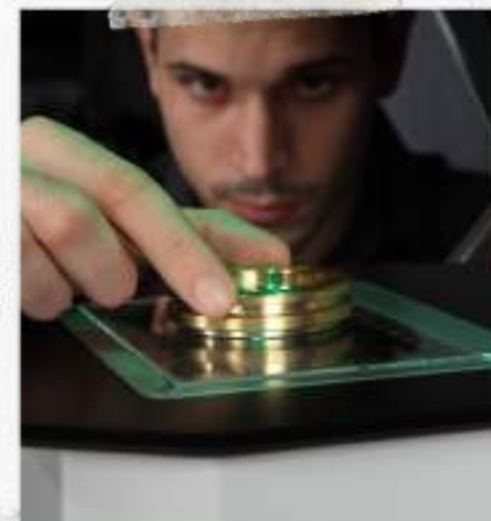


SUSTAINABILITY REPORT 2022





Azienda

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LETTER TO STAKEHOLDERS



Dear Stakeholders,

It is with great pride and satisfaction that we present to you Vici & C.'s first Sustainability Report. This document outlines the values that guide our corporate strategy, the actions we take every day in support of **environmental, social, and economic sustainability**, and the goals that we set for ourselves so that we may continue to improve in the ESG sphere, a crucial aspect for reducing our impact on the planet and ensuring the success and **continuity of our company**.

The various awards and certification that we have received over the past few years serve as a testament to our hard work and commitment, as do the numerous international customers who have chosen Vici, with the **sale of VICIVISION and Metrios products up 25% as compared to 2021 and an overall 12% increase in revenue in 2022**, for a total of over €72 million. But what we are most proud of is the extraordinary loyalty of our employees, reflected in the **remarkably low absenteeism and turnover rates (3% and 4%, respectively)**.

In addition to the creation of a sustainability team that oversees the process of continuous growth and improvement, to which our clients and employees also contribute through constant dialogue, and the identification of the UN's SDGs (Sustainable Development Goals) which we contribute to achieving, the Sustainability Report is one of the first steps on the road to sustainability.

At the helm of our sustainability journey is our Innovation & Sustainability Team which, with perseverance, determination, and dedication, motivates us to improve ourselves and the environment around us.

A heartfelt thank you to all of our employees who, every day, inspire us to live by our motto: "There's no team without family".

Happy reading!

Chief Executive Officer
Luca Vici

A handwritten signature in blue ink, appearing to read 'Luca Vici', on a light-colored background.



July 28, 2023 - Santarcangelo di Romagna

METHODOLOGY NOTE



This document represents the first annual edition of Vici S.p.A.'s Sustainability Report (in this document, also referred to as "Company", "Organization", or "Vici"), the goal of which is to transparently communicate its performance and impact in terms of sustainability, which encompasses environmental, social, and economic aspects relevant to the 2022 fiscal year (January 1, 2022 to December 31, 2022).

This Sustainability Report was prepared in accordance with the GRI Standards published by the Global Reporting Initiative (GRI), as indicated in the "GRI Content Index" table.

The economic and social data covered adheres to the same parameters as Vici S.p.A.'s Civil Accounting Statement dated December 31, 2022. With regard to environmental data and information, the report covers three production facilities located on Via Gutenberg, Via dell'Acero, and Via del Grano.

To ensure consistent data comparability over time, a comparative year has been included. Furthermore, the use of estimates has been kept as much as possible to a minimum. These, if present, are appropriately indicated and based on the best available methodologies in order to ensure the reliability of the reported information. It is also worth noting that over the course of the 2022 fiscal year, there were no significant changes in Vici S.p.A.'s supply chain or in its ownership structure.

For further information and suggestions regarding Vici's Sustainability Report, please send an e-mail to info@vici.it. The present Sustainability Report will be made publicly available via the corporate website at www.vicivision.com.





THE WORLD OF **VICI**

Nevio, Leona
& Franco

1. THE WORLD OF VICI

1.1 VICI'S STORY

The beginning of **Vici & C. S.p.A.**, as told by CEO Luca Vici:

"A family company founded in 1977. The initial production site was... our dining room. In those early days, our parents would solder electronic boards before meals. Then they would set aside the completed boards and the ones they were still working on and we would set the table, inhaling the pungent smell of tin. Those familiar with the process know what I'm talking about."

In 1982, the company expanded its internal design capabilities and technical development to include electrical panels and in-line applications, and, in 1985, began designing and constructing automatic assembly lines for automotive components.

In 1999, responding to the growing demand for vision system development, Vici entered the international market with the **VICIVISION brand**, today a leader in the field of **optical measurement machines** designed to improve production efficiency.

In 2001, **VICIVISION** began developing innovative applications for precision measurement and quality control, and, in 2008, started producing and distributing a series of high-precision measurement machines named **MTL**.

Seven years later, the company **launched the Metrios brand**, also specializing in optical measurement machines. These two brands significantly expanded Vici's range of products and allowed the company to sell worldwide.

From a family-run business based in Santarcangelo di Romagna, today Vici & C. has become a prominent player in the field of industrial automation.



1.1 VICI'S STORY



1977

Vici got its start assembling electronic boards for third-party clients.



1985

Vici embarks on the path of industrial production in the automotive sector

1999

Vici enters the international market with the VICIVISION brand.



2008

Worldwide distribution of VICIVISION high precision optical measurement machines.

2017

VICIVISION AMERICA LLC

2015

Launch of the METRIOS brand.



2014

VICIVISION launches MTP, an optical measurement machine for flat components.

2012

VICIVISION GmbH



2019

VICIVISION Korea

2021

VICIVISION Shanghai Co. Ltd



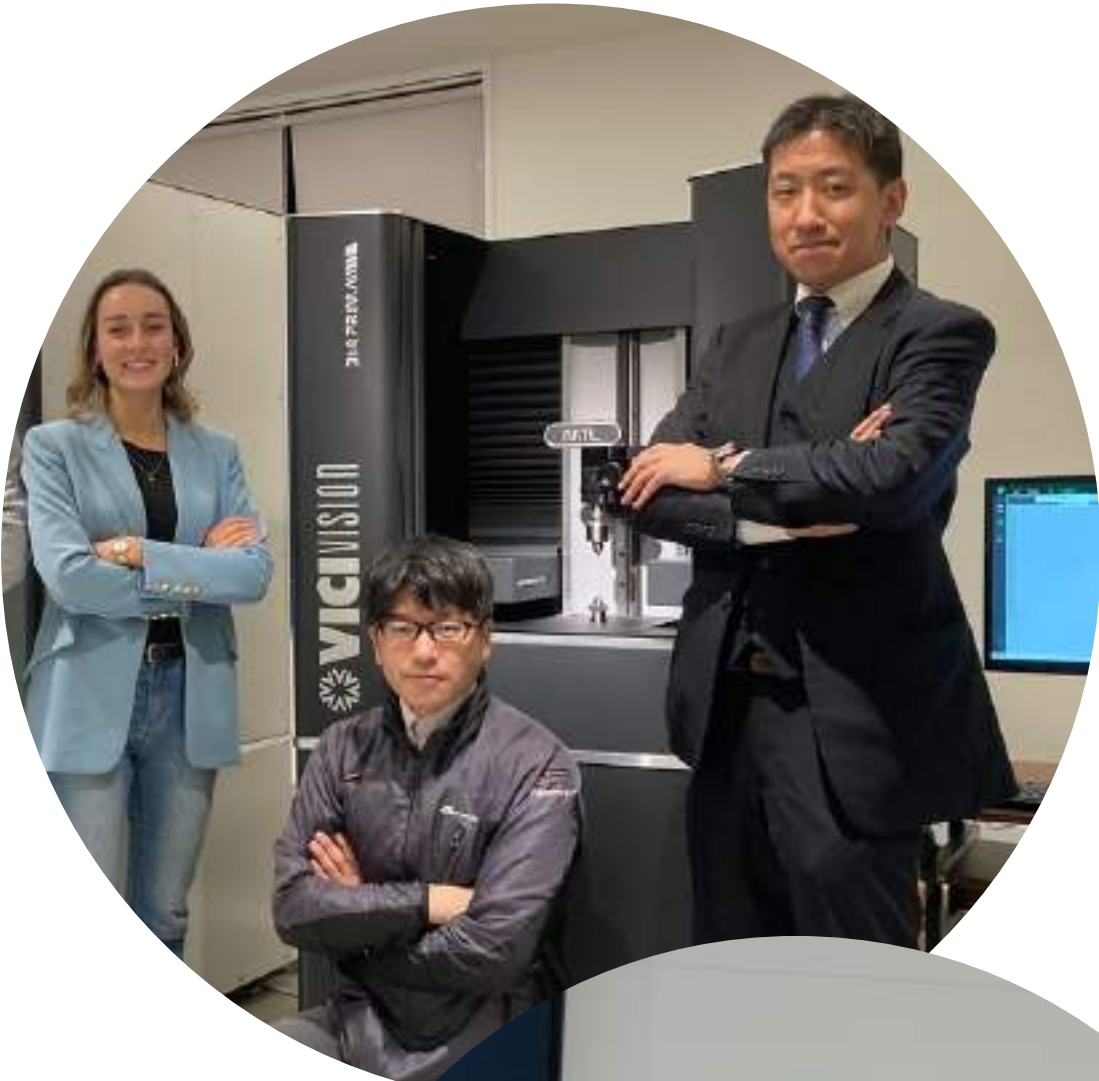
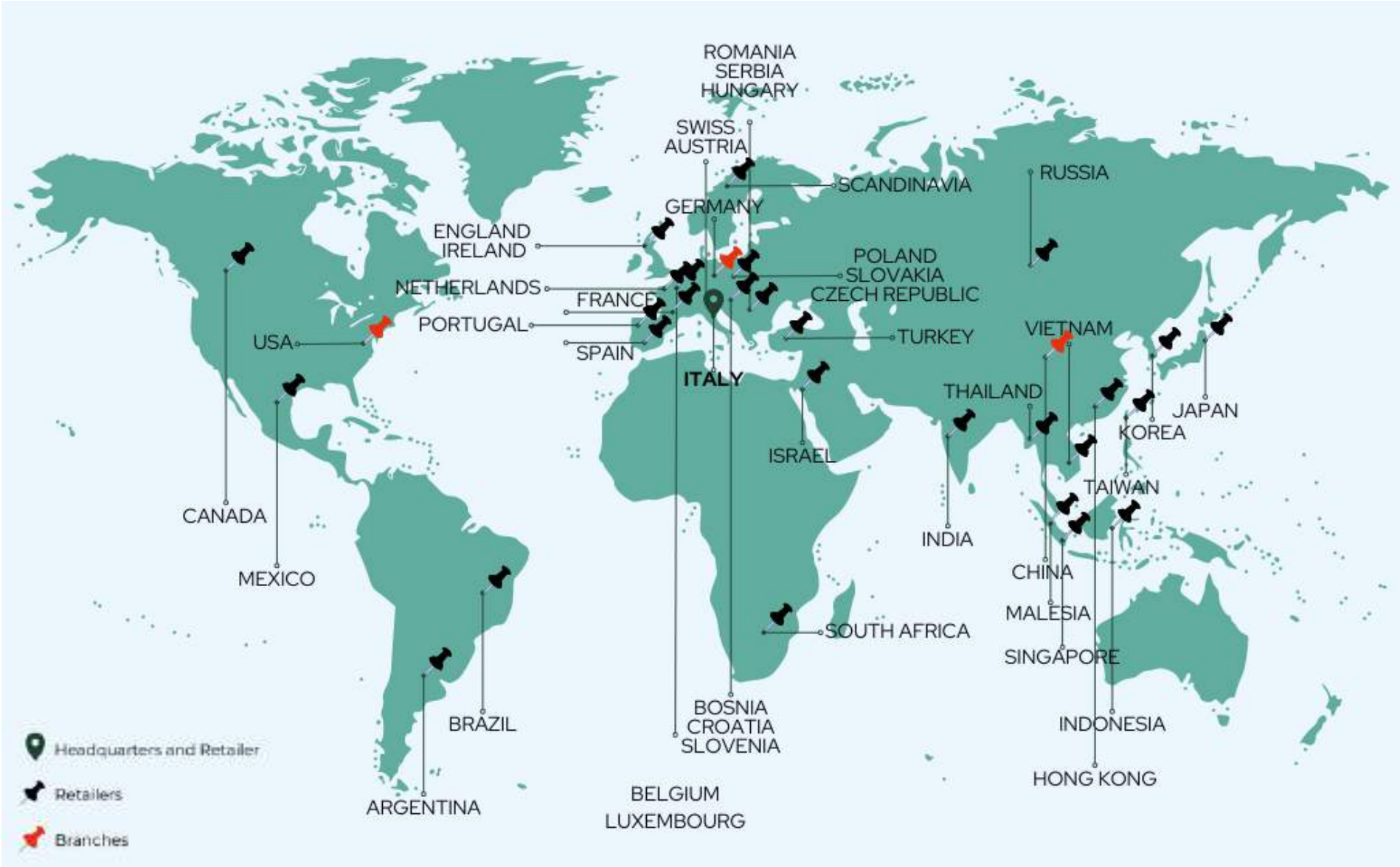
2023

Publication of the first Sustainability Report, for 2022.

COMING SOON! !!



Today Vici has one centralized production office (subdivided into three facilities) where the design and manufacture of its products takes place. Additionally, it has 4 commercial branches and 40 specialized centers worldwide, as shown on the map below. Through this extensive network, Vici distributes electrical cabinets, in-line applications, and industrial automation systems to the international market.



1.2 MISSION AND VALUES



MISSION AND VISION

WE PROACTIVELY DEVELOP TECHNOLOGICAL SOLUTIONS FOR CUTTING-EDGE COMPANIES, ELEVATING YOUR COMPETITIVENESS WORLDWIDE, DRIVEN BY OUR PASSION TO SUCCEED ALONGSIDE YOU.

With the goal of continuous improvement, the company fosters an open and proactive environment for everyone involved in its operations, **welcoming**, without judgment, **any and all ideas regarding improvement** to the value chain. The objective is: “Make suggestions for improvements, be part of the solution, work as and feel like an extended team that includes all branches, partners, and suppliers, becoming ever more forward thinking and cutting-edge”.

