

Brevetti  
Montolit s.p.a

**SUSTAINABILITY  
REPORT**

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**2023**  
**FOR EARTH AND  
PEOPLE**



Brevetti  
Montolit s.p.a

**SUSTAINABILITY**  
REPORT  
**2023**

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# SUMMARY



## LETTER TO STAKEHOLDER

### Dear Stakeholders

After last year's first report, here we are assessing the progress in our journey toward a sustainable future.

Reconnecting with what has already been expressed in the presentation of our program, I can reiterate that "the whole" has as a strategic goal to be the driving vehicle of change by giving a medium-term time horizon to the numbers with commitments, objectives, strategic vision and, above all, concrete results.

In this context, the greatest satisfaction is to be able to involve more and more in our enthusiasm not only the direct collaborators but also the whole world that revolves around the reality of Brevetti Montolit.

*Innovation as passion*

Vincenzo Vichi Montoli



## READING GUIDE

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The report consists of four parts divided into as many chapters and an appendix.

# 01

The **first chapter** provides an essential description of the organization, its identity, history and ownership structure.

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# 02

The **second chapter** reports the organs, principles and procedures the company has in place for its proper management.

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# 03

The **third chapter** details how the organization uses financial and non-financial "capital" (see "Glossary" on p. 70) to generate value, what impacts, risks and opportunities are related to this process, and what strategies enable sustained and shared value creation.

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# 04

The **fourth chapter** goes into detail about the company's achievements, activities and goals declared in the ESG dimensions, namely Environmental (Environment) Social (Social) and Economic (Governance).

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# 05

The **last part** contains references used for preparing the report, the index of GRI indicators used and a glossary for a better understanding of some terminologies used.

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# 01 OVERVIEW

## VISION

**AMBITION,  
PASSION FOR  
INNOVATION**

which has always led to anticipating the needs of the market.

## MISSION

**COMPETENCE,  
UNIQUENESS  
OF SOLUTIONS**

through constant listening to customer needs.

## VALUES

**DESIRE  
TO ALWAYS IMPROVE**

with great responsibility to our stakeholders in order to spread at all levels our enthusiasm, intended in its meaning of irrepresible drive to operate by giving all of ourselves. Information, training, knowledge are and will be the necessary tools to face the future.



# OWNERSHIP STRUCTURE AND OPERATIONAL STRUCTURE

Brevetti Montolit Spa is a company based in Cantello (VA) that specializes in the design, manufacturing, and marketing of professional equipment for cutting and drilling ceramic tiles and stone materials. Founded in 1946 by Cav. Vincenzo Montoli, today the founding family owns 100% of the company's shares.

The company consists of three locations:

**LEGAL:** Located at via Turconi 25, Cantello (VA)

**OPERATIONAL:** Situated at Largo Cavalier Montoli in via Varese 4/A, Cantello (VA)

**LOGISTICS:** Also located at Largo Cavalier Montoli in via Varese 4/A, Cantello (VA).

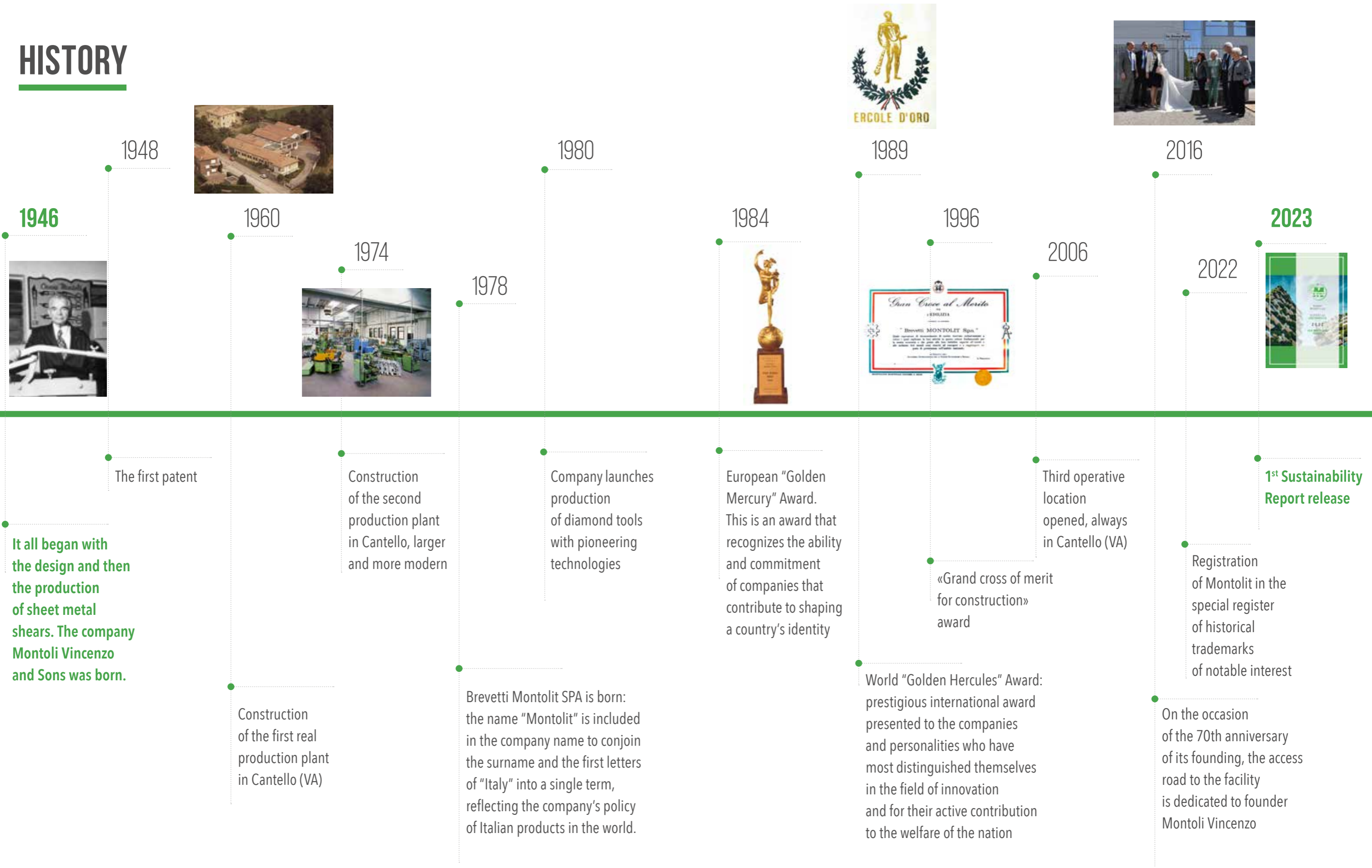


GRI 2-1 Organizational details  
GRI 2-2 Entities included in the organization's sustainability reporting





# HISTORY



1946



It all began with the design and then the production of sheet metal shears. The company Montoli Vincenzo and Sons was born.

1948

The first patent



1960

Construction of the first real production plant in Cantello (VA)

1974



Construction of the second production plant in Cantello, larger and more modern

1978

Brevetti Montolit SPA is born: the name "Montolit" is included in the company name to conjoin the surname and the first letters of "Italy" into a single term, reflecting the company's policy of Italian products in the world.

