

SUSTAINABILITY REPORT

2023



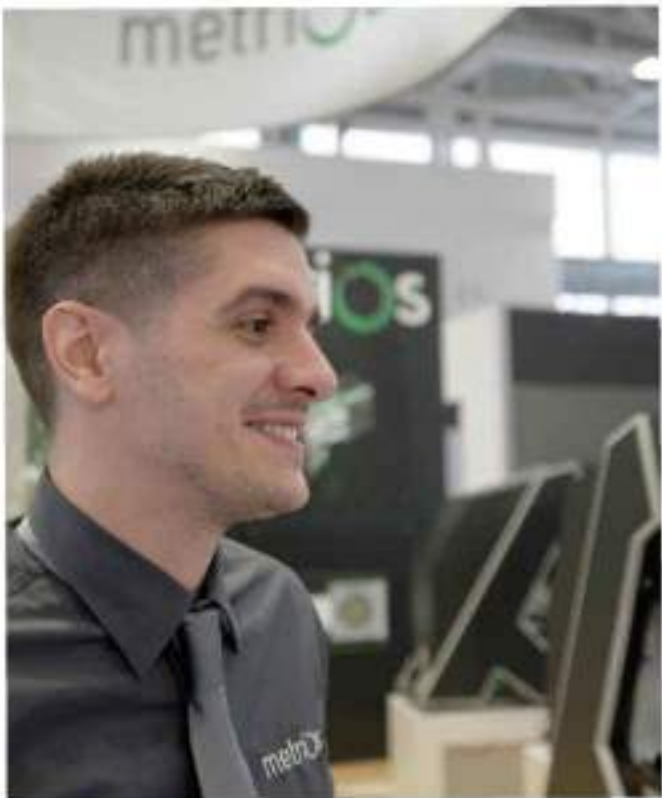


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LETTER TO STAKEHOLDERS



Dear Stakeholders,,

We are proud to present Vici & C. S.p.A.'s 2023 Sustainability Report, which builds upon the initiatives that we began last year, as outlined in the 2022 Sustainability Report. This document marks another significant milestone in our sustainability journey, coordinated by our Sustainability Team, whose constant determination and daily commitment inspire us to continuously improve our company and the environment that surrounds us..

Overall, 2023 was, for Vici, a year that consolidated the results achieved in 2022, not only in terms of revenue and market positioning, but also in terms of the number of employees. Despite complex market conditions and a challenging geopolitical situation, Vici continued to invest in its two primary assets: innovation and people, two elements which, in our forward-looking corporate vision, travel together on a single track, allowing us to achieve our corporate goals thanks to the unwavering dedication of our team.

In 2023, Vici also significantly expanded its collaborations with local communities, educational institutions, and research organizations, establishing partnerships that have been a source of new projects and innovative ideas. For us, the concept of innovation refers to a far-reaching approach that touches every field, from the research and development of our products, to sustainability and human resource initiatives, thus creating synergies between policies that focus on product and those that focus on people.

The path that we have undertaken and the goals that we have set are part of our Sustainability Plan, with more projects that align with our philosophy already in the works for 2024. One of the challenges ahead is the implementation of new ESG regulations, including the Corporate Sustainability Reporting Directive (CSRD), which will require Vici to provide integrated sustainability reporting in our management report starting in 2025.

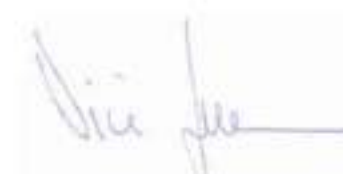
Within this report, you will find the values that guide our company, the actions we take every day to promote environmental, social, and economic sustainability, and the goals we set to continuously improve when it comes to ESG. These efforts are crucial for reducing our impact on the planet and ensuring the long-term success and continuity of our company.

Finally, a special thank you goes out to all of our employees, who inspire us every day to continue believing in our motto: "There's no team without family".

Happy reading!

July 2024, Santarcangelo di Romagna




CEO
Luca Vici

NOTE ON METHODOLOGY



This document represents the annual edition of the Sustainability Report published by Vici S.p.A. (in this document, also referred to as "Company", "Organization", or "Vici"), the goal of which is to transparently share its performance and impact in terms of sustainability with reference to environmental, social, and economic aspects relevant to the 2023 fiscal year (January 1, 2023 to December 31, 2023).

The 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, 2023. Specifically it covers three of Vici's production facilities (Via Gutenberg, Via dell'Acero, and Via del Grano), the showrooms of the VICIVISION and Metrios brands, and the overseas branches present in the US, China, Korea, and Germany.

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 2023 fiscal year, there were no significant changes in Vici's supply chain or in its ownership structure.

On April 21, 2021, the European Commission (EC) published the Corporate Sustainability Reporting Directive (CSRD), which amends the current reporting requirements of the Non Financial Reporting Directive (NFRD). The objective of the directive is to improve sustainability reporting in order to fully leverage the potential of the European Single Market and contribute to the transition toward a fully sustainable and inclusive economic and financial system, in line with the European Green Deal and the United Nations Sustainable Development Goals. The final text of the directive, product of an agreement between the European Parliament, Council, and Commission, was approved on November 10, 2022, and the new EU Directive 2022/2464 was published in the Official EU Journal on December 16, 2022.

The new directive requires integrated sustainability disclosures within the Management Report, in accordance with the CSRD requirements and the new reporting standards, the "sector agnostic" European Sustainability Reporting Standard (ESRS), developed by EFRAG and adopted by the European Commission through a Delegate Act dated July 31, 2023.

In preparation for the implementation of the new CSRD directive for the 2025 reporting year, Vici has initiated an action plan to adopt the CSRD provisions. 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 <https://www.Vicivision.com/azienda>



THE WORLD OF VICI

Nevio, Loana
& Franco

1. THE WORLD OF VICI

1.1 VICI'S STORY

The beginning of **Vici & 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 known as **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 made it possible to export them to various countries around the world through sales and distribution.

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 gets its start assembling electronic boards for third-party clients.

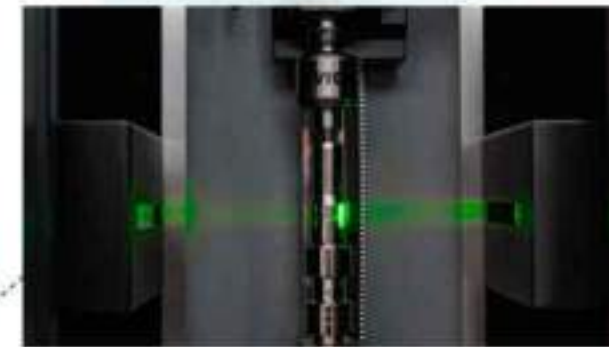


1985

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

1999

Vici enters the international market with the VICIVISION brand.



2008

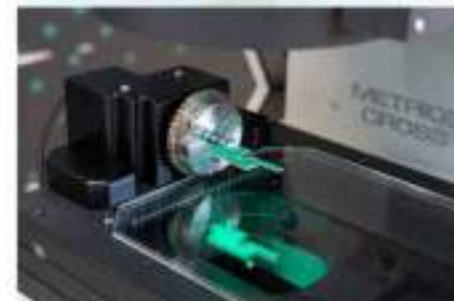
Worldwide distribution of VICIVISION high precision optical measurement machines.

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

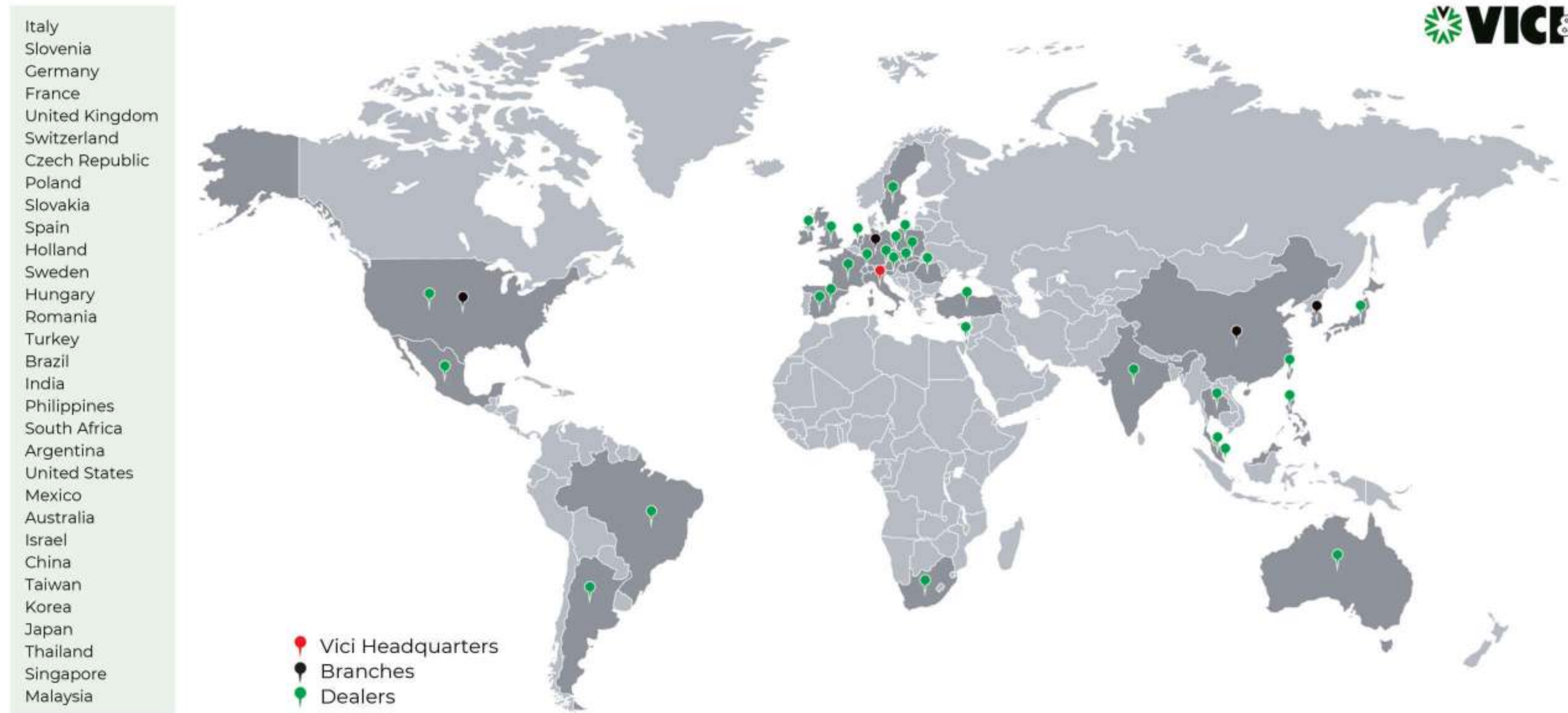


2023

Publication of the first Sustainability Report, for 2022.

COMING SOON! 

Vici is based in Santarcangelo di Romagna (RN), where its **production headquarters** are located, consisting of three facilities in which the design, manufacture, and assembly of its products takes place. Vici's overseas presence, as shown in the map below, consists of **4 commercial branches and over 40 specialized centers worldwide**. Through this extensive network, Vici distributes electrical cabinets, in-line applications, and industrial automation systems to the international market.



FOCUS: VICI'S OVERSEAS BRANCHES

The four branches through which Vici maintains an international presence in Germany, the US, Korea, and China, purchase VICIVISION and METRIOS products from the parent company and are responsible for the sale and distribution of the machines, as well as for providing post-sales support. During the 2023 fiscal year, these branches contributed approximately €3.8 million to Vici's value creation.

The following is a breakdown of each branch:

- **Germany:** Located in Heilbronn, in the Stuttgart administrative district, this branch operates from a 280 m2 facility. The office houses a team of 8 people, including the branch manager, who handles sales and marketing for VICIVISION and METRIOS products.
- **USA:** Vici & C. America Inc., located in Phoenix, Arizona, sells and distributes Vici machines through two branches under its control: VICIVISION America for the marketing of VICIVISION products and METRIOS America for the marketing of METRIOS brand optical inspection machines. The VICIVISION America branch consists of a warehouse and marketing, commercial, sales, and post-sales support departments, managed by 5 people. The METRIOS America branch is in the start-up phase and is expected to be fully operational by July 2024. It is run by a manager from the Italian headquarters.
- **KOREA:** Located in Seoul, this branch is run by a manager who is responsible for sales and post-sales support.
- **CHINA:** Located in Shanghai, this branch is run by a manager who is responsible for sales and post-sales support.

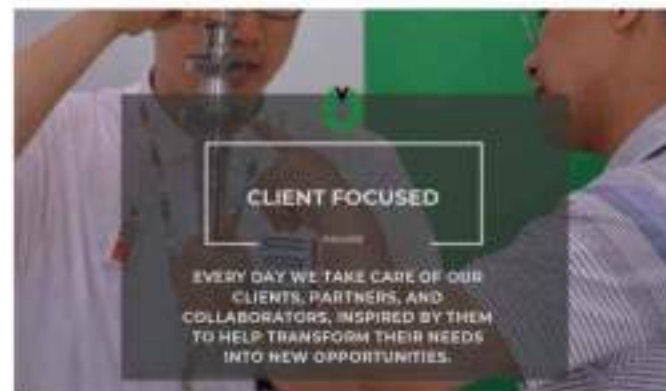


1.2 MISSION AND VALUES



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, Vici 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 to: "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 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 the following two key **principles**:

- *"Engage the minds of the younger generation, sparking its intellect, inspiring its passion, and nurturing its talent"*: This is the recipe that Vici believes able to unlock the potential of bright young men and women, fostering their professionalism and values;
- *"An approach fueled by technological innovation"*: As processes evolve, so does the company, thus creating synergies that emphasize individual responsibility and awareness, with a focus on continuous improvement to skills and processes.