Vici’s story is rooted in **family values, which have evolved into the principles that guide both the company and its employees. Passionate, trustworthy, client-focused, and unique** – these are the characteristics that not only ensure its credibility, reliability, effectiveness, and efficiency, but also make it possible to transform its processes into corporate philosophy and culture.

To advance the concept of **an ethical and sustainable company**, Vici is guided by two key **principles**:

•*“Engage the minds of the younger generation and spark their intellect, inspire passion, and nurture talent”: This is the recipe that Vici believes able to unlock the potential of talented young men and women, fostering their professionalism and values;*

•*“Technological innovation fuels our approach”: As processes evolve, so does the company, thus creating synergies that emphasize individual responsibility and awareness, with a focus on continuous improvement in skills and processes.*

TRUST

VALUES

WE BELIEVE IN LISTENING TO THE POINTS OF VIEW OF OTHERS SO AS TO ESTABLISH TRANSPARENT, JUDGMENT-FREE DIALOGUE. WE HELP EVERY EMPLOYEE TO BE THE BEST THEY CAN BE.

PASSION

VALUES

A DESIRE TO BE THE BEST DRIVES US TO CONSTANTLY IMPROVE BOTH OUR SOLUTIONS AND PROCESSES, LEADING US TOWARDS NEW HORIZONS. WE BELIEVE IN WHAT WE DO AND THE RESULTS REFLECT OUR PASSION FOR INGENUITY.

CUSTOMER ORIENTATION

VALUES

EVERY DAY WE TAKE CARE OF OUR CUSTOMERS, PARTNERS AND COLLABORATORS. THEY INSPIRE US TO WORK TO TRANSFORM THEIR NEEDS INTO NEW OPPORTUNITIES

UNIQUENESS

VALUES

THE VALUE THAT WE PLACE ON PEOPLE DISTINGUISHES OUR STYLE AND BROADENS THE SENSE OF BELONGING. WE ACT WITH HUMILITY, RESPECT AND AMBITION

1.3 GOVERNANCE AND ORGANIZATIONAL STRUCTURE



The system of governance adopted by Vici aims to ensure **responsible and transparent management of the company**, with the objective of **creating long-term sustainable value for all stakeholders**.

Vici's governance structure is made up the following entities:
Shareholders' Assembly, **Board of Directors**, Board of Statutory Auditors, Legal Auditor.

Vici & C. S.p.A.'s Board of Directors consists of 5 members and will remain as such until approval of the December 31, 2022 budget. Specifically, it is composed of Marco Vici (President of the Board of Directors), Luca Vici (CEO), Nevio Vici (Counselor), Fabio Pula (Counselor), and Paolo Maioli (Counselor). The age distribution is as follows: 20% between 30-50 years old and 80% over 50 years old.

Composition of Vici & C. S.p.A.'s Board of Directors as of December 31, 2022

Role	Member of the Board of Directors	Gender	Age Range
President	Vici Marco	M	30-50
CEO	Vici Luca	M	>50
Counselor	Vici Nevio	M	>50
Counselor	Pula Fabio	M	>50
Counselor	Maioli Paolo	M	>50

The **Board of Directors** is in charge of appointing the President, who, given the nature of the company and the role undertaken, performs managerial functions within the organization, exercising direct control over the company

The **Board of Statutory Auditors** is the supervisory body tasked with ensuring compliance with laws and corporate regulations. Additionally, it ensures that the company’s organizational, administrative and accounting structures are adequate and functioning.

Composition of the Board of Statutory Auditors:

Role	Member of the Board of Statutory Auditors
President of the Trade Union Council	Zannoni Loris
Chairman	Biagini Simone
Chairman	Albini Pier Maria
Deputy Chairman	Zannoni Paolo
Deputy Chairman	Zannoni Lucia
Legal Auditor	Monti Raffaele

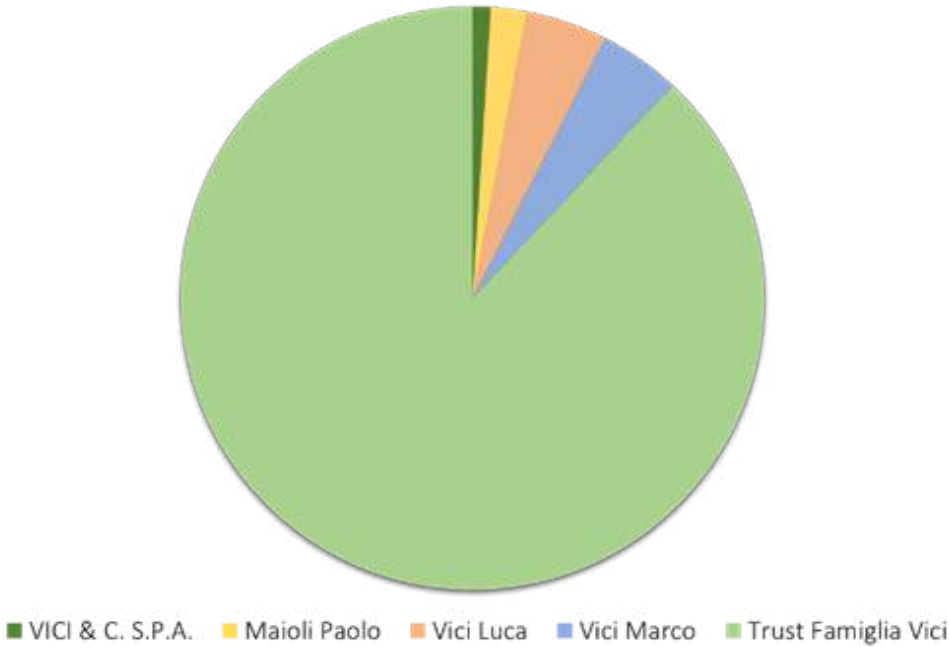
There are also two technical committees within Vici’s organizational structure:

- **Steering Committee for the Electrical Panel Business Unit:** provides support to the electrical panel department and deliberates on proposals related to commercial strategies, as well as operational and organizational solutions;
- **Steering Committee for the Product/Special Business Unit:** provides support to the product department (VICIVISION – Metrios) and the Special Department and deliberates on proposals related to commercial strategies, technical and product development solutions, and post-sales assistance.

The **Management Team** is made up of individuals who report directly to the CEO. This team convenes regularly in Management Meetings to discuss performance indicators and formulate strategic plans for each department.

Another team is the **Innovation & Sustainability Management** Team, which oversees research and development activities in interdisciplinary fields and provides support to various company departments in matters related to governance and environmental and socioeconomic responsibility.

Composition of the Share Capital



During the course of 2022, no confirmed cases of corruption were reported and there were no ongoing or concluded lawsuits regarding anti-competition, antitrust violations, or other monopolistic practices in which Vici was identified as a participant.

GOVERNANCE AND ORGANIZATIONAL STRUCTURE

STEERING COMMITTEE ELECTRICAL PANEL BU

Assists the CEO in the electrical panels business unit, prioritizing respect for clients and suppliers. Deliberates on proposals regarding commercial strategies and operational and organizational solutions.

STEERING COMMITTEE PRODUCTS/SPECIAL BU

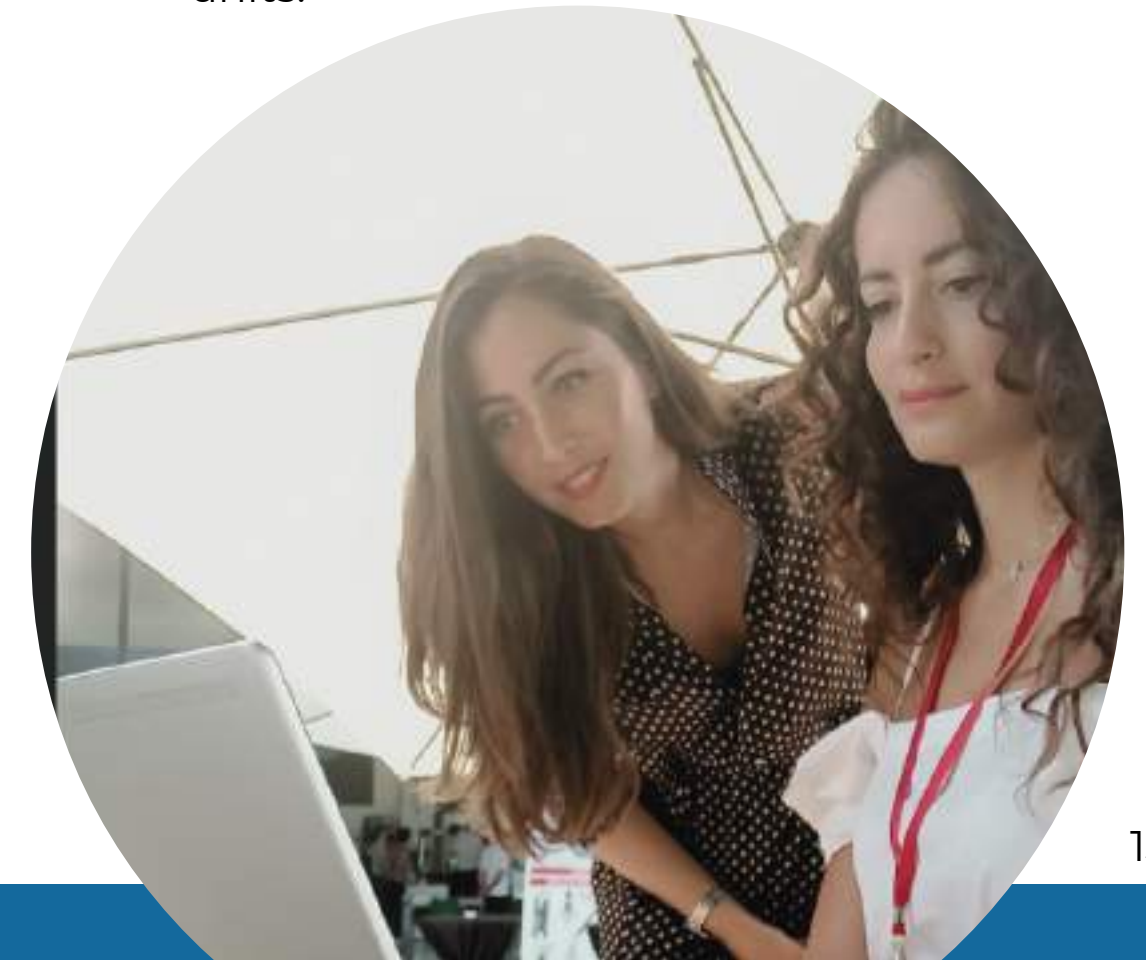
Assists the CEO in the products business unit (MTL – Metrios) and special business unit. Deliberates on proposals regarding commercial strategies, technical solutions for product development, and post-sales assistance.

STAFF FUNCTIONS

Functions that assist the CEO by offering advice, suggestions, and opinions that support corporate policies and strategies in relation to department-specific skills.

SUPPORT TO ELECTRICAL PANEL AND PRODUCTS/SPECIAL BUs

Functions that offer operational support to the electrical panels and products/special business units.



GOVERNANCE AND ORGANIZATIONAL STRUCTURE

MANAGERS AND EMPLOYEES

Individuals who support their respective departments and actively contribute to carrying out the tasks necessary for delivering the company's products and services.

MANAGEMENT MEETING

Monthly meeting held by the CEO to share performance indicators, with the objective of formulating strategic plans and projects for each individual department.
TEAM.

INNOVATION SUSTAINABILITY MANAGEMENT

The designated roles engage in interdisciplinary research and innovation, offering support to other roles in matters related to various aspects of social responsibility: environmental impact, socioeconomic impact, and governance

An avant-garde and unifying force within Vici is the **CCR – Committee of Company Representatives**, made up of eight distinct groups of individuals, each of which comprised of one or more company departments. As per regulations, every two years each of these groups elects a representative who then becomes part of the committee. The CCR's activities address various operational aspects and help to foster a culture of collaboration and engagement at every corporate level. Facilitated by a coordinator, these monthly discussions revolve around the pertinent issues that have emerged, with the most significant brought to the attention of management. Thanks to these meetings, a two-way communication channel is established between management and Vici personnel, through the CCR, making it possible to transmit and share information, updates, events, and projects.



INTEGRATED MANAGEMENT SYSTEM



Vici has implemented an Integrated Management System that complies with industry standards to effectively manage aspects related to safeguarding process and service quality, **environmental protection, and employee health and safety**, as these are deemed strategic to a company's development.

In formulating the Integrated Management System, Vici has taken into account the risks and opportunities associated with each process activity, environmental aspects, and health and safety risks, which are managed, respectively, via:

- X-Matrix;
- M-QSA-Analysis of Risks and Opportunities;
- M-QSA-Aspect-Impact Table and Environmental Analysis Report;
- Health and safety risks assessment document and specific risk assessment documents.

The planning and execution of improvement initiatives represent one of the most important activities of the IMS. The X-Matrix defines the objectives that Vici aims to achieve – from a continuous improvement in employee health and safety, environmental performance, and the quality of processes and services, to risk mitigation and overall corporate improvement, including the company's economic and financial development – and plans strategic actions accordingly. The performance indicators identified during the X-Matrix planning phase are regularly presented at the monthly Management Meetings and, if any gaps in the processes are detected, an action plan is formulated to rectify and improve the situation.





CODE OF ETHICS AND CORPORATE POLICY

The **Code of Ethics**, ratified by the Board of Directors on July 20, 2018, applies to all individuals who operate on behalf of and for the company.

It includes:

- **Ethical Principles:** ethics regarding how business and corporate activities are conducted, work ethics, protection and appreciation of employees, sustainable development, and social responsibility;
- **Rules of Conduct:** the guidelines and norms which Vici and its collaborators are obligated to respect in order to uphold the company's principles and prevent the risk of unethical behavior;
- **Implementation Rules:** those who operate and/or have a relationship with the company are expected to be familiar with its Code of Ethics.

The Code of Ethics is widely disseminated, both within the company structure and externally, also thanks to the company's website (www.vici.it), which shares the latest updates about the company with the public and ensures that the various stakeholders are constantly informed. Adherence to the Code of Ethics is monitored by the Internal Control System and by the vigilance of each employee, within the scope of his/her respective roles and functions.