1980

Company launches production of diamond tools with pioneering technologies

1984



European "Golden Mercury" Award. This is an award that recognizes the ability and commitment of companies that contribute to shaping a country's identity

1989



World "Golden Hercules" Award: prestigious international award presented to the companies and personalities who have most distinguished themselves in the field of innovation and for their active contribution to the welfare of the nation

1996



«Grand cross of merit for construction» award

2006

Third operative location opened, always in Cantello (VA)

2016



2022

Registration of Montolit in the special register of historical trademarks of notable interest

On the occasion of the 70th anniversary of its founding, the access road to the facility is dedicated to founder Montoli Vincenzo

2023

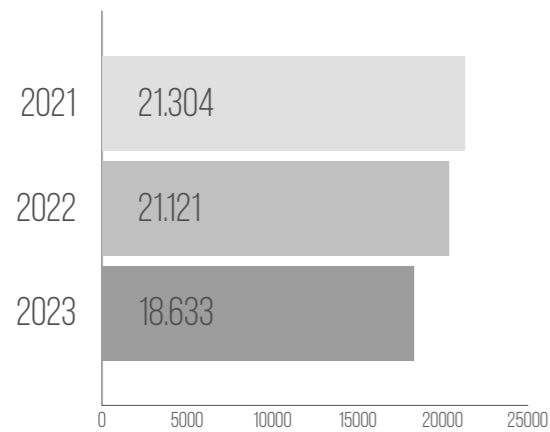


1<sup>st</sup> Sustainability Report release

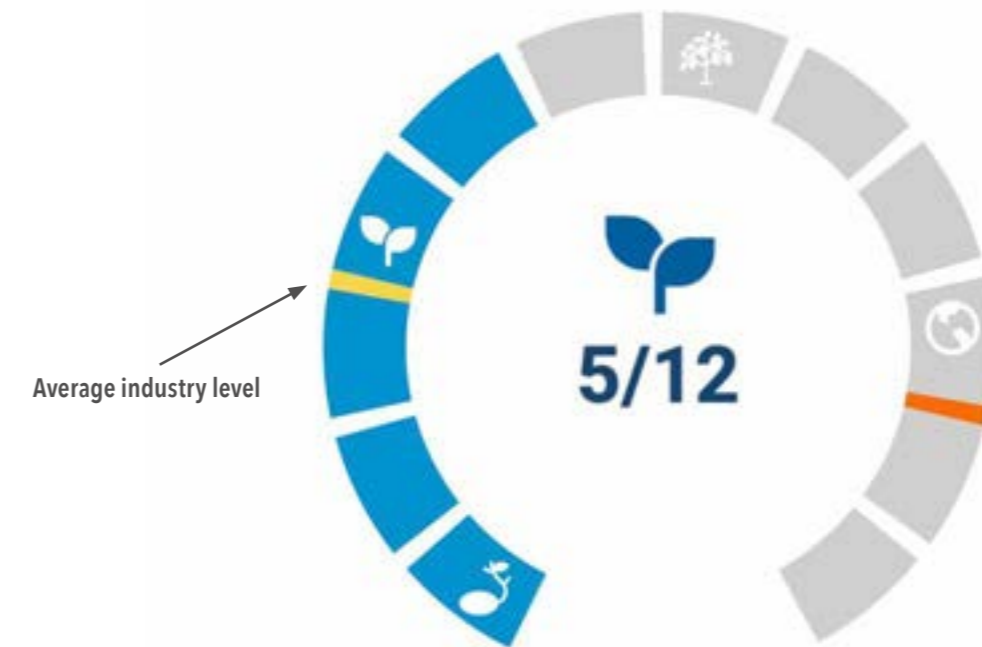
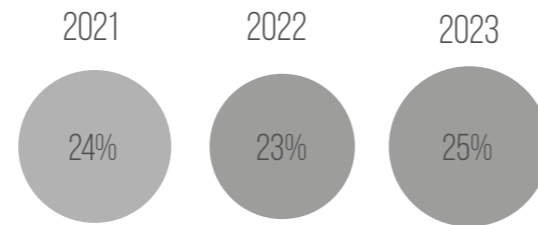


# HIGHLIGHTS

Economic value  
(in K€)



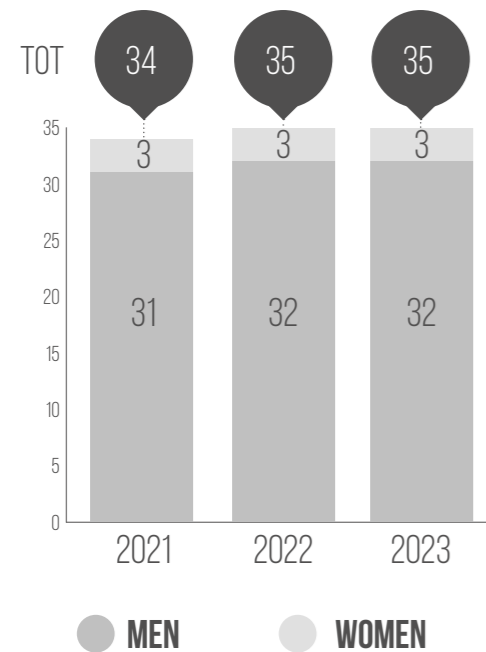
EBITDA



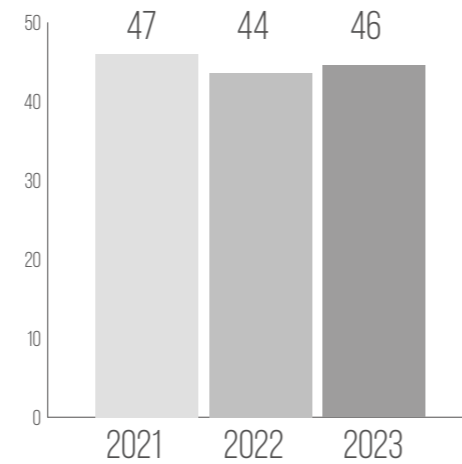
## Percentage of foreign turnover and served markets

Brevetti Montolit generates approximately 50% of its total revenue through exports, reaching a market of more than 100 countries worldwide every year.

Employees



Average age



The platform for the sustainable development who permit to all companies (more than 21.000 already booked of 65 different industrial sector) To measure ESG performances analyze, share and joint the stakeholder in the improvement process.

**For an entire system to transform, everyone's collaboration is necessary.**



# ESG CORPORATE GOVERNANCE


# THE GOVERNANCE STRUCTURE

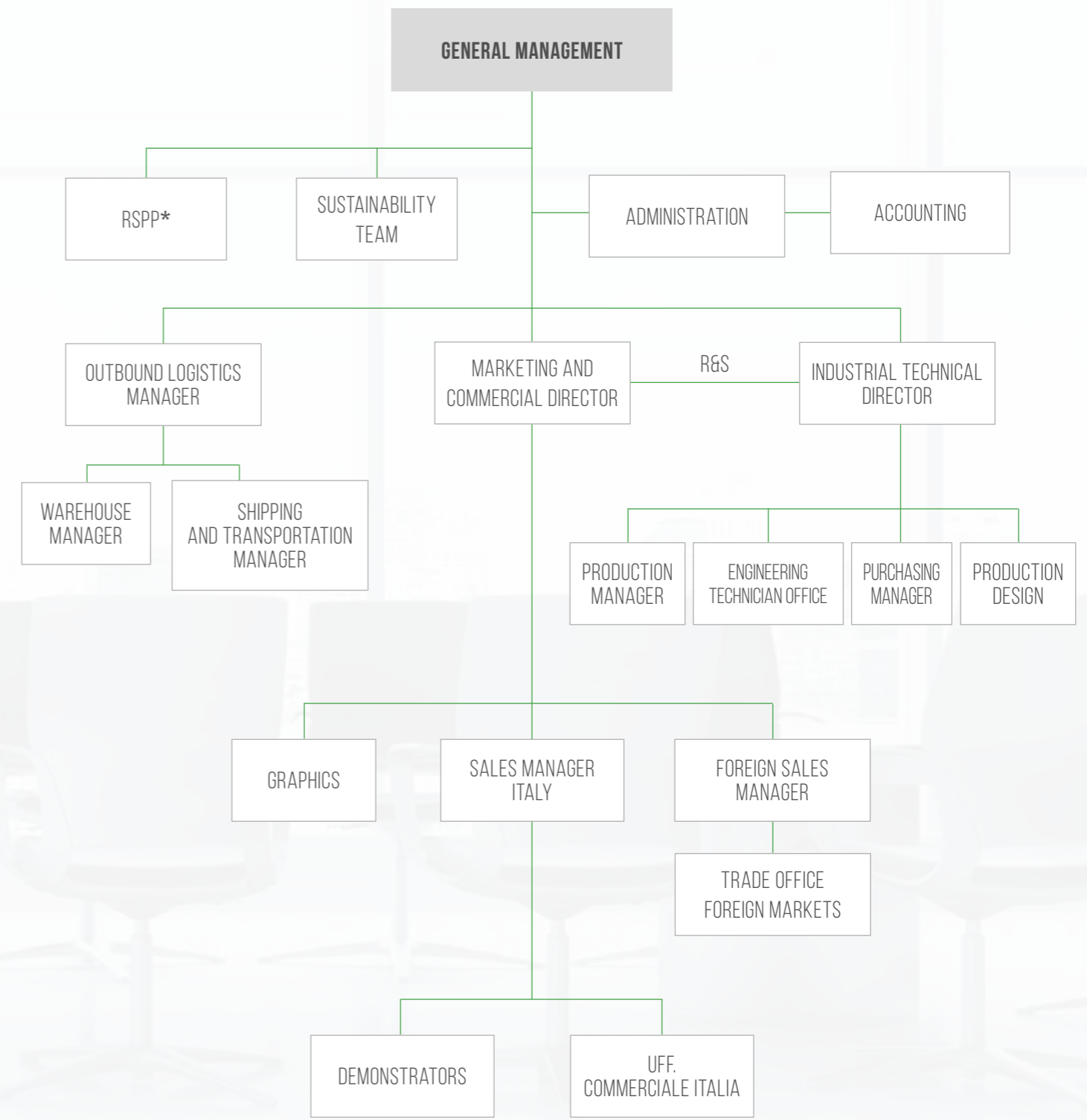
The company is represented by a Board of Directors consisting of a Chairman and two Administrators who act as the highest governing body. The General Management oversees all stages of activity planning with a classic functional structure. The Board of Directors and the entire governance structure are represented in the organizational chart below:

**Montoli Vincenzo**  
Chairman of the Board and Head of Marketing/Commercial

**Montoli Stefano**  
Administrator, Employer, and Operations Manager

**Rovera Giuseppe**  
Administrator and Outbound Logistics Manager

  
**GRI 2-9** Governance structure and composition  
**GRI 2-11** Chair of the highest governance body



\* The person in charge of the prevention and protection service



# BEHAVIORAL POLICY

Brevetti Montolit S.p.A has established an internal policy to define the company's commitment to pursuing the highest standards of business ethics in achieving its corporate goals. Furthermore, it aims to share the values of a corporate culture in which respecting the legitimate interests and needs of all individuals or groups involved in the company's activities becomes fundamental.

Brevetti Montolit S.p.A commits to conduct its business with the utmost integrity and in compliance with the law. Operating in a world where the laws governing corporate conduct are increasingly complex and demanding, the company aspires to be among the best in every aspect of its operations, striving for continuous improvement.



# QUALITY POLICIES AND MANAGEMENT SYSTEMS

Brevetti Montolit has established a management committee, the **KAIZEN TEAM**, consisting of representatives from all areas of the company: Production, Technical Office, Logistics, Service, Quality, Purchasing and Sales.

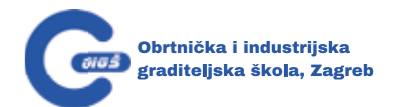
After one year of work, the results achieved by the team are significant in: reduction of processing waste, efficiency gains on transportation, reduction of return management costs, and computerization of relations with sales staff.

The aim is for 360-degree "continuous improvement."



# ASSOCIATION MEMBERSHIPS

Brevetti Montolit confirms itself as the best technical partner in the tile industry:



# CERTIFICATIONS

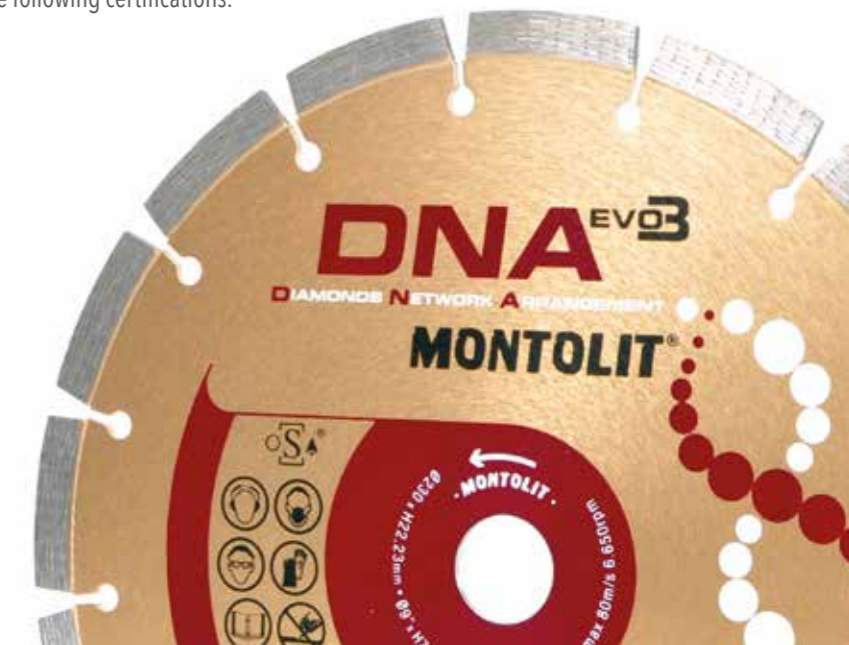
Our sustainable way of doing business delves into the process and production aspects that make Brevetti Montolit an industry excellence. That is why Our products are awarded the following certifications.

EC certifications



OSA-marked diamond products

The OSA® mark guarantees the highest level of proven safety of cutting and grinding tools.



GRI 2-28  
Membership associations



**03**

**BUSINESS MODEL**



## DESCRIPTION OF THE EXTERNAL CONTEST

Brevetti Montolit S.p.A operates in the construction industry, particularly tiles and tools for their processing..

At the national level, after recent positive years thanks to government incentives, forecasts for new construction and building upgrades are downward in the short term. The turbulent world environment ravaged by conflicts especially the Ukrainian-Russian one undermines the very positively estimated growth forecasts in these countries. In an indirect way this conflict also slows down the German economy that has always been the engine of Europe. In contrast, looking specifically at the tile sector, worldwide forecasts are for steady growth until 2025.

The construction world is still the most affected by work-related injuries and deaths.

Rental, reconditioning, and asset sharing activities will be developed with sustainability in mind.

GDO channels are expected to grow steadily as they seek to promote more and more "ESG oriented" products and companies



## THE COMPANY OFFER

### Products\*:

- Patented equipment for professional construction
- Manual and electric tile cutters
- Electric tile drills
- A complete range of tools for ceramic tile installation
- Tile cutters/splitters and nippers
- Diamond blades
- Diamond drills, mills and core bits
- Diamond finishing pads and tools

\*All products include solutions covered by national or international patents

### Sales through specialized distribution:

- Retailers
- Wholesalers
- Professional distribution chains (buying groups)
- Large organized retail (G.D.O.)

### Technologies used:

- Aluminum die-casting
- Steel molding
- Precision mechanical machining
- Laser welding
- Sintering
- Vacuum diamond deposition
- Automation and robotics for control and assembly operations





# SHARED VALUE

The diagram represent a synthetic way in which Brevetti Montolit generates value, analyzing capitals (financial or not) that the organization uses and they become outcomes, through the activities of its own business.



## Financial capital

Equity

## Productive Capital

Factories and company headquarters  
Production machinery

## Intellectual Capital

Patents  
Investments in R&D  
Open innovation

## Human Capital

Employees  
Investments in training

## Natural Capital

Raw material  
Energy consumed

## Relational Capital

Suppliers, customers,  
universities and schools

### Corporate Purpose

Our aim is to always strive for improvement with a strong sense of responsibility towards our stakeholders, in order to spread our enthusiasm at all levels, understood as an unstoppable drive to give our best in every endeavor. We believe that information, training, and knowledge are and will continue to be the essential tools to successfully face the future.