Vici has always made sustainability and all of its aspects a priority, as reflected in its corporate policies and in the choices that it makes every day. As a company, Vici is known for the passion with which it conducts its business, with the Board of Directors serving as the primary representatives of this reputation, a reputation built with humility and dedication through the years. For some time now, Vici has taken a more proactive approach to sustainability, implementing projects and strategies aimed at achieving the Sustainable Development Goals specified in the UN's 2030 Agenda.

Additionally, the Board of Directors has always supported, promoted, and encouraged initiatives and activities that focus on sustainability, integrating it through the lens of ESG (Environmental, Social and Governance):

- **Environmental:** Each year, the Board of Directors sets key environmental indicators to be prioritized, monitored, and reviewed regularly (monthly or quarterly), promoting practices of circular economy and evaluations of suppliers based on environmental criteria. These KPIs are monitored by the QHSE department, which is integrated into the company structure. The Board of Directors has also approved projects to offset the CO2 emissions generated by Vici's economic activity. More details about these projects are provided in Chapter 6.
- **Social:** In 2023, several projects were launched in the areas of diversity and inclusion, reskilling, career paths, welfare policy, and training activities. These projects represent the "Social" strategies that the Board of Directors has chosen, giving the task of achieving these objectives to the HR department, which must, in a structured manner, take care of and manage both the hard and soft aspects. More details about these activities are provided in Chapter 5.
- **Economy and Governance:** The company has always monitored and reviewed the primary economic and financial indicators on a monthly basis in order to ensure a solid and long-lasting corporate economic structure that is able to generate value for both present and future generations. The Administrative, Finance, and Control department (from here on referred to as AFC) is responsible for these indicators. In 2023, a Sustainability Team was also established to manage and coordinate current and future activities and drive sustainability policies. Over the course of 2023, the company provided 21 hours of sustainability training to approximately half of the company workforce. Additionally, department heads and the senior executives reporting to the CEO were directly involved in implementing materiality analyses related to the impacts generated.

1.3 GOVERNANCE AND ORGANIZATIONAL STRUCTURE



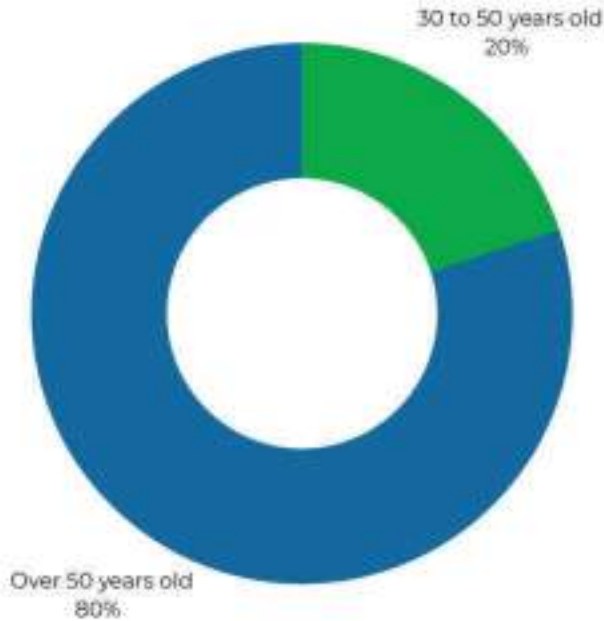
The system of governance adopted by Vici aims to ensure **responsible and transparent management of the company**, with the objective of **creating long-term sustainable value for all stakeholders**.

Vici's governance structure is made up of 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, 2025 budget. The composition of the Board of Directors is provided in the table below. The age distribution is as follows: 20% between 30 and 50 years old and 80% over 50 years old.

Composition of Vici & C. S.p.A.'s Board of Directors as of December 31, 2023

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 **Shareholders' Assembly** appoints the members of the Board of Directors, who then appoint the President and the CEO. The Assembly also appoints the members of the Board of Statutory Auditors and the Sole Legal Auditor. Each appointment process is documented in the minutes of the Shareholders' Assembly and Board of Directors' meetings.

Since its foundation, Vici's governance has always maintained a clear and distinct family-oriented approach, upholding its values and thus reinforcing its reliability with its stakeholders. Consequently, the process of selecting and appointing the members of the Board of Directors is based on Vici family affiliation and, for appointments outside of the family, on the principles of trust and technical expertise that can significantly benefit the organization.

Meanwhile, the Board of Statutory Auditors and the Sole Legal Auditor are appointed by the Shareholders' Assembly and chosen on the basis of specific qualifications required by current regulations to ensure the independence of the oversight bodies.

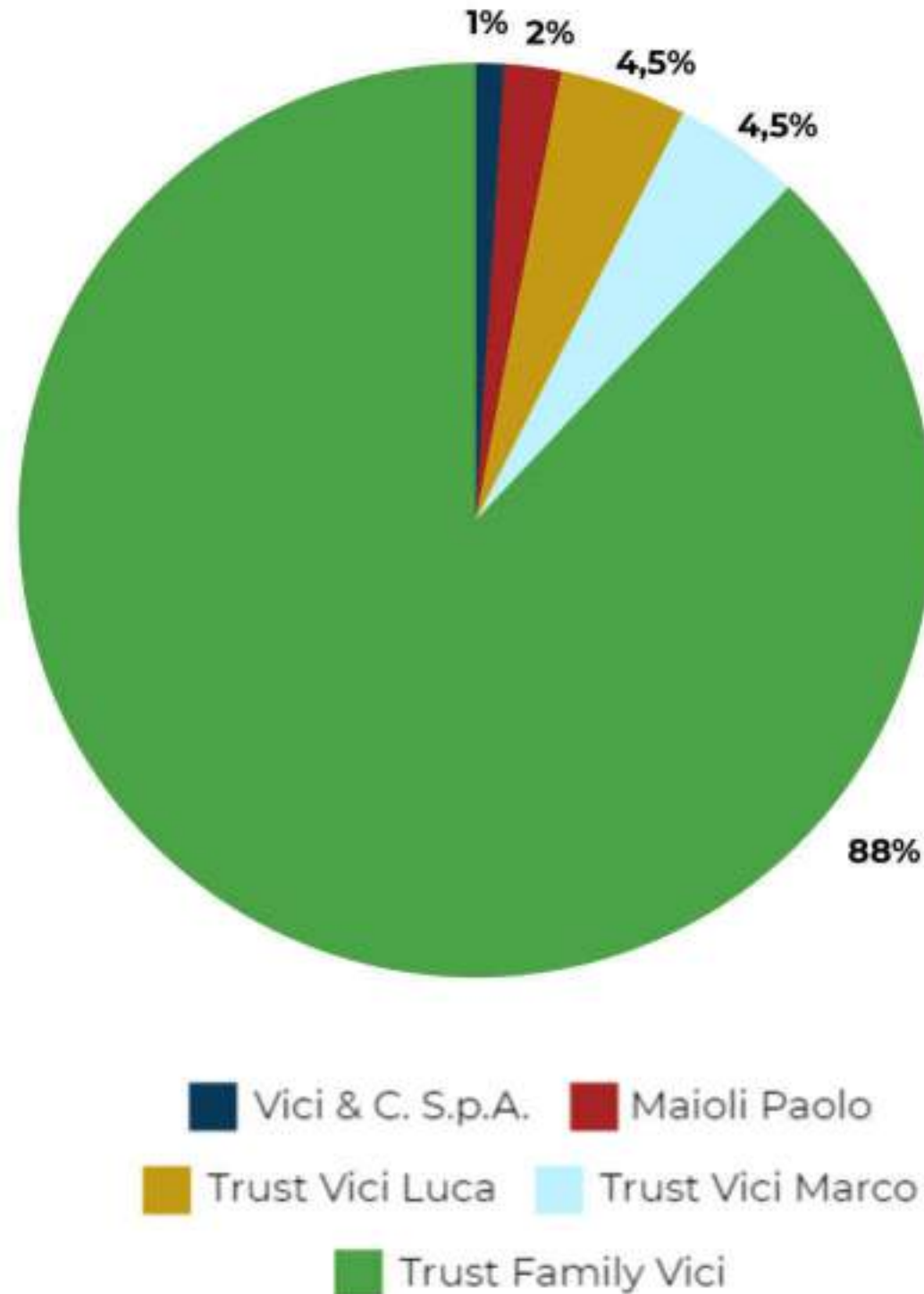
The **Board of Statutory Auditors** is the supervisory body tasked with ensuring compliance with laws and corporate regulations. It also ensures that the company's organizational, administrative, and accounting structures are adequate and functioning.

The age and gender distribution is as follows: 67% between 30 and 50 years old, 33% over 50 years old; 67% male and 33% female.

Composition of the Board of Statutory Auditors:

Role	Member of the Board of Statutory Auditors
President of the Council of Statutory Auditors	Zannoni Loris
Chairman	Albini Pier Maria
Chairman	Zannoni Lucia
Deputy Chairman	Sardano Eliana
Deputy Chairman	Zannoni Paolo
Legal Auditor	Biagini Simone

Capital Structure



The composition of the members of the governing bodies is diverse in terms of skills, experience, and professional backgrounds, thus ensuring valuable expertise for making strategic corporate decisions.

The CEO, the President, and one of the three board members are actively involved in the company's sustainable development process. The Sustainability Team constantly and regularly updates the board members through various activities such as workshops, training initiatives, and internal communications. Approval of the 2022 Sustainability Report and the materiality analysis for the 2023 report took place during a specific meeting led by the Sustainability Team, during which the results of their work were presented and discussed.

Currently, there are no ESG performance indicators for the Board of Directors. Additionally, there are no variable compensation policies for the board: compensation for board members is determined by the board itself. To date, a formal performance-based variable compensation policy has been established for the sales department.

The **Capital Structure** is divided as follows: Vici S.p.A. 1%, Maioli Paolo 2%, Luca Vici trust 4.5%, Marco Vici trust 4.5%, Vici family trust 88%

The **Management Team** is made up of all of the department heads who report directly to the CEO. It convenes regularly in management meetings to discuss the performance indicators of the various business units, in line with corporate tactics and strategies, with the objective of formulating strategic plans and initiatives for improving each department.

At the end of 2023, the **“Board of Management”** was established, a new strategic corporate body with decision-making, advisory, and organizational capabilities regarding key strategic areas. It will be fully implemented in 2024.

The Board of Management, alongside the Board of Directors, manages and guides the company and has various responsibilities to the company and its stakeholders. It must:

- ensure that the company operates ethically and complies with current regulations;
- ensure that decisions are made which support sustainable, stable, and long-lasting growth;
- guarantee that the interests of shareholders and stakeholders are protected.

Each member of the Board is assigned a specific area of responsibility, such as Supply Chain; Electrical Panel Business Unit; Product Business Unit; Special Business Unit; Quality, Safety, and Environment; AFC; Research and Development; HR; and CSR & Sustainability. The body is made up of 8 members, of whom 25% female and 75% male, with an age distribution of 13% over 50 years old and 87% between 30 and 50 years old.

The Board of Directors delegates the responsibility **for managing impacts** to the Board of Management, which establishes corporate strategies and the projects to be introduced, and to the Sustainability Team, which integrates these into the sustainability plan.

The results of impact management are shared monthly during Management Meetings, while ESG indicators for sustainability reporting are collected annually. The Sustainability Team manages, collects, and reviews the reported information, subject to oversight and approval by the Board of Directors.

Vici's organizational structure also includes two **technical committees**:

- **Steering Committee for the Electrical Panel Business Unit:** provides support to the Board and to the General Manager in the electrical panel business unit and deliberates on proposals related to both commercial strategies and operational and organizational solutions;
- **Steering Committee for the Product/Special Business Unit:** provides support to the Board and to the General Manager in the product (MTL – Metrios) and special business units and deliberates on proposals related to commercial strategies, technical and product-development solutions, and post-sales assistance.

During the course of 2023, 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

The committee assists the General Manager and the Board in evaluating and proposing commercial strategies and operational and organizational solutions in the electrical panel business unit.

STEERING COMMITTEE PRODUCTS/SPECIAL BU

The committee assists the General Manager and the Board in evaluating and proposing commercial strategies, technical solutions for product development, and post-sales assistance in the product (MTL – METRIOS) and special business units

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 panel and products/special business units.





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 TEAM

A team that, in line with corporate tactics and strategies, meets periodically to share the performance indicators of the various business units, with the objective of formulating strategic plans and projects that would improve each individual department.

SUSTAINABILITY TEAM

A team that handles research and innovation in interdisciplinary and non-technical fields, offering support to other departments in matters related to all aspects of social responsibility: environmental impact, socioeconomic impact, 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, through the CCR a two-way communication channel is established between management and Vici personnel, 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. Its purpose is to effectively manage aspects related to **environmental protection, employee health and safety, and safeguarding the quality of processes and services**, 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, the environmental aspects, and the 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 (lean tools) 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 with 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 inside and outside of the company structure, also thanks to the company's website(<https://www.vicivision.com>), which shares the latest updates about the company with the public and ensures that the various stakeholders are constantly informed and updated. Vici's corporate policy can also be viewed on the website.

These documents are shared with suppliers, employees, and new hires, who accept and embrace the principles that characterize Vici's organization.

In 2023, no cases of conflicts of interest were reported.

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.



CODE OF ETHICS AND CORPORATE POLICY



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 of 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. It is shared with all internal departments and made available on the company bulletin board.

In 2022, Vici began laying the groundwork for a **whistleblowing** system to report violations of national or European regulations in the workplace.

The system was completed in 2023 with the launch of a company platform created for this very purpose. Through the *whistlelinkportal*, in compliance with regulations for internal and/or external reporting via the internet, it is also possible to submit reports anonymously using a voice messaging feature. In 2023, no issues requiring escalation to the Board of Directors were reported.

The **process for determining compensation** is initially managed by the Human Resources department, starting with a fair and market-aligned base salary that is supported by external labor market benchmark analyses and the average compensation within the department for the specific function or role to be fulfilled. Subsequently, the proposed compensation is shared with the department heads, the CEO, and the General Manager.

