○
			System improvements for energy savings	20%	●	●	○
			Continuous monitoring of the energy efficiency of compressed air systems		○	+	+
			New 5.0 machinery		+	+	○
			Carrying out an initial energy diagnosis		+	○	○
			Implementation of energy efficiency measures where necessary		○	+	○

Legend:

- Activity planned for the year
- Activity not planned for the year
- ⊕ Item added as an integration to the initial 2023 plan
- % Project progress status

The Sustainability Strategy



ENVIRONMENT

Area	Topic	Objective	Actions	2024	2025	2026	2027
E	Air pollution	Reduction in pollutants released into the atmosphere	Conduction of a market research for new furnace technologies		+	+	○
			Furnace modernization/replacement measures		+	+	+
	Water pollution	Reduction in the generation of wash water	Evaluation for grouping and centralization of purification plants	100%	○	○	●
			Installation of centralized wastewater storage tank		○	●	○
		Reduction in the generation of spent emulsions	Study of emulsion tank management + definition of KPIs (emulsions disposed of/ton of turning)	80%	●	○	○
			Assignment for tank management with periodic checks	100%	○	○	○
			Assessment of low-impact oils + tank filtration/cleaning systems		●	●	○
		Substances of concern	Completion of a total inventory of chemicals + SVHC verification + computerized database	90%	●	○	○
			Definition of priority replacement measures		●	○	○
			Updating purchasing policies to exclude hazardous substances		○	●	●

Legend:

- Activity planned for the year
- Activity not planned for the year
- ⊕ Item added as an integration to the initial 2023 plan
- % Project progress status

The Sustainability Strategy



ENVIRONMENT

Area	Topic	Objective	Actions	2024	2025	2026	2027
E	Water	Reduction in water consumption	Installation of real-time water consumption reading systems and monitoring of their operation	100%	●	●	●
			Definition of specific water consumption parameters (KPIs) tailored to forging production	80%	●	○	○
			Conduction of a market analysis to find technological solutions for reducing water consumption through heat recovery from forging (heating for domestic use)	20%	●	●	○
			Implementation of systems for reducing water consumption		○	●	○
			Upgrading of plants to include technologies that reduce water consumption		○	○	●
	Waste	Reduction of wood waste	Research and selection of suppliers for repaired pallets	30%	+	○	○
			Use of 20% repaired pallets		○	+	○
			Use of 35% repaired pallets		○	○	+
		Reduction in the use of plastic packaging	Market research on thin stretch film		+	○	○
			Testing on sample lines		+	○	○
			Extension to all film wrapping lines		○	+	○
		Extension of paper collection	Purchase and placement of containers for paper recovery		+	○	○

- Legend:
- Activity planned for the year
 - Activity not planned for the year
 - ⊕ Item added as an integration to the initial 2023 plan
 - % Project progress status

The Sustainability Strategy



SOCIAL

Area	Topic	Objective	Actions	2024	2025	2026	2027
	Worker health and safety	Enhancing the culture of health and safety	Setting up a program of non-mandatory training sessions	100%	●	●	●
			Implementation of non-mandatory training program	100%	●	●	●
			Reviewing targeted training program based on incidental events	100%	●	●	●
		Making the work environment more comfortable	Investing in safer technologies and infrastructure improvements	100%	●	●	○
			Redefining internal layouts in critical departments		●	○	○
	Training and skills development	Skills enhancement and training	Evaluation of training course creation	100%	●	●	○
			Implementing a continuous feedback system		●	●	●
	Diversity	Promotion of diversity and inclusion	Raising awareness among DEI managers		●	●	○
			Implementing inclusive recruitment policies		●	●	○
	Work-life balance	People empowerment	Enhancing corporate wellness and welfare services		○	●	●

Legend:

- Activity planned for the year
- Activity not planned for the year
- + Item added as an integration to the initial 2023 plan
- % Project progress status

The Sustainability Strategy



GOVERNANCE

Topic	Objective	Actions	2024	2025	2026	2027
Business conduct	Ensuring compliance with laws and regulations	Conduction of internal and external audits on a regular basis		●	●	●
		Using continuous monitoring tools to detect and correct any non-compliance issues promptly	20%	●	●	●
		Establishing an anonymous system for reporting regulatory compliance violations	100%	○	○	○
		Working with legal experts and consultants to stay up to date on new regulations and ensure ongoing compliance		●	●	●
		Organizing training sessions for employees on compliance issues on a regular basis	10%	●	●	●

Legend:

- Activity planned for the year
- Activity not planned for the year
- ⊕ Item added as an integration to the initial 2023 plan
- % Project progress status

GRI 3-2 List of material topics
GRI 3-3 Management of material topics

GRI 2-22 Statement on sustainable development strategy
VSME B2

Environment and people



Environmental Dimension

Officine Ambrogio Melesi & C. S.r.l. continues to pursue a proactive and systematic approach to managing its environmental performance, integrating environmental protection and occupational health and safety into its **Integrated Management System**, which complies with the international standards **UNI EN ISO 14001** and **UNI ISO 45001**.

