



SUSTAINABILITY
REPORT 2022



LETTER TO STAKEHOLDERS

The aim of the Nordmeccanica Group sustainability report, published annually since 2011, is to provide visibility for our major commitment to pursuing ever-more responsible and sustainable growth.

Talking about sustainability means reconciling ambitions for growth with respect for the environment we live in and the people who work with reliability and dedication both inside and outside the Group.

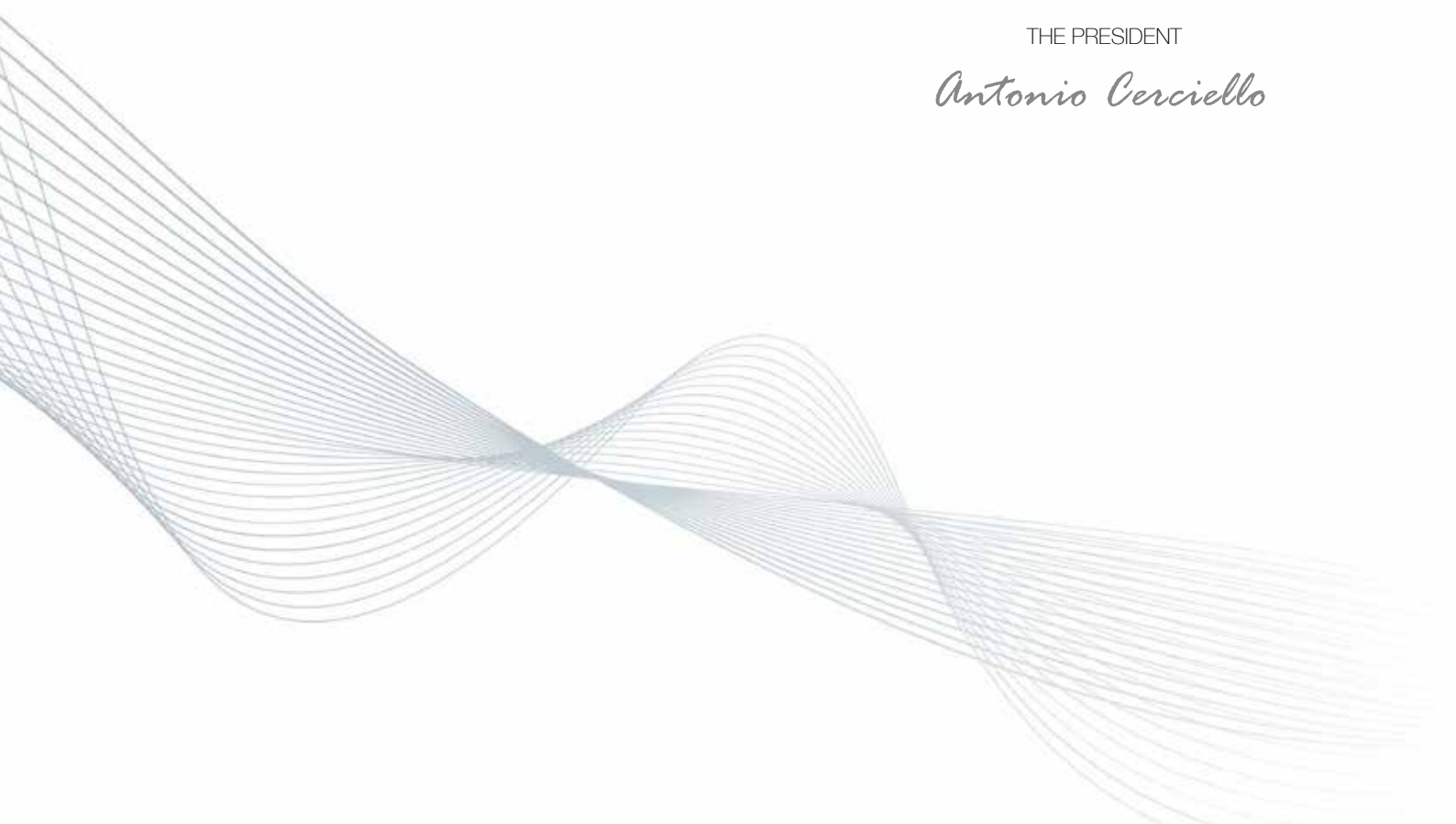
More than a decade since the beginning of this initiative, Nordmeccanica can boast that we have developed a genuine vocation for sustainability, creating ever-more eco-friendly technologies which can significantly reduce electricity consumption and the use of solvents in production processes.

Spurred on by the new GRI standards, we have further analysed the environmental issues within the company perimeter, before then extending the expertise gained to the entire supply chain: it is in this vein that we will be moving forward in 2023, and for this reason that the data given on the following pages have been thoroughly revised and presented with new graphics.

This document is not simple window-dressing or greenwashing, but rather expresses the present and future impetus and desire to guarantee a more systematic and widespread application of sustainable development initiatives. This is a concrete and lasting commitment which keeps pace with our Group's constant development.

THE PRESIDENT

Antonio Cerciello





“DEVELOPMENT IS SUSTAINABLE IF IT SATISFIES THE NEEDS OF THE PRESENT GENERATIONS WITHOUT COMPROMISING THE POSSIBILITY FOR FUTURE GENERATIONS TO SATISFY THEIRS.”

(BRUNDTLAND REPORT, UNITED NATIONS, 1987)

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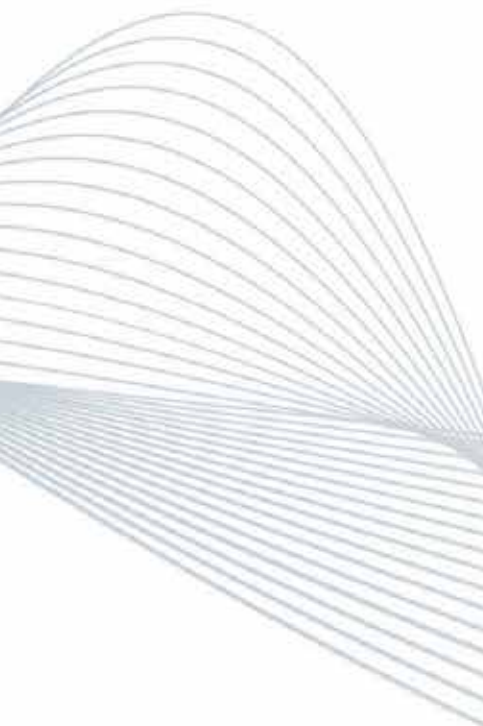
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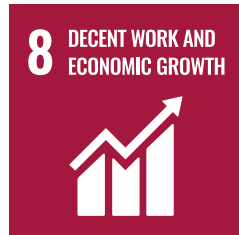
GOVERNANCE





GOVERNANCE

Potential references to the UN's Agenda 2030 GOALS:



Potential references to GRI standards:

GRI 2 - GRI 3

The main ESG elements which characterised the FY under analysis are dealt with below, also providing a comparison with the prior FY, in order to provide readers with a more dynamic view of the commitment that the Group has presented and accounted for towards people and the environment for decades now.

To this end, when drafting this document, the main international ESG references were taken into account: the **Sustainable Development Goal (SDGs)** and **Global Reporting Initiative (GRI)**.

OUR HISTORY

The story of Nordmeccanica over the last thirty years is the story of the coating and laminating sector itself.

From the first models created in the 1970s through to the most recent and extraordinarily innovative Triplex SL One-Shot, Nordmeccanica has grown in a harmonious manner in terms of its technology, production capacity and the expansion of its exports: from the initial 3,000 m² of production space to the current 30,000 m² and 65% sector market share worldwide, with over 3,500 machines installed.

1978-1998

First 20 years

Nordmeccanica's **first 20 years** were led by the Gasparini family.

Between **1992** and **1998**, the Simplex concept, compact solventless laminating machines, was developed. It was thanks to this type of machine that Nordmeccanica became a leader in flexible packaging.

In **1998** Antonio Cerciello joined the company: the history of Nordmeccanica as we know it now began.

May 1998

At the **Converflex Europa 98** trade fair, Nordmeccanica presented the new versions of its Simplex range of machines: **SUPER COMBI 98 - SIMPLEX SL 98 - SUPER SIMPLEX 98 and LABO COMBI 98**.

1999-2008

2001

The new Nordmeccanica **North America** premises was opened; together with the offices already present in Argentina, it expanded the Group's presence throughout the Americas.

May 2004

At the Drupa trade fair, Nordmeccanica presented its new **DUPLEX COMBI LINEAR**, to celebrate the Group's 25th anniversary.

May 2008

At the Drupa trade fair the company presented the **ONE-SHOT**, a laminating machine born of Nordmeccanica's partnership with the Henkel Group, the world's leading adhesive manufacturer.

2009-2018

24 March 2009

International technical conference:

Piacenza became the capital of flexible packaging for a day thanks to Nordmeccanica, which brought together more than 160 sector operators for a conference focused on food packaging.

29 January 2010

Nordmeccanica's **Chinese** plant was inaugurated.

October 2010

Nordmeccanica won the "**Technical Award 2010**" from the American AIMCAL association, thanks to the TRIPLEX ONE SHOT initiative.

23 May 2011

The **TRIPLEX COMBI HORIZONTAL** received its world première, created for the PV sector and commissioned for the Chinese market by Coveme Spa.

25 November 2011

Nordmeccanica won the "**Top Inventors**" award at the 6th China Awards.

12 March 2012

Nordmeccanica expanded: the **new industrial building** at the company's Piacenza site was inaugurated.

May 2012

Nordmeccanica celebrated its 20-year partnership with **Siemens** by adopting a new, ever-more innovative platform.

Display of the new **DUPLEX SL 600HD** at the Drupa trade fair in Düsseldorf.

26 October 2012

Inauguration of the new Shanghai plant, the new production site for the **SIMPLEX SL** range for Asia and South-East Asia.

2 February 2013

Inauguration of Nordmeccanica's Indian headquarters in **Mumbai**.

16 May 2014

Nordmeccanica hosted the World Packaging Summit on the occasion of the inauguration of the new metalliser plant, **Nordmeccanica Vacuum**. It also presented its new products: **NORDMET** and **POWERMET**.