The process also involves the support of a labor consultant, who assists in the process by assessing labor market conditions and employees' economic situation. At present, there are no financial incentives for achieving economic, social, or environmental objectives.



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 international clients**, particularly in the packaging and logistics sectors, which in recent years have experienced significant growth with a consequent increase in demand for Vici products.

VICI: METRIOS AND VICIVISION

For the manufacture of the VICIVISION and Metrios brand products, the company purchases components from qualified suppliers and relies on subcontractors for the semi-finished products. It then assembles the final product in-house.

It is worth noting that, since 2019, Vici has held a 10% stake in Pecchioli Research Srl, a strategic supplier and partner in the field of precision optics, who collaborates with Vici in the production of optical measurement machines and in improvement and innovation projects.

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 handled either directly by Vici, or through the network of retailers present in the customer's 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**. Its dedication is reflected in the commitments outlined in its corporate policy and in the choices that guide its operations every day.



OUR POLICY

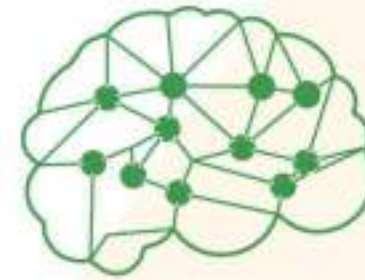


Protect the environment



Protect people

WE CHOOSE TO:



Drive technological innovation



Develop the community by
nurturing young talent

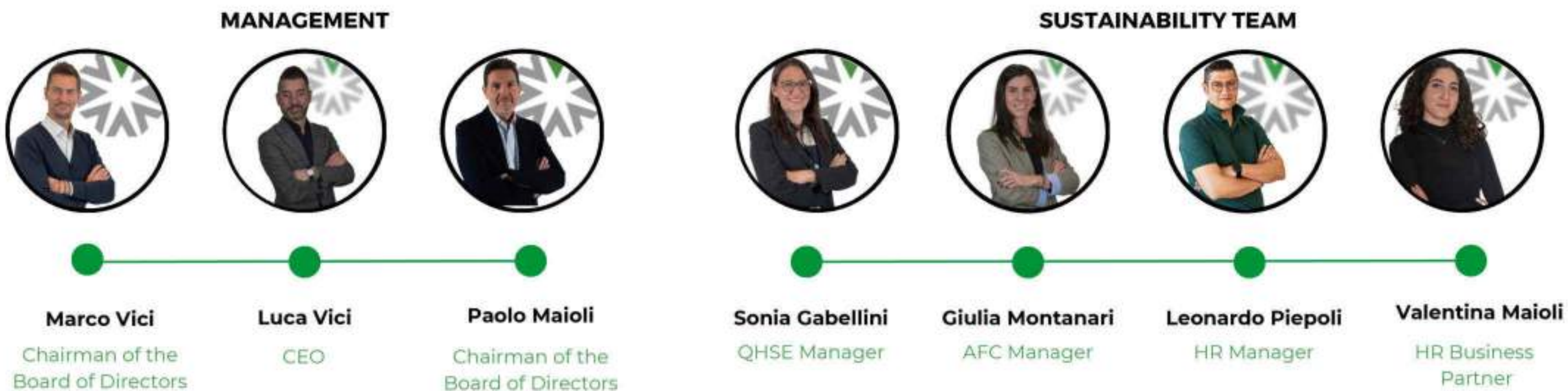


Renew and develop
relationships and skills

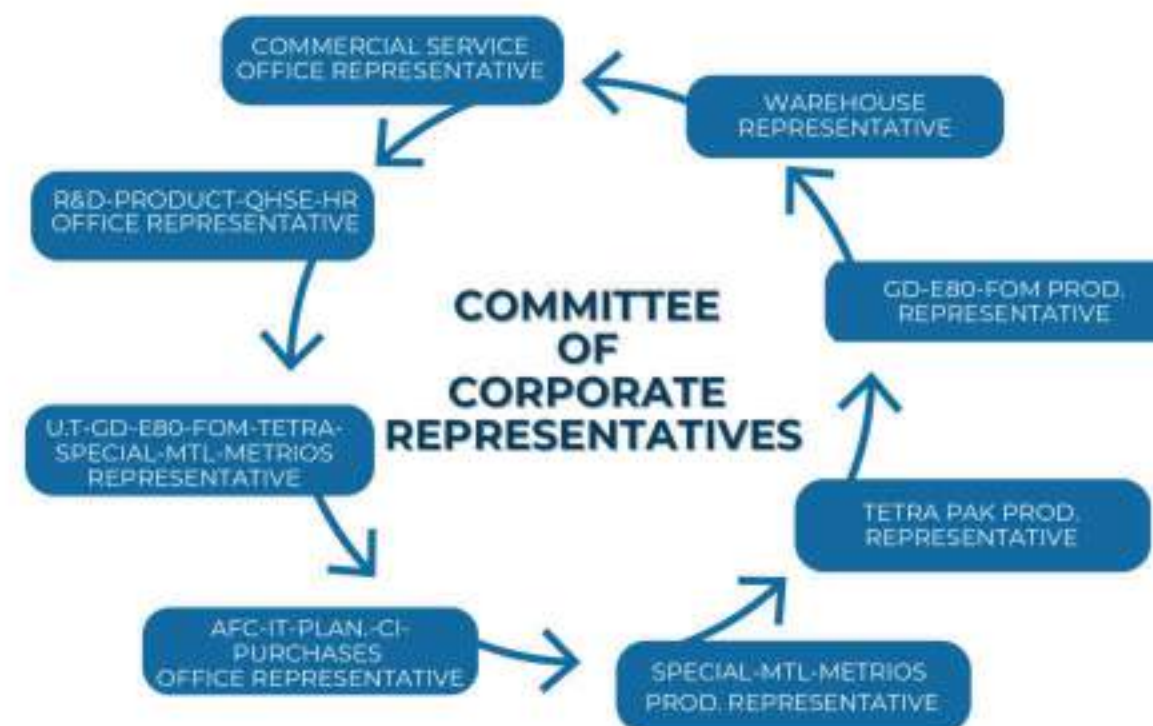
Starting in 2021, Vici aligned its objectives with the **17 Sustainable Development Goals** (SDGs) specified in the United Nations' 2030 Agenda, pinpointing 12 SDGs that it actively contributes to achieving through its business activities. The specific SDGs are detailed in the relevant chapters of this report.



In 2023, the Sustainability Team was established to coordinate and oversee ongoing and future activities. The team is made up of the individuals responsible for the following departments: Administrative, Finance, and Control; Human Resources; and Environment, Quality, and Safety.



Eleonora Zavoli
Diversity & Inclusion
Specialist



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 the 2022 Sustainability Report. 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 specific benchmarks, highlighting both strengths and areas where its commitment, management, and oversight in these matters could be improved.

The second significant milestone in Vici's sustainability journey, is the publication of this report. Building on the 2022 report, this document transparently outlines the commitments that have been made, the company's impacts, and the goals that have been set and achieved to date. In an effort to improve upon last year's report, which was drafted with reference to the GRI Standards and therefore used only certain indicators relevant to our company, this year's report has been drafted in accordance with the GRI Standards. This change involved conducting Vici's first **materiality analyses**, the details of which are provided on the following page.

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



2.2 STAKEHOLDERS AND MATERIALITY ANALYSIS



At Vici, stakeholders play an active role in the value creation process and are, therefore, kept involved through activities and methods that ensure continuous dialogue. For example, employees are invited to participate in discussions during CRR sessions and plenary meetings, while universities and research centers collaborate with Vici to develop innovative ideas and projects. These activities help to enhance the skills and expertise of Vici's workforce, making their strategic industrial application possible for the business. Clients are engaged through multiple channels, including trade shows, case history interviews, and the website, as well as through continuous dialogue regarding both operational and strategic management.

Vici's stakeholders are represented in the following chart:



2.2.1 MATERIALITY ANALYSIS



For this report, a **materiality analysis** was conducted, in accordance with the new “impact materiality” process defined by GRI 3: Material Topic 2021, in compliance with the requirements of the GRI Universal Standards 2021.

Over the course of the analysis, Vici examined the company’s positive and negative impacts - both actual and potential - which it causes or to which it contributes, from an **“inside-out”** perspective, with regard to people, the economy, and the environment, including those related to human rights and business relationships. Actual impacts are those that have already occurred, while potential impacts are those that could occur in the future but have not yet. Impacts can also be positive or negative, short term or long term, intentional or unintentional, and reversible or irreversible.

Several categories of stakeholders that are key to Vici’s activities were directly involved in the process of identifying material topics. Specifically, employees, suppliers, dealers, and clients participated in an online questionnaire in which they rated the impacts of Vici’s activities based on their own perceptions. The sample of stakeholders who filled out the questionnaire was made up of 240 individuals, with a response rate of 34%. Potentially significant impacts were assessed based on the company’s experience and knowledge, using a scale from 1 (not significant) to 5 (very significant). Following this assessment, it was possible to rank the impacts from least to most significant.

A dedicated workshop was organized for members of top management, during which they were asked to assess the same impacts as the stakeholders. The significance of each impact was evaluated in consideration of its scale, scope, and likelihood. The scale refers to the severity or benefit of the impact, including its reversibility; the scope refers to the extent of the impact (for example the number of individuals affected by it); and the likelihood refers to the probability of the impact occurring (for potential impacts).

The assessment led to the identification of the most significant **environmental, social, and governance impacts** that the Group has on society.

Below are the key **material topics** for Vici. These reflect the positive and negative and the current and potential impacts that the company has on people, the environment, and the economy. This sustainability report is structured around these topics, which will be explored in more detail throughout the document.

Economic Performance

Ethics, Integrity, and Compliance

Responsible Supply Chain

Management of Employee Satisfaction and Well-Being

Employee Training and Development

Diversity, Inclusion, and Equal Opportunity

Occupational Health and Safety

Product and Process Innovation

Quality and Performance of Manufactured Products

Collaboration with Local Communities

Cybersecurity and Data Protection

Material Management

Energy Consumption and Emissions

Adoption of circular economy practices

Economic Responsibility

Environmental Responsibility

Social Responsibility



ECONOMIC RESPONSIBILITY

3. ECONOMIC RESPONSIBILITY



3.1 GENERATED AND DISTRIBUTED ECONOMIC VALUE

An overview of the **generated and distributed economic value** can be obtained through the reclassification of the statutory financial statements. The objective of this overview is to illustrate the value created by Vici and make it possible to assess the predefined corporate objectives as well as the results achieved.

In line with the previous year, Vici's **sales revenue** amounted to €72,309,327, a 0.7% increase compared to 2022.

The economic value directly generated by Vici in 2023 was €72,179,808, maintaining continuity with the previous year (+0,7%). The distributed economic value, equal to €69,638,049, is due primarily to reclassified operating costs totaling €59,329,625. These costs include expenditures related to the purchase of raw materials, consumables, and goods and services; the 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 €8,645,898, while public administration received €1,251,215. Finally, financiers were allocated €129,952 (an increase compared to 2022 due to a higher interest on capital), while no dividends were distributed to shareholders. €281,359 were given to local communities through grants, donations, sponsorships, and collaborations. In conclusion, Vici retained an economic value of €3,055,092.



	2022	2023
Generated Economic Value	€72,179,808	€72,693,141
Distributed Economic Value	€69,321,671	€69,638,049
of which Reclassified Operating Costs	€58,806,415	€59,329,625
of which Employee Remuneration	€8,012,358	€8,645,898
of which Remuneration to Public Administration	€1,476,988	€1,251,215
of which Financier Remuneration	€68,736	€129,952
of which Shareholder Remuneration	€700,000	€0
of which Community Remuneration	€257,174	€281,359
Retained Economic Value	€2,858,137	€3,055,092



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 2023, no complaints were reported regarding breaches of customer privacy or loss of their data.

Aware of the fact that the 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), supports 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 authoritative body responsible for managing information security crises.

In 2022, Vici earned the **TISAX** (Trusted Information Security Assessment eXchange) **certification**, an important mechanism for assessing information security within the automotive industry. 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.

In 2025, Vici will renew its TISAX certification for the first time, which will involve the implementation of stricter security standards.

In 2023, via the V.E.L.A. (Vici E-Learning Academy) platform, Vici offered a 21-hour training course to all of its front-line staff and employees which, within the **Digital Skills** module, focused on strengthening their general knowledge on the **topics of cybersecurity and information security**. Additionally, building upon the previous year, training is regularly tested and strengthened through **simulated phishing e-mails**: users who mistakenly respond to the e-mail are asked to review or read informational materials and to take a short final quiz.

To further spread awareness regarding the importance of these topics, all Vici employees receive the policies and regulations for the use of company IT equipment and are taught the procedures of the **Information Security Management System (ISMS)**.

The TISAX logo features the word "TISAX" in a bold, blue, sans-serif font. A small registered trademark symbol (®) is located at the top right of the letter "X". Above the letter "I", there is a small orange circle.



In an effort to further protect 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.

As mentioned, cybersecurity is a fundamental asset in Vici's value creation process. From this perspective, in 2023, the organization achieved the following **projects and goals**:

- **Continuous updates to the operating systems;**
- **Obtaining the IWA Certification** to increase the added value of the final product in terms of cybersecurity;
- **Implementing an XDR system**, an open cybersecurity architecture that integrates security tools and unifies protection across all levels: users, endpoints, e-mail, applications, networks, cloud workloads, and data;
- **Monitoring outgoing USB drives** to prevent potential leaks, whether voluntary or involuntary, of sensitive company data.