The company's management recognizes the centrality of the human factor and shared responsibility towards the environment as core elements of its organizational culture. The company's actions are based on three key principles: **knowledge, involvement, and continuous improvement**.

In-depth knowledge of production processes allows us to identify and minimize sources of environmental impact; the active involvement of all staff and the development of skills ensure that sustainability becomes an integral part of our daily work; finally, continuous improvement guides every initiative, guiding decision-making towards the adoption of best available technologies and the prevention of pollution and waste.

During 2024, Melesi consolidated this vision through a series of actions aimed at **reducing its environmental footprint, optimizing resources, and strengthening its internal environmental culture**.

Material themes

- Fight and adaptation to climate change
- Environmental footprint
- Energy efficiency



Environmental impact activities 2024

Water resource management

In 2024, significant progress was made towards reducing water consumption in the cooling circuits of the forge and heat treatment processes.

A **system for detecting and recording water withdrawals** from wells was installed, allowing for accurate consumption monitoring and more efficient resource management.

At the same time, **specific consumption indicators (KPIs)**, expressed in tons of H₂O/ton of forged product, began to be defined in order to monitor water requirements more accurately in relation to the production mix.

These activities form the basis for the efficiency measures planned for 2025 and 2026, aimed at further reducing withdrawals through the introduction of technological solutions for water recovery and recirculation.

Chemical management

In 2024, a census of all chemicals present in the plants was completed, with verification of their classification in the SVHC (REACH) lists and the creation of a computerized database for centralized management.

This work made it possible to identify the most critical substances and plan replacement measures in the medium term.

Among the first actions planned, the launch of **the new painting plant** in 2025 will make it possible to **almost completely eliminate the use of solvent-based paints**, which until 2024 was in any case **marginal**.

They will remain in use only in specific cases (oversized parts, small quantities, or touch-ups), while ordinary production will be based on **water-based paints**, with expected benefits for both worker health and air quality in the departments.

The completion of the census also provides the basis for reviewing purchasing policies, with a focus on using safer and more sustainable materials and products.

Reduction of emissions into the atmosphere

Melesi continues its commitment to reducing emissions and improving the efficiency of its thermal plants.

In 2024, **market research** was launched to identify new technologies applicable to heating and heat treatment furnaces, with the aim of reducing natural gas consumption and emissions.

Assessments carried out on the older heating furnaces (FR1, FR2, FR3, FR5) provided useful information for future revamping and replacement decisions, which will be developed in 2025 through upgrades and analysis of energy results.

Waste management and reduction

In 2024, **Melesi completed its study on the management of lubricating and cooling emulsions**, defining a **control KPI** based on the ratio between emulsions disposed of and tons of turned material.

The activity, extended to all departments, introduced **periodic monitoring of tank quality** and assessed the use of **new-generation, lower-impact oils**, whose testing will continue in 2025.

The **feasibility study for the centralization of LP washing systems** was also completed: the analysis showed that, under current conditions, **full treatment would be less sustainable** than partial treatment combined with **controlled disposal**. However, the assessment will remain open to future updates, in line with technological and regulatory developments.

In 2024, the company also launched a **new circular-economy initiative** for the regeneration of discarded wooden pallets. In collaboration with a specialized supplier, **damaged but repairable pallets are recovered and put back into circulation**, reducing wood-waste volumes and promoting a more sustainable production model.

Energy efficiency

Reducing energy consumption remained a **strategic priority**.

In 2024, **energy analyses were carried out on the compressor rooms**, with **air leak detection** activities covering half of the company's systems, helping reduce leaks and improve overall efficiency.

Planning also continued for the **replacement of the P6300 line's electric furnace** with a **new high-efficiency furnace**, already purchased and scheduled for installation in 2025.

These initiatives form part of a **broader energy-transition pathway**, aimed at reducing dependence on fossil fuels and increasing the share of renewable energy used.

Climate change adaptation and mitigation

During 2024, the company laid the foundations for a **climate-vulnerability assessment** of its operational sites,

with the goal of identifying risks associated with **extreme weather events** and evaluating their potential impact on production continuity and logistics.

While awaiting the full vulnerability assessment, the company nevertheless implemented **appropriate emergency-response procedures** for sites located in areas where authorities reported a **non-negligible hydrogeological risk**.

At the same time, the company continued its **investments in electrifying its internal fleet** and in **energy-efficiency solutions**, while also advancing the analysis of its **Scope 1, 2, and 3 emissions** and evaluating potential **carbon-offset projects**.