### Material Topics

- Human capital
- Health and safety at work
- Carbon footprint
- Packaging
- Waste
- Financial economic performance

### What the company produces

The company specializes in the design, production, and marketing of professional equipment for cutting and drilling ceramic tiles and stone materials.

## Financial Capital

Revenue	18,6 ML/€*
Distributed EBITDA	9,3 ML/€*
	25%*

## Productive Capital

- Continuous improvement of production assets: machinery and equipment.
- Continuous innovation along the entire value chain.

## Intellectual Capital

Patents and research and development projects. An open innovation mindset

## Human Capital

Employment  
Low talent turnover  
Job security

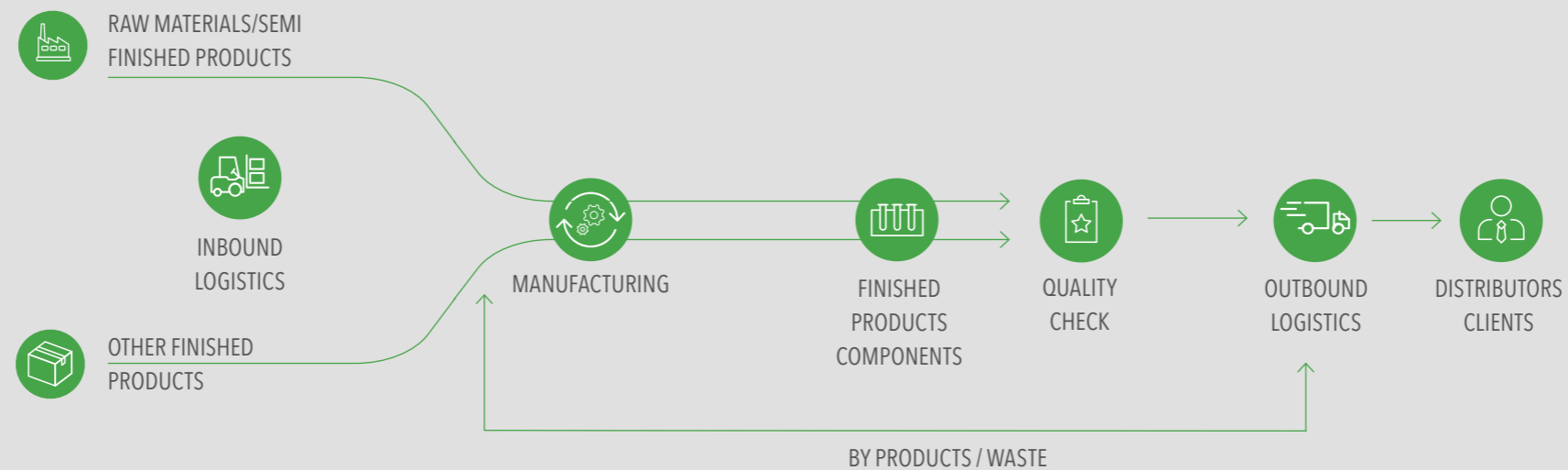
## Natural Capital

189,7 tons Total 2023  
GHG emissions (Scope 1, 2, 3)

## Relational Capital

Investments and continuous improvements to ensure customer satisfaction

### Montolit's productions' activity



# MATERIALITY MATRIX AND STAKEHOLDER ENGAGEMENT

The first step in defining a corporate sustainability strategy was taken through the materiality process. This analysis aims to identify, among the significant issues, those that are actually "material" that is, relevant to the company.

Stakeholder engagement has been crucial in identifying the most relevant themes.


With the aim of identifying sustainability issues material to the organization, a first step toward a more structured process of listening to its stakeholders was prepared. They were selected and identified by each function head, in coordination with corporate management. Different categories of stakeholders are listened to through different modalities, depending on the type of stakeholder. For the purpose of drafting the materiality matrix, specific stakeholders (employees, customers, consultants, suppliers, lending institutions, schools and associations) were asked, through a dedicated survey, to vote on a number of issues of potential impact for the creation of shared value. The engagement process revealed insights and takeaways that enriched issues relevant to the company's sustainability, as well as offered reflections of potential mutual engagement on common paths.

The table shows the topics submitted for voting, while the figure shows the materiality matrix, in which the horizontal axis shows the results of the Management Team's votes, while the vertical axis shows the averages of the votes of the different categories of stakeholders. The analysis of material themes was conducted with the strategic direction in mind and by assessing the extent of the impacts they may have on the organization's strategy, governance, performance and prospects. The 6 material themes identified (those falling within the circle in the table) are, therefore, a fundamental part of the design of one's path to corporate sustainability, while those considered to be of strategic importance in value creation are shown in the upper right quadrant of the matrix.


## SELECTED MATERIAL THEMES

- Health and Safety in the workplace
- Human capital
- Packaging
- Economic and financial performances
- Carbon footprint
- Waste
- Innovation

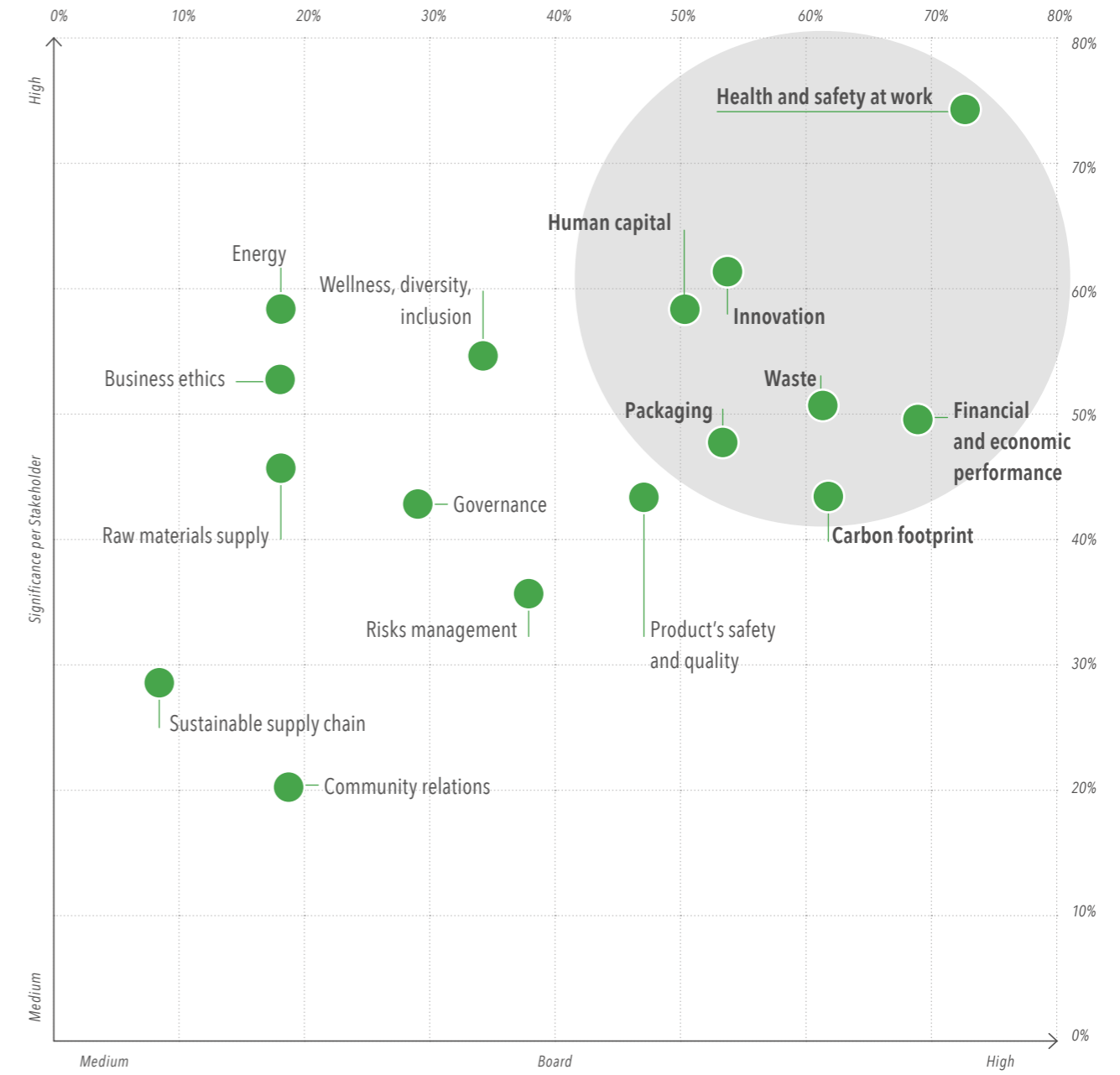
- Raw materials procurement
- Energy
- Wellness, diversity and inclusion
- Relationships with community
- Sustainable value chain
- Product safety and quality
- Governance
- Risk management
- Business ethics



**GRI 3-1**  
Process to determine material topics  
**GRI 3-2**  
List of material topics



**GRI 2-29**  
Approach to stakeholder engagement



# SUSTAINABILITY STRATEGY

Montolit, over the years, has developed a growing focus on the issues of corporate sustainability in its many forms, investing in its facilities, in the management of its impacts through better choice on energy supply, in automation processes with a view to continuous innovation.