The Code of Ethics is part of a **corporate policy** that **places enormous emphasis on the quality and safety of processes and products, environmental stewardship, and social ethics**, with the objective of meeting the demands and creating added value for all stakeholders. The corporate policy formalized by management regarding quality, environment, and employee health and safety, reflects a commitment to external and internal clients. This is shared with all internal departments and made available on the company bulletin board.

Vici has also established a **reporting channel** through which employees can report any unethical or unsafe behavior within the company. Managed by the Head of Quality, Safety, and Environment, the number of reports serves as an important KPI that gets analyzed during Management Meetings in order to promote corporate performance and development.



1.4 OUR BUSINESS MODEL

Since 1977, Vici **has been designing, manufacturing, and distributing industrial automation systems worldwide**. Vici's business model has two branches: one devoted to electrical panels and in-line applications, and another devoted to Vici brand machines: Metrios and VICIVISION.

ELECTRICAL PANELS

At its facility, Vici specializes in the **assembly of custom electrical panels** tailored to specific customer requirements. Vici lends its skilled labor and expertise to these product lines, assuming the role of primary contractor. As a result, the choice of production materials (electromechanical, electronic, and structural) is not handled by Vici, but rather remains the responsibility of the client, who determines the characteristics and types of materials to use and proposes purchasing agreements with strategic suppliers, granting Vici flexibility in its procurement policies. Electrical panels account for a significant portion of the company's production and revenue and are produced for **major clients**, particularly in the packaging and logistics sectors, which in recent years have experienced significance growth with a consequent increase in demand for Vici products.



METRIOS E VICIVISION

For the manufacture of Vici brand products, the company relies primarily on subcontractors for the production of components. Once it has received the materials, the company proceeds with assembling them. The most commonly used components include: semi-finished structural elements, galvanized or painted pickled sheet metal, video cameras, optical devices, and industrial PCs, all of which comply with Vici's technical design specifications.

Vici products are predominantly distributed through **multi-brand retailers** situated in key markets of interest, as well as through Vici's foreign subsidiaries and Italian branches. Direct contact with customers occurs in Italy and in the countries where subsidiaries are located, while distribution and the acquisition of new clients in other countries are handled by retailers, coordinated by Vici area managers.

Post-sales support, including maintenance, calibration, and performance verification of measurement systems, is either handled directly by Vici, or through the network of retailers present in the customer country of origin.



SUSTAINABILITY **FOR VICI**

2. SUSTAINABILITY FOR VICI

2.1 THE ROAD TO SUSTAINABILITY

In an ever-evolving world, plagued by the consequences of climate change and war, every company, no matter its size, plays a crucial role in trying to eliminate, reduce, mitigate, and potentially offset its negative environmental, social, and economic impacts.

This includes **Vici, who has always cared deeply** about every aspect of **sustainability**. This dedication is reflected in the commitments outlined in its corporate policy and in the choices that guide its operations every day.



OUR POLICY

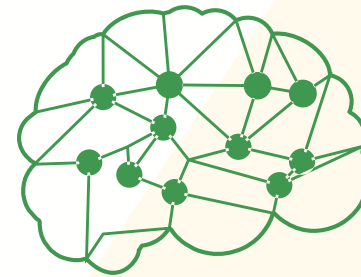


Protect the environment



Protect people

WE CHOOSE TO:



Drive technological innovation



Develop the community by
nurturing young talent



Renew and develop
relationships and skills

In 2021, Vici also aligned its objectives with the **17 Sustainable Development Goals** (SDGs) established by the United Nations, pinpointing 11 SDGs that it actively contributes to achieving through its business activities. The specific SDGs are detailed in the relevant chapters of this report.



In 2023, the **Innovation and Sustainability Management** team was established to coordinate and oversee ongoing and future activities. The team is made up of the three individuals responsible for the following departments: administrative, financial, and supervisory; human resources; environment, health, and safety; and information security.

MANAGEMENT



Marco Vici

Chairman of the Board of Directors



Luca Vici

CEO



Paolo Maioli

Councilor of the Board of Directors

SUSTAINABILITY TEAM



Sonia Gabellini

QHSE Manager



Giulia Montanari

AFC Manager



Leonardo Piepoli

HR Manager



Valentina Maioli

HR Business Partner

AMBASSADOR



Eleonora Zavoli

Diversity & Inclusion Specialist



CCR

Committee of Corporate Representatives





With a focus on expanding and fortifying its sustainability efforts, in 2023 Vici launched a **sustainability strategy**, with the first tangible outcome being the publication of this Sustainability Report.

This document aims to transparently present the **commitments undertaken**, the company's impact, and the **objectives set and achieved** thus far.

The first steps in this journey were to conduct an analysis of the organization's current state and compare this against industry best practices. This study made it possible to define Vici's strategic position regarding sustainability with respect to these benchmarks, highlighting both strengths and areas where its commitment, management, and oversight in these matters could be improved.

Vici's commitment to sustainability has earned recognition from third-party organizations, as evidenced by various **awards and certifications**, illustrated herein.

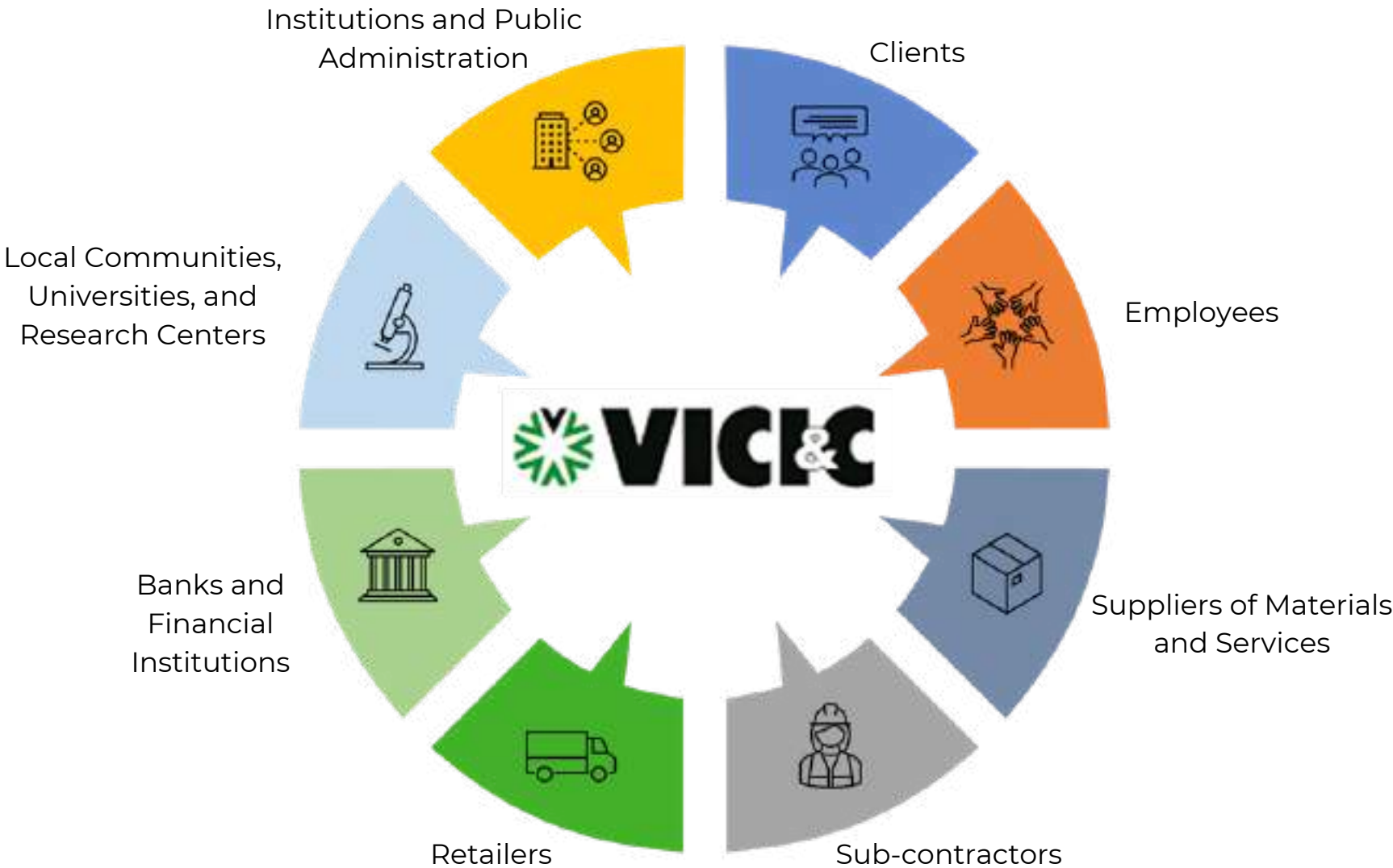


2.2 STAKEHOLDERS AND RELEVANT ISSUES



As part of Vici's sustainability journey, following a thorough analysis of both its strengths and areas for improvement, the **company's key stakeholders** have been identified, or rather those individuals or groups involved in Vici's corporate activities and with whom Vici interacts both directly and indirectly.

The identified stakeholders are represented in the following diagram:



Communication and engagement initiatives are conducted with select stakeholders. For instance, employees are encouraged to provide feedback through avenues such as the CCR and assemblies; an ongoing dialogue exists with universities and research centers regarding the development of innovative ideas and projects; and interaction with clients is facilitated through various channels, including participation in trade shows, case history interviews, websites, and continuous dialogue regarding both operational and strategic management.

Below are the **key areas relevant** to Vici, reflecting the positive and negative, current or potential impacts that the company has on the environment, people, and the economy. This sustainability report is structured around these topics, which will be further elaborated in this document.

- Economic Performance
- Responsible Supply Chain
- Business Ethics
- Energy Consumption and Emissions
- Adoption of Circular Economy Practices
- Occupational Health and Safety
- Training and Development of Human Capital
- Diversity, Inclusion, and Equal Opportunity
- Collaborations with Local Communities
- Cybersecurity and Data Protection
- Product and Process Innovation
- Quality and Performance of Manufactured Products

- Economic Responsibility
- Environmental Responsibility
- Social Responsibility





ECONOMIC RESPONSIBILITY

3. ECONOMIC RESPONSIBILITY



3.1 GENERATED AND DISTRIBUTED ECONOMIC VALUE

Through the reclassification of the statutory financial statements, it is possible to obtain an overview of the **generated and distributed economic value**, with the objective of illustrating the value created by Vici and making it possible to assess the predefined corporate objectives and the results achieved.

In 2022 there was an overall **increases** in **sales revenue**. Specifically, Vici generated revenue from sales and services totaling €71,792,678, with a growth of 10% as compared to 2021.

In 2022, Vici directly generated an economic value €72,179,808, an increase of approximately 10% with respect to the previous fiscal year. The distributed economic value, amounting to €69,321,671, goes primarily to reclassified operating costs totaling €58,806,415. These costs include expenditures related to the purchase of raw materials, consumables and goods, services, use of third-party assets, variations in inventories of raw materials, subsidiaries, and various management costs. The share of economic value distributed to employees amounted to €8,012,358, while public administration received €1,476,988. Finally, financiers were allocated €68,736 and €700,000 was disbursed to shareholders. €257,174 were given to local communities through grants, donations, sponsorships, and collaborations. In conclusion, Vici retained an economic value of €2,858,137.



In Euro	2021	2022
Generated Economic Value	65,568,008	72,179,808
Distributed Economic Value	63,725,401	69,321,671
<i>of which Reclassified Operating Cost</i>	54,544,815	58,806,415
<i>of which Remuneration of Employees</i>	6,776,579	8,012,358
<i>of which Remuneration of Public Administration</i>	1,153,154	1,476,988
<i>of which Remuneration of Financiers</i>	44,957	68,736
<i>of which Remuneration of Shareholders</i>	1,000,000	700,000
<i>of which Remuneration of Communities</i>	205,896	257,174
Retained Economic Value	1,842,607	2,858,137



3.2 CYBERSECURITY AND DATA PROTECTION

Cybersecurity is a set of technologies, processes, and protective measures designed to reduce the risk of cyber attacks. A strong cybersecurity framework is crucial for mitigating and reducing the risks associated with cyber threats. In 2022, no complaints were reported regarding breaches of customer privacy or loss of their data.

Aware of the fact that secure management of information is fundamental to business growth, in 2021 Vici developed and approved a **corporate policy on information security**. This policy is the result of thorough IT evaluations, including the identification of threats and potential system vulnerabilities and the implementation of preventive measures.

Beyond its strategic role, information security reflects a corporate heritage that must be safeguarded. To this end, an **Information Security Management System (ISMS)** has been implemented in order to protect data and thus:

- ensure business continuity;
- minimize potential operational damage;
- maximize competitive advantages.

Information security management involves **periodic risk reviews and oversight assessments**, conducted as deemed necessary.

Within Vici, three **key figures are dedicated to information security**: the CISO (Chief Information Security Officer), responsible for managing the information security system; the CIO (Chief Information Officer), in charge of managing the IT structure; and the CTO (Chief Technology Officer), offers support to the CIO in managing the company's IT department and related assets. Together with the CEO and representatives from various business departments, these three figures constitute the **Crisis Management Team**, the authority responsible for managing information security crises.



In 2022, Vici earned the **TISAX** (Trusted Information Security Assessment eXchange) **certification**, an important assessment mechanism for information security within the automotive industry, which was requested by an important client in that sector. TISAX, inspired by ISO 27001, is a verification system designed to ensure **a secure and reliable exchange of information** between manufacturers and suppliers in the automotive sector. Covering approximately 90% of ISO 27001 checks, TISAX also includes additional checks related to 27017 (security standards for cloud services). Accredited by the ENX Consortium, an organization founded in 2000 which unites automotive manufacturers, industry suppliers, and four national associations in the automotive industry, TISAX has been endorsed by its members since 2018.

Throughout the year, **training courses** were offered to all front-line employees in order to strengthen their general knowledge of **cybersecurity and information security**. These courses specifically covered the TISAX management system and key aspects related to ISO/IEC 27001, aiming to raise awareness about information safeguards. Furthermore, training is periodically tested and strengthened by sending **simulated phishing e-mails**. Users who respond incorrectly to these e-mails are required to review or read specific informative materials and take a final quiz on the subject.