Environmental culture and continuous improvement

Melesi's environmental initiatives go beyond mere compliance with current regulations and are part of a **broader corporate culture of sustainability**, which promotes **responsible behavior, waste reduction**, and **active employee engagement**.

In recent years, the company has introduced a range of **awareness-raising actions and good daily practices**—including the distribution of **reusable water bottles**, the installation of **water dispensers**, the use of **biodegradable materials** in dining areas, and **separate waste collection** in offices. These initiatives continue to be strengthened and improved over time.

Moreover, **constant dialogue with customers, suppliers, authorities, and local communities** remains a key pillar of the company's sustainable growth strategy, aimed at creating **shared value** and fostering an **increasingly positive environmental impact**.

Social Dimension

Officine Ambrogio Melesi & C. S.r.l.

places **people** at the center of its strategy, promoting a culture of safety, well-being, and professional growth that involves all levels of the company.

Through its **Integrated Management System**, compliant with the **UNI ISO 45001** standard, the company operates in a structured manner to protect the health and safety of its workers, strengthening individual awareness and a sense of collective responsibility.

Melesi's social policy is based on three essential pillars: **prevention, participation, and continuous growth.**

Prevention is pursued through the rigorous adoption of technical and organizational measures to reduce risks, the continuous updating of safety procedures, and the promotion of responsible behaviors.

Participation is encouraged through ongoing dialogue with employees, who are involved in training activities, dedicated meetings, and structured engagement with safety managers.

Finally, **continuous development** is supported by training and skills-enhancement programs that strengthen both workplace safety and the company's overall competitiveness.

Social impact activities 2024

Safety culture and training

At **Officine Ambrogio Melesi**, personal growth is at the heart of our corporate vision, a principle that guides us in creating value through human resources. To meet modern challenges, it is essential to have staff who are not only competent but also constantly updated on the new needs emerging in the world of work. For this reason, continuous training plays a fundamental role in our development strategy.

During 2024, the company invested **3,558 hours** of training in several key areas, aimed at ensuring the continuous improvement of skills.

The training hours were distributed as follows:

- **Environment & Safety:** 375 hours
- **New Hires and Apprentices:** 2,417 hours
- **Production, Processes and Design:** 102 hours
- **Quality and Laboratory:** 654 hours
- **Ethics (Legality):** 10 hours

A central aspect of our training concerns **safety culture**, which was further strengthened in 2024. In line with our commitment to a safe and aware working environment, we have intensified our awareness-raising initiatives aimed at employees.

Material themes

- Worker health and safety
- Human capital development and well-being



Social impact activities 2024

A program of **non-mandatory training sessions** has been set up with the aim of involving every worker in safety management, promoting an active and responsible approach. This program is already about **50% complete**, with plans to extend it to all production departments in 2025.

At the same time, we have never stopped investing in **mandatory and specialized training**, with a particular focus on **risk prevention** in the **forging** and **heat treatment** departments. These training courses are designed to ensure that every worker is adequately prepared to face daily challenges safely, in line with current regulations and industry best practices.

For the future, our goal is to make training even more dynamic and targeted through periodic program reviews, which will also be based on accidents or unforeseen events that may occur during the year. In this way, we intend to constantly improve the effectiveness of our training interventions and respond quickly to any new needs.

In 2024, we continued to promote collaboration with **local educational and technical institutions**, offering **internship** opportunities and **school-work** programs. These initiatives not only allow young people to come into direct contact with the industrial world, but also represent an opportunity to convey to them the importance of safety at work from their very first professional experiences.

In this way, **Officine Ambrogio Melesi** not only invests in the continuous training of its employees, but also in the preparation of future generations, contributing to the growth of a more competent and safer working community as a whole.

Health, safety, and well-being at work

2024 marked a year of consolidating prevention policies and initiatives to improve the working environment

Measures were taken to **make production environments more comfortable and safer**, in particular by upgrading the forging lines (CE marking in the process of being completed) and revising the **internal layouts** of some departments, with the aim of reducing interference between operators and handling equipment, improving circulation, and reducing noise and operational stress levels.

In 2024, Melesi achieved the milestone of over **200 days without accidents**, confirming the effectiveness of the measures adopted and the progressive improvement in the IF and IG indices (frequency and severity of accidents).

These results stem from a systematic approach to safety management, which includes constant monitoring, preventive maintenance, and careful daily operational control.

Corporate welfare and people development

Melesi's welfare policy is based on the principle of **focusing on people's well-being** as a factor in company growth and stability.

In 2024, the company confirmed the application of a **contractual welfare** program, providing employees with **welfare goods and services**, as well as **vouchers** to support purchasing power and family well-being.