306 PRIMA

OUR PRODUCTS

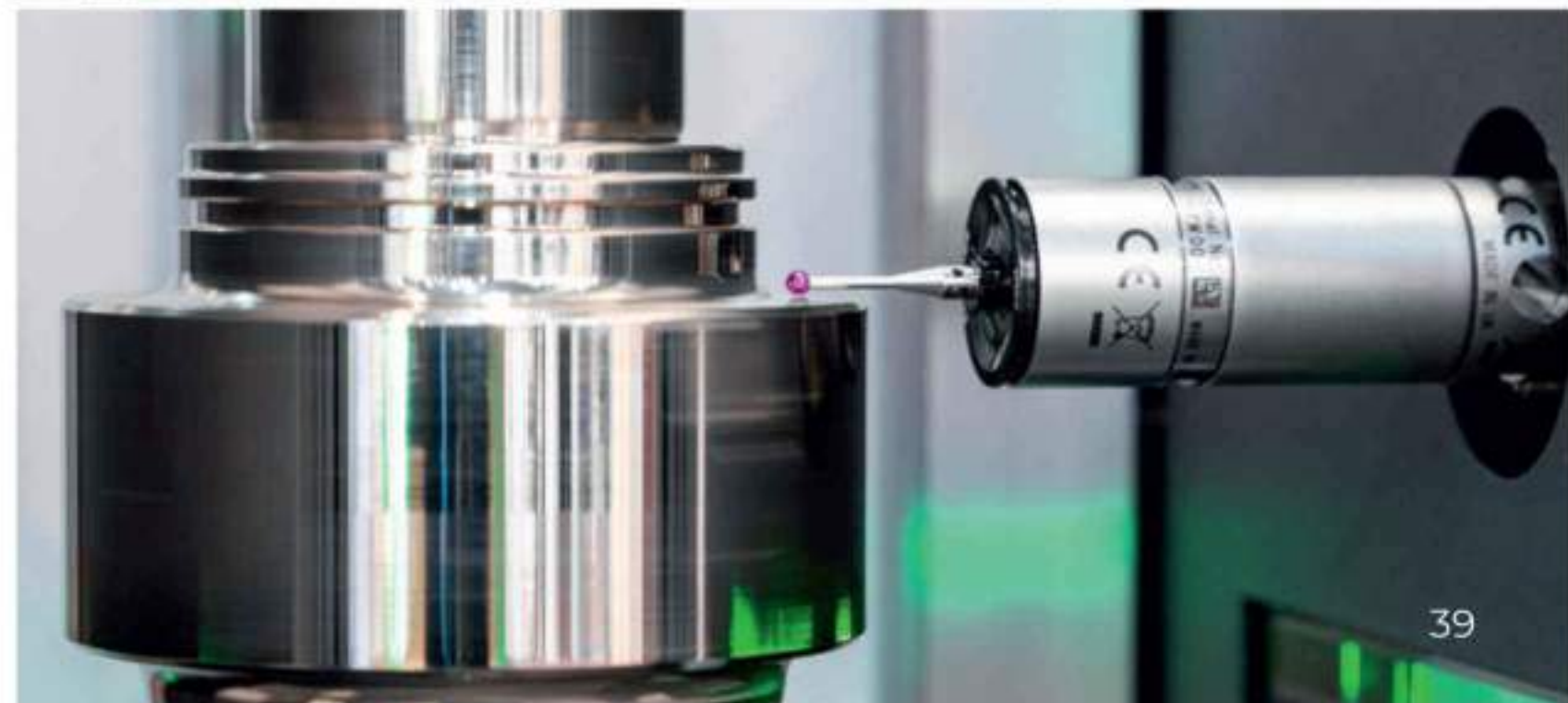
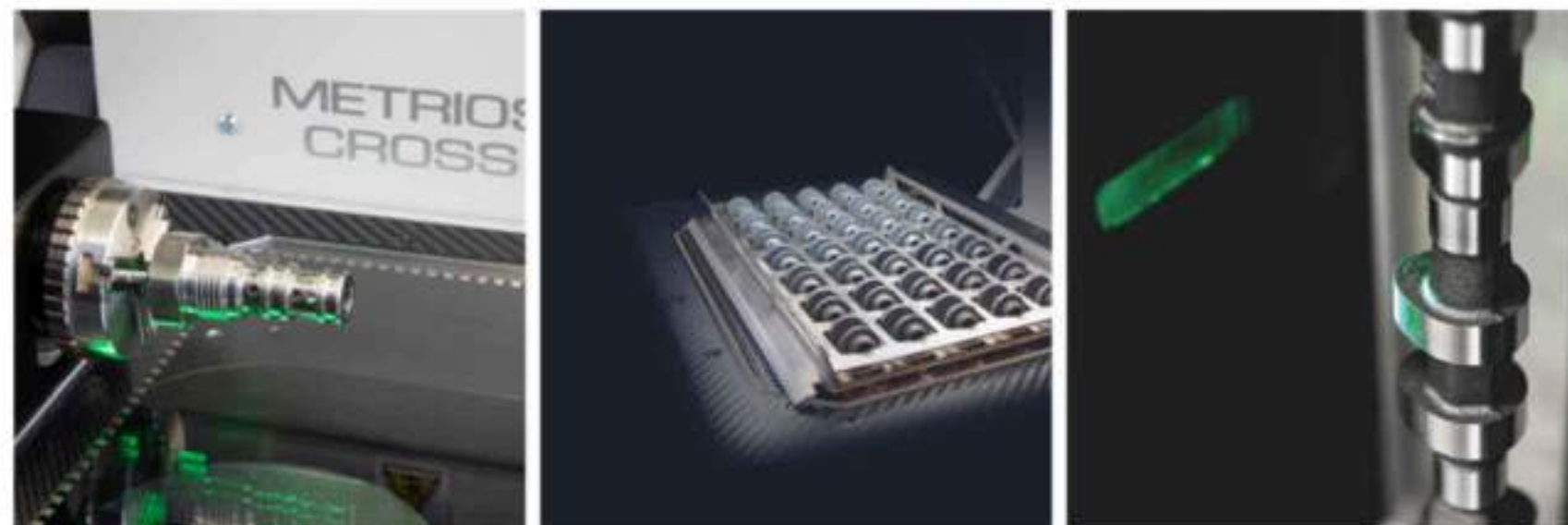
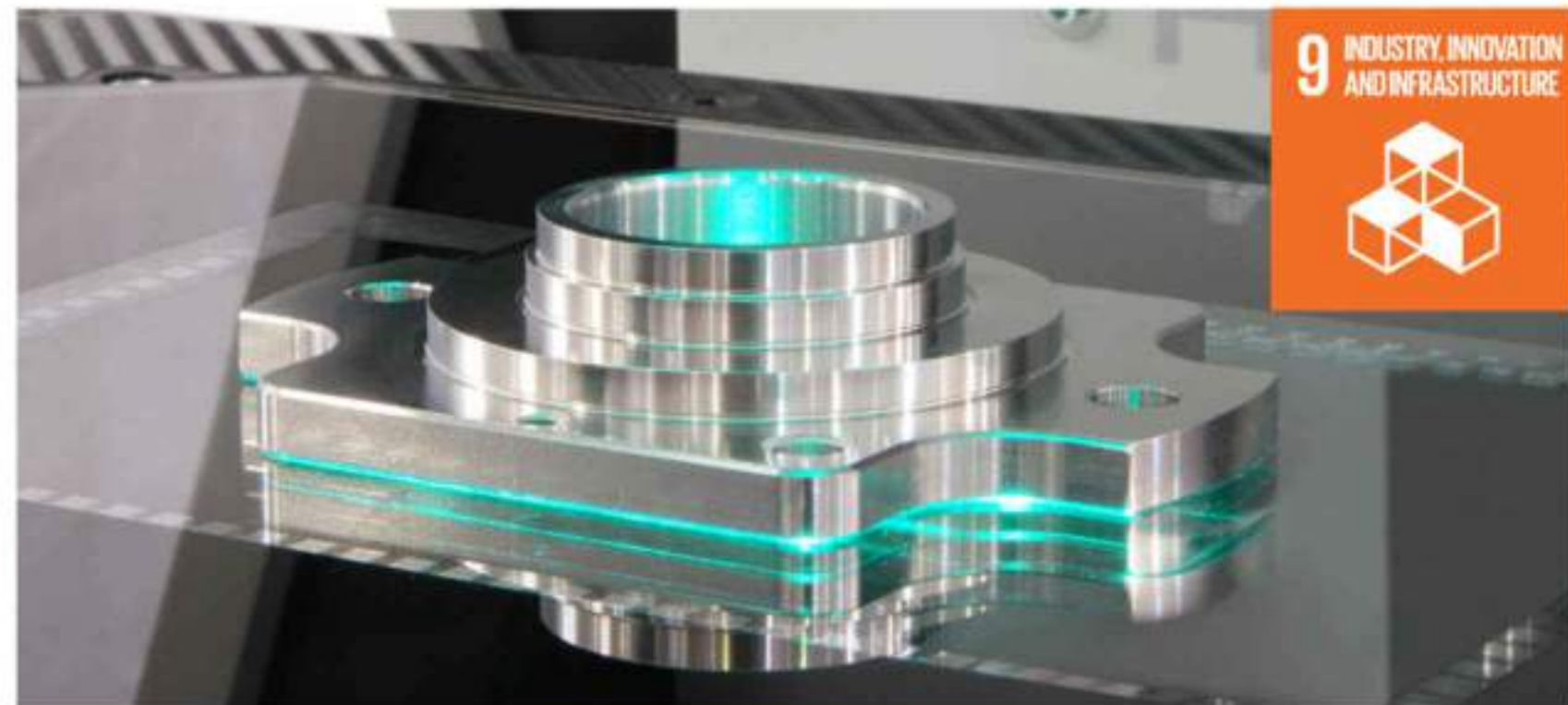
4. OUR PRODUCTS



4.1 PRODUCT AND PROCESS INNOVATION

For 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 its negative environmental impacts. It is for this reason that Vici has a dedicated **Research Department**, tasked with identifying innovative technologies in which to invest, 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. Given the importance of this area, in 2023 the number of team members in both departments was increased. Furthermore, with the support of the **Continuous Improvement Department**, Vici applies the concepts of *lean production*. This corporate management methodology aims to increase 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 "lean" principles and tools offered to all employees. These courses include specific training for each department and level, facilitating the widespread adoption and transition to this new methodology. The "lean" approach is applied in "5S work sites", where each operator identifies critical issues and areas that can be improved, leading to the development of medium-term projects. In 2023, the methodology was further improved with the implementation of an electronic whiteboard software to monitor all ongoing improvement processes.



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.

Also with the goal of improving environmental performance, Vici maintains an upgrade policy for its existing fleet of machines. This involves retroactively updating their software to the latest version released by the **Software R&D Department** and providing scheduled maintenance service for hardware components, managed directly by the Internal Service Department and the network of dealers and subsidiaries. In 2023, a new software platform was developed for measurement machines, with the objective of extending their lifespan, which was installed on VICIVISION machines manufactured from 2015 to the present.

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 available, demonstrating a strong capacity to respond to changes in the external context.