In addition, an **Information Security Survey** was conducted in order **to assess the staff's level of comprehension** on these topics, with the objective of identifying and subsequently addressing any informational gaps.

To further spread awareness regarding the significance of these topics, all Vici employees are invited to consult **the Practical Guide for the implementation of the ISMS in VICI & C.**

In an effort to provide additional protection to sensitive data, Vici has implemented **two-factor authentication** for employees who require access to this data for work-related purposes.

Among the other cybersecurity initiatives promoted by Vici, is a collaboration with a company that has been developing antivirus and encryption solutions for over 30 years. This collaboration is focused on implementing endpoint and server security, making it possible to protect data from external cyber threats.

Backup systems are also in place, used to recover the original version of data in the event of loss or damage. Vici has established both network-connected and offline backup systems, as well as a **disaster recovery system** at another location, with replicas sent every two hours.

One of Vici's objectives is to create a third copy of the data in the cloud or at another site, as well as to activate a cyber insurance policy.



OUR PRODUCTS

4. OUR PRODUCTS

4.1 PRODUCT AND PROCESS INNOVATION



ViFor Vici, the technological innovation of its production and logistics processes has always been a priority, ensuring high standards of quality and safety to its customers while, at the same time, reducing the negative effects of its environmental impact. It is for these reasons that Vici has a dedicated **Research Department** tasked with identifying innovative technologies for investment and a **Product Development Department** whose purpose is to establish quality standards and introduce new features to products in order to improve financial and environmental performance, with a focus on achieving maximum customer satisfaction.

Furthermore, with the support of the **Continuous Improvement Department**, Vici applies the concepts of **lean production**, a corporate management methodology. This approach aims to elevate the organization's productivity by minimizing waste in both production and inter-departmental processes.

The Lean project was initiated in 2018, with specialized training dedicated to “Lean” principles and tools for all employees. These sessions include specific training for each department and level, facilitating the widespread adoption and transition to this new methodology. In keeping with the pursuit of maximum process efficiency, and mindful of the environmental impact of its production, Vici's optical measurement machines contribute **to reducing the environmental footprint** of companies that purchase them because, by operating on the principle of predictive maintenance and zero-defects, these machines make it possible to perform precise inspections of parts, leading to less discards and a subsequent reduction in the amount of waste produced.



From this perspective of improving environmental performance, Vici also maintains an upgrade policy for its existing fleet of machines. This involves retroactively updating the software to the latest version released by the **Software R&D Department** and providing a scheduled maintenance service for hardware components, managed directly by the Internal Service Department and the network of dealers. At present there have been no reports of decommissioned Vici measurement machines, indicating the reliability of both the products and the service.

Furthermore, in these recent post-pandemic years, characterized by a severe shortage of materials commonly found in the market, extensive research has been conducted to **replace electromechanical components** with alternatives that are more readily sourced, demonstrating a strong capacity to respond to changes in the external context.

Focus: Vici Patents

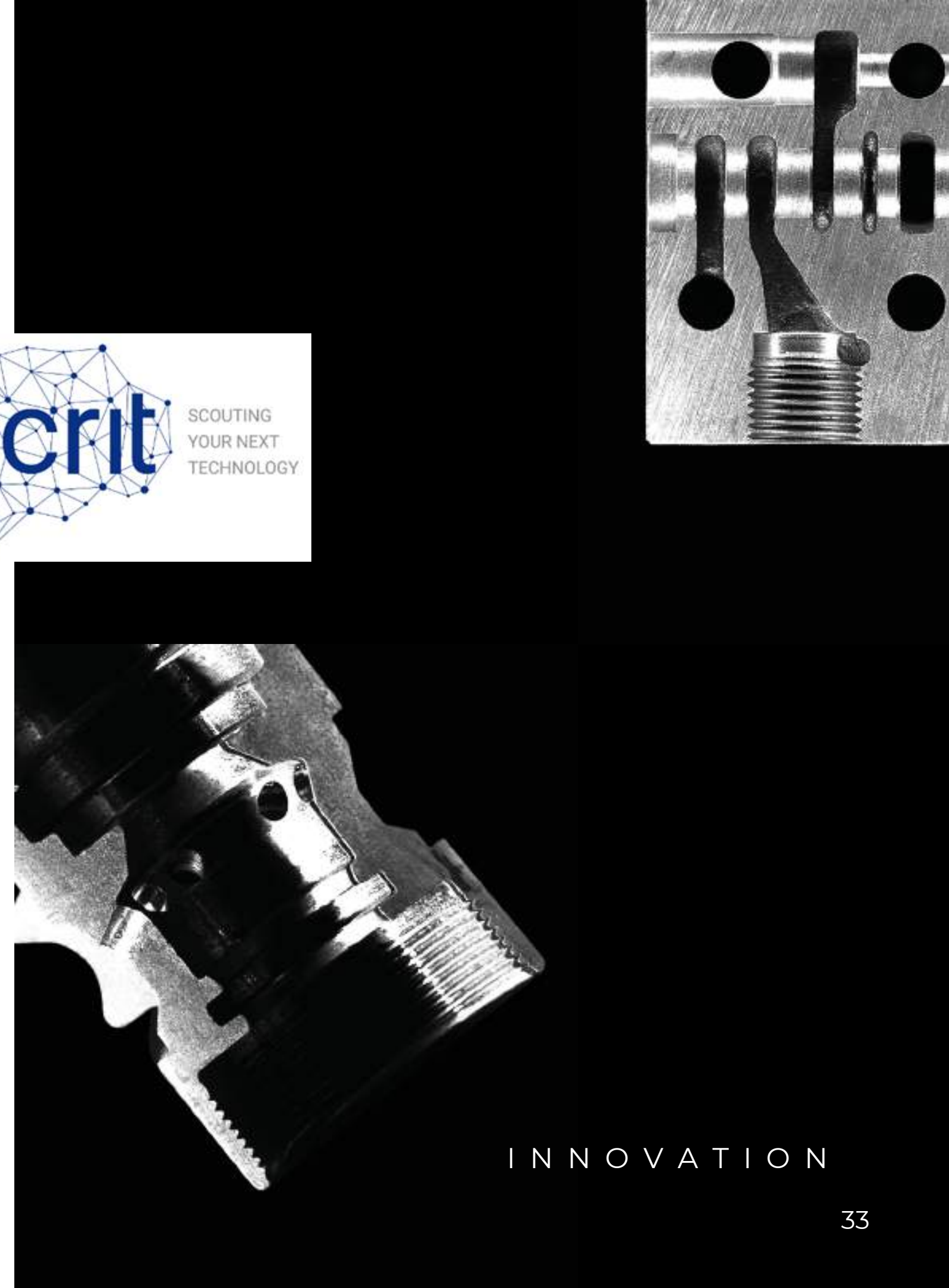
As evidence of its commitment to research, development, and promoting innovation, Vici has secured a **patent for its “Optical Measurement Machine with Confocal”**, which uses confocal technology to measure grooved shafts. This patent joins 9 others which the company has already obtained, bringing the total number of patents filed by Vici to 10.



With the objective of encouraging research and innovation, Vici has joined the **NEWMAN project**. In so doing, the company's intention is to move towards a more environmentally friendly production process and to introduce new technologies and materials in order to reduce pollutants in its components. The project is focused on research and on the use of new Ni-free (NFP) powders in order to produce measurement machine components with a material that is sustainable, safe, and low-cost. Nickel's carcinogenic nature, price fluctuations, and the risks associated with obtaining it, have, in fact, increased production and management costs, making this raw material critical.

In recent years, Vici has also established multiple collaborations aimed at promoting technological progress. One such **collaboration is with CRIT**, an organization specialized in research and development, that facilitates communication between various companies regarding technical, managerial, and organizational challenges and solutions in order to improve their performance and strengthen their skills. Furthermore, approximately a year ago Vici embarked on a strategic collaboration based on the principles of **"Open Innovation"**, primarily engaging with local partners who can support and guide the company in its growth, taking advantage of existing expertise and fostering a cross-pollination of skills. The collaborations with Unitrento, the Politecnico delle Marche, and the University of Camerino have proven to be important. In particular, a project aimed at enhancing the range of measurements offered by Vici's products through new technologies has been launched with the University of Camerino and the Romagna-Tech Research Center. This study will take place over the next two years.

In 2022, Vici recorded no instances of non-compliance related to labeling and information of products and services or concerning marketing communications.



I N N O V A T I O N

4.2 RESPONSIBLE MANAGEMENT OF THE SUPPLY CHAIN

Communication and collaboration with suppliers of materials, services, and processes are of fundamental importance for Vici, not only in the optical measurement machines business unit, but also in that of the electrical panels, where collaboration with a structured network of subcontractors is strategic.

Vici sources materials from the **Italian supply chains** of some of the most important multinational companies, which means that the origin of its products can be traced through long-term declarations during export or sale.

In terms of volume, the purchase of cabinet parts has a higher percentage than other products, given that these components are bulkier and more expensive.

Vici fosters long-lasting collaborations founded on shared corporate ethics. In fact, during stipulation of the contract, Vici shares its corporate **Code of Ethics**. By signing the contract, the supplier commits to upholding these ethical standards.

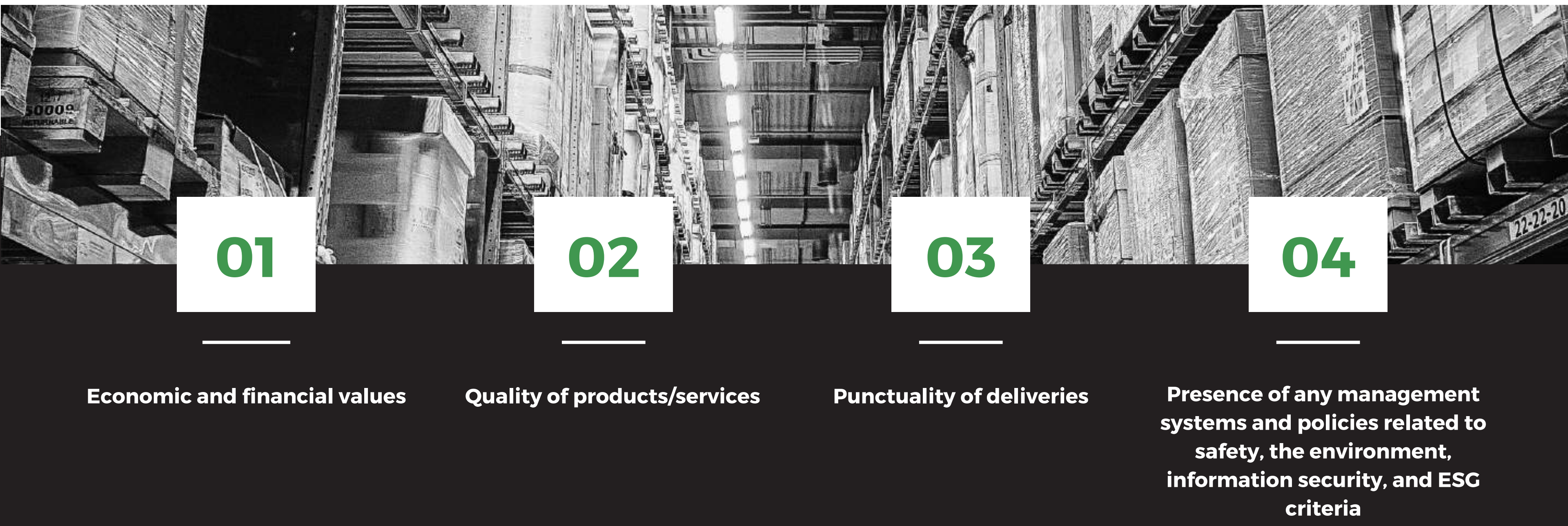
A **supplier qualification procedure** is currently being implemented, which involves the collection and evaluation of information about suppliers through the distribution of a **questionnaire** to all supplier categories, excluding those under customer agreements (electrical panels), multinationals, or those who supply generic products deemed to have a “low impact”. For these a periodic quality assessment is performed based on critical aspects. Once the completed questionnaire is returned, depending on the score, the head of the **Purchasing Department**, in collaboration with the **Quality Department**, qualifies the supplier and determines any additional actions to be adopted, such as supplier inspections. Once qualified, the supplier is entered into the AS400 information management system and the collaboration is initiated. Annual performance evaluations are conducted and, based on a plan established by the **Quality Department** and any critical aspects that may have emerged, **inspections of the suppliers** are scheduled.



S U P P L Y

THE ASSESSMENT PARAMETERS ADOPTED BY VICI ARE:

P A R A M E T E R S



In 2022, of the 46 suppliers assessed by Vici, **12 were assessed according to the above criteria.**

Vici’s objective in the near future is to make the screening questionnaire more in-depth for certain categories of suppliers that are deemed more important and to intensify inspections of their most critical suppliers, raising their awareness of topics related to sustainability, like human rights, as part of a collective effort to contribute to a more sustainable society.

4.3 QUALITY AND PERFORMANCE OF MANUFACTURED PRODUCTS



Vici pays the utmost attention to product quality and customer service, because meeting the demands of its stakeholders is one of the driving forces behind its actions. This is why the company has adopted an **Integrated Management System** that complies with industry standards and has earned the following certifications:

 **2022:** TISAX TRUSTED INFORMATION SECURITY ASSESSMENT EXCHANGE

 **2015:** USUAL EXPORTER

 **2014:** OHSAS 18001 SAFETY SYSTEM
2018: UNI ISO 45001

2014: RFI OMOLOGATION

 **2010:** UNI EN ISO 14001 ENVIRONMENT SYSTEM

 **1998:** UNI EN ISO 9001 QUALITY SYSTEM

 **2020/2023:** ECOVADIS RESPONSABLE SOURCING AUDIT

Vici stands out in the industrial automation sector, particularly in the production of electrical panels, in-line applications, and special Vici-branded machines.

The company also designs, manufactures, and distributes **cabinets and electrical panels, in-line applications, and industrial automation systems** for companies and international groups.