The evaluation of **welfare** solutions linked to **performance bonuses** also continues, which will allow workers to convert, in part or in full, their production bonuses into personalized welfare services.

These tools represent a further step towards a more modern and flexible management of remuneration policies, consistent with ESG objectives and the enhancement of human capital.

Dialogue, participation, and community

Melesi's social commitment also extends to its relationship with the local area and community.

The company promotes **constructive and transparent dialogue** with workers, institutions, and stakeholders, encouraging active participation and the sharing of best practices.

Through collaborations with schools, training institutions, and local associations, Melesi contributes to the dissemination of technical and safety culture, promoting opportunities for integration and growth for the younger generation.

Support for Local Communities and the Territory Through Donations

Officine Ambrogio Melesi & C. S.r.l. confirms its concrete commitment to the territory and the local community in 2024, supporting initiatives that promote social, cultural, and sporting development in the province of Lecco. The company, which has always been rooted in the Lecco area, recognizes the value of corporate social responsibility as an integral part of its identity and considers collaboration with local organizations and associations a key element in generating shared value.

Throughout the year, Melesi has supported various sporting, cultural, and social initiatives, contributing to the growth of young people, the protection of the most vulnerable, and the enhancement of the local historical and cultural heritage. The company supported **Pallavolo Lecco Alberto Picco**, promoting discipline, teamwork, and the training of young athletes, and collaborated with **Villa Serena in Introbio**, a facility dedicated to the **care and reception**

of the elderly, emphasizing its focus on the **well-being of vulnerable people**.

At the same time, the company supported the **Fondazione Comunitaria del Lecchese Onlus** in the **restoration project of the Chiesetta di Pian delle Betulle (Municipality of Margno, Lecco)**, contributing to the protection of the historical heritage of the area, and collaborated with social cooperatives, such as **Le Grigne** and **La Vecchia Quercia**, promoting inclusion projects, educational services, and job placement. Animal protection has also been a focus, with donations to organizations such as **E.N.P.A. Onlus**.

Melesi has also supported cultural associations and local initiatives, such as the Associazione Iniziative Acquatesi – Madonna del Resegone and the magazine Il Grinzone, contributing to the promotion of the history and traditions of the community. The company has actively participated in major sporting and cultural events, such as the **Giir di Mont di Premana** and **Premana Rivive l'Antico**, promoting a sense of belonging to the territory and strengthening social ties. There have also been international solidarity projects, such as **Save the Children** solidarity gifts, which testify to Melesi's attention to global causes related to children and human rights.

Social commitment is conceived as part of a broader sustainability strategy, in which ethics, solidarity, and the enhancement of people are integrated in a coherent manner. In 2025, the company intends to continue and consolidate its support for the local area, with a particular focus on social inclusion projects, collaborations with educational institutions, and partnerships with local non-profit organizations, strengthening its role as a responsible and generative company within the Lecco community.

Governance Dimension

The governance of **Officine Ambrogio Melesi & C. S.r.l.** is based on **solid ethical principles** that guide every aspect of the company's activities and form the basis for building lasting relationships of trust with customers, employees, suppliers, and all stakeholders.

The company's **Code of Ethics** defines the values of **transparency, fairness, legality, and responsibility**, which are the pillars of the governance system and guide the decisions and behavior of all those who work in the name and on behalf of Melesi.

These principles are reflected in constant attention to **regulatory compliance, respect for privacy and data confidentiality**, and the promotion of an organizational culture based on loyalty, fairness, and professional integrity.

The company considers **governance** not only as a set of rules, but as a **model of responsible management** that prevents risks, improves transparency, and creates shared value in the long term.

Material themes

- Regulatory compliance



Governance impact activities 2024

Evolution of the governance system

During 2024, Officine Ambrogio Melesi embarked on a major process to strengthen its governance system, aimed at adopting the **Organizational Model** required by **Legislative Decree 231/2001**, to complement the policies already implemented in the areas of the environment and safety.

During the year, the company analyzed the most effective ways to implement the model, defining the scope of the project, initiating the selection process for a specialized consulting firm, and laying the groundwork for the introduction of an Organization, Management, and Control Model compliant with Legislative Decree 231/2001 and consistent with the company's values of **legality, transparency, and ethical responsibility**.

The process will continue in 2025 with the development and implementation of the model, in line with Melesi's commitment to **increasingly robust and sustainable governance**, recognized as a strategic element for value creation, stakeholder trust, and the integration of environmental and social objectives into corporate management.

Whistleblowing and transparency

The **whistleblowing system**, introduced in 2023, was further consolidated in 2024 through **monitoring and staff awareness activities**. The company ensured that the anonymous reporting platform was fully operational, guaranteeing the confidentiality of whistleblowers and the proper handling of communications received.