2 June 2015

Nordmeccanica opened its new plant on the outskirts of **New York**, adding to the one inaugurated in 2001 on Long Island. Converters attending the inauguration were shown solventless lamination of 5 micron aluminium sheets for the first time.

8 July 2015

The new **POWERMET 28** metalliser was presented. The new machine is also the fastest in the market, able to produce 50 km of film in just over an hour.

13 February 2013

Galileo joined Nordmeccanica: the Group acquired the long-standing Tuscan company, moving it to Piacenza and implementing its production with metallisers.

18 November 2014

Nordmeccanica signed an agreement with **Ancor**, a world packaging giant, becoming the only supplier of flexible packaging machines in the 37 new plants in China, Indonesia, Thailand, Malaysia, the Philippines, Australia and New Zealand.

23 June 2015

An agreement was signed between **Dow Chemical** and Nordmeccanica in Mozzate, outside Milan, providing for the growth in number of the Piacenza company's machines in the R&D centres of the Dow Group for its innovation and development programmes for technologies with zero environmental impact.

December 2016

Nordmeccanica won the Capital Elite - Industrial Synergy and Development at the **China Awards**.

13 December 2018

Nordmeccanica celebrated **40 years of activity**. All Nordmeccanica's biggest customers attended the event.

February 2019

Nordmeccanica and **COIM** joined forces to develop a new adhesive for Solventless lamination.

July 2020

The first two episodes of **Nordmeccanica Events** went LIVE on the Internet, presenting the Group's Laminating Division to customers around the world.

June 2016

At the Drupa trade fair, Nordmeccanica presented its new **DUPLEX SL 1-SHOT**, developed to support the new **SYMBIEX** technology created by Dow Group.

26 September 2017

Nordmeccanica, alongside Dow, won the **German Packaging Award** in the "Best Packaging" category.

Today

January 2019

Twenty-nineteen opened with the début of the new **SUPER SIMPLEX SL e800**, a compact solventless solution for narrow/mid web conversion.

October 2019

During the K Show in Düsseldorf, the company presented its new **SUPER COMBI 5000** and the overhauled **SUPER SIMPLEX SL**.

October 2020

The third episode of Nordmeccanica Events. Nordmeccanica presented its **Metallising Division** and the new and improved **POWERMET 29F**.

May 2021

Episode 4 of Nordmeccanica Events was aired, showing the new and improved version of our **LINEAR**. **The Italian Minister for Economic Development, Giancarlo Giorgetti, was special guest.**

October 2022

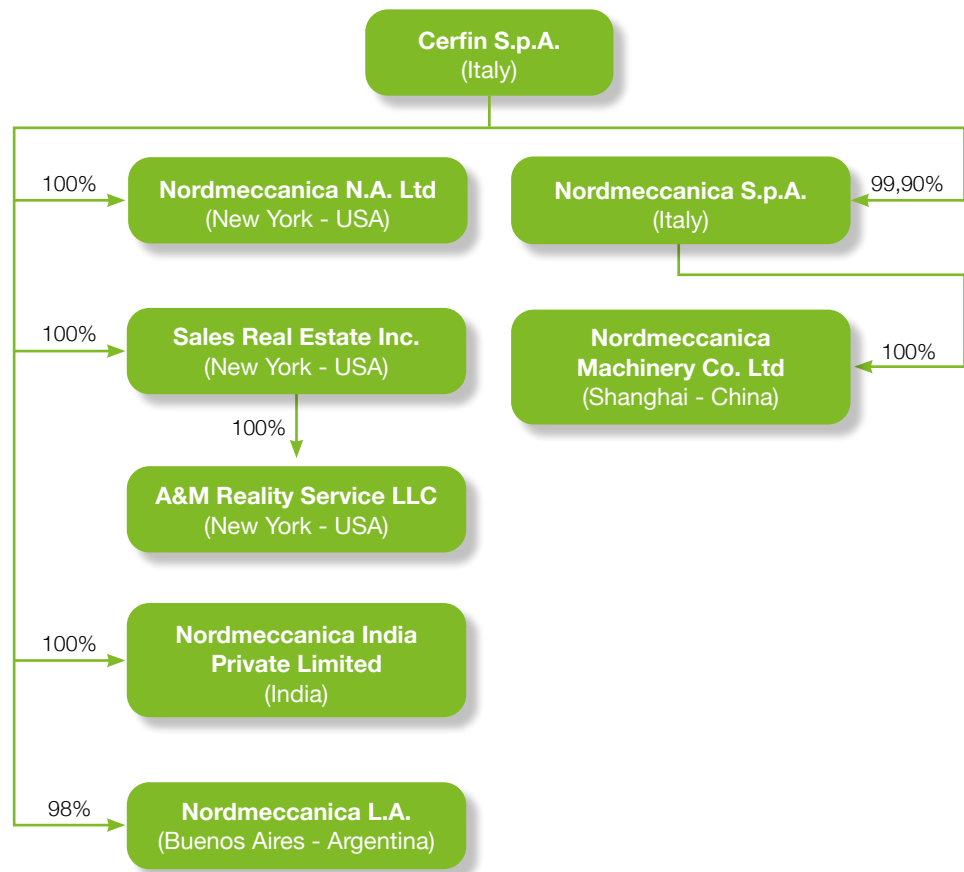
During the **K Show** in Düsseldorf, Nordmeccanica presented a new project for the creation of a fully recyclable high barrier pouch, in partnership with **ExxonMobil, Henkel** and a select number of high-quality partners.

November 2021

The fifth episode of Nordmeccanica Events. Nordmeccanica demonstrated some **metallisation processes** and barrier coating technology.

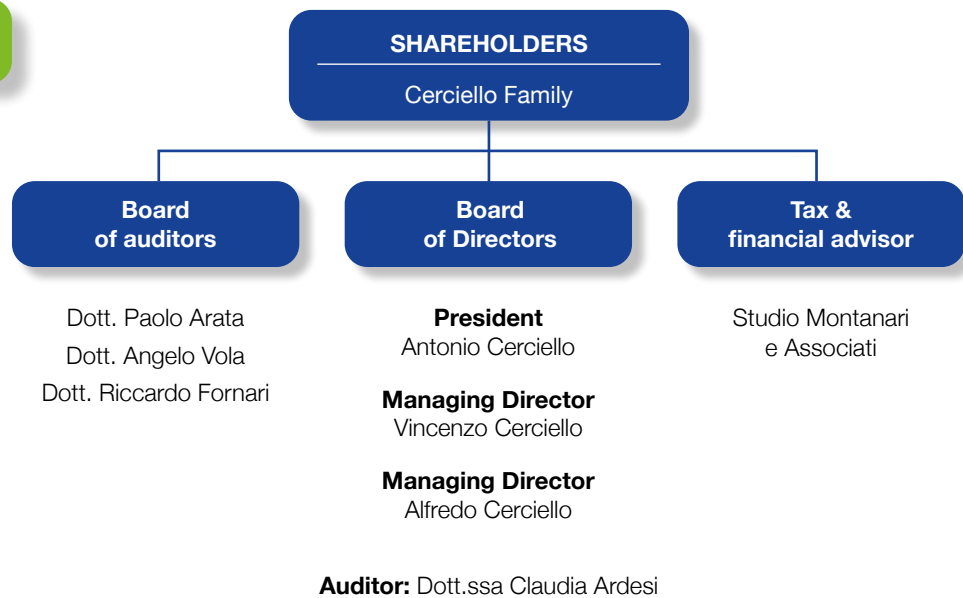
THE GROUP

Today, the Cerfin-Nordmeccanica Group is composed of eight companies which are controlled directly or indirectly by the parent company Cerfin S.p.A., headquartered in Piacenza, Italy.

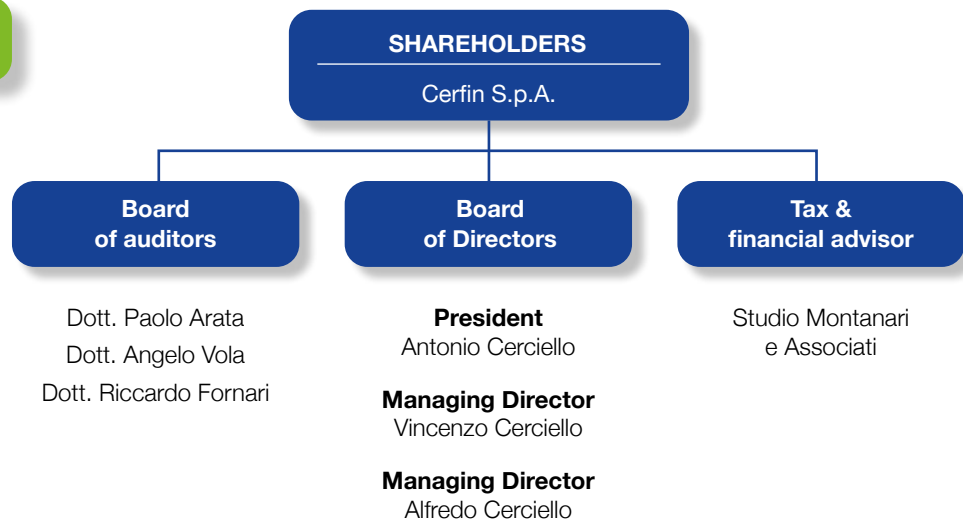


The governance model adopted by the holding company is the one-tier system characterised by the existence of a Shareholders' Meeting, a Board of Directors and a Board of Auditors.

Cerfin S.p.A.



Nordmeccanica S.p.A.



President Antonio Cerciello holds the widest powers: direction of the management, evaluation of the suitability of the management, administrative and financial organisation. The Managing Director Vincenzo Cerciello holds all powers of ordinary and extraordinary management for decisions in technical and commercial areas. The Managing Director Alfredo Cerciello holds all powers of ordinary and extraordinary management for financial decisions.

GROUP RESULTS

The Nordmeccanica Group companies publish their financial statements on an annual basis. The social report has been published annually since 2011, coinciding with the financial year (1/1 – 31/12).