At this stage the company has decided to move more and more systematically toward a strategic approach in order to supplement what is already in place with goals and programs with a medium-term scope.

The sustainability strategy is thus based on the past, present and a future reflection that is inspired by the analysis of material issues selected by the company and its stakeholders.

Montolit has identified long-term strategic targets, selected goals for the three-year period 2023-2025 -declined in ESG (Environment, Social Governance) dimensions and identified an action plan to achieve these goals, measuring the results and potential impacts on the organization, people and the environment.



GRI 2-22  
Statement on sustainable  
development strategy





# SUSTAINABILITY STRATEGY

E

## TOPIC

## STAKEHOLDERS

## GOALS

## ACTIONS

2023

2024

2025



### CARBON FOOTPRINT

Intensity of carbon emitted

PLANET  
COMMUNITY  
GOVERNMENT BODIES  
CREDIT INSTITUTIONS

Towards Carbon Neutrality

Calculation of the organization's carbon footprint  
Reduction and compensation of the carbon footprint  
Cost-benefit evaluation of the carbon-neutral product  
Identification of a target product  
Calculation and neutralization of the product carbon footprint

●	○	○
○	●	●
○	●	○
○	●	○
○	○	●



### PACKAGING

Sustainability initiatives linked to packaging and the production of waste associated with it

CLIENTS  
PLANET  
SUPPLIERS

Reduction of packaging

Increase the circularity of packaging

Packaging mapping  
Identification and implementation of corrective actions aimed at reduction  
Life Cycle Assessment on packaging target  
Implementation of circular packaging management actions

●	○	○
○	●	●
●	●	○
○	●	●



### WASTE

Policies related to the management and reduction of waste produced

PLANET  
LOCAL COMMUNITY  
PUBLIC ADMINISTRATION  
EMPLOYEES

Waste reduction

Punctual waste measurement  
Reduction actions



●	●	●
●	●	●

● YES ○ NO

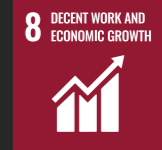
ENVIRONMENT



# SUSTAINABILITY STRATEGY

TOPIC	STAKEHOLDERS	GOALS	ACTIONS	2023	2024	2025			
 <p><b>HUMAN CAPITAL DEVELOPMENT</b> Strengthening skills, attracting talent and paying attention to people's well-being</p>	<p>HUMAN RESOURCES TRAINING INSTITUTIONS CLIENTS</p>	<p>Development of a skills model</p>	Development of a training plan by function	●	●	●			
			Development of a career management policy	○	●	○			
			Extension of ESG and Industry 4.0 training to the entire company population	●	●	●			
			MBO system	○	●	○			
			Talent attraction	○	○	●			
			Reduction of repetitive and low-skilled activities	○	○	●			
			Welfare	○	●	○			
			Employer branding	○	●	○			
			 <p><b>HEALTH AND SAFETY IN THE WORKPLACE</b> Compliance with compliance on health and safety issues</p>	<p>HUMAN RESOURCES PUBLIC ADMINISTRATION</p>	<p>Maintenance</p>	Monitoring safety levels by investing in training and awareness	●	●	●

● YES ○ NO



# SUSTAINABILITY STRATEGY

	TOPIC	STAKEHOLDERS	GOALS	ACTIONS	2023	2024	2025
G	 <p><b>INNOVATION</b> Ability to promote product and process innovation</p>	<p>EMPLOYEES SUPPLIERS CLIENTS</p>	<p>Definition of an innovation management system (IMS)</p> <p>Implementation of the Innovation Management System (IMS)</p>	<p>Analysis of the degree of maturity in innovation management</p> <p>Definition of an innovation strategy (cost-benefit feasibility analysis)</p> <p>IMS definition according to ISO 56002</p> <p>Cost-benefit feasibility analysis for IMS implementation</p> <p>Definition of the project roadmap and P.O.C</p> <p>Launch of IMS verification and improvement processes</p>	●	○	○
	 <p><b>ECONOMIC AND FINANCIAL PERFORMANCE</b> Continuity in the creation of economic value</p>	<p>CREDIT INSTITUTIONS HUMAN RESOURCES SUPPLIERS CLIENTS</p>	<p>Investment plan</p>	<p>Execution of the industrial plan and investment plan</p>	●	●	●

● YES ○ NO

# GOVERNANCE



The following chapter describes impact activities carried out and the objectives of the sustainability plan to be implemented declined in the three dimensions of sustainability: environmental, social and economic (ESG). For each dimension, results and targets are measured through GRI standards and associated with the United Nations Development Goals (SDGs).

# ESG DIMENSIONS

# 04

# ENVIRONMENTAL SUSTAINABILITY

During the year, the supply of electricity from 100% renewable sources was evaluated, but at the moment the decision to change from the current supply of 12.8% coming from renewable sources was discarded because of the little impact it would have on the overall result considering the low consumption.

Always in line with the reduction of energy consumption, Brevetti Montolit has invested in new locking systems, purchasing new insulated doors, it has installed an intermediate process chamber to deal with heat loss which, often in the winter months during the loading and unloading of goods, becomes a source of waste. This highly insulating system allows for a smarter procedure, which, coupled with proper attention to company policy by employees, will allow for effective action on costs.

The rooflights in the production area were replaced, favoring lighting with natural light and reducing the use of artificial lighting by 570 hours with energy savings of 2,000 kW/year.

With a view to the circular economy, Brevetti Montolit has been evaluating the transition to a new packaging system through eco-sustainable materials. It has been starting in 2023 a project to reduce the codes of packaging items by encouraging the use of universal packaging with the goal of achieving a 10 percent reduction by the end of 2025. For some production components, very bulky cardboard packaging was also eliminated by studying a stacking of material on the pallet that would still allow safe handling of goods.

It was also reduced the amount of paper for instructions and manuals accompanying products by encouraging the digitization of information, which is now even more complete and includes videos that can be accessed via QR codes. It was also reduced the printing of catalogs and price lists by 45% by encouraging their use online (reduction of 35q of paper).



NATURAL CAPITAL



NETWORKING CAPITAL



INTELLECTUAL CAPITAL

## Material themes

- Waste
- Carbon footprint
- Packaging





## 2023 PERFORMANCES

 <b>GRI 302-1</b> Energy consumption within the organization	2021	2022	2023
Total energy produced within the organization from the consumption of fuel from <b>non-energy sources renewables (natural gas)</b> , in GJ*	3.083	2.531	2.522
<b>Total electricity purchased</b> by the organization. In GJ.	664	694	586
Percentage from <b>renewable sources</b> of the energy mix used by the supplier for electricity generation	0%	12,80%	12,80%
<b>Total</b> energy consumption within the organization (sum of the above). In GJ.	3.747	3.226	3.107

\* Conversion factor reported in the "Table of national standard parameters for monitoring and reporting greenhouse gases", 2021 (ISPRA, Min. Transizione Ecologica).