This tool is a structural element of the governance model, aimed at strengthening **transparency** and **preventing behavior that does not comply** with the company's ethical and regulatory principles.

At the same time, work continued on **strengthening the internal and external audit system**, with the aim of verifying full **compliance with** current environmental, safety, administrative, and legal **regulations**.

Adherence to ESG Platforms and Sustainability Reporting

The company maintained its participation in the **main ESG monitoring platforms**, including **Open-es** and **SUPPLHI**, used to assess and improve its environmental, social, and governance performance. In addition, it continued its voluntary reporting through the **CDP (Carbon Disclosure Project)** program.

In 2024, Melesi renewed its commitment to Open-es by completing the **self-assessment questionnaire**. The results, validated by an independent third party, confirmed the **soundness of the path** taken and the continuous **improvement of corporate practices** in terms of **sustainability** and **transparency** throughout the value chain.

These tools confirm Melesi's commitment to sustainable, measurable governance in line with the growing demands for transparency from customers and industrial partners.



Appendix



Methodological note on the report

The 2024 Sustainability Report of **Officine Ambrogio Melesi & C. S.r.l.** represents the second edition of the company's reporting process, designed to transparently communicate its performance and commitments in the **environmental, social, and governance (ESG)** domains.

The document was prepared as a **voluntary report, with reference to the GRI Standards 2021 (Global Reporting Initiative)**, according to the **"GRI-Referenced" option**, in **continuity with the previous publication**, confirming the adoption of an international standard recognized for the transparency and comparability of information.

To support the reporting process, the **EFRAF Voluntary SME Guidance (VSME)** was also applied as a methodological tool, ensuring proportionality, clarity, and alignment with the upcoming European sustainability reporting requirements for **small and medium-sized enterprises**.

The **scope of reporting** coincides with that of **the financial statements** and includes all the company's activities and operating sites in Italy. The **reference period** corresponds to the 2024 fiscal year, aligned with the calendar year.



GRI and VSME cross-reference table

STATEMENT OF USE: Officine Ambrogio Melesi & C S.r.l. has reported the information mentioned in this GRI content index for the period from January 1, 2024 to December 31, 2024 with reference to the GRI Standards.
GRI 1 USE: GRI 1 - Fundamental Principles - version 2021

STATEMENT OF USE: Officine Ambrogio Melesi & C S.r.l. announces the use of the basic module (Option A) of the VSME standard.

Standard GRI	Description	Standard VSME		Page
GRI 2: General Disclosures 2021	2-1 Organizational details	VSME	B1	13
GRI 2: General Disclosures 2021	2-2 Entities included in the organization’s sustainability reporting	VSME	B1	13
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	VSME	B1	27, 29, 31, 33, 35, 37, 39
GRI 2: General Disclosures 2021	2-7 Employees	VSME	B1; B8	82
GRI 2: General Disclosures 2021	2-8 Workers who are not employees	VSME	B8	82
GRI 2: General Disclosures 2021	2-9 Governance structure and composition			19
GRI 2: General Disclosures 2021	2-11 Chair of the highest governance body			19
GRI 2: General Disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts			19
GRI 2: General Disclosures 2021	2-13 Delegation of responsibility for managing impacts			19
GRI 2: General Disclosures 2021	2-21 Annual total compensation ratio			87
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	VSME	B2	5, 55
GRI 2: General Disclosures 2021	2-28 Membership associations			23
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement			45
GRI 2: General Disclosures 2021	2-30 Collective bargaining agreements	VSME	B10	84
GRI 3: Material Topics 2021	3-1 Process to determine material topics			40, 43, 45
GRI 3: Material Topics 2021	3-2 List of material topics			40, 43, 54
GRI 3: Material Topics 2021	3-3 Management of material topics			54
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	VSME	B1	26

GRI and VSME cross-reference table

STATEMENT OF USE: Officine Ambrogio Melesi & C S.r.l. has reported the information mentioned in this GRI content index for the period from January 1, 2024 to December 31, 2024 with reference to the GRI Standards.
GRI 1 USE: GRI 1 - Fundamental Principles - version 2021


STATEMENT OF USE: Officine Ambrogio Melesi & C S.r.l. announces the use of the basic module (Option A) of the VSME standard.