	2022	2021
	€	€
Production Value	103.625.349	89.054.902
EBITDA	13.628.665	11.749.265
Operating Income	9.169.376	7.594.855

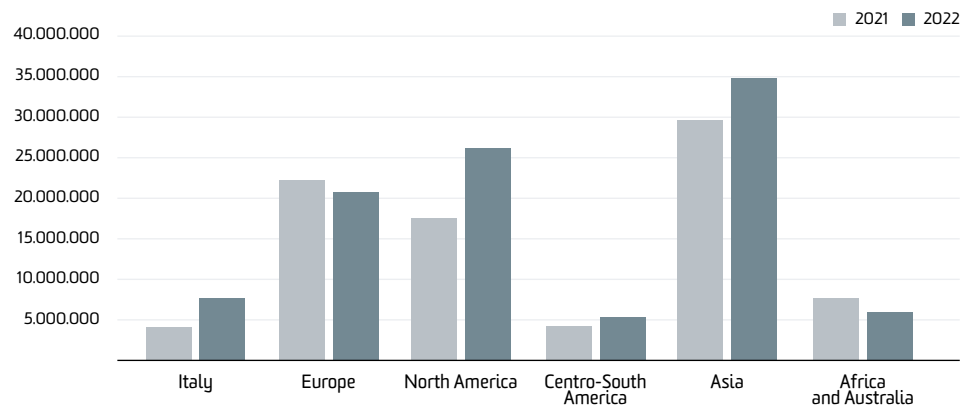
The Group manufactures its machines and markets them all over the world through its foreign branches.



The Nordmeccanica Group also operates around the world via third parties with which it holds long-term commercial relationships to perform both sales and service.

During the financial year under analysis, the Group manufactured and sold over 172 machines, for turnover of 101 million Euros (the economic value generated was 104 million Euros, taking into account the invoiced amount, other income, financial revenue and other financial variations), divided by geographical area as follows:

INCOME BY CONTINENT (€)



VALUE CREATED AND DISTRIBUTED

	2022	2021
	€	€
Economic Value	104.423.392	89.375.313
Economic Value Distributed	- 93.472.044	- 80.225.016
Employees and contractors	- 15.699.553	- 14.240.966
Suppliers	- 73.516.347	- 62.463.676
State, Organisations, Institutions and Community	- 3.965.549	- 3.203.814
Financiers	- 290.595	- 316.560
Economic Value Retained	10.951.348	9.150.297

The economic value retained value refers, in addition to the operating income, to non-monetary items such as depreciation, deferred tax assets and liabilities and provisions for liabilities and charges. In total, Nordmeccanica group increased the amount of wealth generated by 16.8%, of which 93.5 million was distributed to different categories of stakeholders, as outlined below.

THE SOCIAL ROLE

Popularising the company culture and our focus on the environment are the values which the company governance wishes to spread via its way of doing business, including through the adoption of a Code of Ethics and Conduct, approved by Nordmeccanica's Board of Directors. Over the years, Nordmeccanica has developed numerous social initiatives, carrying forward various projects with an impact on the environment, the community and the local area:

- **MEASURES AIMED AT STAFF DEVELOPMENT AND INVOLVEMENT**
Employing resources for training of staff and freelancers/consultants, including non-mandatory training, in order to allow them to develop new soft skills and expertise.
- **CAREFUL CHOICE OF BUSINESS PARTNERS AND SUPPLIERS**
Choosing carefully those we deal with and giving preference to those who respect human rights and adopt standards of environmental excellence.
- **WORK WITH THE COMMUNITY**
Partnering with schools and universities, but also supporting the projects of non-profits working in the area.
- **PRODUCTION OF PRODUCTS WITH PARTICULAR ENVIRONMENTAL VALUES**
Contributing to environmental protection by designing flexible packaging machines with low energy consumption and reduced environmental impact, thanks to the use of solventless technology.

Since 2021, Nordmeccanica has been an ambassador for the Fondazione Carta Etica del Packaging foundation, an emission from the Istituto Italiano dell'Imballaggio (Italian Packaging Institute), which promotes ethical principles of sustainability and research and training for sector operatives.

Over the course of FY 2022, the Group promoted its commitment to the production of highly innovative machines with a reduced environmental impact by participating in the following sector trade fairs:



3P PLAST PAKISTAN

Karachi - Pakistan

29 - 31 may 2022



ICE EUROPE

München - Germany

15 - 17 march 2022



PROPACK Africa

Johannesburg

8 - 11 march 2022



PLASTIMAGEN

Mexico City

8 - 11 march 2022



SPECIALITY FILMS & FLEXIBLE PACKAGING

Mumbai - India

5 - 6 september 2022



PACK EXPO

Chicago

23 - 26 october 2022



FIERA KAPPA

Düsseldorf - Germany

19 - 26 october 2022

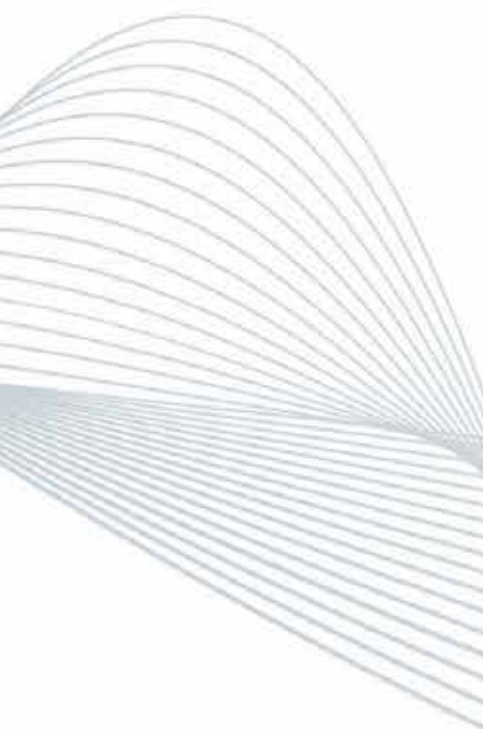


PROPACK West Africa

Lagos - Nigeria

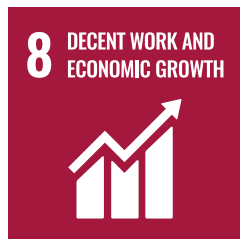
22 - 24 november 2022

SOCIAL





Potential references to the UN's Agenda 2030 GOALS:



Potential references to GRI standards:

GRI 2 - GRI 401 - GRI 404

CUSTOMERS

The economic value divided up derives from the commercial relationships which the Nordmeccanica Group holds internationally. The group pays the utmost attention to all rules and regulations governing the sector and the entire production line in order to guarantee the quality and safety of its products to its customers.

In the same manner, the Group asks its employees and contractors to show the utmost respect for the different cultures and traditions they find themselves interacting with.

	2022	2021
	€	€
Economic Value	104.423.392	89.375.313
Economic Value Distributed	- 93.472.044	- 80.225.016
Employees and contractors	- 15.699.553	- 14.240.966
Suppliers	- 73.516.347	- 62.463.676
State, Organisations, Institutions and Community	- 3.965.549	- 3.203.814
Subscriptions of own and debt capital	- 290.595	- 316.560
Economic Value Retained	10.951.348	9.150.297

The Nordmeccanica group stands beside its customers, helping them face the growing problems the global market imposes on a day-to-day basis. Here, innovation has always been a priority for sustainable development and growth, with particular attention paid to environmental issues - in this regard, our solventless machines represent an ideal solution.

The Group continues to develop “on-demand” projects for its customers, demonstrating the natural calling of Nordmeccanica products to satisfying the customer's most wide-ranging requirements, in order to ensure the market's challenges and opportunities are always dealt with in the best way possible. Indeed, each individual element in the Nordmeccanica installation is tweaked during the design phase so as to ensure the highest levels of functional and operational integration.

Reliability, performance and configuration flexibility are therefore the strong points of Nordmeccanica's approach to the converting market.

Nordmeccanica is able to support its customers with maximum incisiveness and skill thanks to the constant commitment of the 34 R&D team members and the 48 after-sales staff.







PERSONNEL

For Nordmeccanica, people are the heart of the company's organisation and activities; as such, our aim in managing relations with human resources is to define and continuously improve the "Human Value Chain", in other words a tool with which the strategic contribution of each individual in the chain of creation of company income can be identified and evaluated.







	2022	2021
	€	€
Economic Value	104.423.392	89.375.313
Economic Value Distributed	- 93.472.044	- 80.225.016
Employees and contractors	- 15.699.553	- 14.240.966
Suppliers	- 73.516.347	- 62.463.676
State, Organisations, Institutions and Community	- 3.965.549	- 3.203.814
Subscriptions of own and debt capital	- 290.595	- 316.560
Economic Value Retained	10.951.348	9.150.297

One of our Group's strong points is the excellence of its human capital. The professionalism, skills and dedication of our workers have made Nordmeccanica what it is today.

New employees were also taken on over the course of 2022 in order to keep up with the Group's growth, and an internal training procedure was set up to prepare the young new hires to take on their duties against the challenging backdrop of globalisation.