Vici offers high-quality, customized products adhering to a series of characteristics and standards that it has pursued and maintained since its inception, such as:



Cost reduction – Thanks to established relationships with its suppliers, Vici is able to secure competitive prices and customized products, delivery cost benefits to its customers;



Efficiency in small and large batches – Thanks to a modern internal warehouse and the adoption of lean production methodologies, Vici ensures maximum efficiency for both small and large batches, as well as for the production of single units;



Specific know-how – Thanks to the presence of qualified personnel for each business unit, Vici nurtures and develops specific expertise in its relevant sectors. Meanwhile, the Research and Product Development Departments work hard every day to find cutting-edge technological solutions that will strengthen the company's range of products in order to better satisfy its customers' needs..

Customer support, from the initial design to the final delivery – Vici supports its clients throughout the product's development as well as in the subsequent stages, particularly in the development of prototypes and small series, quoting, delivery, and post-sales assistance. The service provided is immediate, from application analysis to product resolution, delivering flexible and personalized solutions.



Worldwide customer support– VICI-close to the customer. Vici is able to guarantee global support to its customers thanks to a network of authorized dealers in key countries worldwide, as well as company-owned branches dedicated to sales and post-sales support.



Guarantee of certified quality standards and long-term reliability – Thanks to its certifications, Vici can guarantee the quality of its processes and products, security, and a respect for people and the environment to its clients.

To ensure a timely response to any customer concerns that arise, **monthly and quarterly discussions** are conducted. Specifically, during these meetings any non-conformities that have been detected are communicated, acknowledged, and verified through specific analyses. These are then documented and recorded within Vici's management system. Once this process is complete, operators proceed with providing an effective and efficient response to any problems that have arisen as a result.

In order to meet the market demands for optical measurement machines, Vici has established two brands: **VICIVISION** and **Metrios**. These machines use optical measurements to gather data on the size of parts, allowing operators to monitor the trend of the production process and take corrective actions as needed to ensure this remains within tolerance. This approach significantly reduces the percentage of rejected parts and machine downtime, resulting in increased production efficiency and a reduction in costs.



Belonging to the **VICIVISION** product line **are optical measurement machines designed for the external profile** of turned and flat parts of various sizes. These machines are capable of detecting multiple measurements within seconds, including static, geometric, thread, shape, and nut measurements. Their compact design allows for direct operation within the production environment, making it possible to measure parts in just seconds from right next to the work center. Thanks to this characteristic, clients can immediately identify non-conformities and take actions to modify production, thereby minimizing rejected parts in their production processes.

The VICIVISION product line includes

- **First Series:** an optical measurement machine designed for daily use in the workshop, which helps to increase productivity by speeding up processes, monitoring quality, and reducing rejected parts and downtime;
- **Technical Series: the highest performance features coupled with a modular range of products.** The availability of numerous models makes it possible to select the field of measurement best suited to the specific production, guaranteeing extremely high resolution images that capture every detail and offering the option of integrating with various work centers, thus making it possible to set the tool correction before the values deviate outside of the parameters of tolerance;
- **X Series:** a machine designed to measure dental implants, biomedical devices, watch components, and micro-mechanical parts in general. The high resolution images make it possible to examine even the smallest details, making this an exclusive solution in the field of production tools.



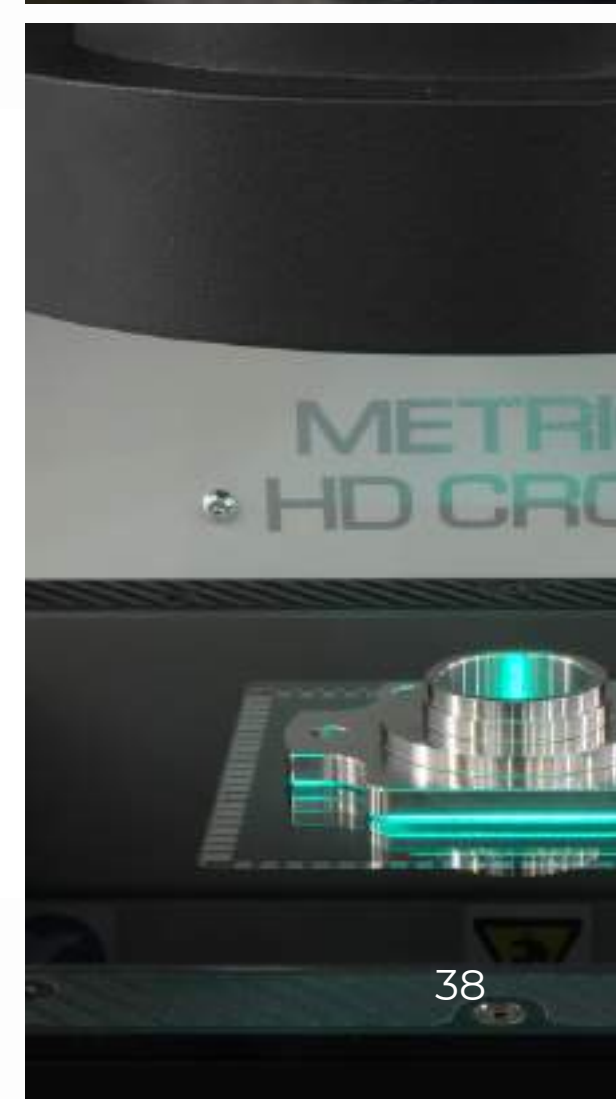
Metrios is a **state-of-the-art automatic and digital optical measurement machine** that makes it possible to perform precise and objective quality tests directly during production, during goods acceptance, or during the final inspection. It is designed to measure various components for many fields of application, including mechanical parts, cuttings, gears, watch components, and gaskets.

metrios

The key features of a Metrios machine are:

- **Speed:** capable of performing complex measurements in just seconds;
- **Simplicity:** makes it possible to obtain desired measurements in a clear and intuitive way with just a click;
- **Traceability:** automatically saves data;
- **Customized:** uses internally developed software to meet user requirements;
- **Objectivity:** consistent results that are unaffected by operator variability. Eliminates human error, thus saving time and allowing for an analytical assessment of production trends.

To ensure high product quality, a few years ago, as mentioned earlier, Vici launched a **Lean project**. This initiative gave rise to the establishment of the KPIs discussed in Management Meetings and the implementation of **5S practices across all production areas**. In particular, monitoring indicators were introduced for each business unit, representing specific global quality KPIs. Furthermore, each individual in charge of quality control monitors the second-level indices related to internal departmental non-conformities and the non-conformities of material/process suppliers, conducts specific activities, and compiles statistics related to the department. Over the course of 2022, there were no instances of non-compliance with regulations and/or self-regulation codes related to the impact of products and services on health and safety.

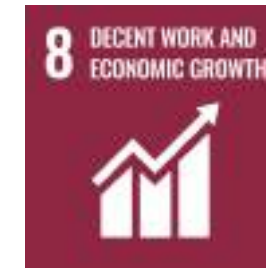




OUR **PEOPLE** AND THE COMMUNITY

5. OUR PEOPLE AND THE COMMUNITY

5.1 OUR PEOPLE



Working together and fostering **open communication** with our employees, coupled with **recognizing their worth** and supporting their **professional development**, are of fundamental importance to Vici and have shaped its corporate culture since the company was founded. This approach based on dialogue and collaboration is also an integral part of the company's daily operations, ensuring the well-being and optimal performance of its workforce.

Within the organization the motto is **“There’s no team without family,”** reflecting the collective effort of a group of people who, through synergy, acceptance, and collaboration, strive to achieve shared goals. From this perspective, Vici is committed to satisfying the demands and aspirations of its employees, actively seeking to understand their needs and not just meet, but exceed their expectations.

It is also thanks to this characteristic that, as of December 31, 2022 Vici has a workforce of 154 employees, consistent with the 2021 figure (also 154). Furthermore, there are 28 women (18% of the total) and 126 men (82% of the total). Despite the company's efforts to increase female involvement and integration, the prevalence of male workers is in keeping with industry norms.

Breaking down the workforce by age group, 75% are between 30 and 50 years old (115 employees); 16% are over 50 years old (24 employees); and 10% are under 30 years old (15 employees). Of its 154 employees, 97% have open-ended contracts while the remaining 3% have fixed-term contracts. This figure underscores the importance of **stable and enduring work relationships**, which allow Vici to cultivate employee loyalty and foster a participatory work environment. Additionally, 100% of Vici's employees are covered by collective labor agreements (Metalmeccanica Industria).



Employees (Headcount) per professional category and gender as of December 31, 2021



Employees (Headcount) per professional category and gender as of December 31, 2022



Five employees belong to protected categories, with four holding office positions and one engaged in manual laborer.

Additionally, Vici relies on 38 **non-employee workers**, including temporary staff, interns, apprentices, and external collaborators.

Vici is constantly **on the look out for talented individuals** who bring new skills and added value to the company. The recruitment process involves proactive searches for and selection of talent in the direct market. We also collaborate with employment agencies, taking advantage of valuable and long-standing relationships, and organize specific social and community initiatives.

Of these initiatives, in 2022, some were carried out in collaboration with various schools and universities in the region, as detailed in Chapter 5.5, dedicated to collaborations with the local community.

Once the resources have been selected, the onboarding process begins, through which Vici guides and engages new hires in an effort to facilitate their integration in the company.

This phase ensures that future employees acclimate swiftly, grasp the corporate values and objectives, and build a robust relationship with the organization.



In addition to nurturing the professional development of its employees, Vici is also highly attentive to their well-being, recognizing it as a fundamental element in cultivating a positive atmosphere within the company. Vici has implemented various **corporate welfare initiatives**, accessible to all employees regardless of seniority or position, with the objective of enhancing their overall quality of life. Specifically, a welfare portal gives employees the opportunity to collaborate with local, national, and international brands and companies, offering perpetual discounts across diverse sectors. Also with the objective of promoting employee well-being, Vici has established a partnership with two local gyms and wellness centers dedicated to personal care. Furthermore, given that the majority of employees commute to work in their car, Vici provided **fuel vouchers** in both 2021 and 2022.

Remote work has not only enabled, but continues to foster a harmonious balance between professional, personal, and family life, thereby nurturing a healthy work-life equilibrium.

Another initiative that underscores Vici's **commitment to its employees** and aims to inspire and nurture their talents is the Boomerang Project, implemented during the period of Covid-19. This project consists of two days of personalized orientation and coaching sessions (each lasting an hour and a half), specifically designed to help employees' children discover their interests and talents.

In response to the challenges brought about by the pandemic, in 2021 the company's management and the Vici family proactively initiated the reimbursement of 50% of unemployment benefits, followed by the remaining portion in 2022. During the Covid period, a remote working model was implemented in order to ensure business continuity. When the pandemic emergency subsided, this agile work model became an integral part of the company's daily work routine.

welfare



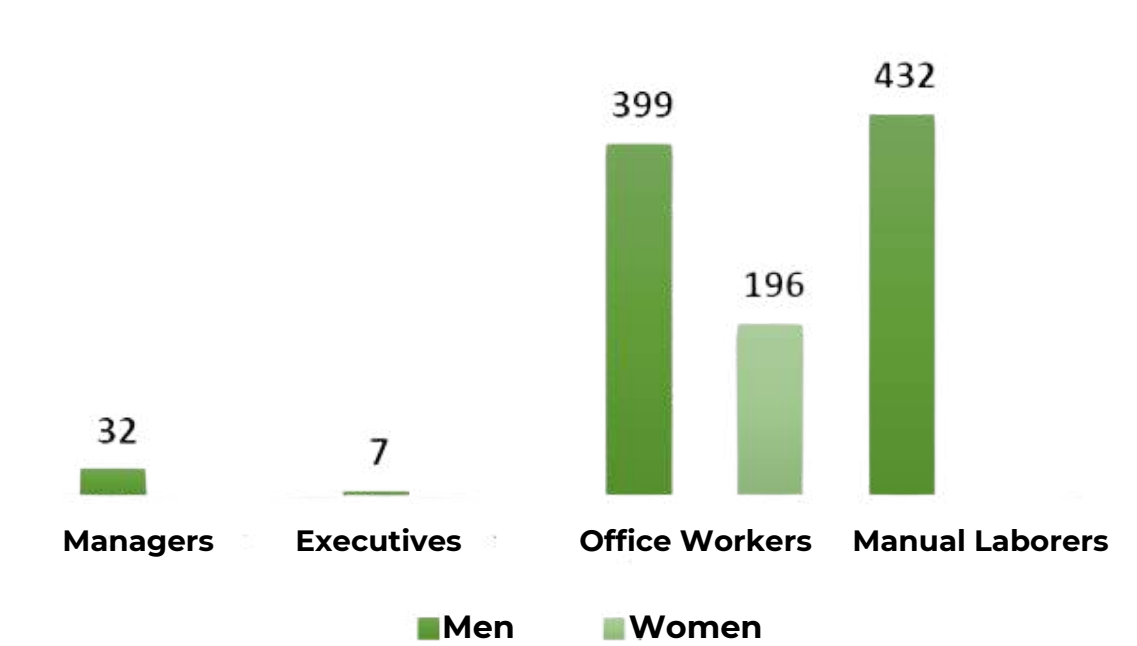
5.2 TRAINING AND TALENT DEVELOPMENT



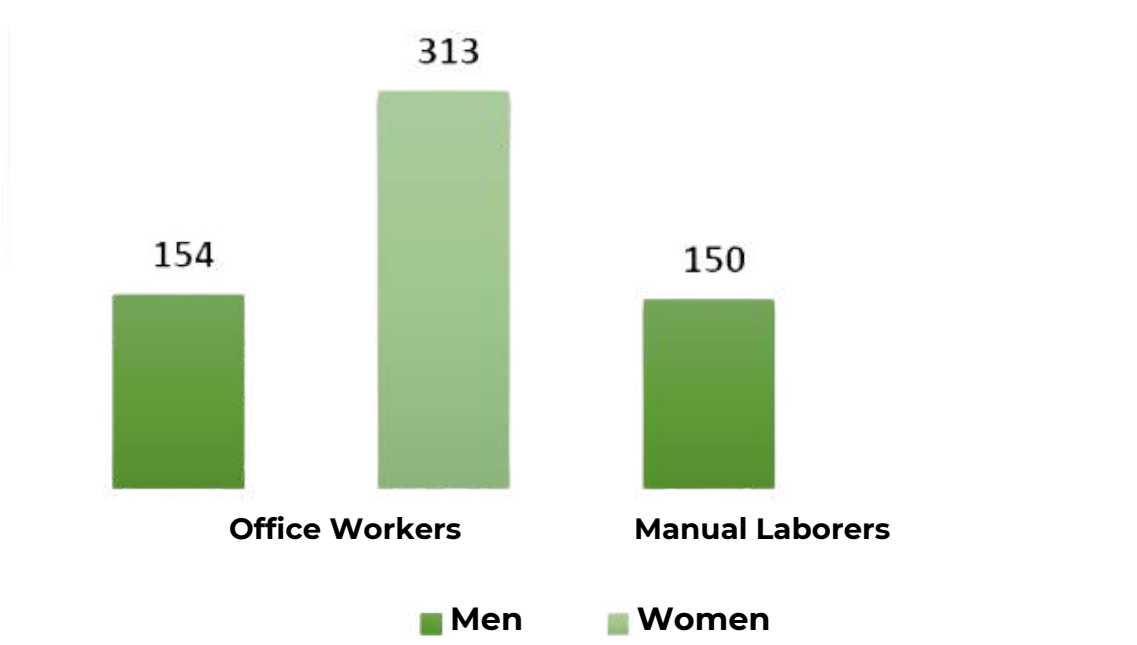
Among Vici’s objectives, is that of **encouraging the growth of its employees and developing and strengthening their skills and abilities**. To this end, we offer a variety of training courses for both hard and soft skills and promote Talent Retraining policies and projects. As can be seen in the adjacent chart, in 2022 Vici provided a total of 617 training hours, of which 313 to women and 304 to men. On average, each employee received 4 hours of training. There is a noticeable decrease in hours as compared to 2021, during which 1066 hours of training were provided. This decrease is attributed to the introduction and implementation of the Vici e-learning platform, accessible to all employees, with the goal of incentivizing the training of 100% of its personnel. Further details about the platform will be shared later in the module.