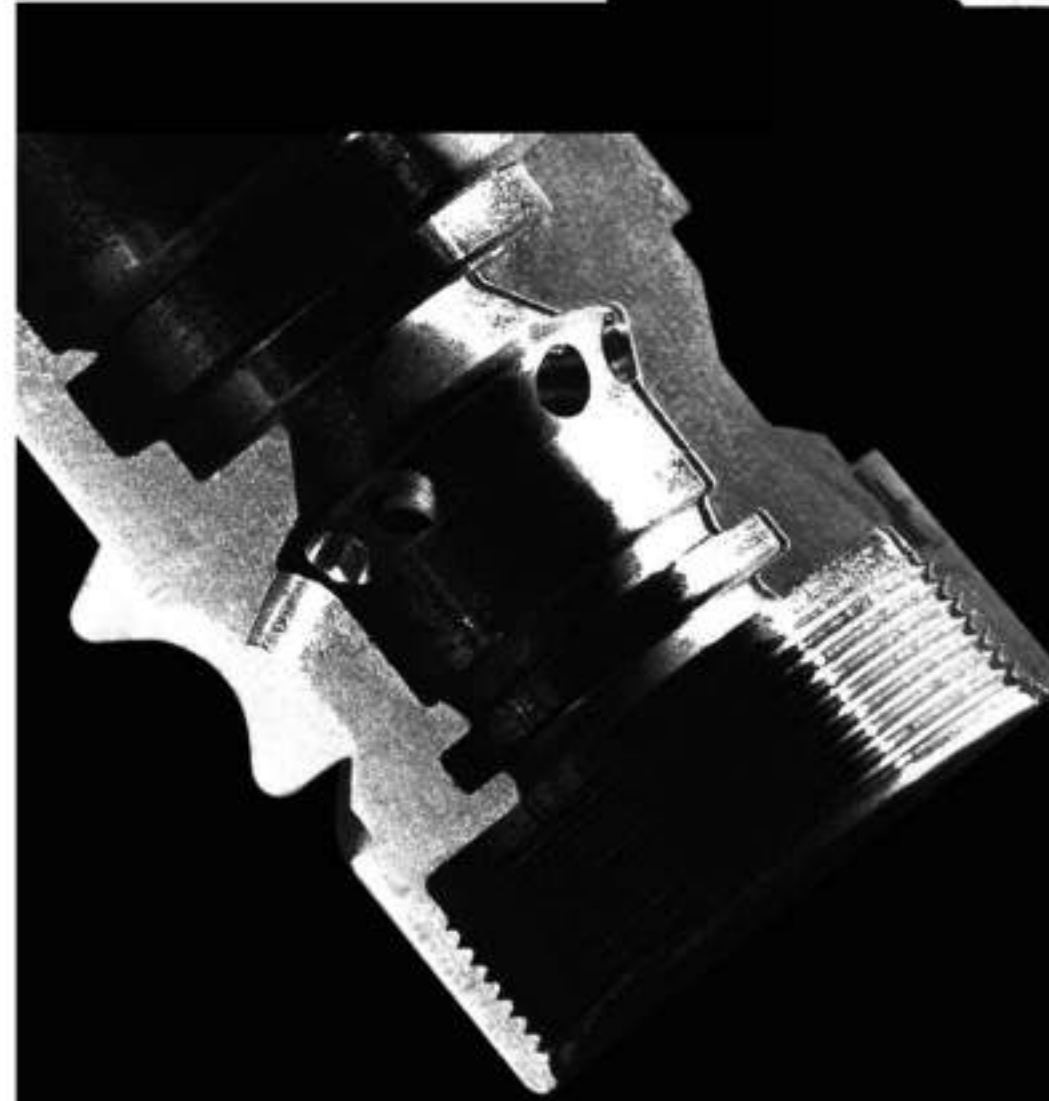
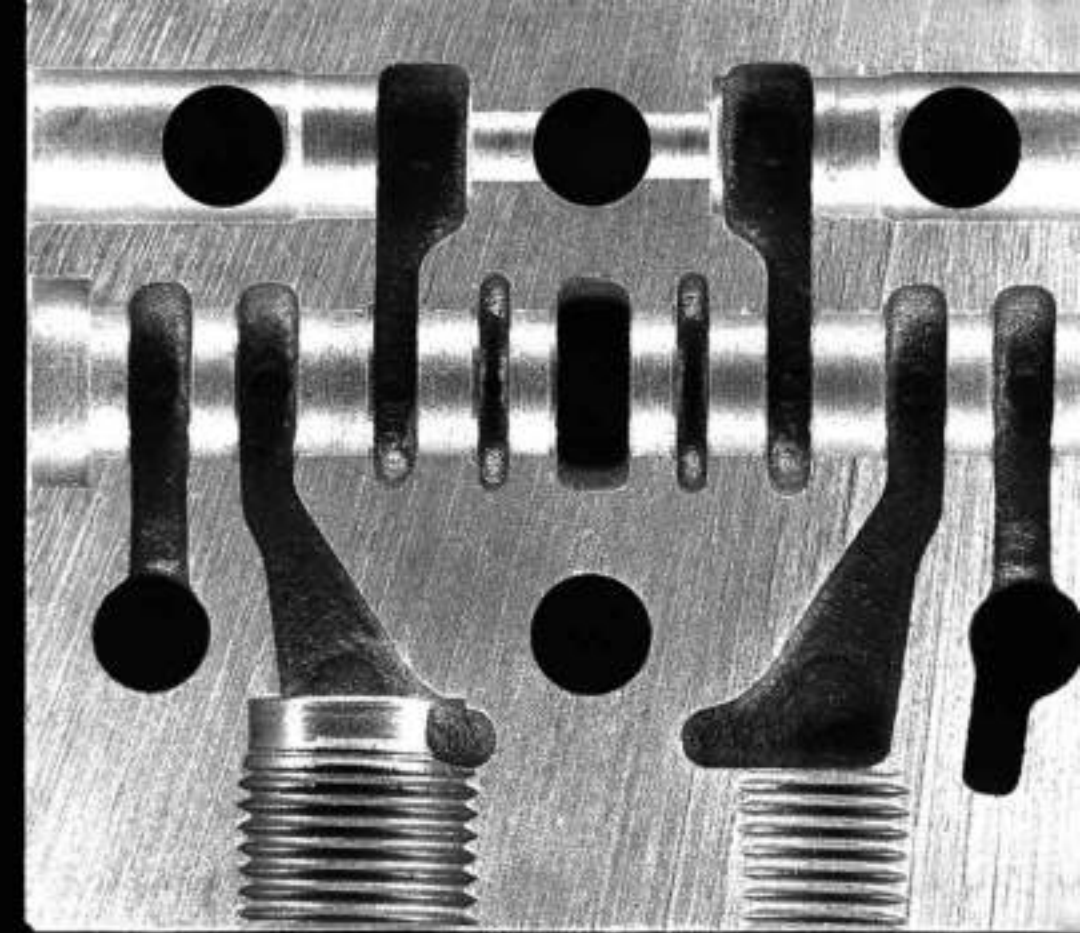
Focus: Vici Patents

As evidence of its commitment to research, development, and promoting innovation, in 2022, Vici secured **a patent for its "Optical Measurement Machine with Confocal"**, which uses confocal technology to measure grooved shafts. With the addition of this patent, this brings 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 the study and use of new Ni-free (NFP) powders in the production of measurement machine components, making it possible to use a material that is sustainable, safe, and low-cost. The carcinogenic nature of Nickel, its price fluctuations, and the risks associated with obtaining it, have, in fact, increased production and management costs, making this a critical raw material.

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 with the goal of improving their performance and strengthening their skills.

Vici is a member of the **CMM Club**, an association made up of partners with diverse and complementary skills (including suppliers, laboratories, universities, and manufacturers). The club's main goal is to advance and promote technical and scientific knowledge in the dimensional metrology sector. Vici actively participates in CMM Club events, also as a speaker, contributing its expertise. In **April 2023**, the **44th edition of InTeRSeC**, an annual event for networking and discussion, was successfully hosted at Vici's headquarters.



I N N O V A T I O N



In 2022, Vici embarked on a strategic collaboration based on the principles of **“Open Innovation”**, primarily engaging with local partners who can help support and guide the company in its growth, taking advantage of existing know-how and fostering a cross-pollination of skills. In particular, the collaborations with Unitrento, the Marche Polytechnic University, and the University of Camerino have proven to be strategic. The I-Lumos project, aimed at expanding 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. Thanks to having won the “CALL FOR RESEARCH AND EXPERIMENTAL DEVELOPMENT PROJECTS – 2023 POR-FESR EMILIA ROMAGNA 2021-2027 ACTION 1.1.1 – Support for Research, Experimental Development, and Business Innovation Projects”, it was possible to double both the investment and duration of the study, which will now continue until the end of 2024.

Additionally, Vici has hosted seminars for students from the Universities of Camerino and Ancona to demonstrate how industrial and practical application complements the academic theory taught everyday in classrooms.

In 2023, Vici recorded no instances of non-compliance related to labeling and information on products and services or with regard to marketing communications.

In 2023, thanks to local networking, a technology demonstrator was implemented that allows the practical application of certain technologies. To this end, a platform was created to integrate the PC and PLC systems, leading to reduced space requirements, lower costs, and simplified architecture, as this technology features embedded systems based on an ARM CorTex processor on which a LINUX operating system has been installed.

A man-machine interface is currently being developed and tested which will make the platform accessible to operators with disabilities as well.

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, during export or sale, the origin of its products can be traced through long-term supplier declarations.

In terms of volume, the purchase of cabinet parts accounts for a higher percentage than other products, given that 70% of Vici's business comes from electrical panels and 30% from measurement machines.

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

In 2023, a **supplier qualification procedure** was finalized. This 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 of supplies is performed based on critical aspects. The questionnaire includes sections dedicated to occupational health and safety, the environment, privacy and information security, and improvement. In this last section, suppliers are asked if they plan to make any investments or any structural or managerial changes aimed at improving their company, if the organization has implemented any virtuous projects in areas such as social responsibility or sustainability, and if they have received awards or recognition of any kind. Finally they are asked to provide their code of ethics. 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 taken, 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 on any critical aspects that may have emerged, **inspections of the suppliers** are scheduled.

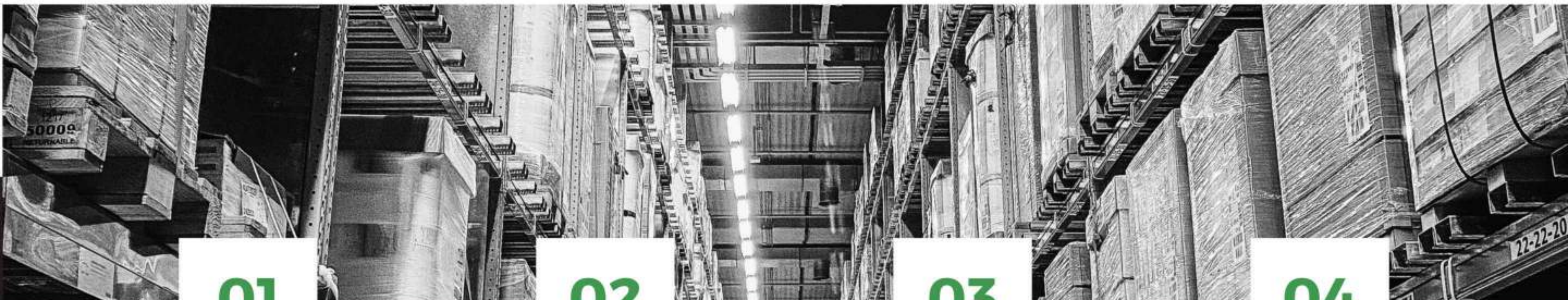


S U P P L Y



THE ASSESSMENT PARAMETERS ADOPTED BY VICI ARE:

P A R A M E T E R S



01

Financial values

02

Quality of products/services

03

Punctuality of deliveries

04

Presence of any management systems and policies related to safety, the environment, information security, and ESG criteria



In 2023, of the 8 new suppliers assessed by Vici, **5** were **assessed according to ESG criteria**, as compared to 2022, when 10 out of 11 suppliers were assessed. The decrease in assessments in 2023 is due to the fact that the new suppliers fall into categories already qualified by the client or deemed non-critical for Vici. As a result, these suppliers are not subject to the qualification process, but only to an annual quality assessment.

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, such as human rights, as part of a collective effort to contribute to a more sustainable society.

In 2023, the issue of material shortages was resolved. This allowed Vici to resume direct purchase from its usual suppliers, with a positive impact on supply chain transparency as well as on product support warranty.

However, in 2023, a new issue with a negative environmental impact emerged in the supply chain. Because of transport issues with products coming from Japan, China, and Taiwan, due to the complex socioeconomic and geopolitical situation along the usual Red Sea route, transit times have doubled and, therefore, so have lead times for deliveries, as suppliers have been forced to use alternative routes, either circumnavigating Africa to enter the Mediterranean directly, or, in some cases, even opting for the Amsterdam route.

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



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-brand 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** that adhere to a series of characteristics and standards which 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, delivering cost benefits to its customers;



Product and process efficiency– Thanks to its efficient lean production approach to management, 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.



Global support – VICI-CLOSE worldwide customer support. 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 policies and certified systems, Vici can guarantee security, the quality of its processes and products, and a respect for people and the environment to its clients.

Monthly and quarterly **reviews and discussions** are conducted to ensure a timely response to any concerns that arise among customers of electrical panels. 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. The same process of collection and analysis is implemented for managing customer issues with product non-conformities.

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.



The **VICIVISION** product line is made up of **optical measurement machines designed for the external profile** of turned and flat components 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 during production, goods acceptance, or 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:

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

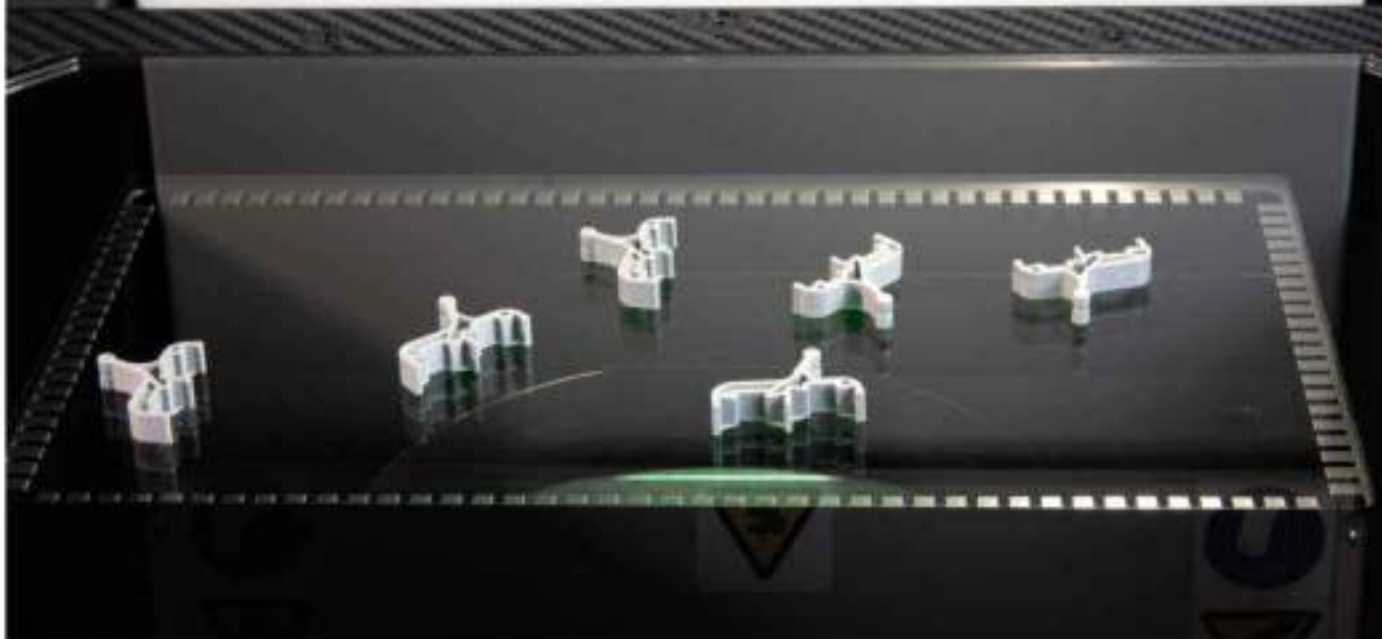
The **Lean project**, which led to the development of performance indicators and the implementation of **5S worksites** in all production areas, continues to ensure high product quality.

Specifically, monitoring indicators were introduced for each business unit. Every individual in charge of quality control monitors metrics related to internal (departmental) and supplier non-conformities, performing specific activities and implementing strategies tailored to their department.

Over the course of 2023, 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.