	2022						TOTAL
	< 30 YR OLD		30 - 50 YR OLD		> 50 YR OLD		
							
NORDMECCANICA							
Hires	7	-	20	1	9	-	37
Turnover	5	-	11	-	3	-	19
NM SHANGHAI							
Hires	-	-	1	-	-	-	1
Turnover	-	-	-	-	-	-	-
NM NEW YORK							
Hires	-	-	-	-	-	-	-
Turnover	1	-	1	-	-	-	2

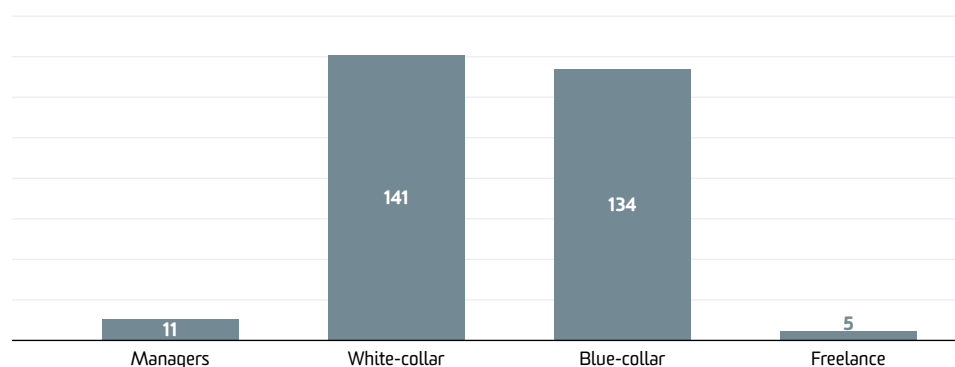








2022							
	< 30 YR OLD		30 - 50 YR OLD		> 50 YR OLD		TOTAL
							
NM BUENOS AIRES							
Hires	-	-	-	-	-	-	-
Turnover	-	-	-	-	-	-	-
NM MUMBAI							
Hires	-	-	2	-	-	-	2
Turnover	-	-	-	-	-	-	-
Tot. Hires	7	-	23	1	9	-	40
Tot. Turnover	6	-	12	-	3	-	21







2021							
	< 30 YR OLD		30 - 50 YR OLD		> 50 YR OLD		TOTAL
							
NORDMECCANICA							
Hires	5	1	3	1	3	-	13
Turnover	-	1	7	-	17	-	25
NM SHANGHAI							
Hires	-	-	1	-	-	-	1
Turnover	-	-	3	-	-	-	3
NM NEW YORK							
Hires	1	-	-	-	-	-	1
Turnover	-	-	1	-	-	-	1
NM BUENOS AIRES							
Hires	-	-	-	-	-	-	-
Turnover	-	-	-	-	-	-	-
NM MUMBAI							
Hires	-	-	1	-	-	-	1
Turnover	-	-	3	-	-	-	3
Tot. Hires	6	1	5	1	3	-	16
Tot. Turnover	-	1	14	-	17	-	32







As of 31 december 22, the Group employed 291 staff in 5 production facilities located in Italy, China and the United States. Their distribution by type and area is given below.







EMPLOYEE TYPES 2022



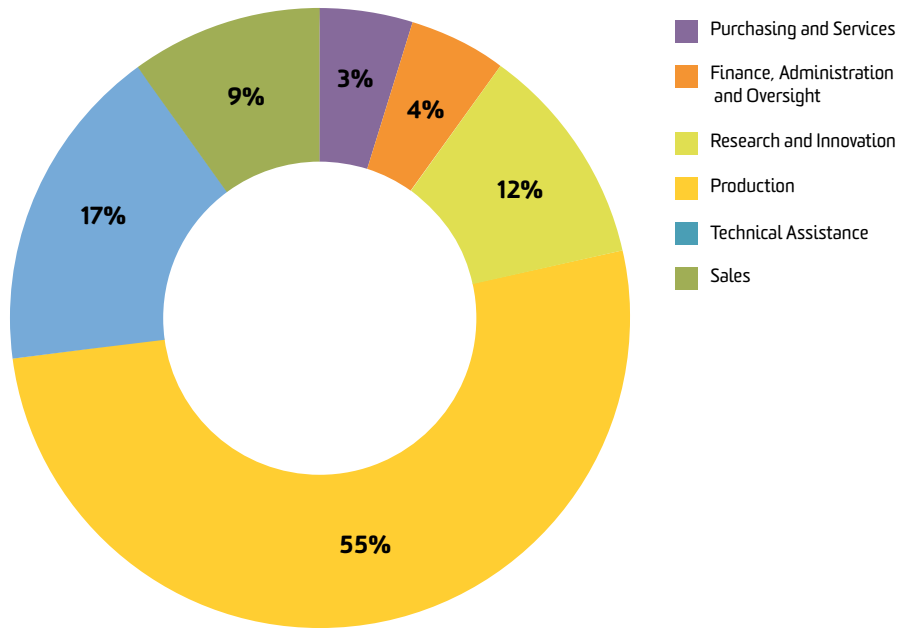
2022							
	<30 YR OLD		30 - 50 YR OLD		> 50 YR OLD		TOTAL
							
NORDMECCANICA							
Managers	-	-	3	-	5	-	8
White-collar	9	1	43	14	34	12	113
Blue-collar	15	1	56	1	37	-	110
Freelancers	-	-	-	-	5	-	5
Tot. Hires	24	2	102	15	81	12	236
NM SHANGHAI							
Managers	-	-	1	-	-	-	1
White-collar	-	-	4	7	1	-	12
Blue-collar	1	-	17	3	-	-	21
Freelancers	-	-	-	-	-	-	-
Tot. Hires	1	-	22	10	1	-	34

2022							
	<30 YR OLD		30 - 50 YR OLD		> 50 YR OLD		TOTAL
							
NM NEW YORK							
Managers	-	-	-	-	-	-	-
White-collar	-	-	-	-	1	1	2
Blue-collar	-	-	2	-	1	-	3
Freelancers	-	-	-	-	-	-	-
Tot. Hires	-	-	2	-	2	1	5
NM BUENOS AIRES							
Managers	-	-	-	-	1	-	1
White-collar	-	-	1	1	-	-	2
Blue-collar	-	-	-	-	-	-	-
Freelancers	-	-	-	-	-	-	-
Tot. Hires	-	-	1	1	1	-	3
NM MUMBAI							
Managers	-	-	1	-	-	-	1
White-collar	-	-	11	1	-	-	12
Blue-collar	-	-	-	-	-	-	-
Freelancers	-	-	-	-	-	-	-
Tot. Hires	-	-	12	1	-	-	13
Tot. Hires	25	2	139	27	85	13	291

2021							
	< 30 YR OLD		30 - 50 YR OLD		> 50 YR OLD		TOTAL
							
NORDMECCANICA							
Managers	-	-	3	-	6	-	9
White-collar	9	-	41	14	35	12	111
Blue-collar	11	1	50	-	35	-	97
Freelancers	-	-	-	-	-	-	-
Tot. Hires	20	1	94	14	76	12	217

2021							
	< 30 YR OLD		30 - 50 YR OLD		> 50 YR OLD		TOTAL
							
NM SHANGHAI							
Managers	-	-	1	-	-	-	1
White-collar	-	-	4	7	1	-	12
Blue-collar	2	-	16	3	-	-	21
Freelancers	-	-	-	-	-	-	-
Tot. Hires	2	-	21	10	1	-	34
NM NEW YORK							
Managers	-	-	-	-	-	-	-
White-collar	1	-	1	-	2	1	5
Blue-collar	-	-	2	-	-	-	2
Freelancers	-	-	-	-	-	-	-
Tot. Hires	1	-	3	-	2	1	7
NM BUENOS AIRES							
Managers	-	-	-	-	1	-	1
White-collar	-	-	1	1	-	-	2
Blue-collar	-	-	-	-	-	-	-
Freelancers	-	-	-	-	-	-	-
Tot. Hires	-	-	1	1	1	-	3
NM MUMBAI							
Managers	-	-	1	-	-	-	1
White-collar	-	1	9	1	-	-	11
Blue-collar	-	-	-	-	-	-	-
Freelancers	-	-	-	-	-	-	-
Tot. Hires	-	1	10	1	-	-	12
Tot. Hires	23	2	129	26	80	13	273

EMPLOYEE BREAKDOWN BY AREA, 2022















The Group favours stable, long-term contracts for its human resources, as the following table shows:

2022								
	< 30 YR OLD		30 - 50 YR OLD		> 50 YR OLD		TOTAL	
Permanent contract	19	1	135	27	79	13	274	
Temporary contract	6	1	4	0	6	0	17	
Total	25	2	139	27	85	13	291	

2021								
	< 30 YR OLD		30 - 50 YR OLD		> 50 YR OLD		TOTAL	
Permanent contract	22	2	124	25	79	13	265	
Temporary contract	1	0	5	1	1	0	8	
Total	23	2	129	26	80	13	273	

Personnel are selected in respect of equal opportunity principles and respecting diversity, favouring the hiring and development of staff belonging to the community of the country where production of the machinery occurs. The Group also requires its employees to uphold socially responsible behaviour, respecting the cultures and traditions of every other employee and person they have a relationship with, whether they be customers or third parties. Although the Group complies with its own Code of Ethics in terms of ensuring equal opportunities, it currently notes a predominance of male employees in its workforce, including due to poor uptake during the hiring process for certain categories. Nevertheless, it is expected that this trend will continue to decline in the years to come.

2022							
	< 30 YR OLD		30 - 50 YR OLD		> 50 YR OLD		TOTAL
							
Managers	0%	0%	2%	0%	2%	0%	4%
White-collar	3%	0%	20%	8%	12%	4%	48%
Blue-collar	5%	0%	26%	1%	13%	0%	46%
Freelancers	0%	0%	0%	0%	2%	0%	2%
Total	9%	1%	48%	9%	29%	4%	100%

2021							
	< 30 YR OLD		30 - 50 YR OLD		> 50 YR OLD		TOTAL
							
Managers	0%	0%	2%	0%	3%	0%	4%
White-collar	4%	0%	21%	8%	14%	5%	52%
Blue-collar	5%	0%	25%	1%	13%	0%	44%
Freelancers	0%	0%	0%	0%	0%	0%	0%
Total	8%	1%	47%	10%	29%	5%	100%

The table showing employees' average age and length of service highlights the excellent staff loyalty and low turnover. The average length of service is strongly influenced by the numerous new staff taken on in the last few years.

	2022		2021	
	AVERAGE AGE	AVERAGE LENGTH OF SERVICE	AVERAGE AGE	AVERAGE LENGTH OF SERVICE
Managers	57	11	57	11
White-collar	45	11	44	10
Blue-collar	43	8	42	8
All	44	10	44	10

Incentive Schemes

The incentive scheme adopted by Group management varies according to role, without discrimination on the basis of age, race, religion or social position, and includes rewards for reaching specific objectives as well as a series of non-monetary benefits in addition to salaries (meal tickets, company cars, fuel vouchers, conventions with shops for employee discounts, agreements with private care homes, gyms and diagnostic centres, as well as flexible salary benefits).