Specifically, mandatory **technical training courses** were offered according to employees’ training needs. These courses covered topics such as fire safety, first-aid, and **on-the-job training** and were conducted by internal experts who shared their knowledge and skills, thus allowing workers to learn by doing and to receive constant feedback from their supervisor.

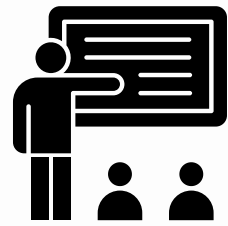
Training hours provided, by gender and job classification (2021)



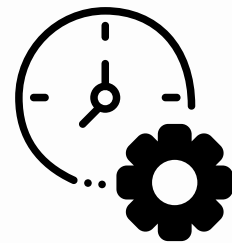
Training hours provided, by gender and job classification (2022)



For 2022, the training plan includes:



Specialized training for managers, focused on developing their resource management skills;



Training for the production department and warehouse staff, aimed at improving product management processes, with the definition of a continuous improvement project focused on Lean Production and involving certain key departments within the company;



The creation and subsequent implementation of an e-learning platform for training in various topics;



Coaching programs for managerial development, tailored to first and second-line leaders within the organization;

**MASTER
Degree**

Master's programs aimed at fostering individuals' personal and professional growth.

As for the e-learning platform, in February 2023 the V.E.L.A. training project, under development since 2022 in collaboration with AltaFormazione (DigitEd), was officially launched, thereby creating a training portal that is accessible to all employees.

A wide variety of training content addressing soft skills, selected by the company and organized by topic, is available on the portal. Following the initial launch, the platform now offers short, focused sessions on subjects like time management, health and safety, motivation, error management, Office 365, and employee engagement.

In the latter half of 2023, the platform will expand its content to offer topics related to the Ecological and Digital Transition, Social Responsibility, and Diversity & Inclusion.

The courses are divided into four segments:

- 1) Training;
- 2) Inspiration, featuring an educational and motivational snippet extracted from a speech by a distinguished figure;
- 3) Exploration;
- 4) Self-assessment test.

Each course takes approximately 30 minutes to complete and can be accessed online 24 hours/day, allowing employees the flexibility to select the time that best suits their schedule.



Vici's operations demand **specific expertise** in the production sector, particularly in areas such as electro-mechanical assembly, wiring, inspection, and calibration. This expertise is difficult to find in the current market, which is why we've decided to implement a **job rotation** strategy within our departments, a technique that involves the systematic rotation of tasks and responsibilities within the organization.

This approach not only serves to meet the company's staffing requirements, but also boosts employee motivation and enhances their professional journey by further developing their skills.

For these reasons, job rotation requests often come directly from the internal team. In such cases, we begin by analyzing the company's needs and then evaluating the resources based on the required skills. Depending on the feedback, whether positive or negative, we proceed with the role change. In the event that no resources are available for the job rotation, we then consider external recruitment.

To facilitate the organization of **skill-strengthening activities for employees**, Vici has, first of all, compiled a structured map of roles and positions, identifying specific and common knowledge requirements for each role.

Using this map as a foundation, department heads have implemented a **qualitative performance model** to help them understand how various activities are conducted and to address any shortcomings through corrective and/or ameliorative actions or specific training.

In the event that an assessment leads to consideration for a **career advancement**, the department heads discuss the idea with Human Resources, management, and first-line leaders, seeking to align with the organizational strategy implemented by the company. Furthermore, growth and compensation policies are formulated with the future of the organization in mind.



5.3 DIVERSITY, INCLUSION, AND EQUAL OPPORTUNITY

At Vici, **diversity and inclusion** are **intrinsic aspects of the corporate ethos** and essential elements for a healthy future. Vici has long been championing **awareness** of these vital topics and seeking to cultivate greater understanding among its employees.

It is within this context that, in 2022, the company welcomed a **Diversity & Inclusion Specialist** as an internal consultant on the matter. This dedicated specialist organized various activities throughout the year, including training courses on diversity and inclusion and participation in various conferences. They also provided insightful recommendations within the company, acting as an internal consultant on matters of diversity and inclusion and thus helping to build and strengthen awareness regarding these issues.

Since the company's inception in 1977, all the way to 2022, there have been no reported cases of discrimination within the corporate organization.

Vici has undertaken various projects and initiatives in the field of Diversity & Inclusion. One notable example is "The Colors of Mars" project, which aims to reduce the impact of machines on the environment and promote diversity. "Different from whom?" is the question which gave rise to **"The Colors of Mars"** project, four words that embrace the allure of the unknown, that encourage exploration, that instill hope, and that defy the limits imposed by conventional knowledge. The objective is to address a pressing issue of our time: reducing the environmental impact of Vici's optical measurement machines

"In Italy, 5.2% of the population has some form of disability. Mars doesn't have a single color, but rather is characterized by a spectrum of colors. Vici thrives on diversity. It's in diversity that we discover new colors. It's in the nuances of color that talent flourishes."



In October 2022, the company launched another project: **Moms@work**, the goal of which is to provide employment opportunities to new mothers who have lost their jobs due to maternity.

The project celebrates women, mothers, and their children. Specifically, six mothers shared their experiences, talking about their daily struggles, their eagerness to re-enter the workforce, and, most importantly, the resilience and support that children offer during the most critical moments. The initiative began with high-level coaching on topics like work-life balance, inclusion, and empowerment. Subsequently, technical aspects were addressed by Vici's technicians and experts, who shared their knowledge about wiring and electrical inspections, to facilitate the new mothers' entry into the company and secure their transition to permanent positions.

As a result of this initiative, five of these mothers joined the Vici group while one found a position in a friend/partner company, thanks to its invaluable support and active participation in the project, the objective of which was to:

- Bring back opportunity
- Bring back strength
- Bring back a smile



5.4 OCCUPATIONAL HEALTH AND SAFETY



Vici is committed to safeguarding the health and safety of its employees in the workplace. To this end, the company has obtained the **ISO 45001:2018 certification**, which ensures compliance with stringent standards related to occupational health and safety. The objective of the certification is to achieve a high level of protection from and prevention of potentially hazardous situations for employees and to create safe and reliable working conditions.

Specifically, Vici conducts periodic risk assessments and diligently compiles the **Risk Assessment Document (RAD)**. This document serves as a comprehensive map of the health and safety risks present within a company. The risk assessment covers aspects like the selection of professional tools, substances, and chemicals to be used, the layout of the workplace, and various other risks associated with groups of workers who are exposed to specific risks (work-related stress experienced by pregnant employees) as well as those associated with gender differences, age, and nationality.

The risk assessment details preventive and protective measures implemented to manage and reduce risk itself. These measures include the dissemination of information (facilitated by a comprehensive document distributed to the entire workforce, known as the welcome book), training programs, skill development initiatives, distribution and replacement of Personal Protective Equipment, and the formulation of shared procedures and instructions created to manage specific activities or risks. In 2022, no workplace injuries occurred while conducting the various business activities. 2022 concluded with 2658 days since the last workplace injury.



Employees at Vici periodically undergo **mandatory training courses on health and safety**. A monitoring file tracks deadlines and records training needs. Courses are then held based on these needs, so that employees remain constantly informed about the company's safety protocols, enabling them to perform their jobs safely. In 2022, 276 hours of health and safety training were conducted.

By identifying specific roles within the safety structure, such as the designated doctor, managers, and supervisors, Vici aims to cultivate a safety-conscious culture. This approach involves actively engaging and raising awareness among its employees regarding the risks and associated preventive and protective measures already adopted or to be adopted.

To this end, reports regarding occupational health and safety, including improvements and near misses, are collected within a management file, making it possible to track monthly progress and the percentage of completed activities as compared to those initiated that month. The constant presence of the Quality Department makes it possible to directly or indirectly collect these reports, which are promptly addressed and shared with the relevant stakeholders.

Thanks to Vici's dedication to this issue, various projects aimed at promoting employee well-being have been initiated. One example is the **Telemedicine project**, created to improve employee health by facilitating connections with doctors in hospitals.

This service is to be used in parallel to one's primary healthcare provider, putting employees and their families in touch with skilled doctors, specialized in various fields, who are available around the clock, 365 days/year. Furthermore, with the assistance of an osteopath, Vici offers a **course dedicated to ergonomics, addressing muscular issues and conducting analyses of workstations**. This initiative involves all company departments, fostering collaboration to identify and implement collective solutions for improvement.



Telemedicine



5.5 COLLABORATION WITH LOCAL COMMUNITIES



Vici has strong ties to the territory in which it operates, as evidenced by the numerous initiatives and collaborations promoted to benefit the local community.

Most notably, the company has initiated various **projects and partnerships with schools and universities**, including the opportunity given to students of the Serpieri Artistic High School in Rimini and the Canova Artistic Institute in Forlì the opportunity to work on a renovation proposal for the Vici offices, allowing these young men and women to develop their artistic and personal skills.

Another significant collaboration is with the University of Camerino, the objective of which is to research new products to introduce to the market. The student-employees from this collaboration will also have the opportunity to attend university classes and complete exams. The next step is to create an internal academy that allows participants to attend classes, sign up for exams, and earn university credits. This project is set to kick off in March 2023.

As evidence of Vici's commitment to fostering the growth of its employees and, in particular, of young individuals, the **“There's No Team Without Family”** initiative has been established. This project aims to help young men and women recognize their talents. The phrase “There's No Team Without Family” embodies the values which Vici has always held dear. The company collaborated with a local school, the Zavatta Professional Center in Rimini, working with five students. After 32 hours of classroom training, followed by a 6-month internship, four of them received job offers in Vici, while the fifth decided to continue their studies. This initiative was also intended to help combat the NEET phenomenon (Not in Education, Employment, or Training), which refers to young people who are not studying, working, or undergoing any kind of training.

Additionally, Vici collaborates with ITS Maker, technology schools established by the Ministry of Education in 2008, with the objective of offering highly professional training programs for recent high school graduates.





Also worth mentioning is the **“Tu Vo Fa L’Americano”** [“You wannabe Americano”] project, with a silly and playful name that, however, represents a big dream for young men and women and a great opportunity for the company: that of achieving an adequate level of distribution in America for the Metrios brand.

Vici’s dedication to supporting local communities is further demonstrated through its **sponsorship** of various local athletic organizations, including:

Basketball: Rinascita Basket Rimini

Basketball: Insegnare Basket Rimini

Soccer: S.S.D. Bellariva Virtus

Soccer: Dinamo Santarcangelo Calcio

Moto 3: 511 Racing Team – An all-female team

Cycling: ASD Freccerosse Cycling



Another commendable initiative is the so-called **“Trasporto Solidale”** [Solidarity Transport] project. A fully equipped vehicle for transporting people was donated by the Civil Protection Department to volunteers. The initiative was carried out with the support of three municipalities in Lower Valmarecchia and with the contribution of over 30 local companies in the Valmarecchia Union of Municipalities.





ABBATTI
L'IMPRONTA
DELLA TUA
TORNERIA

**75% PEZZI
SCARTO IN MENO**



MANAGEMENT OF ENVIRONMENTAL IMPACTS

6. MANAGEMENT OF ENVIRONMENTAL IMPACTS

6.1 ENERGY CONSUMPTION AND EMISSIONS

The management and reduction of environmental impacts and the importance of safeguarding the planet are crucial issues in this day and age, issues which every individual must consider in their choices and actions. Climate change is a global phenomenon, which is why it is necessary for each of us, in our own small way, to take corrective actions that can help to counteract its negative consequences.

Vici is constantly working to find effective solutions that gradually reduce the company’s environmental footprint. In particular, since 2010 Vici has been in possession of the **ISO 14001** certification, which outlines an Environmental Management System that addresses environmental issues, ensures compliance with legislation, and evaluates risks and opportunities. The system applies to both Vici’s main headquarters and the facility on Via del Grano.

Additionally, Vici uses a dashboard to monitor energy, gas, and water consumption on a monthly basis, making it possible to obtain an annual overview of consumption data for all the locations.

Specifically, during the reported period, Vici’s **energy consumption** amounted to 3.358 GJ, reflecting an 8% reduction as compared to 2021, when consumption was 3.656 GJ. Of these figures, electricity used for Vici’s operations constitutes 34% of the total, while 64% is attributed to non-renewable fuel consumption. 100% of the electricity purchased by Vici for its Via Gutenberg and Via del Grano locations is backed by certificates of origin and comes entirely from renewable energy sources.