METRIOS HD CROSS



QUALITY AND PERFORMANCE OF MANUFACTURED PRODUCTS

To ensure the high quality of its products, Vici has implemented a system for managing **internal and supplier non-conformities**. This system includes continuous monitoring by a departmental quality operator who analyzes and manages non-conformities and compiles monthly reports.

In 2023, customer audits conducted directly with reference to the quality of the organizational structure and the quality of the machines or cabinets were positive and did not indicate any cases of non-conformity.

With a focus on customer satisfaction, starting in 2023, **customized post-sales packages** were created and offered to clients. These packages include not only the replacement of standard components, but also a specific number of service hours (either on-site or online) and maintenance.





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 fundamental values 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.

The motto within the organization 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 these characteristics that, as of December 31, 2023, Vici employs 177 people, including those in its foreign branches, a 5% increase compared to 2022 (168)⁽¹⁾. In 2023, women accounted for 20% of the company's workforce, an increase compared to the previous year with female staff growing from 33 in 2022 to 36 in 2023. This is a reflection of Vici's commitment to equality and inclusion, even though, in keeping with the industry trend, the company's workforce is predominantly male (141), representing 80% of the total number employees.

(1) Please note that the 2022 employee figure differs from that which was previously published because it now includes employees from the foreign branches.



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



Employees (Headcount) per professional category and gender as of December 31, 2023



Regarding the age distribution of the company workforce, nearly 70% of employees are between 30 and 50 years old (123 employees), 12% are under 30 years old, reflecting Vici's forward-looking vision and commitment to investing in young talent, and 18% are over 50 years old (32 employees). This last figure must be looked at in a positive light because, in 2023, Vici joined the Discover project to hire individuals who are over 50 years old and have faced challenges finding employment, as explained in section 5.3 of this report.

All Italian employees are covered by collective labor agreements (Metalmeccanica Industria), with 98% having open-ended contracts while the remainder have fixed-term contracts. This figure highlights the importance of **stable and long-term employment relationships**, which helps Vici build loyalty and create a collaborative work environment.

7 employees belong to protected categories, with 5 holding office positions and 2 engaged in manual labor.

Finally, Vici relies on 56 **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 the selection of, talent in the direct market. We also collaborate with employment agencies, or through social media platforms (like LinkedIn), take advantage of valuable and long-standing relationships, and organize specific social and community initiatives. Of these initiatives, in 2023, 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 company's corporate values and objectives, and build a strong 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. Additionally, within the welfare portal, each employee can receive advice from an energy manager regarding their choice of energy supplier based on their consumption and habits. 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, a partnership with the women's motorcycle **511 Racing Team**, and the men's basketball team **Rinascita Basket Rimini**, which make it possible to participate in activities that focus on wellness and family togetherness through shared athletic events that foster social connection. Furthermore, given that the majority of employees commute to work by car, Vici provided **fuel vouchers** in both 2022 and 2023.

In 2023, Vici also provided a **wedding bonus** (€500 net for 8 Vici brides or grooms) and a **baby bonus** (€1000 net for 9 Vici parents).





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 balance. Even since the pandemic ended, remote work, which was already an option prior to COVID, continues to be an integral part of every day work life.

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 explore their interests and talents.

The continuation of this project led to the launch of the **Orientamento** project, an initiative that helps young people develop self-awareness by focusing on everyday issues like social media use, eating habits, and emotional awareness. The project initially involved individual sessions, but has since been expanded to group meetings in order to improve harmony, effectiveness, and reach.

5.2 TRAINING AND TALENT DEVELOPMENT



One of Vici objectives is to **encourage the growth of its employees** and **develop and strengthen 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 below chart, in 2023 Vici provided a total of 4,932 training hours, of which 1,600 to women and 3,332 to men. On average, each employee received 26 hours of training. This is an increase compared to 2022, during which 585 hours of training were provided.

In 2023, the VELA e-learning platform became fully operational and, based on the employee training needs that were identified following analysis of individual development plans, **on-the-job training** was strengthened and expanded. This training, provided by internal experts, allows employees to learn by doing and to receive constant feedback from their supervisors. Additionally, mandatory occupational safety courses were held. More details can be found in the following pages.



For 2022-2023, the training plan included:



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 implementation 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 areas;



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



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

Specifically, with regard to the e-learning platform, in February 2023, the V.E.L.A. training project was launched in partnership with AltaFormazione (DigitEd), thus creating a training portal available to all employees. The portal offers a variety of courses on soft skills, selected by the company and divided by topic. It includes short training modules covering areas like time management, health and safety, motivation, error management, Office 365, employee engagement, ecological and digital transition, social responsibility, and diversity and inclusion.

The courses are structured into four segments: 1) Training; 2) Inspiration, featuring an educational and motivational snippet extracted from a speech by a notable figure; 3) Exploration; 4) Self-assessment test.

The courses are available online 24/7, allowing employees to take them whenever best fits their schedule.



Vici's operations demand **specialized 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, in keeping with the corporate organizational strategy. Furthermore, growth and compensation policies are formulated with the future of the organization in mind.

Skills



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 championed awareness of these vital topics and sought to cultivate greater understanding among its employees.

It is within this context that, since 2022, there has been a **Diversity & Inclusion Specialist** in the company, serving as an internal consultant on the matter. This dedicated specialist organizes various activities throughout the year, including training courses on diversity and inclusion and participation in various conferences. They also provide 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, to the present day, 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 of these is the **Moms@work** project, launched in October 2022, 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 their children provide during tough times. The initiative began with high-level coaching on topics like work-life balance, inclusion, and empowerment. After this, Vici's technicians and experts provided hands-on training in wiring and electrical testing, to facilitate the new mothers' entry into the company and secure their transition to permanent positions.

As a result of this initiative, five of the mothers were hired by Vici and one was hired by a partner company. The project's objective is to:

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



In 2023, the **Discover** project was launched to support the reintegration of workers who are over 50 years old into the job market. The objective of the initiative, carried out in collaboration with Caritas di Rimini and the Gi Group employment agency, is to teach these individuals new skills so that they can re-enter the workforce with renewed motivation, dedication, and curiosity. Project participants thus began a process of enhancing their soft skills through coaching in topics such as work-life balance, motivation, managing change, and learning from setbacks, receiving support from the Human Resources Department and a specialized coach from the Gi Group. The project then continued with specific practical training in aspects such as wiring and testing, provided by Vici specialists, before, upon conclusion of the training, inserting participants into production departments. The project allowed 5 workers to regain their dignity through employment and to join the Vici family with permanent contracts, demonstrating the company's commitment to providing stable jobs to its employees.

In September 2023, on occasion of the UN's Equal Pay Day, we hosted the **W@W - Women@Workevent**. The initiative kicked off with an in-depth look at the gender gap through the participation of observatories, academics, and business owners in order to provide a range of perspectives and experiences regarding this issue. The event brought together key stakeholders from across the current professional spectrum, from schools to universities to local companies. The event offered three thematic workshops (Gender Pay Gap, Maternity & Co., Orientation & STEM), each with an ad hoc discussion group and special guest speakers, who shared their experiences and insights in the field of human resources. At the end of the sessions, best practices and strategies for bridging the gender gap were shared. As part of its ongoing commitment to improvement, starting this year Vici also calculated the pay gap between its male and female employees in its Italian offices. Currently, women, who all fall into the professional category of "office staff", earn 77% of what men in the same category earn. Meanwhile, women's total compensation, still within the "office staff" category, is 75% that of men. Vici is committed to narrowing this gap in the immediate future.



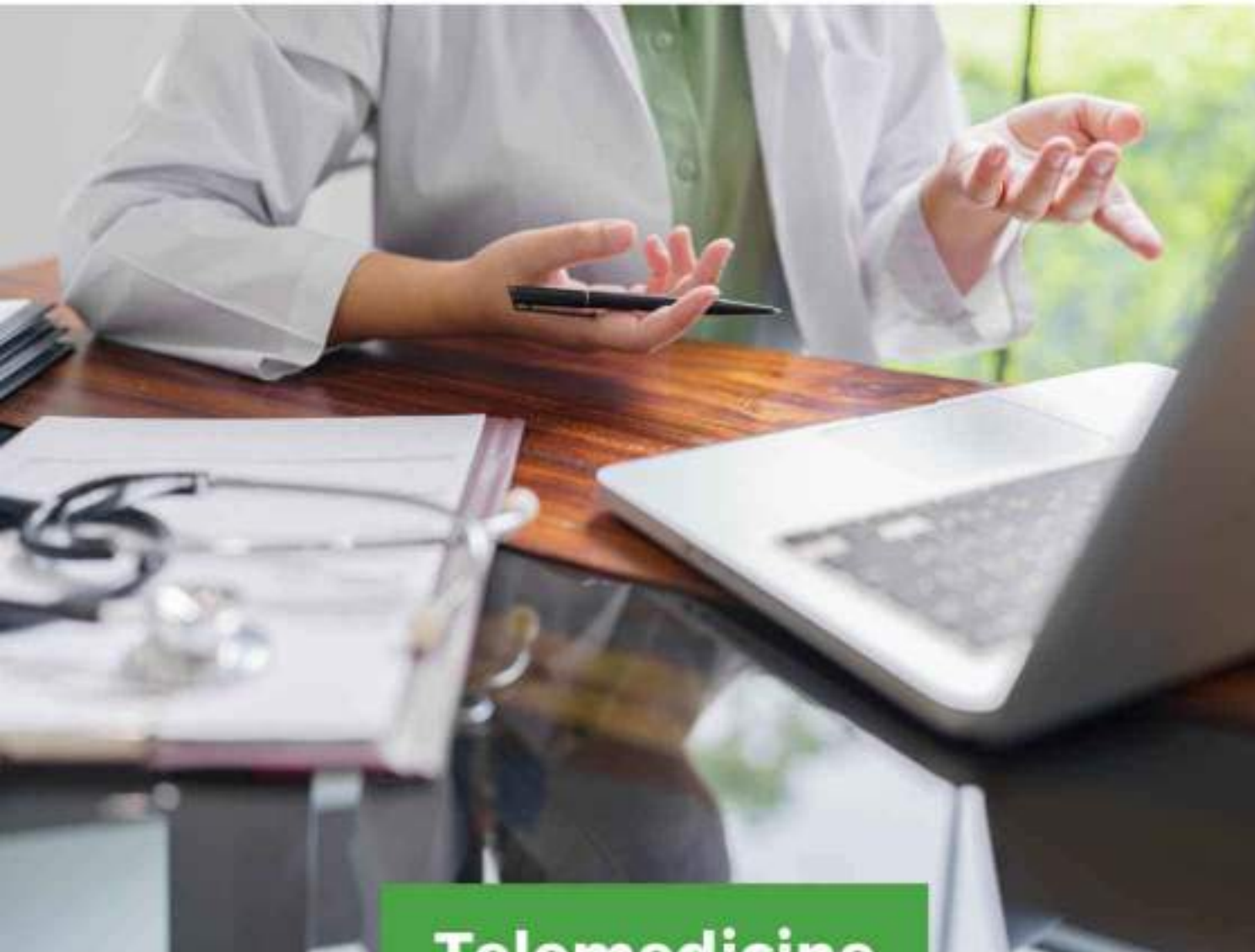
5.4 OCCUPATIONAL HEALTH AND SAFETY

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 hazards 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 2023, no workplace injuries occurred while conducting business activities. 2023 concluded with 3,023 days, or more than 8 years, since the last workplace injury.





Telemedicine



Employees at Vici periodically undergo **mandatory training courses on health and safety**. A monitoring file keeps track of deadlines and records training needs. Courses are then held based on these needs, so that employees remain constantly informed regarding the company's safety protocols, ensuring that they perform their jobs safely. In 2023, **437 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, so that the company can track monthly progress and the percentage of completed activities compared to those initiated in a given month. The constant presence of the Quality Safety Environment Department makes it possible to directly or indirectly collect these reports, which are promptly addressed and shared with the relevant stakeholders. This year, the target for near misses was achieved, set at 95, with 100 reports received, 93 of which were resolved by December 31, 2023.

Thanks to Vici's dedication to this issue, various projects aimed at promoting employee well-being have been initiated. For example, the **Telemedicine** service continues to connect employees with specialists across all medical fields and, in 2023, reached its full implementation, not only offering medical services 24/7, but extending them to every employee's family as well. The service was further enhanced by the addition of pediatricians, providing crucial support to employees navigating parenthood.

Mental Health Service



In 2022, with the support of a specialized osteopath, Vici offered a **course focused on ergonomics, muscle strain, and workstation setup**, involving all relevant company departments and identifying shared solutions for improvement. In 2023, the company provided a course on **manual load handling**, using similar training methods that focused on the simulation of critical issues and getting participants involved in identifying proper handling and stretching techniques.

An important initiative launched by Vici in 2023 was the introduction of a **mental health service** through a pilot project, providing the option to connect one-on-one, either in-person or remotely, with a mental health professional. The initiative met with positive feedback from participants, prompting Vici to expand the service to include training sessions aimed at raising employee awareness about mental health and breaking down prejudices and barriers around the initiative.

Also with regard to medical services, in 2023, Vici promoted a **day dedicated to the prevention of Type 2 diabetes**, offering free screenings to its employees.

5.5 COLLABORATION WITH LOCAL COMMUNITIES



Vici has strong ties to the area in which it operates, as seen by the numerous initiatives and collaborations promoted to benefit local communities and the launch of various **projects with schools and universities**. An important example is the collaboration with the University of Camerino, the objective of which is to research new products to introduce to the market. Thus, since March 2023, employees who are also students have been able to attend classes, register for exams, and earn university credits.

As evidence of Vici's commitment to fostering the growth of its employees and, in particular, that 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. For the second year in a row, the company has collaborated with a local school, the Zavatta Professional Center in Rimini, with the goal of offering professional opportunities to young men and women facing challenges entering the job market. To this end, a class from the *"Technical Management and Maintenance of Machines and Systems"* course received both theoretical and practical training from the corporate heads of our electrical and software departments. The aim of the project is to establish creativity and innovation workshops and to offer employment to young, talented individuals. Thanks to this initiative, in 2023, two students who participated in Vici's program were motivated and stimulated to complete their studies before embarking on their professional careers.