## 2023 PERFORMANCES

 <b>GRI 305-1</b> Direct GHG emissions (Scope 1)	2021	2022	2023
Direct (Scope 1) GHG emissions	173	142	142
 <b>GRI 305-2</b> Indirect GHG emissions from energy consumption (Scope 2)	2021	2022	2023
Gross indirect GHG emissions from location-based energy consumption (Scope 2) in tons of CO2 equivalent (tCO2)**	47	57	48
 <b>Scope 1 + Scope 2</b>	2021	2022	2023
Total GHG emissions (tCO2)	220,8	199,2	189,7
 <b>GRI 306-4</b> Waste diverted from disposal	2021	2022	2023
Total weight in tonnes of non-hazardous waste diverted for disposal***	17,28	7,74	0
 <b>GRI 306-5</b> Waste directed to disposal	2021	2022	2023
Total weight in tonnes of non-hazardous waste directed to disposal****	1,36	0	0

\*\* Emission factors taken from the ISPRA report r363 - 2022: indicators of efficiency and decarbonisation of the national energy system and the electricity sector

\*\*\* Iron, Steel and Aluminum Scrap cod. 170405 and 170402

\*\*\*\* Paints and varnishes cod. 080112

# SOCIAL SUSTAINABILITY

Brevetti Montolit has been located in the territory of Cantello, in the province of Varese, since 1946, so much so that we could almost say that the story of one cannot be told without the other and vice versa. Over the years, whole families, or generations of families, have been part of the Brevetti Montolit team, and to date more than 50 percent of its employees are from the town of Cantello itself. The search for new employees starts right from the local community, so the company has a strong embeddedness in its community.

Among the notable actions implemented in 2023, the company made more than 200 hours of its employees available to the city government to carry out maintenance work in the area.

New initiatives are planned in the social sphere with various local associations.

The staff turnover rate stands at 3 percent, consolidating the company as a work environment where excellent human resource management works and convinces staff. An example of this is the efficiency related to safety in the workplace, a company pillar that, throughout its long history, proudly claims the almost total absence of accidents despite numerous manual practices and the use of tools and equipment. Also growing steadily is the average hours provided to employees, which have risen from 4.9 in 2021 to 13 in 2023.

There are various initiatives to involve employees and their families in extra-work activities or events as well.

The company collaborates with several academic institutions in the Lombardy region, such as the Carlo Cattaneo University of Castellanza, and it is proud to have accompanied a number of students in the development of their theses by proposing projects in line with the innovative spirit of Brevetti Montolit.

Involvement in the world of sports also continues with support for Team TTR and the young Brightmore brothers who won the Superduro World Championship in the Junior category this year.

The partnership with several tiling schools in Europe and around the world continues too. Brevetti Montolit therefore, establishes itself as a technical partner of the most important international tiling schools especially in the following countries: Switzerland, Austria, Great Britain, Slovenia, Estonia, Belgium, Germany, and the USA.



HUMAN CAPITAL



NETWORKING CAPITAL

## Material themes

- Health and safety on the workplace
- Relationships with the community

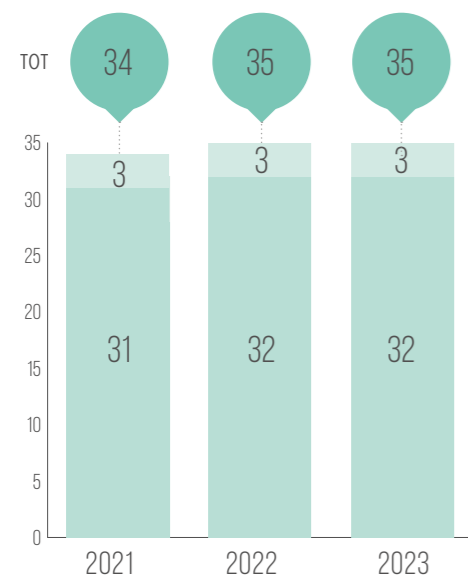


# 2023 PERFORMANCES

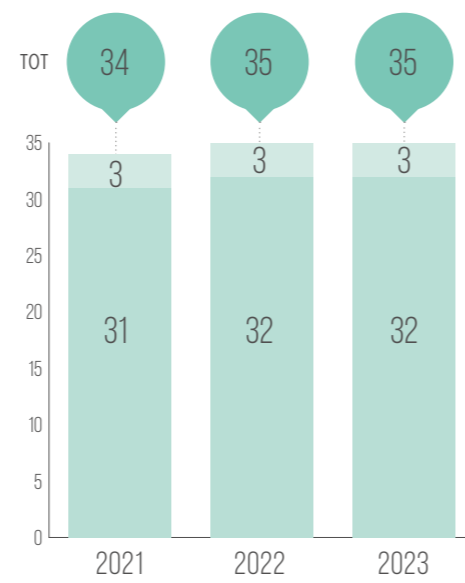
**GRI 2-7 Employees**

● Men ● Women

**Total number of employees**



**Total number of permanent employees**



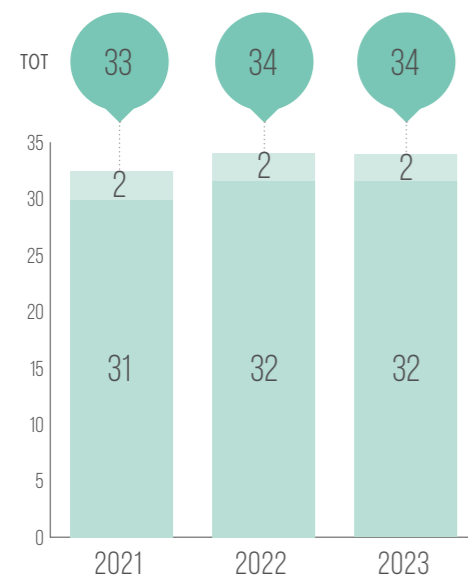
**Total number of fixed-term employees**

No fixed-term employees were recorded in the three reporting years

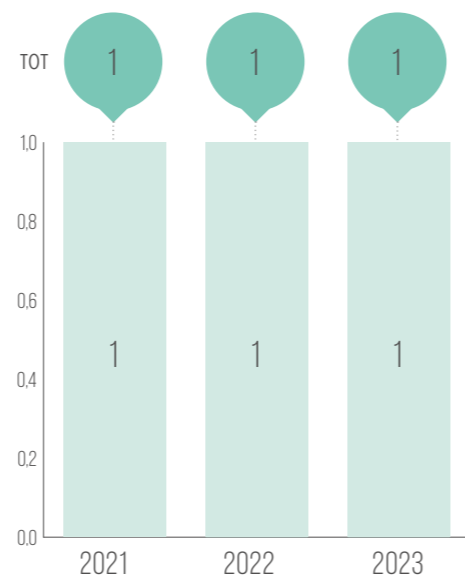
**Total number of employees with non-guaranteed hours**

No employees with non-guaranteed hours were recorded in the three years of reporting.