In particular, during 2022 employees made use of services reserved for and freely chosen by them in accordance with their needs, through the partnership with a third party:

 Health and Family Care	 Sports	 Fuel
Total 1	Total 7	Total 41
 Travel Agency	 Fun parks	 Food
Total 2	Total 8	Total 61
 Courses	 Social care expenses	 E-commerce
Total 2	Total 10	Total 75
 Publishing	 On Demand Streaming and Utilities	 Long Term Care
Total 2	Total 11	Total 79
 Extreme	 Top-Ups	 Bill Expenses
Total 2	Total 12	Total 88
 Theatre	 Shopping	 School Fees
Total 2	Total 13	Total 134
 Home activities	 Online Booking	 Medical fees
Total 3	Total 17	Total 460
 Taste	 Transport Costs	Grand Total 1101
Total 3	Total 18	
 Well-being	 Cinema	
Total 5	Total 20	
 Box sets	 Pension Fund	
Total 5	Total 20	

Additionally:

- With the goal of constant internal as well as external improvement, the company will begin to give employees an anonymous questionnaire with the goal of analysing the company climate in order to take any actions considered most appropriate to improve the quality of the working environment and the view that employees have of Nordmeccanica Group.
- Employees will be provided with an app that they can download to their smartphones, which will provide access to their company documents (pay slips, various communications, employee manual, additional healthcare plan documents etc...).

Health and Safety

In order to safeguard health and safety in the workplace, Nordmeccanica has a workplace health and safety service for its workers. Indeed, pursuant to regulatory requirements, the Group has appointed officers and team members at its headquarters and outlying production units. To this end, in 2022 an emergency officer was nominated within the new industrial building at the Via Ranza site.

The duties and responsibilities with regard to health and safety in the workplace are clearly defined in all the company's organisational units through a hierarchy which runs from company management to the individual plant departments.

The group takes great care to ensure that each worker is informed on company health and safety policy, and suitably trained to operate and carry out the activities provided for by their roles in full safety.

Employees have a wide range of personal protective equipment (PPE) available to them, depending on the specific risks of their roles.

For the purposes of monitoring of correct use of PPE, the distribution of PPE has been automated with the Wurth "ORSY MAT" system which allows employees to receive PPE via their personal badge. This system, as well as allowing for monitoring of use of PPE in the various company departments with the production of a summary report of PPE dispensed, as well as its correct use, has allowed for greater time savings when moving between the different departments and reduced wastage of PPE, also reducing the Group's environmental impact.

Once again with the goal of guaranteeing an ever-safer working environment for employees, a standardised accident and incident analysis procedure has been put in place. This analysis aims to identify the root cause of the events in order to allow them to be publicised within the organisation with the goal of allowing each production unit to verify whether or not equivalent conditions or critical issues exist. All of this has the goal of avoiding, or at least reducing, the probability of future incidents occurring which could have been avoided thanks to past experience.

Over the course of 2022, evacuation drills were carried out with the support of a communication system which notifies all employee mobile phones present in the plant at the time of the alarm. The procedure allows persons receiving the SMS to confirm that they are safe by clicking on the screen contained in the message link. The list of people marked safe will allow the names of only those requiring aid or assistance to be displayed.

LOST TIME INJURY STATISTICS, ITALY

	Frequency rate	Severity rate	Incidence rate
	<i>no. of accidents per million hours worked</i>	<i>days of absence per thousand hours worked</i>	<i>ratio between accidents and workers for every thousand hours worked</i>
2022	15,35	0,38	26,91
2021	10,85	0,63	18,78
2020	8,33	0,59	13,89

The 2022 Frequency and Incidence rates remain below the sector average. These are analysed by the Management, always attentive and committed to investments for the protection of the health and safety of our workers, even if they concern unforeseen events. The Severity Index decreased compared to previous years.

The following activities are planned for 2023:

- Provision of an external area for recharging of the forklift trucks in order to eliminate the ATEX risk for the Via Ranza site.
- Installation of railing on the Gariga warehouse mezzanine level.
- Incorporation of extraction on the DEMO Room adhesives mixer.
- Moving the laboratory in Via Ranza inside the workshop in order to avoid the need for personnel to work alone.
- Extension to the Gariga and Vacuum plants of the same fire alarm procedure already operational at the headquarters; this procedure generates the list of people present in the company, drawing the information from the clocking-in system, from the MIS and from the Totems for contractors.

From the point of view of maintaining correct and transparent relationships with all employees, the Group entered into contracts covered by collective agreements, with approval of the trades union bodies. Nordmeccanica SpA is a member of CONFAPI (Italian small and medium-sized business association) and the CONFINDUSTRIA industrial association, and its industrial relations are characterised by processes of employees sharing, participating and being involved in company decisions.

COVID-19 Emergency Management

Once again during the course of 2022, the company distributed surgical masks and FFP2 masks to employees travelling for work and for vulnerable workers, as well as maintaining risk-management procedures and keeping documents and protocols up to date in accordance with regulations.



SUPPLIERS

The Nordmeccanica Group can today be considered a global partner thanks to the widespread network of 49 international agents and qualified representatives in over 87 countries and its own direct technical support service covering Argentina, South America, Russia, India, China and the whole of South East Asia.

The Group adopts a transparent policy with these commercial partners, aimed at creating long-term relationships and handling customer problems in a timely manner by supplying and installing certified spare parts.

	2022	2021
	€	€
Economic Value	104.423.392	89.375.313
Economic Value Distributed	- 93.472.044	- 80.225.016
Employees and contractors	- 15.699.553	- 14.240.966
Suppliers	- 73.516.347	- 62.463.676
State, Organisations, Institutions and Community	- 3.965.549	- 3.203.814
Subscriptions of own and debt capital	- 290.595	- 316.560
Economic Value Retained	10.951.348	9.150.297

The Nordmeccanica Group, fully aware that certain high-quality results can only be reached with the full collaboration of its supply chain, pays close attention to relationships with its suppliers and with the local area.

It is indeed for this reason that the Group makes efforts to establish long-lasting relationships with both local and national suppliers in order to allow for synergistic development of Nordmeccanica with these parties, always aiming to sensitise them to the adoption of responsible conduct which takes into account the ethical values adopted by the Group:

- **Respect for human rights;**
- **Attention to environmental issues;**
- **Energy savings;**
- **Transparency in business dealings.**

This favourable approach is also summarised in the composition of the economic value destined to suppliers, as outlined below:

	2022	2021
	€	€
Suppliers	- 73.516.347	- 62.463.676
Italian suppliers (outside Piacenza)	- 42.600.912	- 35.266.546
Suppliers in Piacenza	- 22.593.646	- 19.701.349
Foreign suppliers	- 8.321.788	- 7.495.781

The Nordmeccanica Group also constantly encourages its suppliers to look for ever-improved solutions in terms of quality, innovation and technological development. The positive feedback received in recent years from our stakeholders is a valid reason to continue investing energy into these matters in the years to come.

COMMUNITY

The Group has, for some time, taken the lead in supporting the local area through social, sports and humanitarian initiatives.

The Group has always worked under the principle that it is the moral responsibility of the company to make a positive commitment to the well-being of the community where its production is based by establishing a co-operative relationship with the local authorities which represent it.

Loyalty, courage, challenging our limits, tenacity, a sense of belonging and respecting the rules: these are the values which Nordmeccanica believes in and which have led us to get involved in sport as a national and international tool for socialising and communicating.

	2022	2021
	€	€
Economic Value	104.423.392	89.375.313
Economic Value Distributed	- 93.472.044	- 80.225.016
Employees and contractors	- 15.699.553	- 14.240.966
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ASubscriptions of own and debt capital	- 290.595	- 316.560
Economic Value Retained	10.951.348	9.150.297

Below are some of the sporting initiatives carried out in 2022 with the contribution of Nordmeccanica:

- ASD Junior Drag8 San Giorgio - Piacenza
- Ferrari 488 Italia della AF Corse - Nordmeccanica
- A.D.S. Piacenza Baseball
- GAS SALES Piacenza Volley
- ASD Team Perini Bike
- Associazione Nibbiano & Valtidone Ass. Sportiva Dilettantistica
- Associazione Amici del Capitolo
- Volley Academy Piacenza S.S.D



LUMAIKE

RNS

nordmeccanica group

STUDIO STROPS



WeatherTech

21

POSTACUTE
ANALYTICS

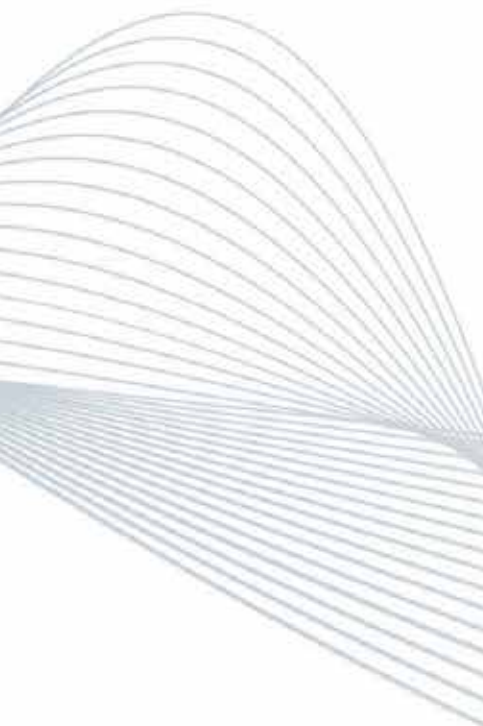
Castrol
LUBRICANTS

The Ferrari 488 GT3 and Ferrari 488 GTE PRO won their second consecutive constructor's world championship at the WEC 8 Hours of Bahrain.