Standard GRI	Description	Standard VSME		Page
GRI 302: Energy 2016	302-1 Energy consumption within the organization	VSME	B3	78
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	VSME	B6	80
GRI 303: Water and Effluents 2018	303-4 Water discharge	VSME	B6	80
GRI 303: Water and Effluents 2018	303-5 Water consumption	VSME	B6	80
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	VSME	B3	78
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	VSME	B3	78
GRI 305: Emissions 2016	305-4 GHG emissions intensity	VSME	B3	78
GRI 306: Effluents and Waste 2016	306-3 Waste generated	VSME	B7	80
GRI 306: Effluents and Waste 2016	306-4 Waste diverted from disposal	VSME	B7	80
GRI 306: Effluents and Waste 2016	306-5 Waste directed to disposal	VSME	B7	80
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	VSME	B8	82
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	VSME	B9	87
GRI 403: Occupational Health and Safety 2018	403-10 Work-related ill health	VSME	B9	87
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	VSME	B10	84
GRI 404: Training and Education 2016	404-3 Percentage of employees receiving regular performance and career development reviews	VSME	B10	84
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	VSME	B8	84
GRI 405: Diversity and Equal Opportunity 2016	405-2 Ratio of basic salary and remuneration of women to men	VSME	B8	87

Environmental Dimension

Energy Consumption and Energy Mix	Unit of measure	2022	2023	2024
1) Fuel consumption from coal and coal products	MWh	49	33	49
2) Fuel consumption from crude oil and petroleum products	MWh	666	666	696
3) Fuel consumption from natural gas	MWh	43,590	41,795	43,082
4) Purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	15,543	15,558	9,978
5) Total energy consumption from fossil fuels (sum of items 1-4)	MWh	59,848	58,052	53,805
6) Purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	-	-	5,262
Share of renewable energy in total energy consumption	%	0%	0%	9%
Total energy consumption (sum of items 5 and 6)	MWh	59,848	58,052	59,067

* Cancellation Statement by GSE

 **GRI 302-1** Energy consumption within the organization
VSME B3

 **GRI 305-1** Direct (Scope 1) GHG emissions
GRI 305-2 Energy indirect (Scope 2) GHG emissions
GRI 305-4 GHG emissions intensity
VSME B3

Direct GHG Emissions (Scope 1)	Unit of measure	2022	2023	2024
Natural Gas	tCO ₂ eq	8,806	8,443	8,703
Gasoline	tCO ₂ eq	-	-	-
LPG	tCO ₂ eq	-	-	-
Diesel	tCO ₂ eq	177	177	185
Coal	tCO ₂ eq	19	13	19
Graphite paste for forging	tCO ₂ eq	7	8	8
Refrigerant gases	tCO ₂ eq	66	6	32
<i>of which R-32</i>	tCO ₂ eq	-	-	1
<i>of which R-134A</i>	tCO ₂ eq	2	4	-
<i>of which R-407C</i>	tCO ₂ eq	29	-	10
<i>of which R-410A</i>	tCO ₂ eq	35	2	21
Total Gross GHG Emissions (Scope 1)	tCO ₂ eq	9,075	8,648	8,947

Indirect GHG Emissions from Purchased Energy (Scope 2)	Unit of measure	2022	2023	2024
Total Gross GHG Emissions (Location-based)	tCO ₂ eq	4,553	3,733	3,657
Total Gross GHG Emissions (Market-based)	tCO ₂ eq	7,105	7,788	4,995

Total GHG Emissions	Unit of measure	2022	2023	2024
Location-based	tCO ₂ eq	13,629	12,381	12,604
Market-based	tCO ₂ eq	16,181	16,435	13,942

GHG Intensity (Market-based, per Net Revenue)	Unit of measure	2022	2023	2024
Total GHG Emissions (Market-based) per Net Revenue	tCO ₂ eq / M €	0.11	0.10	0.10


Environmental Dimension


Water Consumption *	Unit of measure	2022	2023	2024
Water Withdrawal	m³	1,171,000.00	663,000.00	757,967.00
Water Discharge	m³	1,033,618.38	585,053.17	669,284.86
Water Consumption	m³	137,381.62	77,946.83	88,682.14

* The data reported in the table refer to groundwater withdrawals, while any additional water sources are considered marginal compared to the total. Water discharge was estimated assuming an evaporation rate of 11.7% and considering process water with a density equivalent to that of standard water. The areas where the company operates are classified as low water risk.

Waste by Material	Unit of measure	2022	2023	2024
Decommissioned equipment and plants	t	0.75	1.44	20.00
Spent emulsions and wash water	t	374.62	375.83	747.00
Absorbent materials for cleaning and filtration	t	159.05	95.40	65.00
Spent oils and fats	t	18.02	23.34	15.00
Special waste from maintenance	t	0.24	1.55	2.00
Paint cycle waste	t	1.46	13.57	3.00
Recoverable production scraps	t	5,315.18	4,933.54	4,493.89
Total Waste Generated	t	5,869.32	5,444.67	5,343.94