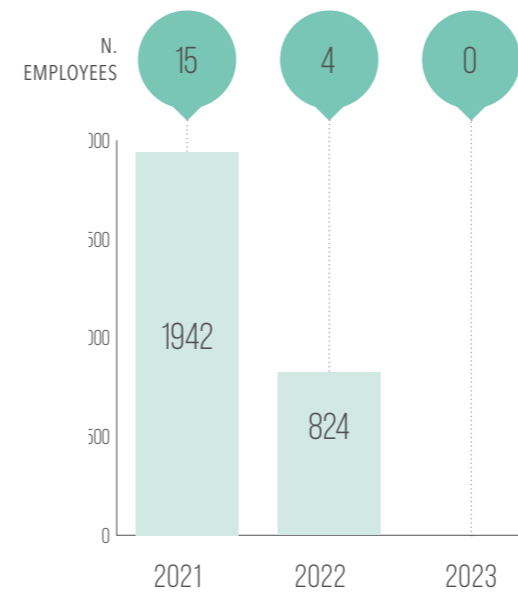
**Total number of full-time employees**



**Total number of part-time employees**



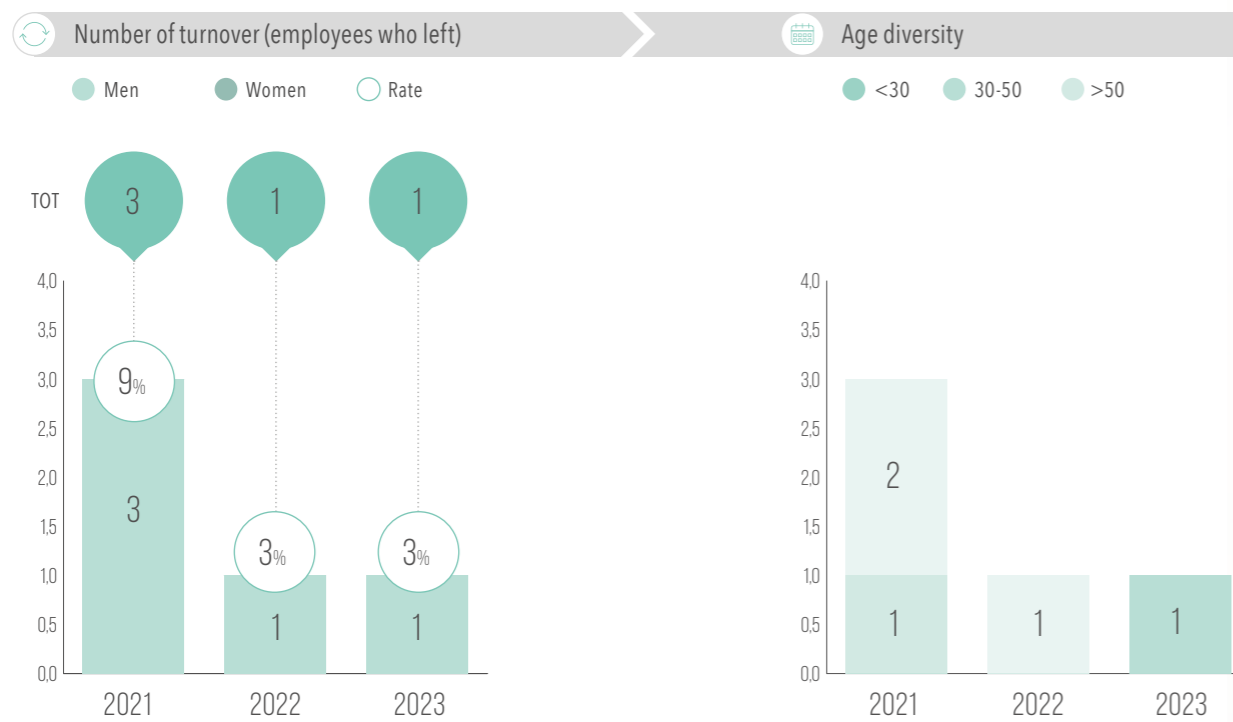
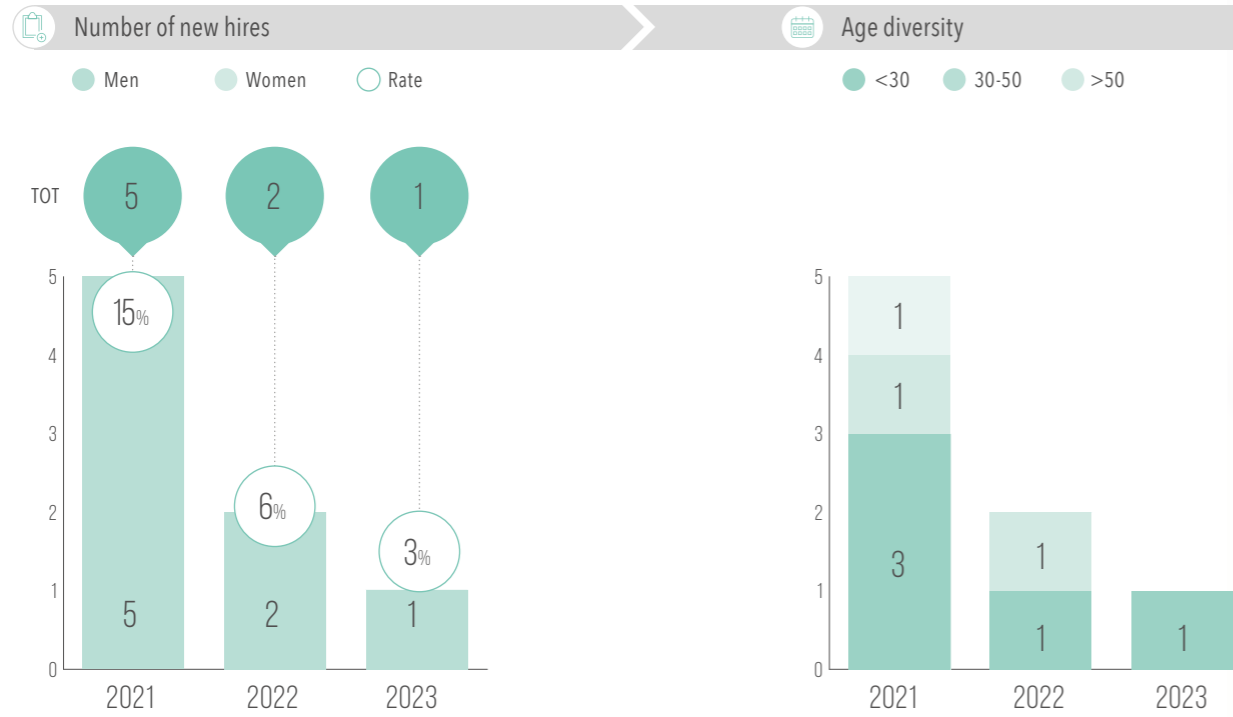
**Data referred to seasonal/interim workers**



● Working hours

# 2023 PERFORMANCES

## GRI 401-1 New employee hires and employee turnover





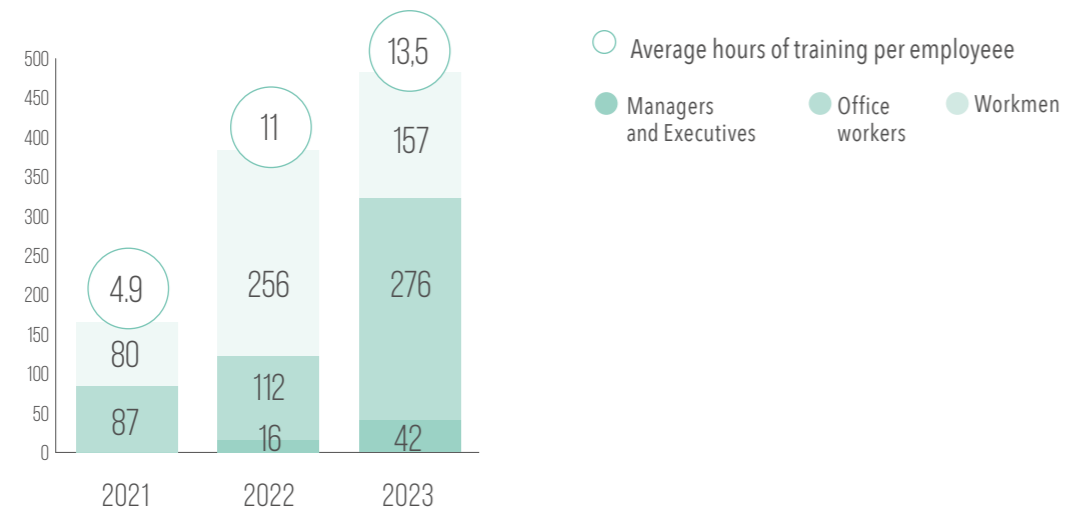
## 2023 PERFORMANCES

GRI 403-9 Work-related injuries		2021	2022	2023
Number of fatal injuries		0	0	0
Number of work-related injuries with serious consequences (excluding deaths)		0	0	0
Number of recordable injuries		0	1	2
Rate of recordable injuries		0	16,9	36,0
Main types of work-related injuries		0	UPPER LIMB CONTUSION	HAND CUT WITH BOX CUTTER COMMUTING ACCIDENT MOTORCYCLE FALL
Number of working hours		-	59302	55481
GRI 403-10 Work-related ill health		2021	2022	2023
Number of fatalities as a result of work-related ill health		0	0	0
Number of cases of recordable work-related ill health		0	0	0