It is also through this project that Vici seeks to 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.



In an effort to connect the academic and business worlds, Vici organized the **Contaminiamoci di Colore** project [Let's Contaminate Ourselves With Colors], which brought together two local art schools (the Serpieri Artistic High School in Rimini and the Canova Artistic Institute in Forlì), each with its own vision and perspective on art. The company's request was to revitalize its office walls, currently full of calendars, diagrams, and organizational charts, through paintings and other artistic creations. The project began with a day dedicated to orientation, observation, and discussion, held at Vici's headquarters, during which students shared their perceptions of a metalworking company, revealing how, through their eyes, the impression is gray, static, and uninviting. Vici then presented its values, mission, and corporate culture, seeking to color the description of the organization and its departments and therefore allow a cross-contamination of the academic and professional worlds. The students, each with their own style and artistic sensibility, were then given the task of expressing their ideas and vision of the company, creating unique artwork that Vici displayed on its newly empty walls. This project provided the students with their first opportunity to apply their preferred techniques and interact with a "client", to whom they could offer their artistic interpretation within an industrial setting, seeking to represent corporate values in a dynamic, tangible, and innovative way.



Vici also **contributed and provided support to areas affected by flooding** in the provinces of Forlì and Cesena in May 2023, participating in various initiatives and promoting, among its employees, fundraising activities organized by Resto del Carlino and the Civil Protection. Furthermore, Vici staff participated in the *Io sostengo il mio territorio* [I Support My Territory] day, during which employees, paid by the company, worked alongside members of the Civil Protection to assist affected areas. Finally, in collaboration with the local association “Team Bota” [Team Hold On], a triangular soccer tournament was organized with two other local companies to raise money for flood victims.



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

Basketball: Basket Rimini

Basketball: Insegnare Basket Rimini

Soccer: S.S.D. Bellariva Virtus

Soccer: A.S.D. VERUCCHIO

Motorcycling: 511 Racing Team – An all-female racing team

Motorcycling: G.FOUR CORSE S.R.L.

Cycling: ASD Freccerosse Cycling

Culture: Santarcangelo dei Teatri





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 branches.

Starting with this report, in an effort to improve and increase transparency, the energy consumption and related emissions of our foreign branches have been included as well. This change accounts for the increase compared to the figures published in the 2022 Report.⁽¹⁾

(1) Energy consumption data for the American, Korean, and Chinese branches has been estimated based on the energy consumption of the German branch, adjusted according to square meters.



From January 1 to December 31, 2023, the **energy consumption** of Vici and its foreign branches totaled to **5,912 GJ**, an increase of **8%** compared to 2022, when consumption totaled **5,499 GJ**. This increase is due in part to the opening of a new showroom in July 2023 and in part to the full-year operation of the Via dell'Acero branch, which in 2022 was operative for only the latter seven months of the year.

The majority of the energy we consume comes from **non-renewable fuel sources** (80% of total energy consumed), primarily fossil fuels for transportation such as diesel, gasoline, and compressed natural gas. The remaining 20% of energy consumed comes from **purchased electricity**, 100% of which, with regard to the Via Gutenberg and Via del Grano branches, is certified to come from entirely renewable sources.

Starting in 2024, both the Via dell'Acero branch and the new showroom will also be powered by certified renewable energy.

Vici's **energy intensity**, calculated as energy consumption in GJ per million euro of revenue, is **81.8**, slightly up from **76.6** in 2022.



Vici is also making strides when it comes to **sustainable mobility** and, with the goal of lowering the environmental and financial impact of commuting, the CRA is working on implementing a **car pooling** project. Beginning with internal awareness raising initiatives and training aimed at changing people's attitudes about personal car use for commuting to work, the objective of the project, via a dedicated app, will be to promote car sharing, making it possible not only to save money and lower fuel consumption, but also to foster social connections and increase interaction between employees.

Greenhouse gas emissions generated by Vici's operations, in line with the increase in production volumes and the expanded scope of reporting, have increased compared to 2022. Total direct emission (**Scope 1**) generated in 2023 amounted to **327 tCO₂eq**, a 10% increase with respect to 2022 (297 tCO₂eq). These emissions were generated primarily by diesel and natural gas. Meanwhile, total indirect emissions (**Scope 2**), related to consumption of electricity, amounted to approximately **105 tCO₂eq** (103 tCO₂eq in 2022) if calculated using the location-based method and 135 tCO₂eq (138 tCO₂eq in 2022) if calculated using the market-based method.

In 2023, the total Scope 1 and Scope 2 emissions calculated using the location-based method came to approximately **432 tCO₂eq**, while, using the market-based method, they came to 463 tCO₂eq, a slight increase compared to the previous year (400 tCO₂eq and 435 tCO₂eq respectively).

Vici's **emission intensity**, calculated as the sum of Scope 1 and Scope 2 emissions (location-based) per million euro of revenue, is **5.97**, consistent with the intensity of last year.



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 400 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 129.38 tons of CO₂. In 2023, as a symbol of its optimism and forward-looking vision, Vici donated several trees from its “Foresta del Talento” to students at two local schools, the Serpieri Institute in Rimini and the Canova Institute in Forlì. Additionally, in honor of International Women's Day, Vici gifted a tree to each of its female employees.

In 2023, Vici also played an active role in the **Rivending project** and, through the proper disposal of coffee cups, prevented 469 kg of CO₂eq from being released into the atmosphere.



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.

Vici is particularly committed to the practice of **circular economy**, and therefore product durability. This is one of the reasons that the company has given its customers the option to update the software of machines that are no more than ten years old to the latest available version, thus preventing them from becoming obsolete.

In its operations, Vici uses various kinds of **materials**, both renewable and non-renewable. The latter mainly includes plastic, electronic equipment, cables, and sheet metal, which account for almost all of the materials used in the production process (99.6%), as the company chooses materials **designed for long-term durability** for its machines. As for renewable materials, Vici uses wood and cardboard, primarily for shipping and logistics.

In a spirit of continuous improvement, in 2023, Vici began monitoring the **weight of materials used** by inserting the unit weights into the item records, as detailed in the table below. The weights listed account for 88% of the total quantities received throughout the reporting year, demonstrating Vici's commitment to systematically collecting this data.

Materials Used by Weight or Volume - 2023				
Type of Material	U.d.m	Non-Renewable	Renewable	Total
Plastic	kg	351,940		351,940
Electronic equipment	kg	221,262		221,262
Cables	kg	104,931		104,931
Sheet metal	kg	461,045		461,045
Metal components	Kg	2,002		2,002
Wood	kg		2,721	2,721
Cardboard	kg		1,653	1,653
Total	kg	1,141,180	4,374	1,145,554

6.2 CIRCULAR ECONOMY



In an effort to use **materials** with a **lower environmental impact**, Vici has launched a project to find recycled and easily recyclable materials, particularly for packaging, and is also committed to replacing non-renewable materials with renewable ones in the processes for securing parts/components during production and shipping.

Among the actions taken by Vici are the purchase of cast articles, which are made of 40% recycled aluminum, and the use of Skid-mate, a protective plastic element that contains up to 50% recycled resin.

With the intention of further improving its environmental performance, Vici is experimenting with the use of recovered cardboard instead of polystyrene for some of the **packaging** of its products. The company has also launched initiatives aimed at reducing single-use plastic and promoting the use of recycled plastic in its offices, as well as reducing the use of paper. In fact, all employee health documentation, as well as all of the materials provided to new-hires during the onboarding process have been made digital.

Meanwhile, when it comes to waste management, Vici separates waste according to CER codes and generates **primarily non-hazardous waste** (98% of total waste generated), such as broken pallet wood, metals, pure copper, copper wires, and mixed packaging. In 2023, in line with increased production volumes, Vici generated a total of **31.49 tons** of waste compared to 24.78 tons generated in 2022, for a 27% increase. Its hazardous waste, which accounts for only 2% of its total waste, is made up of obsolete equipment that may contain hazardous components, aerosol cans, empty packaging with residue of harmful substances, and rags and clothing that are potentially contaminated (for example, with oil).

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 very 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 authorized and trained.

In line with Vici's commitment to promoting the 3Rs approach: **"Reduce, Reuse, Recycle"**, at present, the fleet of installed 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 during maintenance activities is handled directly by the customer, except in warranty situations. In such cases, Vici handles the return, conducting internal evaluations and tests itself, either on-site or at the supplier's facilities. Only in cases of obvious malfunction does Vici dispose of the component as waste.

Additionally, as further testament to the durability of its optical measuring machines and the effectiveness of its repair and refurbishment services, Vici has a perfect record, not only with regard to machines that were returned due to malfunctions and subsequently repaired, but also products that were sent back to be refurbished and updated. The latter involves a reconditioning process in which all components are inspected and those that are worn out or broken are replaced.

In the field of electrical panels, Vici also operates as a valuable third-party service provider, reconditioning cabinets and cooling units.

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, 2022			As of December 31, 2023		
	Men	Women	Total	Men	Women	Total
Open-Ended	129	32	161	142	39	181
Fixed-Term	6	1	7	4	2	6
Total	135	33	168	146	41	187

Total number of employees subdivided by employment type (full-time or part-time) and gender						
Employment Type	As of December 31, 2022			As of December 31, 2023		
	Men	Women	Total	Men	Women	Total
Full-time	135	26	161	145	31	135
Part-time	0	7	7	1	10	0
Non-guaranteed hours	0	0	0	0	0	0
Part-time (%)	0%	21%	4%	1%	24%	36
Total	135	33	168	146	41	187

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, 2022			As of December 31, 2023		
	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	1.1	1.8	3.4	0.4	2.3
Manual Workers	1.8	0	1.8	2.7	0	2.7
Total	2	1	2	2.9	0.4	2.3

DISCLOSURE 2-8: NON-EMPLOYEE WORKERS

Average number of external workers (HEADCOUNT) by job category and gender						
Job Category	As of December 31, 2022			As of December 31, 2023		
	Men	Women	Total	Men	Women	Total
Temporary Workers	5	7	12	9	11	20
Interns/Trainees	3	1	4	5	3	8
Apprentices	14	7	21	17	9	26
Other: External Collaborators	1	0	1	2	-	2
Total	23	15	38	33	23	56

DISCLOSURE 2-30: COLLECTIVE BARGAINING AGREEMENTS

Percentage of total number of employees covered by collective bargaining agreements		
Number of Employees	2022	2023
Total Employees	168	187
Number of Employees with Collective Bargaining Agreements	168	187
Total Percentage	100%	100%



DISCLOSURE 403-9: WORKPLACE ACCIDENTS

Employees

Workplace Accidents		
Number of Accidents	2022	2023
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	2022	2023
Hours Worked	293,088	299,346
Multiplier for Calculation	200,000	200,000
Accident Rates		
Rate	2022	2023
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	2022	2023
Wound/Cut	0	0
Bruise/Crushing	0	0
Strain Injury: muscle injuries, hernias, etc.	0	0
Other Injuries	0	0

(3) The recordable rate of workplace accidents was calculated on the basis of 200,000 hours worked.

External Workers

Workplace Accidents		
Number of Accidents	2022	2023
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	2022	2023
Hours Worked	9,935	22,431
Multiplier for Calculation	200,000	200,000
Accident Rates		
Rate	2022	2023
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	2022	2023
Wound/Cut	0	0
Bruise/Crushing	0	0
Strain Injury: muscle injuries, hernias, etc.	0	0
Other Injuries	0	0

(4) The recordable rate of workplace accidents was calculated on the basis of 200,000 hours worked.

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, 2022			As of December 31, 2023		
	Average Hours Men	Average Hours Women	Average Hours Total	Average Hours Men	Average Hours Women	Average Hours Total
Managers	0	0	0	16.0	0	16.0
Executives	0	0	0	16.0	0	14.2
Office Workers	2.7	11.1	5.4	37.7	40	38.5
Manual Workers	2.3	0	2.2	8.1	0	8.1
Total	2	11	4	22.8	39	26.4



DISCLOSURE 405-1: DIVERSITY IN GOVERNANCE AND AMONG EMPLOYEES

Percentage of employees by job category and gender						
Job Category	As of December 31, 2022			As of December 31, 2023		
	Men	Women	Total	Men	Women	Total
Managers	1.2%	0,0%	1.2%	1.1%	0.0%	1.1%
Executives	3.6%	1.2%	4.8%	4.3%	0.5%	4.8%
Office Workers	35.7%	18.5%	54.2%	37.4%	21.4%	58.8%
Manual Workers	39.9%	0.0%	39.9%	35.3%	0.0%	35.3%
Total	80.4%	19.6%	100.0%	78%	22%	100%

Percentage of employees by job category and age range								
Job Category	As of December 31, 2022				As of December 31, 2023			
	<30 years	30-50 years	>50 years	Total	<30 years	30-50 years	>50 years	Total
Managers	0.0%	0.0%	100.0%	0.6%	0.0%	0.5%	0.5%	1.1%
Executives	0.0%	100.0%	100.0%	1.3%	0.0%	3.2%	1.6%	4.8%
Office Workers	8.2%	76.5%	15.3%	55.2%	7.0%	41.2%	10.7%	38.8%
Manual Workers	12.1%	74.2%	13.6%	42,9%	4.8%	24.6%	5.9%	35.3%
Total	9.7%	74.7%	15.6%	100.0%	11.8%	69.5%	18.7%	100.0%

Employees in protected categories by job category and gender						
Job Category	As of December 31, 2022			As of December 31, 2023		
	Men	Women	Total	Men	Women	Total
Managers	0	0	0	0	0	0
Executives	0	0	0	0	0	0
Office Workers	2	3	5	2	3	5
Manual Workers	1	0	1	2	0	2
Total	3	3	6	4	3	7