Waste by Destination and Hazardousness	Unit of measure	2022	2023	2024
Waste for Recovery				
Non-hazardous waste for recovery	t	5,106.48	4,549.68	4,572.24
Hazardous waste for recovery	t	12.65	14.36	45.58
Total Waste for Recovery	t	5,119.13	4,564.04	4,617.82
Waste for Disposal				
Non-hazardous waste for disposal	t	0.00	27.91	0.00
Hazardous waste for disposal	t	750.19	852.72	726.12
Total Waste for Disposal	t	750.19	880.63	726.12

 **GRI 303-3** Water withdrawal
GRI 303-4 Water discharge
GRI 303-5 Water consumption
VSME B6


 **GRI 306-3** Waste generated
GRI 306-4 Waste diverted from disposal
GRI 306-5 Waste directed to disposal
VSME B7


Social Dimension

Employees by Contract Type	2022	2023	2024
Total number of employees	<div>244</div> <div><div></div>211</div> <div><div></div>33</div>	<div>243</div> <div><div></div>206</div> <div><div></div>37</div>	<div>243</div> <div><div></div>201</div> <div><div></div>42</div>
Permanent employees	<div>240</div> <div><div></div>207</div> <div><div></div>33</div>	<div>224</div> <div><div></div>194</div> <div><div></div>30</div>	<div>223</div> <div><div></div>187</div> <div><div></div>36</div>
Fixed-term employees	<div>4</div> <div><div></div>4</div> <div><div></div>0</div>	<div>19</div> <div><div></div>12</div> <div><div></div>7</div>	<div>20</div> <div><div></div>14</div> <div><div></div>6</div>
Variable-hour employees	<div>0</div> <div><div></div>0</div> <div><div></div>0</div>	<div>0</div> <div><div></div>0</div> <div><div></div>0</div>	<div>0</div> <div><div></div>0</div> <div><div></div>0</div>
Full-time employees	<div>238</div> <div><div></div>211</div> <div><div></div>27</div>	<div>237</div> <div><div></div>206</div> <div><div></div>31</div>	<div>235</div> <div><div></div>201</div> <div><div></div>34</div>
Part-time employees	<div>6</div> <div><div></div>0</div> <div><div></div>6</div>	<div>6</div> <div><div></div>0</div> <div><div></div>6</div>	<div>8</div> <div><div></div>0</div> <div><div></div>8</div>

Men Women

 **GRI 2-7 Employees**
VSME B1; B8

 **GRI 401-1 New employee hires and employee turnover**
VSME B8

 **GRI 2-8 Workers who are not employees**
VSME B8

New employees and Employees who left	2022	2023	2024
New employees			
New employees - age < 30	5	14	14
New employees - age 30-50	7	11	12
New employees - age > 50	2	3	6
Total new employees	<div>14</div> <div><div></div>14</div> <div><div></div>0</div>	<div>28</div> <div><div></div>18</div> <div><div></div>9</div>	<div>32</div> <div><div></div>28</div> <div><div></div>4</div>
Employees who left			
Employees who left - age < 30	6	4	5
Employees who left - age 30-50	11	12	18
Employees who left - age > 50	7	13	9
Total employees who left	<div>24</div> <div><div></div>24</div> <div><div></div>3</div>	<div>29</div> <div><div></div>25</div> <div><div></div>4</div>	<div>32</div> <div><div></div>32</div> <div><div></div>0</div>
Employee turnover rate	10%	12%	13%

Non-employee Workers	2022	2023	2024
Interns	3	8	4
Agency / Temporary workers	11	6	3


Social Dimension


Diversity metrics	2022	2023	2024
Employee			
Employee - age <30	14%	15%	17%
Employee - age 30 - 50	50%	49%	40%
Employee - age >50	37%	35%	43%
Employee gender distribution	<div><div>244</div><div><div><div>86%</div><div>14%</div></div></div></div>	<div><div>243</div><div><div>85%</div><div>15%</div></div></div>	<div><div>243</div><div><div>83%</div><div>17%</div></div></div>


Senior management			
Senior management gender distribution			<div><div>9</div><div><div>78%</div><div>22%</div></div></div>


 Men  Women

Collective Bargaining Coverage	2022	2023	2024
Percentage of employees covered by collective agreements	100% of employees are covered by the Metalworkers' National Collective Labour Agreement (CCNL Metalmeccanici)		

 **GRI 405-1** Diversity of governance bodies and employees
VSME B8

 **GRI 2-30** Collective bargaining agreements
VSME B10

 **GRI 404-1** Average hours of training per year per employee
VSME B10

 **GRI 404-3** Percentage of employees receiving regular performance and career development reviews
VSME B10

Performance reviews	2022	2023	2024
Percentage of employees participating in periodic performance and career development reviews			<div><div>70%</div><div><div>73%</div><div>60%</div></div></div>
Number of employees participating in performance and career development reviews			<div><div>171</div><div><div>146</div><div>25</div></div></div>