In fact, Vici earned the “2022 Green Energy Certificate”, which serves as a kind of incentive for purchasing energy from renewable sources. The certificate was introduced to promote and strengthen environmental protection efforts.



Vici’s consumption also includes the use of gas (1.181 GJ), as it has a single gas boiler that serves the various offices.

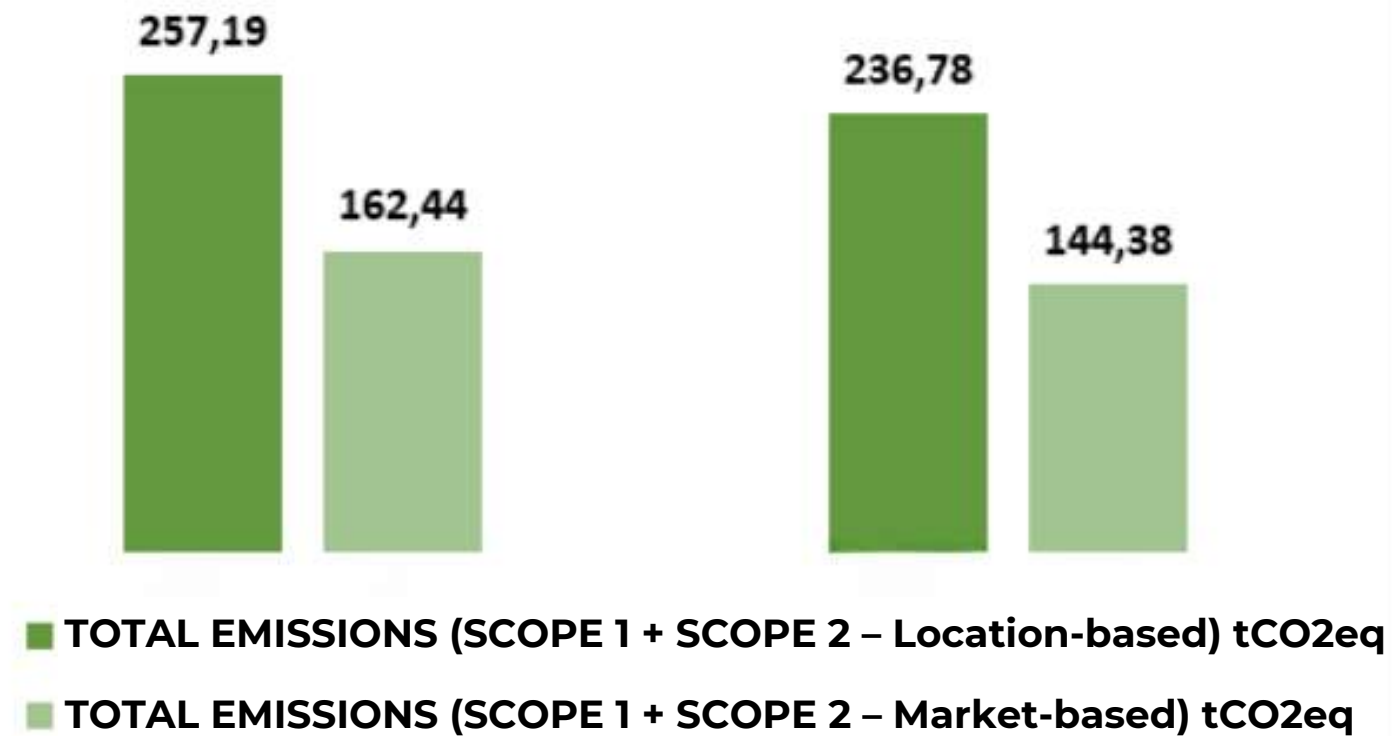
Vici’s headquarters and facilities currently lack a photovoltaic system, but an evaluation is underway to explore the feasibility of installing solar panels to help reduce the company’s environmental impact.

Furthermore, Vici is also exploring **sustainable mobility** options, with the objective of reducing the environmental, social, and economic impact associated with vehicles.

With regard to **climate-altering emissions** generated by Vici, the total amount of direct Scope 1 emissions that it produced in 2022 was 138 tCO2eq, reflecting a decrease as compared to the 2021 value of 162 tCO2eq. These emissions were generated primarily from natural gas and diesel usage. With regard to indirect Scope 2 – Location-based emissions associated with the consumption of electricity, the total produced was approximately 99 tCO2eq (as compared to 95 tCO2eq in 2021). In 2022, the cumulative emissions from Scope 1 and Scope 2 – Location-based sources totaled approximately 237 tCO2eq, a decrease with respect to the previous year’s total of 257 tCO2eq.



Total Scope 1 and Scope 2 emissions for the biennium 2021-2022 (tCO2eq)



Vici is actively engaged in a significant effort to counteract the negative consequences of climate change through the **“Treedom & Vici”** offset project. This initiative involves the planting of trees in various countries around the world, offering the chance to monitor their growth. The benefits are twofold:

Environmental Benefits:

- Long-term absorption of carbon;
- Improvement in soil fertility and its sustained maintenance over time;
- Preservation of biodiversity;
- Improvement in air and water quality;
- Reduction in the destructive pressure on primary forests.

Social and Economic Benefits:

- Support and growth of local communities;
- Funding, community building, training, and technical assistance.

Through this initiative, Vici has established “La Foresta del Talento” [The Talent Forest], comprised of 200 trees, which aims to create an ambitious synergy between environment and talent. The growth, development, and care of the forest are manifested in the passion and determination with which Vici strives, on a daily basis, to generate value and growth through its employees. Thanks to this initiative, Vici has successfully achieved a reduction in its environmental impact, with the trees in this forest absorbing 71.38 tons of CO2.

6.2 CIRCULAR ECONOMY

When we talk about circular economy, we are referring to two interconnected aspects: materials and waste. Circular economy is defined as a production and consumption model based on sharing, lending, reusing, repairing, refurbishing, and recycling materials and products for as long as possible. This approach aims to extend the lifespan of products, contributing, as a result, to a reduction in waste. Once a product reaches the end of its life cycle, the materials of which it is made are reused within the production cycle, generating additional value.

In its operations, Vici uses various kinds of materials, both renewable and non-renewable. In particular, in the renewable category, Vici uses cardboard (318 pieces used in 2022) and wood (14,174 pieces used in 2022). As for non-renewable hazardous materials, Vici uses plastic, electronic equipment, cables, metal sheets, and various metal components (screws, etc...), for a total 7,174,906 units. In the coming years Vici is committed to reporting the value of the materials used for producing and packaging its products, in accordance with the requirements of the GRI 301-1 indicator (materials used by weight or volume).

With the goal of using products that have a lower environmental impact, Vici asks its suppliers of plastic film to explore alternative materials, avoiding substances that release harmful chemicals into the surrounding soil.

In an effort to improve its environmental performance, Vici is experimenting with the use of recovered cardboard instead of polystyrene for the **packaging** of certain products. Furthermore, the company has launched several initiatives to reduce single-use plastic and promote the use of recycled plastic in the office.

Meanwhile, in terms of **waste** management, Vici separates its waste according to CER codes. The waste generated consists predominantly of broken pallet wood, metals, pure copper, and copper wires.



For better waste management, Vici has established partnerships with specialized waste disposal companies. It also verifies authorizations and employs a verification system, forms, and waste monitoring files in order to have a comprehensive overview of what is produced by its main offices and two facilities.

The quantities of chemicals used by Vici are relatively small and their hazard level is low. The only exception is the use of nitro thinner for cleaning second hand cabinets. This, however, is a task handled only by personnel who have been appropriately trained by the safety department.

In 2022, Vici generated a total of 24.8 tons of waste, a notable decrease of 31% as compared to 2021, when 35.8 tons were produced. This year's waste composition is predominantly non-hazardous, accounting for 98%, with hazardous waste accounting for only 2%. Among the hazardous waste are materials that potentially contain hazardous components, like spray cans, empty packaging, rags, and clothing.

We mention circular economy also because Vici is committed to promoting the 3 Rs approach: **“Reduce, Reuse, Recycle”**, with the objective of reducing its environmental impact and, in this way, respecting the planet.

In fact, at present the fleet of machines is fully operational. Each machine that is sold to a customer is registered and tracked by the CRM (Customer Relationship Management software, which allows companies to manage and analyze interactions with customers). In this way each machine's journey, from delivery to all subsequent annual maintenance, is tracked. Any waste resulting from the replacement of a component is handled directly by the customer, except in warranty situations. In such cases, Vici handles the return, conducting internal evaluations and tests, either on-site or at the supplier's facilities. Only in the case of obvious malfunction does Vici dispose of the component as waste.

7. OUR SUSTAINABILITY PERFORMANCE

HUMAN RESOURCE DATA

DISCLOSURE 2-7: EMPLOYEES

Total number of employees subdivided by contract type (open-ended or fixed-term) and gender						
Contract Type	As of December 31, 2021			As of December 31, 2022		
	Men	Women	Total	Men	Women	Total
Open-Ended	121	30	151	121	28	149
Fixed-Term	3	0	3	5	0	5
Total	124	30	154	126	28	154

Total number of employees subdivided by employment type (full-time or part-time) and gender						
Employment Type	As of December 31, 2021			As of December 31, 2022		
	Men	Women	Total	Men	Women	Total
Full-time	123	24	147	126	23	149
Part-time	1	6	7	0	5	5
Non-guaranteed hours	0	0	0	0	0	0
Part-time (%)	1%	20%	5%	0%	18%	3%
Total	124	30	154	126	28	154

DISCLOSURE 403-5: OCCUPATIONAL HEALTH AND SAFETY TRAINING FOR WORKERS

Average number of training hours dedicated to health and safety per job category and gender						
Job Category	As of December 31, 2021			As of December 31, 2022		
	Average Hours Men	Average Hours Women	Average Hours Total	Average Hours Men	Average Hours Women	Average Hours Total
Managers	0	0	0	0	0	0
Executives	0	0	0	0	0	0
Office Workers	2	1	1	2.1	1.1	1.8
Manual Workers	1.3	0	1.3	1.8	0	1.8
Total	1	1	1	2	1	2



DISCLOSURE 2-8: NON-EMPLOYEE WORKERS

Average number of external workers (HEADCOUNT) by job category and gender						
Job Category	As of December 31, 2021			As of December 31, 2022		
	Men	Women	Total	Men	Women	Total
Temporary Workers	9	0	9	5	7	12
Interns/Trainees	4	2	6	3	1	4
Apprentices	4	4	8	14	7	21
Other: External Collaborators	1	0	1	1	0	1
Total	18	6	24	23	15	38

DISCLOSURE 2-30: COLLECTIVE BARGAINING AGREEMENTS

Percentage of total number of employees covered by collective bargaining agreements		
Number of Employees	2021	2022
Total Employees	154	154
Number of Employees with Collective Bargaining Agreements	154	154
Total Percentage	100%	100%



DISCLOSURE 403-9: WORKPLACE ACCIDENTS

Employees

Workplace Accidents		
Number of Accidents	2021	2022
Total number of deaths due to workplace accidents	0	0
Total number of serious injuries due to workplace accidents (excluding deaths)	0	0
Total number of recordable workplace accidents	0	0
Temporal Data		
Hours	2021	2022
Hours Worked	254,677	293,088
Multiplier for Calculation	200,000	200,000
Accident Rates		
Rate	2021	2022
Rate of deaths due to workplace accidents	0	0
Rate of serious injuries due to workplace accidents (excluding deaths)	0	0
Rate of recordable workplace accidents	0	0
Main Types of Injuries		
Number of cases	2021	2022
Wound/Cut	0	0
Bruise/Crushing	0	0
Strain Injury: muscle injuries, hernias, etc.	0	0
Other Injuries	0	0

DISCLOSURE 404-1: AVERAGE HOURS OF TRAINING PER EMPLOYEE PER YEAR BY GENDER AND JOB CATEGORY

Average number of training hours by job category and gender						
Job Category	As of December 31, 2021			As of December 31, 2022		
	Average Hours Men	Average Hours Women	Average Hours Total	Average Hours Men	Average Hours Women	Average Hours Total
Managers	32	0	32	0	0	0
Executives	4	0	4	0	0	0
Office Workers	7	7	7	2.7	11.1	5.4
Manual Workers	6.4	0	6.4	2.3	0	2.2
Total	7	7	7	2	11	4

External Workers

Workplace Accidents		
Number of Accidents	2021	2022
Total number of deaths due to workplace accidents	0	0
Total number of serious injuries due to workplace accidents (excluding deaths)	0	0
Total number of recordable workplace accidents	0	0
Temporal Data		
Hours	2021	2022
Hours Worked	23,280	6,413
Multiplier for Calculation	200,000	200,000
Accident Rates		
Rate	2021	2022
Rate of deaths due to workplace accidents	0	0
Rate of serious injuries due to workplace accidents (excluding deaths)	0	0
Rate of recordable workplace accidents	0	0
Main Types of Injuries		
Number of cases	2021	2022
Wound/Cut	0	0
Bruise/Crushing	0	0
Strain Injury: muscle injuries, hernias, etc.	0	0
Other Injuries	0	0

DISCLOSURE 405-1: DIVERSITY IN GOVERNANCE AND AMONG EMPLOYEES

Percentage of employees by job category and gender						
Job Category	As of December 31, 2021			As of December 31, 2022		
	Men	Women	Total	Men	Women	Total
Managers	1	0	1	1	0	1
Executives	2	0	2	2	0	2
Office Workers	54	30	84	57	28	85
Manual Workers	67	0	67	66	0	66
Total	124	30	154	126	28	154

Employees by job category and age range								
Job Category	As of December 31, 2021				As of December 31, 2022			
	<30 years	30-50 years	>50 years	Total	<30 years	30-50 years	>50 years	Total
Managers	0	1	0	1	0	0	1	1
Executives	0	1	1	2	0	1	1	2
Office Workers	10	63	11	84	7	65	13	85
Manual Workers	13	48	6	67	8	49	9	66
Total	23	113	18	154	15	115	24	154