7. OUR SUSTAINABILITY PERFORMANCE

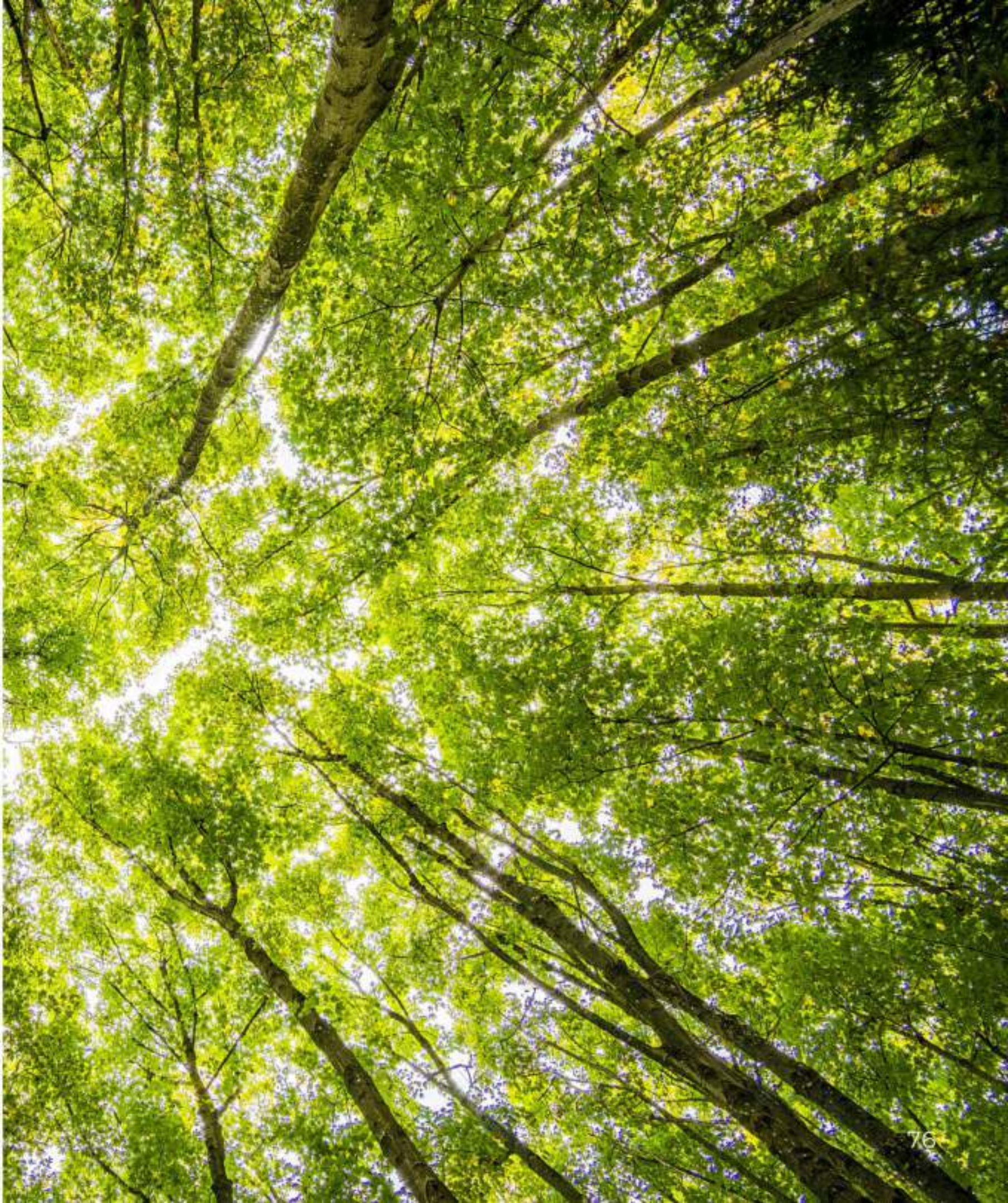
ENVIRONMENTAL DATA

DISCLOSURE 302-1: ENERGY CONSUMED WITHIN THE ORGANIZATION

Energy consumption within the organization					
Type of Consumption	Unit of Measure	2022		2023	
		Total	Total GJ	Total	Total GJ
Non-Renewable Fuels		121,206	4,345	133,175	4,739
Natural Gas	Sm ³	34,437	1,181	41,028	1,407
Diesel for Motor Vehicles (company-owned fleet)	l	80,518	2,898	84,413	3,038
Gasoline for Motor Vehicles (company-owned fleet)	L	2,595	83	5,182	165
Compressed Natural Gas for Motor Vehicles (company-owned fleet)	kg	3,655	183	2,552	129
Purchased Electricity		320,718	1,155	313,200	1,173
from non-renewable sources	kWh	20,528	74	13,682	110
from renewable sources	kWh	300,189	1,081	299,518	1,063
TOTAL	GJ		5,499		5,912

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

Type of Emissions	Unit of Measure	2022	2023
Natural Gas	tCO ₂ eq	69.42	83.63
Diesel	tCO ₂ eq	222.12	232.59
Gasoline	tCO ₂ eq	5.61	10.87
Compressed Natural Gas	tCO ₂ eq	-	-
Total	tCO ₂ eq	297.1	327.1



The Conversion Factors Used

Energy Consumption Conversion Factors					
	Unit of Conversion	2022	Source 2022	2023	Source 2023
Electricity	GJ/kWh	0.0036	Constant	0.0036	Constant
Natural Gas	GJ/Smc	0.034289	Ministry of the Environment – Table of Standard Parameters 2022	0.034288	Ministry of the Environment – Table of Standard Parameters 2023
Diesel for Motor Vehicles	GJ/ton	42.85	DEFRA 2022	42.85	DEFRA 2023
Gasoline for Motor Vehicles	GJ/ton	43.13	DEFRA 2022	43.13	DEFRA 2023
Compressed Natural Gas (motor vehicles)	GJ/t	40.08	DEFRA 2022	50.43	DEFRA 2023

The Emission Factors Used

Energy Consumption Conversion Factors					
	Unit of Conversion	2022	Source 2022	2023	Source 2023
Electricity (Location-Based)	tCO ₂ / Kwh	0.000315 (Italy); 0.000374 (USA); 0.000609 (China and Korea); 0.000393 (Germany)	TERNA_2019 (international comparisons)	0.000315 (Italy); 0.000374 (USA); 0.000609 (China and Korea); 0.000393 (Germany)	TERNA_2019 (international comparisons)
Electricity (Market-Based)	tCO ₂ / Kwh	0.000457 (for Italy, for USA, China, and Korea use location-based factors); 0.000618 Germany	AIB - European Residual Mixes 2022	0.000457 (for Italy, for USA, China, and Korea use location-based factors); 0.000684 Germany	AIB - European Residual Mixes 2023
Natural Gas	Kg CO ₂ eq / mc	2.01574	Defra 2022	2.03839	Defra 2023
Diesel for Motor Vehicles	kg CO ₂ eq / l	2.75857	Defra 2022	2.75541	Defra 2023
Gasoline for Motor Vehicles	kg CO ₂ eq / l	2.162	Defra 2022	2.097	Defra 2023
Compressed Natural Gas for Motor Vehicles	KgCO ₂ /smc	0.001991	Min. Environment – Table of national standard parameters for the monitoring and reporting of GHG - 2022	0.002004	Min. Environment – Table of national standard parameters for the monitoring and reporting of GHG - 2023



Total Weight of NON-HAZARDOUS Waste Generated			
Type of Waste	Unit of Measure	2022	2023
CER 150103	ton	14.510	11.47
CER 170405	ton	0.500	0.98
CER 170405	ton	5.000	9.43
CER 170402	ton	0	0.29
CER 170411	ton	1.200	1.99
CER 170401	ton	0.040	0.025
CER 160214	ton	0.770	3.4
CER 150106	ton	2.240	3.31
Total	ton	24.260	30.9

Total Weight of HAZARDOUS Waste Generated			
Type of Waste	Unit of Measure	2021	2022
CER 150202	ton	0.025	0.03
CER 160211	ton	0.490	0.55
CER 150111	ton	0.003	0.005
CER 150110	ton	0.003	0.005
CER 160213	ton	0	0
Total	ton	0.521	0.59



8. INDEX OF GRI CONTENT



Declaration of Use		Vici has submitted a report <i>in accordance</i> with the GRI Standards for the time period from 01/01/2023 to 12/31/2023.			
GRI 1 used		GRI 1 – Foundation 2021			
GRI Standards	Disclosure	Page Number / Note	Omissions		
			OMITTED REQUIREMENTS	REASON	EXPLANATION
GRI 2: General Disclosure (2021)					
Organization and Reporting Practices					
2-1	Organizational details	5-7			
2-2	Entities included in the organization’s sustainability report	5			
2-3	Reporting period, frequency, and point of contact	5			
2-4	Restatement of the information	51; 67			
2-5	External assurance	The report is not subject to assurance			
2-6	Activities, value chain, and other business relationships	7; 23-24; 46			
2-7	Employees	51; 73			
2-8	Non-employee workers	73			



Governance					
2-9	Governance structure and composition	13			
2-10	Appointment and selection of the Board of Directors	13			
2-11	Chairperson of the Board of Directors	13			
2-12	Role of the Board of Directors in overseeing impact management	13-15			
2-13	Delegation of responsibility for impact management	16-17			
2-14	Role of the Board of Directors in sustainability reporting	14-19			
2-15	Conflicts of interest	21-22			
2-16	Communication of critical issues	21-22			
2-17	Collective knowledge of the Board of Directors	15-16			
2-18	Evaluation of the Board of Directors' performance	14-19			
2-19	Regulations regarding pay	13-18			
2-20	Procedure for determining salary	22			
2-21	Total annual salary report		a), b); c).	obligation of confidentiality	

Strategies, Policies, and Practices					
2-22	Statement on sustainable development strategy	4			
2-23	Commitments in terms of policy	25-30			
2-24	Integration of commitments in terms of policy	25-30			
2-25	Processes for addressing negative impacts	32			
2-26	Mechanisms for requesting clarification and raising concerns	21-22			
2-27	Compliance with laws and regulations	22			
2-28	Membership in Associations	Vici is not a member of any association			
Stakeholder Engagement					
2-29	Stakeholder engagement approach	31			
2-30	Collective agreements	73			

Material Aspects					
GRI 3: Management of Material Topics (2021)					
3-1	Process for determining material topics	31			
3-2	List of material topics	32			
MATERIAL TOPIC: Economic Performance					
GRI 201 Economic Performance (2016)					
3-3	Management of material topics	33-34			
201-1	Directly generated and distributed economic value	34			
MATERIAL TOPIC: Ethics, Integrity, and Compliance					
GRI 205 Anti-Corruption (2016)					
3-3	Management of material topics	15-17			
205-3	Confirmed incidents of corruption and actions taken	16-17			
GRI 206 Anti-Competitive Behavior (2016)					
206-1	Legal actions for anti-competitive and anti-trust behavior and monopolistic practices	16-17			

MATERIAL TOPIC: Energy Consumption and Emissions					
GRI 302 Energy (2016)					
3-3	Management of material topics	68-70			
302-1	Energy consumption within the organization	68; 79			
302-3	Energy intensity	68			
GRI 305 Emissions (2016)					
305-1	Direct GHG emissions (Scope 1)	69; 70; 79			
305-2	Indirect GHG Emissions from energy consumption (Scope 2)	69; 70			
305-4	Intensity of GHG emissions	69; 70			
MATERIAL TOPIC: Adoption of Circular Economy Practices					
GRI 306 Waste (2020)					
3-3	Management of material topics	72			
306-3	Waste generated	77-78			



MATERIAL TOPIC: Management of Materials					
GRI 301 Materials (2016)					
3-3	Management of material topics	71-72			
301-1	Materials used according to weight or volume	72			
MATERIAL TOPIC: Management of Employee Satisfaction and Wellness					
GRI 401 Employment (2016)					
3-3	Management of material topics	52-55			
401-2	Benefits available to full-time employees that are not offered to fixed-term or part-time employees	53-54			
MATERIAL TOPIC: Training and Development of Employees					
GRI 404 Training and Education (2016)					
3-3	Management of material topics	55-57			
404-1	Average hours of training per year per employee	74			
404-3	Percentage of employees who regularly receive performance and professional development evaluations	100%			
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GRI 405 Diversity and Equal Opportunity (2016)					
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405-2	Ratio of base salary and pay of women compared to men	58			
GRI 406: Non-Discrimination					
406-1	Incidents of discrimination and corrective measures taken	58-59			

MATERIAL TOPIC: Occupational Health and Safety					
GRI 403: Occupational Health and Safety (2018)					
3-3	Management of material topics	60-62			
403-1	Occupational health and safety management system	60-62			
403-2	Identifying hazards, assessing risks, and investigating accidents	60-62			
403-4	Employee participation and consultation regarding occupational health and safety programs, along with related communication	60-62			
403-5	Employee training on occupational health and safety	73			
403-6	Promotion of employee health	60-62			
403-7	Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	60-62			
403-8	Employees covered by an occupational health and safety management system	60-62			
403-9	Accidents in the workplace	74			
MATERIAL TOPIC: Cybersecurity and Data Protection					
GRI 418: Customer Privacy (2016)					
3-3	Management of material topics	35-37			
418-1	Valid complaints regarding violations of customer privacy violations and loss of their data	35			

MATERIAL TOPIC: Quality and Performance of Manufactured Products					
GRI 416 Customer Health and Safety /2016)					
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416-2	Incidents of non-compliance related to the health and safety impacts of products and services	49			
GRI 417 Marketing and Labeling (2016)					
3-3	Management of material topics	42			
417-2	Incidents of non-compliance related to labeling and information on products and services	42			
417-3	Incidents of non-compliance related to marketing communications	42			
MATERIAL TOPIC: Responsible Supply Chain					
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3-3	Management of material topics	43-46			
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MATERIAL TOPICS: Product and Process Innovation					
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SUSTAINABILITY REPORT

2023

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