Finally, as regards humanitarian and cultural initiatives carried out in 2022 with a contribution from Nordmeccanica, the following associations received our usual direct support:

- **Associazione Oltre l'Autismo Odv**
- **Italian Red Cross for Ukraine**
- **Piacenza in Blu APS Autismo**
- **Confapi for Ukraine**
- **Pubblica Assistenza Croce Bianca**
- **ASSOFA Piacenza**
- **Associazione Progetto Vita – DAE**
- **ASD Special Dream Team - Sports for the disabled**
- **Telethon Foundation**
- **Istituto professionale per i Servizi Commerciali e Turistici A. Casali - Piacenza**
- **U.n.i.t.a.l.s.i. Unione Nazionale Italiana Trasporto Ammalati a Lourdes e Santuari Internazionali - Sezione di Piacenza**
- **Shanghai Children's Foundation Shanghai Children's Medical Center Chapter**
- **The Hole in the Wall - New York**
- **Three Strohm Sisters Foundation - New York**

ENVIRONMENT





PAGANI
GEOTECHNICAL EQUIPMENT

9

PAGANI
GEOTECHNICAL EQUIPMENT

MBR
MECCANICA ROTAZIONE

MBR
MECCANICA ROTAZIONE

BANCAPICENTIS

M&M GAS SALES
ENERGIA

nordmeccanica

BFT BIA7DNK

DAIKO

GAS

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MORAVIO

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ENVIRONMENT

Potential references to the UN's Agenda 2030 GOALS:



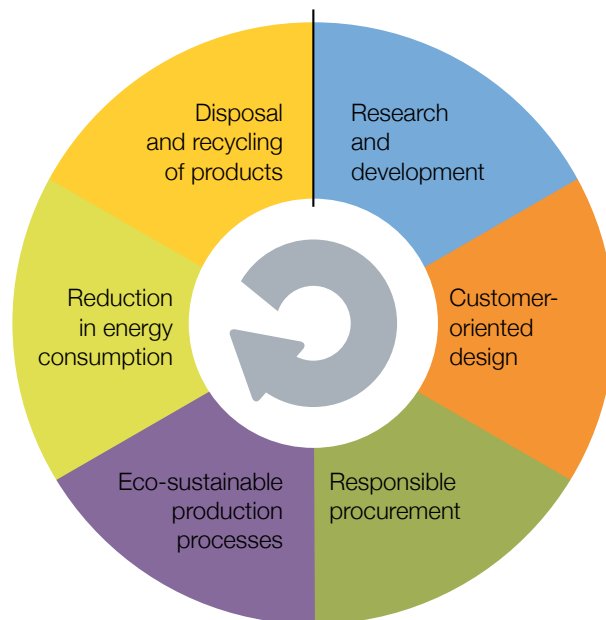
Potential references to GRI standards:

GRI 302 - GRI 305

ENVIRONMENTAL IMPACT OF PRODUCTS

Nordmeccanica has made respect for the environment a strategic competitive and sustainability factor of its business, paying close attention to the environmental impact of its products across their entire service life, with a lifecycle approach aimed at ensuring a circular economy.

ECOLOGICALLY EFFICIENT LIFE CYCLE



The Group constantly invests in new R&D projects in order to promote the most innovative technologies with its customers. These green innovation scouting activities, alongside monitoring and implementation of the solutions offered, allow us to develop products with a reduced environmental impact, which actually meet customer requirements in advance, as well as Italian and international regulatory provisions.

The challenge of environmental sustainability: machines with solventless technology to reduce energy consumption.

1970

In the **late 1970s**, Nordmeccanica undertook innovations aimed at reducing electricity consumption in the conversion process of flexible substrates through the exclusive use of solid PU adhesives: SolventLess technology.

Behind this process lies the intuition that PU resins mixed with specific co-reagents activate a polymerisation reaction which transforms the adhesive substance from a liquid to a solid state without the use of any solvents.

This work cycle involves a multi-roller application element fed by its own mixer, which mixes and feeds the coating, allowing the PU resins to be laid down only with the aid of the temperature, thus eliminating the use of organic solvents (VOCs).

The positive effects are numerous: a significant decrease in the energy that is used to dry the solvents and subsequently process them in traditional processes, improving the work environment due to the reduction in potential safety risks (organic solvents are flammable), and improved worker health.

1992

In **1992** Nordmeccanica introduced an incredibly compact machine to the world market; known as Simplex, it is able to satisfy all requirements of an individual operator with an impressive production capacity and surprisingly low energy consumption. The Simplex was then developed into numerous different models, and today represents approximately 50% of Nordmeccanica's turnover and more than 55% of the worldwide market for solventless adhesive laminating machines.

2009

In **2009** the One-Shot model was introduced, the first commercial laminating machine able to join 3 layers in a single pass without the use of solvents, allowing reduction of direct production costs (energy and raw materials) of up to 30% compared to previously used production processes.

2014

In **2014** the "Cold Seal" project was put into action, allowing waste to be reduced during the initial phase of the production process in the application of cold water-based sealants derived from natural rubber. The process on the Nordmeccanica machines allows for improvement and optimisation of use.

Today

Today the whole Nordmeccanica product line is characterised by the greatest energy efficiency and the lowest emissions in the sector. These advantages have been obtained while maintaining the market's highest levels of productivity and quality of results.

Today we are proud to highlight our partnership with the biggest players in the adhesives industry, such as Henkel, Dow Chemical, COIM; and the automation sector, such as Siemens, for Industry 4.0 innovations for the production of integrated automation machines.

With the introduction of the new Siemens industrial tablet we have created a "talking" machine which, thanks to its remote control abilities, shortens service times and allows for preventive maintenance.

We are proud to be able to highlight the potential of this industrial tool, already in use at Nordmeccanica, which thanks to the app specially developed by Siemens (Siemens ITP1000) has allowed the creation of equipment able to provide simple, complete and precise indications.

The challenge of sustainability in the world of packaging

The packaging market is facing an epochal challenge linked to the new requirements for sustainability and circular economy. The new EC Green Deal regulations affect the entire production chain for plastic packaging materials in order to be ready for the next 2030 goal in which all packaging must guarantee sustainability through recyclability classes.

The Nordmeccanica Group, which has always taken great efforts to reduce consumption and look for environmentally compatible solutions, is engaged in research and technology on different fronts: both in technological terms, with the creation of machines destined for the next generation of materials, and in terms of university research in order to play an active part in the tomorrow's solutions.

Nordmeccanica defines its approach as being holistic with regard to these new challenges, in order to achieve the maximum open-mindedness and flexibility, and for this reason **our work is moving in three directions:**



Nordmeccanica technology at the service of the circular economy: the PE-based mono-material.

On the occasion of the last K Show in Düsseldorf, Germany in October 2022, Nordmeccanica presented its work carried out with major international partners (Henkel, Exxon Mobil, Alpine, Erema, Selene) for the production of mono-material packaging for the circular economy. Each partner made their own contribution in order to demonstrate that from a technological point of view, there exists the real possibility of developing packaging materials ready for a circular production chain.

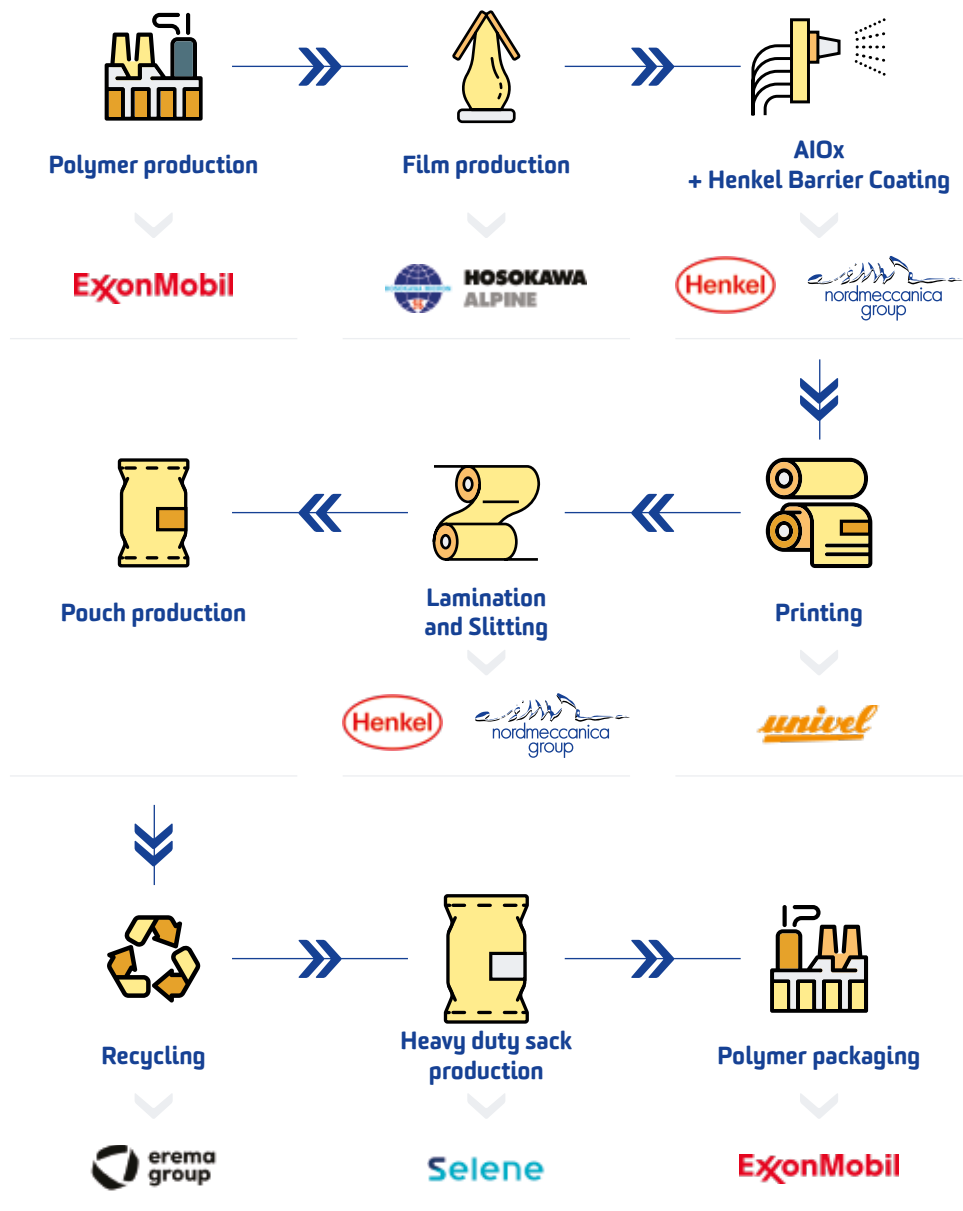
Nordmeccanica has set itself apart by offering some key solutions:

- **AIOx Coating, an aluminium oxide able to develop a gas and aroma barrier despite being transparent. The coating was produced with the Nordmet metallisation system from Nordmeccanica Group's vacuum division.**
- **Deposition of barrier coating formulated by Henkel with the Super Combi compact coating and laminating machine.**
- **Solventless lamination with adhesives ready for Recyclclass recycling regulations.**

The concept is simple:

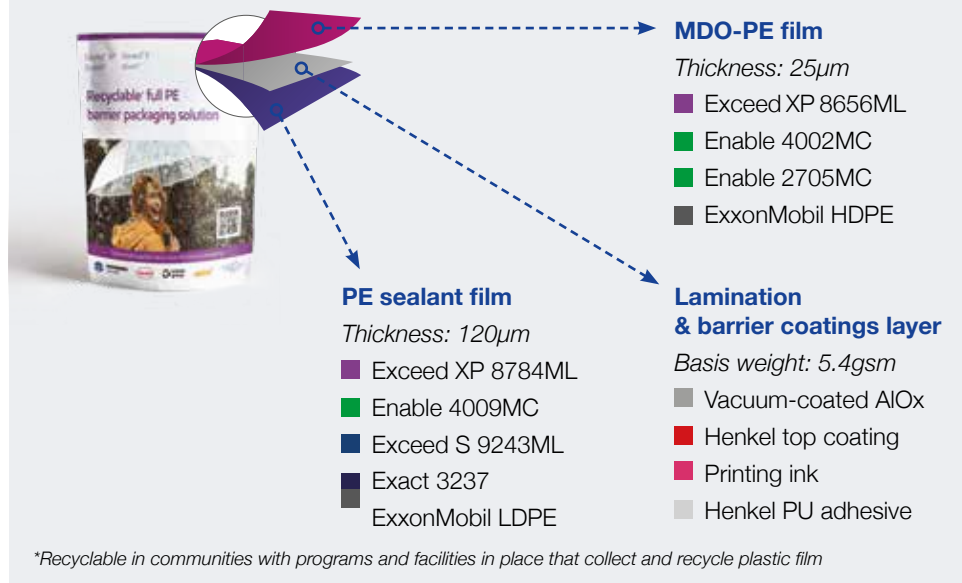
Exxon Mobil, a leader in the production of PE resins, has created a MDOPE and LLDPE blend that has been extruded in the Alpine pilot systems. The material enhanced with barrier coating on the Nordmeccanica systems was partly transformed into packages for the trade fair and partly regranulated in Erema systems. The PE granules were reworked and transformed into sacks for resin by Selene for Exxon Mobil itself, thus closing the production circle.

The diagram below briefly summarises the work cycle.



Challenge

To create a > 95% high oxygen barrier pouch, as an alternative to more difficult to recycle multimaterial high oxygen barrier laminates, which can be recycled back into a high-end film application. Thus enabling flexible film circularity.



Nordmeccanica has developed an important machine for paper-based packaging, customised with coating and laminating for the German giant Leipa Group, a paper manufacturer with 1,700 employees and turnover of a billion Euros, based in Schrobenhausen (Munich).

It is a system designed to allow the creation of barrier coatings allowing the properties of the paper to be increased so it can be used in sectors which would previously not have been imagined. The coatings use Nordmeccanica's different deposition technologies, from gravure to semi-flexo.

The result is a system which develops and incorporates both solventless technology and the deposition of entirely water-based materials.

The result of this partnership was recognition with an award for Leipa at the UK Packaging Awards. It is paper packaging for frozen products.



Nordmeccanica Group has obtained approval for financial support by the Italian Ministry for Economic development's sustainable growth fund for the Remopack project.

The "RE.MO.PACK" - "REcyclable MOnomaterial for PACKaging" - project, led by Nordmeccanica, consists in the "Design and development of an innovative film composed of a unique type of polymer and its introduction into food packaging processes". The project was put forward and will be developed by two proponents within the scope of the ministry's Innovation Agreements.

The lead company Nordmeccanica (industrial partner) will be partnered by the University of Parma and the university's own CiPack (Centro di Ricerca Interdipartimentale per il Packaging, interdepartmental research centre for packaging) which promotes and co-ordinates basic research activities applied to the world of packaging with particular reference to the specific activities for the food and pharma sector.



PAGINI

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PAGINI

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GAS SALES
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ENVIRONMENTAL RESPONSIBILITY

With a view to developing an energy policy leading to ever-more efficient use of energy and savings in terms of environmental resources used, the Group is equipping itself with a control system which, via comparison and analysis of consumption, provides information for maximising the eco-sustainability of the production process in terms of:


- Reduction of unit consumption (e.g. in relationship to the quantity of machines produced) of natural gas, electricity and water;
- Reduction in the quantity of waste produced via recycling, where possible, pallets, paper and reels;
- Reducing atmospheric emissions through the progressive renewal of our entire company car fleet.

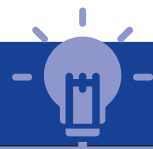
The main results obtained in 2022 are highlighted below.

SCOPE 1 e 2

DIRECT EMISSIONS (generated by the company) AND INDIRECT EMISSIONS (generated by purchased and consumed energy)

The group's characteristic activity, being primarily one of assembly (which does not involve melting, casting etc. of materials) is considered low environmental-impact and not energy hungry. Every year, the carbon footprint of each plant is assessed and the relative greenhouse gas emissions calculated, as outlined in the following tables:

 Consumption Gas Natural CO₂ emissions 2022				
Type of use	Buildings powered		Consumption (Smc)	CO ₂ (T CO ₂ /Year)
Heating	Headquarters Piacenza	Strada dell'Orsina	124.961	247,79
Technology			3.223	6,39
Heating	Plant	Via Ranza (PC)	27.255	54,05
	Plant	Gariga (PC)	36.086	71,56
Total			191.525	379,79



Consumption Electricity

CO₂ emissions 2022

Buildings powered		Consumption F1+F2+F3 (Kwh)	CO ₂ (T CO ₂ /Year)
Headquarters Piacenza	Strada dell'Orsina	566.576	139,38
Plant	Via Ranza (PC)	259.850	63,92
Plant	Gariga (PC)	123.334	30,34
Total		949.760	234



Solar PV production via Ranza

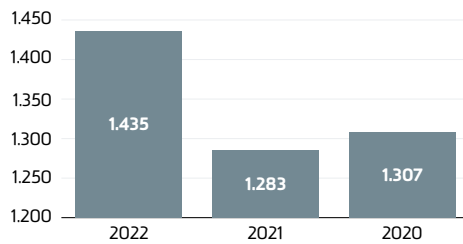
CO₂ emissions avoided 2022

Building		Consumption F1+F2+F3 (Kwh)	CO ₂ (T CO ₂ /Year)
Plant	Via Ranza (PC)	71.052	32,47
Total		71.052	32,47

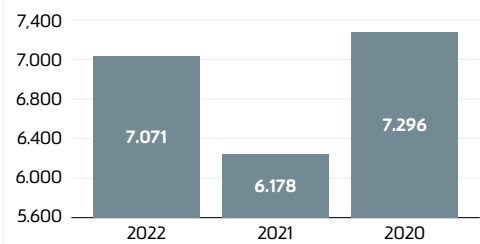
DIRECT AND INDIRECT ENERGY CONSUMPTION ITALY

	2022 CONSUMPTION		2021 CONSUMPTION		2020 CONSUMPTION	
	Per production unit	Totals	Per production unit	Totals	Per production unit	Totals
Natural Gas <i>m³</i>	1.435	192.230	1.283	211.708	1.307	188.149
Electricity <i>kWh</i>	7.071	947.531	6.178	1.019.380	7.296	1.050.610
Water <i>mc</i>	51	6.802	40	6.590	63	9.046

Natural gas consumption per unit Produced (MC)



Electricity consumption per unit Produced (kWh)



In 2022, numerous initiatives were implemented aimed at reducing the environmental impact of the production process which, despite the high production volumes (income +18% compared to 2021) and complex geopolitical scenarios, allowed the total emissions to be contained. Along with the absolute value, the energy intensity per unit of product is monitored; this is calculated as the ratio between the total consumption and total production expressed as units of machinery; this coefficient, however, is penalised by the fact that particularly large and complex machines were manufactured during the year in question, which are not comparable to the smaller models belonging to the remaining product range.

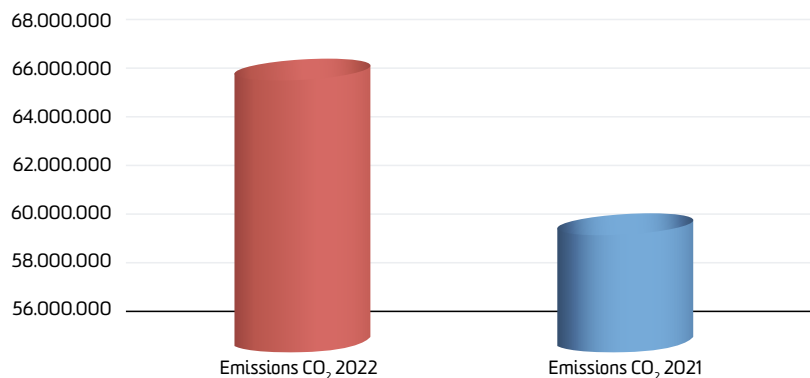
In the year of reference, major new investments were made to increase the use of renewable energy: indeed, on 9 September 2022, Nordmeccanica signed an agreement for the installation of four solar PV systems, which will enter service in the second half of 2023. They will provide savings on energy costs and contribute to the goal of reducing greenhouse gas emissions. The panels will have a total peak output of 580 kWp, covering a surface area of around 3,000 m², providing self production of around 850,000 kWh/year, equivalent to 40% of the company's requirements and equivalent to a reduction of 300 tonnes of CO₂ every year.