Employees in protected categories by job category and gender						
Job Category	As of December 31, 2021			As of December 31, 2022		
	Men	Women	Total	Men	Women	Total
Managers	0	0	0	0	0	0
Executives	0	0	0	0	0	0
Office Workers	1	3	4	1	3	4
Manual Workers	2	0	2	1	0	1
Total	3	3	6	2	3	5



7. OUR SUSTAINABILITY PERFORMANCE

ENVIRONMENTAL DATA

DISCLOSURE 302-1: ENERGY CONSUMED WITHIN THE ORGANIZATION

Energy consumption within the organization					
Type of Consumption	Unit of Measure	2021		2022	
		Total	Total GJ	Total	Total GJ
Non-Renewable Fuels		73,260	2,573	62,476	2,231
Natural Gas	Sm ³	47,673	1,635	34,437	1,181
Diesel for Motor Vehicles (company-owned fleet)	l	20,204	726	21,788	784
Gasoline for Motor Vehicles (company-owned fleet)	L	3,079	98	2,595	83
Compressed Natural Gas for Motor Vehicles (company-owned fleet)	kg	2,304	115	3,655	183
Purchased Electricity		300,804	1,083	313,200	1,128
from non-renewable sources	kWh	0	0	13,682	49
from renewable sources	kWh	300,804	1,083	299,518	1,078

Total Energy Consumption in GJ		
Energy Consumption (GJ)	2021	2022
	Total	Total
Consumption of non-renewable fuel	2,573	2,231
Electricity, heating, and cooling purchased for consumption	1,083	1,128
Self-produced electricity	0	0
Electricity sold	0	0
Total	3,656	3,358



DISCLOSURE 305-1: DIRECT GHG EMISSIONS (SCOPE 1)

Type of Emissions	Unit of Measure	2021	2022
Natural Gas	tCO ₂ eq	96.36	69.42
Diesel	tCO ₂ eq	54.66	55.73
Gasoline	tCO ₂ eq	6.75	5.61
Compressed Natural Gas	tCO ₂ eq	4.66	7.37
Total	tCO₂eq	162.44	138.13

DISCLOSURE 305-2: INDIRECT GHG EMISSIONS FROM ENERGY CONSUMPTION (SCOPE 2)

Scope 2 – Indirect Emissions from Electricity			
Type of Emissions	Unit of Measure	2021	2022
Purchased Electricity	tCO ₂ eq	300,804	313,200
from renewable sources	tCO ₂ eq	300,804	299,518
Total Location-Based	tCO₂eq	94.75	98.66
Total Market-Based	tCO₂eq	0	6.25

Calculation of Total Emissions	Unit of Measure	2021	2022
Total emissions Scope 1 + Scope 2 – Location-Based	tCO₂eq	257.19	236.78
Total emissions Scope 1 + Scope 2 – Market-Based	tCO₂eq	162.44	144.38



The Conversion Factors Used

Energy Consumption Conversion Factors					
	Unit of Conversion	2021	Source 2021	2022	Source 2022
Electricity	GJ/kWh	0.0036	Costante	0.0036	Costante
Natural Gas	GJ/Smc	0.0343	NIR	0.0343	NIR
Diesel for Motor Vehicles	GJ/ton	42.78	NIR	42.85	NIR
Diesel for Motor Vehicles (density)	Kg/litri	0.8400	FIRE	0.8400	FIRE
Gasoline for Motor Vehicles	GJ/ton	42.82	NIR	43.13	NIR
Gasoline for Motor Vehicles (density)	Kg/litri	0.7400	FIRE	0.7400	FIRE
Compressed Natural Gas (motor vehicles)	GJ/t	49.89	NIR	50.08	NIR
Compressed Natural Gas (density)	Kg/litri	0.175	DEFRA 2021	0.175	DEFRA 2022



The Emission Factors Used

Energy Consumption Conversion Factors					
	Unit of Conversion	2021	Fonte 2021	2022	Fonte 2022
Electricity (Location-Based)	tCO ₂ / Kwh	0.000315	ISPRA 2021 - Atmospheric emission factors of GHG in the national electricity sector and in major European countries	0.000315	ISPRA 2021 - Atmospheric emission factors of GHG in the national electricity sector and in major European countries
Electricity (Market-Based)	tCO ₂ / Kwh	0.000459	AIB - European Residual Mixes 2021	0.000457	AIB - European Residual Mixes 2022
Natural Gas	Kg CO ₂ eq / mc	2.02135	Defra 2021	2.01574	Defra 2022
Diesel for Motor Vehicles	kg CO ₂ eq / l	2.706	Defra 2021	2.558	Defra 2022
Gasoline for Motor Vehicles	kg CO ₂ eq / l	2.194	Defra 2021	2.162	Defra 2022
Compressed Natural Gas for Motor Vehicles	KgCO ₂ /smc	1.983	Min. Environment – Table of national standard parameters for the monitoring and reporting of GHG - 2021	1.991	Min. Environment – Table of national standard parameters for the monitoring and reporting of GHG - 2022

Total Weight of NON-HAZARDOUS Waste Generated			
Type of Waste	Unit of Measure	2021	2022
CER 150103	ton	19.860	14.510
CER 170405	ton	1.060	0.500
CER 170405	ton	3.240	5.000
CER 170402	ton	0.210	0
CER 170411	ton	1.645	1.200
CER 170401	ton	0.019	0.040
CER 160214	ton	8.245	0.770
CER 150106	ton	0.760	2.240
Total	ton	35.039	24.260

Total Weight of HAZARDOUS Waste Generated			
Type of Waste	Unit of Measure	2021	2022
CER 150202	ton	0.030	0.025
CER 160211	ton	0.700	0.490
CER 150111	ton	0.003	0.003
CER 150110	ton	0.003	0.003
CER 160213	ton	0.015	0
Total	ton	0.751	0.521





8. GRI INDEX CONTENT

DECLARATION OF USE

Vici has submitted a report in accordance with the GRI Standards for the time period from 01/01/2022 to 12/31/2022.

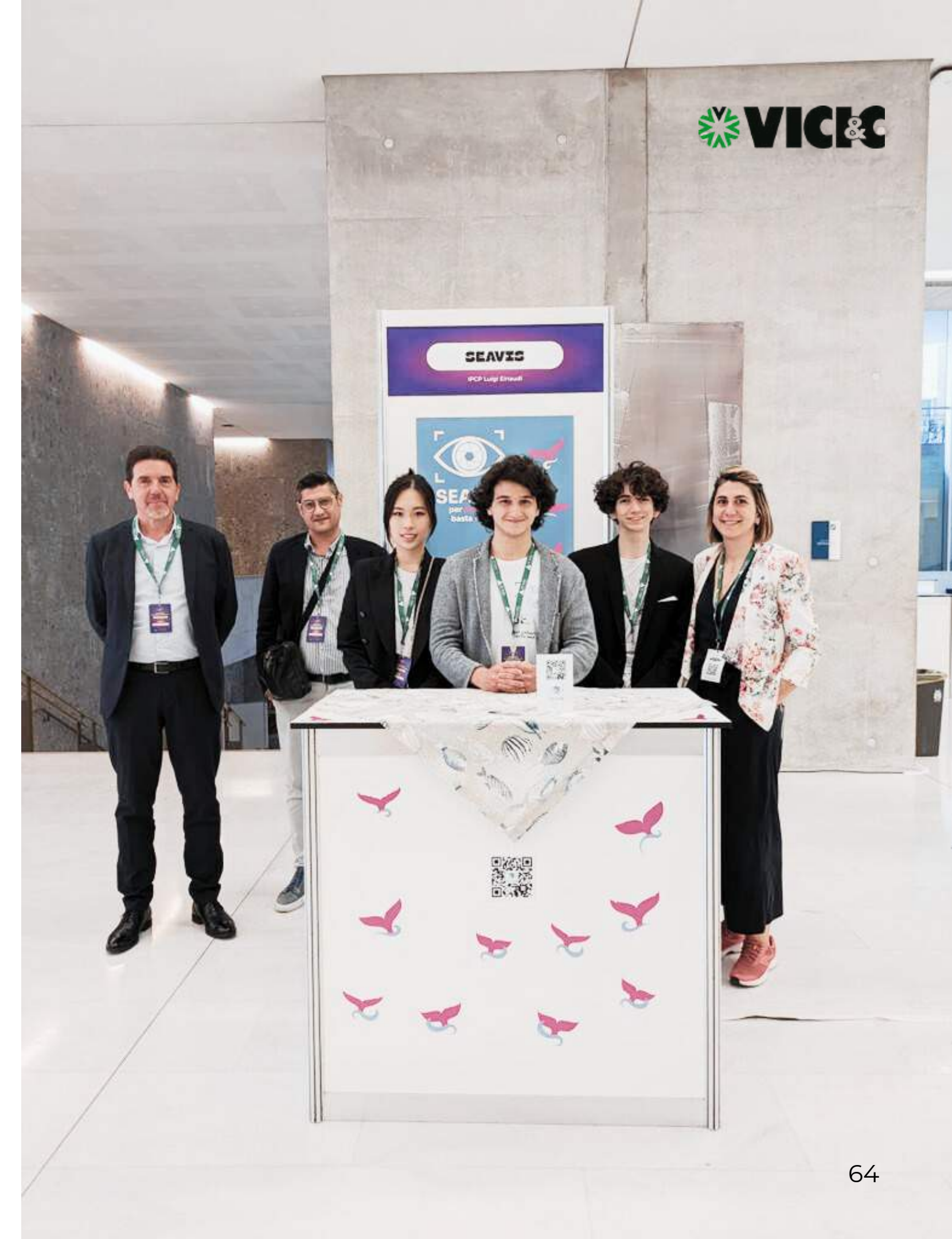
GRI 1

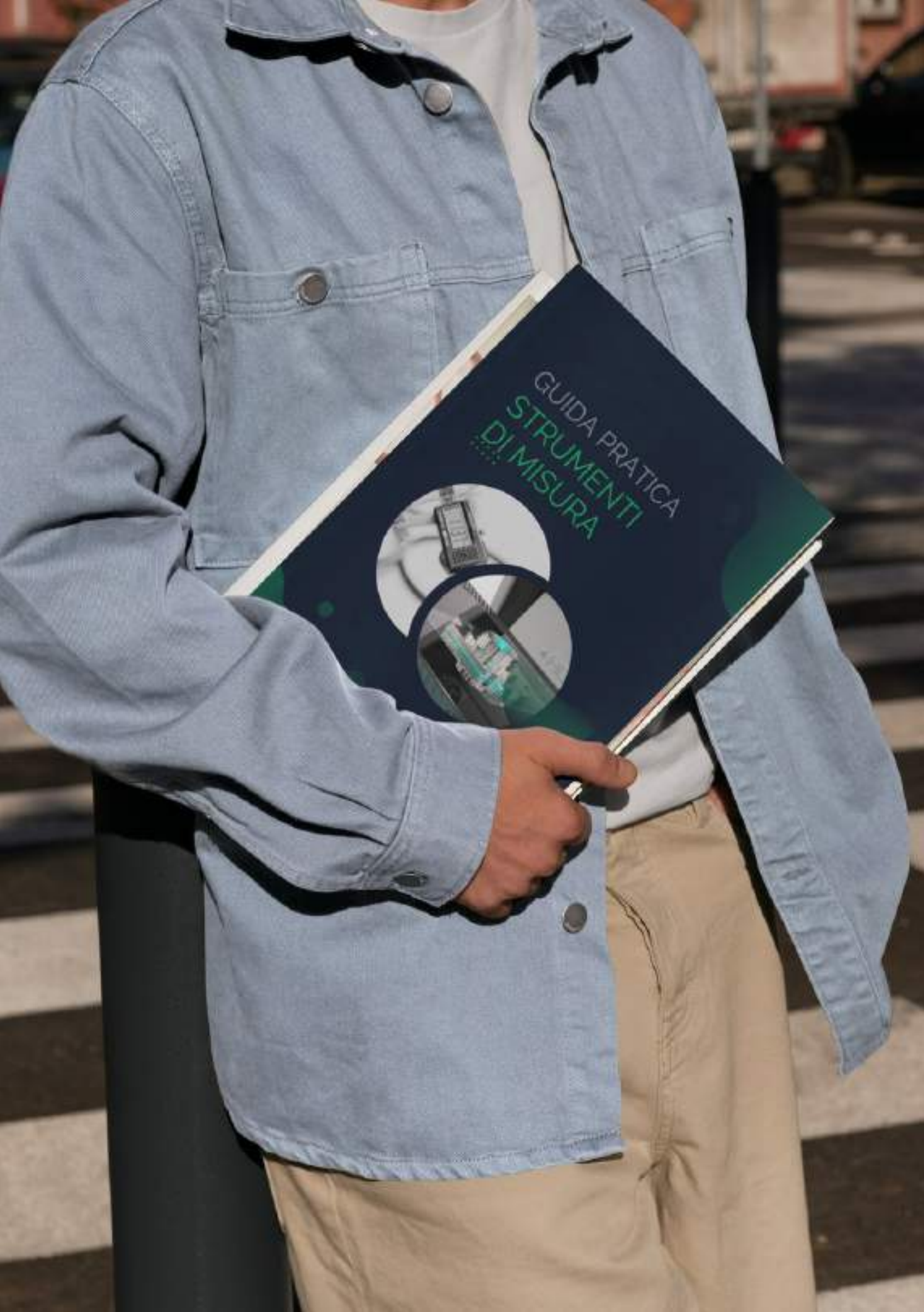
GRI 1 – Fundamental Principles – 2021 version

GRI STANDARDS	DISCLOSURE	PAGE
GRI 2: General Disclosure 2021		
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2-29	Stakeholder engagement approach	25
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GRI 206: Anti-competitive Behavior (2016)		
206-1	Legal actions for anti-competitive and anti-trust behavior and monopolistic practices	12
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GRI 414: Social Assessment of Suppliers		
414-1	New suppliers that have been selected using social criteria	35
Relevant Topic: Financial Performance		
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Relevant Topic: Occupational Health and Safety		
GRI 403: Occupational Health and Safety (2018)		
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Relevant Topic: Training and Development of Human Capital		
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404-1	Average Hours of training per year per employee	43; 57
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GRI 405: Diversity and equal opportunity (2016)		
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GRI 305: Emissions (2016)		
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GRI 306: Waste (2020)		
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SUSTAINABILITY REPORT 2022

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