Training Hours	2022	2023	2024
Average training hours per employee	<div><div>2.8</div><div><div>3.1</div><div>0.5</div></div></div>	<div><div>22.9</div><div><div>21.5</div><div>30.6</div></div></div>	<div><div>14.6</div><div><div>13.5</div><div>20.0</div></div></div>
Total training hours	<div><div>672</div><div><div>656</div><div>16</div></div></div>	<div><div>5,554</div><div><div>4,420</div><div>1,134</div></div></div>	<div><div>3,558</div><div><div>2,720</div><div>838</div></div></div>
of which mandatory	233	598	375

Training Type	2022	2023	2024
Environment & Safety	177	573	375
Onboarding / New Hires	136	1,784	2,417
Production / Processes / Design	135	1,823	102
Quality / Laboratory	224	1,374	654
Ethics (Compliance)	0	0	10


Social Dimension


Occupational Health and Safety Metrics	2022	2023	2024
Percentage of employees covered by the company's occupational health and safety management system (in accordance with legal requirements and/or recognized standards/guidelines)	100%		
Management system audited or certified	ISO 45001		
Number of work-related fatalities	0	0	0
Number of recordable work-related injuries	4	3	10
Recordable injury rate	8.6	6.5	22.0
Main types of injury	Crushing, laceration	Crushing, fracture, laceration	Crushing, fracture, laceration
Number of recordable work-related occupational disease cases	0	0	0
Number of lost workdays due to injuries	164	107	98
Near misses	6	7	12
Total hours worked	464,045	463,371	453,777

Remuneration metrics	2022	2023	2024
Total remuneration gap *			3.51
Gender pay gap **			2.4

* Ratio of the total annual remuneration of the highest-paid employee to the median total annual remuneration of all employees (excluding the highest-paid employee).

** Difference between the average remuneration of female and male employees, expressed as a percentage of the average remuneration of male employees.

 **GRI 403-9** Work-related injuries
GRI 403-10 Work-related ill health
VSME B9

 **GRI 2-21** Annual total compensation ratio
GRI 405-2 Ratio of basic salary and remuneration of women to men
VSME B8

Glossary

2030 Agenda for Sustainable Development: this is the action program for people, planet, and prosperity signed in September 2015 by the governments of the 193 UN member countries. The Agenda encompasses 17 Development Goals, known as SDGs (see next entry).

Carbon Footprint: expresses in CO₂ equivalent the total greenhouse gas emissions directly or indirectly associated with a product, organization, or service. This term is used to measure the environmental sustainability of businesses.

Circular Economy: a model of production and consumption that involves sharing, reusing, repairing, reconditioning, and recycling materials and products.

CSRD (Corporate Sustainability Reporting Directive): EU directive that strengthens sustainability reporting requirements for companies, requiring detailed information on environmental, social, and governance (ESG) impacts.

ESG (Environmental, Social, Governance): refers to the sustainability dimensions by which an organization's activities are assessed, not only from an economic and governance perspective, but also from an environmental and social perspective.

ESRS (European Sustainability Reporting Standards): European standards for sustainability reporting, defined by EFRAG, which specify disclosure requirements for companies subject to CSRD, covering environmental, social, and governance (ESG) aspects.

Governance: the persons or bodies (e.g., the board of directors or a corporate trustee) with responsibility for overseeing the strategic direction of an organization and its accountability and stewardship obligations.

Greenwashing: communicating one's sustainability in a fraudulent manner.

GRI (Global Reporting Initiative): an international non-profit organization established with the aim of defining standards for reporting on the sustainability performance of organizations.

Impact report: a mandatory document for Benefit Corporations that illustrates the social, environmental, and economic effects generated by an organization, providing a qualitative and quantitative assessment of its activities.

SDGs (Sustainable Development Goals): 17 United Nations goals to be achieved by 2030. These goals serve as guidelines for contributing to global development, promoting human well-being, and protecting the environment.

Shared Value: a business model in which a company's pursuit of financial success and competitive advantage includes environmental and social decisions and strategies.

Stakeholders: entities, organizations, or individuals who may be affected by the organization's activities, products, and services or who have the ability to influence the organization's decisions.

Sustainability report: a concise communication tool that illustrates how the company is committed to sustainability issues and measures its performance.



Report drafted
in collaboration with

**whatmatters**
Led by purpose





Officine Ambrogio Melesi & C. S.r.l.

Largo de Vecchi, 11
23813 Cortenova (LC) - ITALY
+39 0341 98341
info@melesi.it
www.melesi.it



For any questions or further information regarding the contents of this report, we invite you to contact the company at **esg@melesi.it**. Your feedback is important to help improve the sustainability of our company.