SCOPE 3

OTHER ENVIRONMENTAL INFORMATION

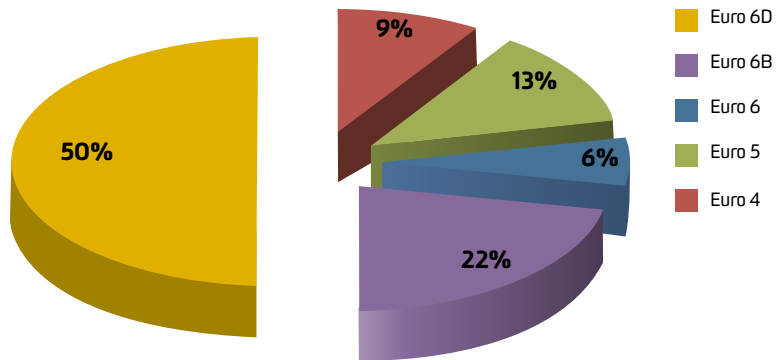
The company car fleet is now almost exclusively composed of Euro 6 rated vehicles with reduced CO₂ emissions; the following graphs highlight the significant reduction both in absolute values and those per km travelled:

TOTAL CO₂ EMISSIONS

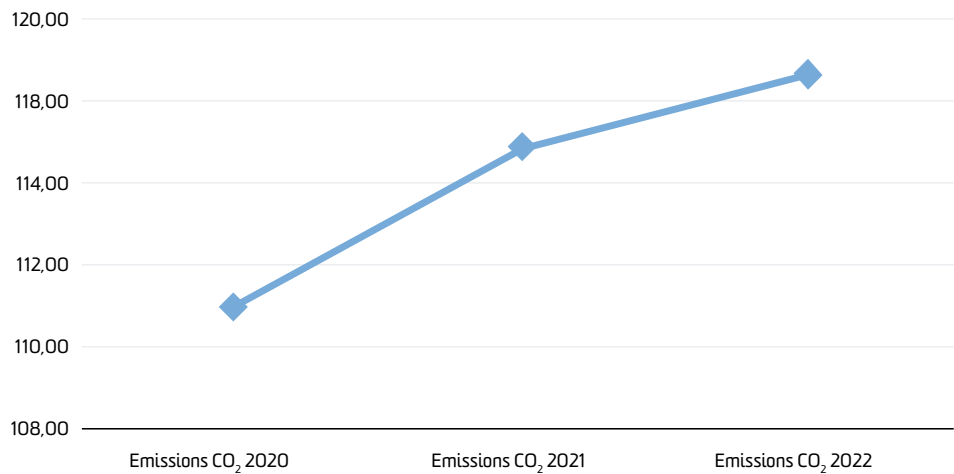




COMPOSITION OF COMPANY CAR FLEET



CO₂ EMISSIONS PER KM DRIVEN

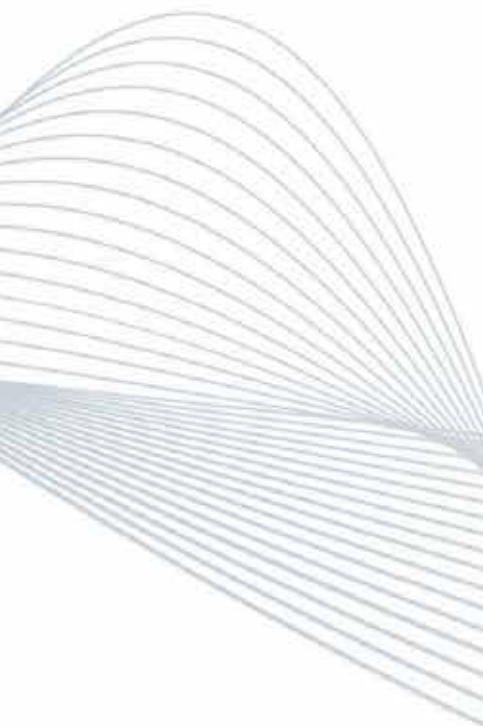


Waste management is fully compliant with legal requirements, and the external companies to whom disposal is assigned are carefully selected in accordance with criteria of professionalism and ethics. The waste is primarily sent for recycling, and is temporarily stored in dedicated separate waste disposal areas.

Over the course of 2022, refuse production of around 71 tonnes was calculated, composed primarily of steel, iron, aluminium, wood, plastic and paper. In terms of paper, consumption of 778,000 sheets was calculated, and a campaign to sensitise all personnel about recycling was set in motion.

Finally, in partnership with supplier EOS, the coffee and drink vending machines were equipped with paper stirrers instead of plastic.

NEXT
STEPS ...





NEXT STEPS ...

Social

2021

What we said...

We would organise courses for software engineers and testers for the machines we produce, automation courses, digital innovation and trade finance courses.

2022

What we did...

Courses for dealing with issues linked to HR management policies.

2023

...What we will do

Implementation of the HR management system.
Setting up an App for employees incorporating the ability to communicate with the company through a virtual notice board.

2021

What we said...

We would promote professional courses with the purpose of enhancing our human capital.

2022

What we did...

Free English courses were organised, with different ability levels, which employees interested in improving their language skills participated in.

Excel courses of various levels were held.

2023

...What we will do

The company will schedule courses to improve soft skills, as well as English courses like every year.

Company climate questionnaires will be given.

2021
What we said...

A course was held for the protection of those working at height with fall-arrest equipment.

Workers from the production department were provided with platforms for work at height.

2022
What we did...

A course was held on the use of "Sicurmote" fall-arrest systems for use of the bridge crane.

An explosion and fire risk assessment document was drafted for the Demo Room, and an internal safety procedure was drafted for visitor access.

2023
...What we will do

Training courses for fire-fighting team members will be organised.

Refresher courses on the use of defibrillators will be held.

Compliance with whistleblowing regulations will be completed.

Environmental

2021
What we said...

Draft the chemical risk assessment for the plants in Gariga (PC).

EWC signs were affixed in outdoor areas for waste storage.

2022
What we did...

Solar PV system on the roof of the Via Ranza industrial building.

Reorganised the external waste area in Gariga (PC).

Supplementation of waste area signage and EWC identification for Strada dell'Orsina.

2023
...What we will do

Additional solar PV system on the roof of the Via Ranza industrial building

Completion of the solar PV system on the roof of the Gariga and Via dell'Orsina - PC industrial building.



Sustainability and Social Responsibility are pivotal elements of a company

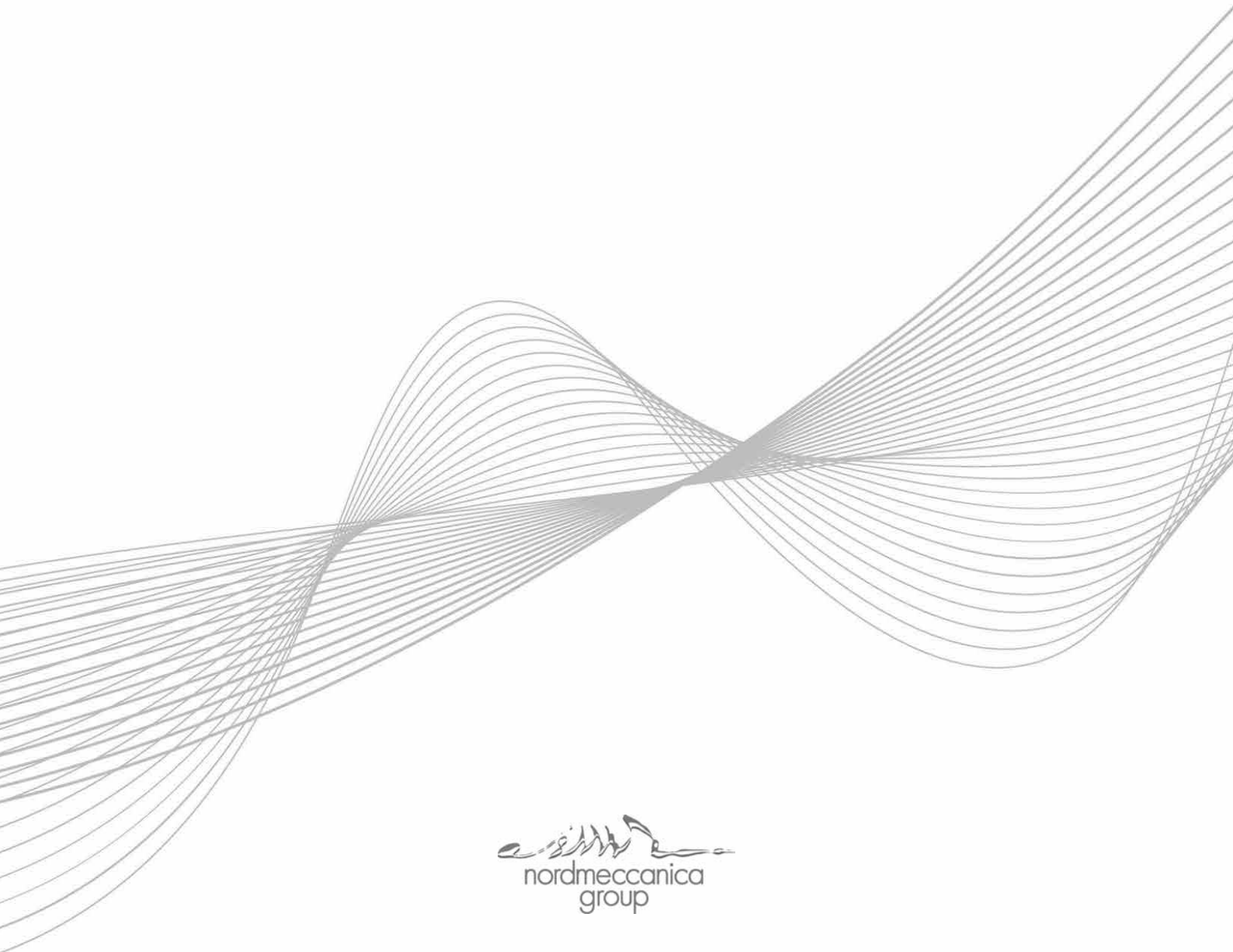
Alfredo Cerciello

Internationalisation is a must for companies who want to grow

Antonio Cerciello

We need to innovate, but without forgetting about simplicity

Vincenzo Cerciello



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nordmeccanica
group



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