# 2023 PERFORMANCES

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

Total training hours provided to employees divided by category

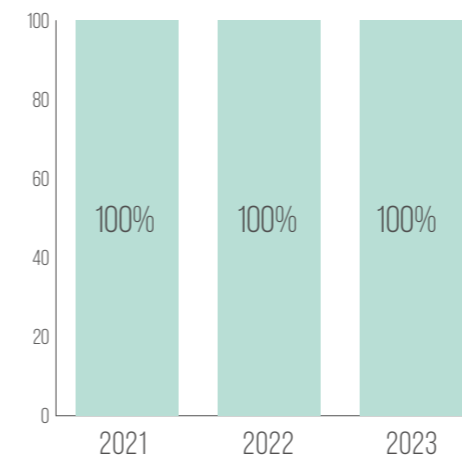


# 2023 PERFORMANCES

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

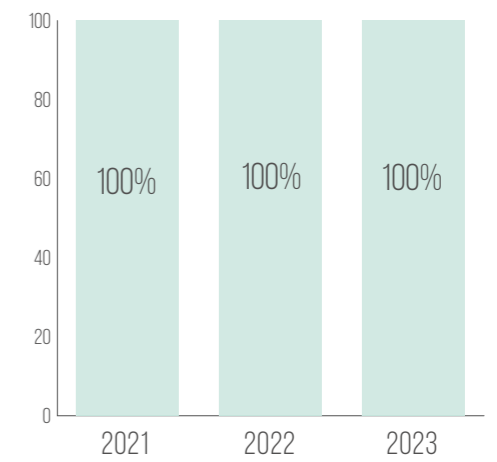
Governing bodies (manager and directors)

Men Women



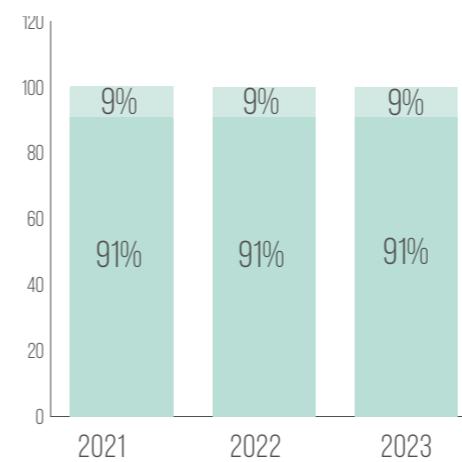
Age diversity

<30 30-50 >50



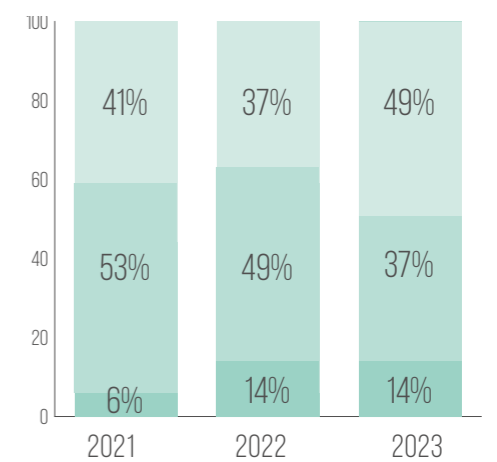
Employees

Men Women



Age diversity

<30 30-50 >50



# ECONOMIC SUSTAINABILITY

The sustainability of Montolit's business is strongly connected to the satisfaction of its customers, citizens and related businesses. The goal of our sustainability strategy, therefore, concerns the implementation of policies aimed at customer satisfaction in terms of quality, timeliness and flexibility. The company is placing an ever-increasing emphasis on listening to stakeholders and their needs, through feedback questionnaires and an increasingly present customer service among its strengths. A specific survey addressed to customers regarding customer service satisfaction returned positive evaluations and new insights for service development

The drive toward industrial process improvement and digitization remains strong; in fact, Brevetti Montolit has implemented an ERP and WMS system that governs the warehouses and now processes more than half of the orders, and thanks to tracking, the company database now has data that can be used for careful analysis in detailed materials management.

Just in 2023, the first assembly line 4.0 connected with corporate ERP was activated to exchange production, quality and performance data. It is planned to replicate the same methodology on other assembly lines soon.

In the year '23, training courses were organized within the company on: new enabling technologies, Industry 4.0 and Sustainability in addition to stimulating participation in job-specific courses to increase knowledge and promote internal resources to new positions.



## DIGITAL TRANSFORMATION



NETWORKING CAPITAL



INTELLECTUAL CAPITAL

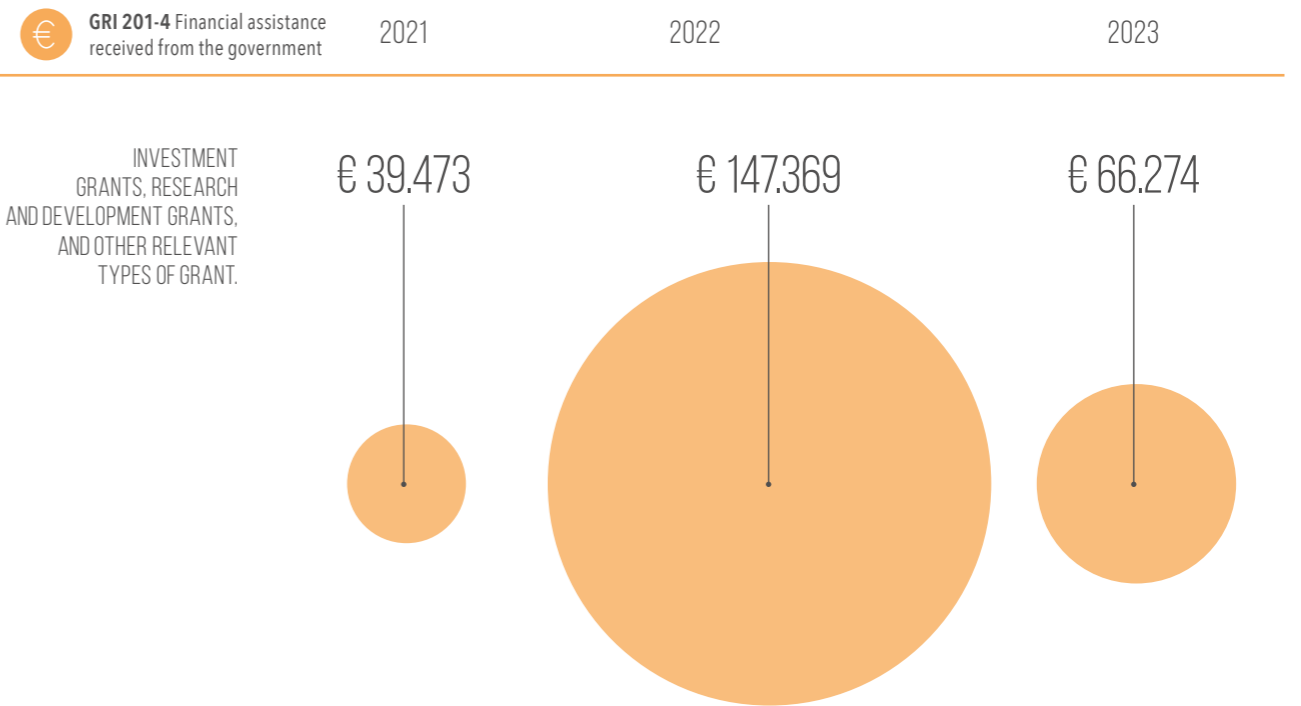
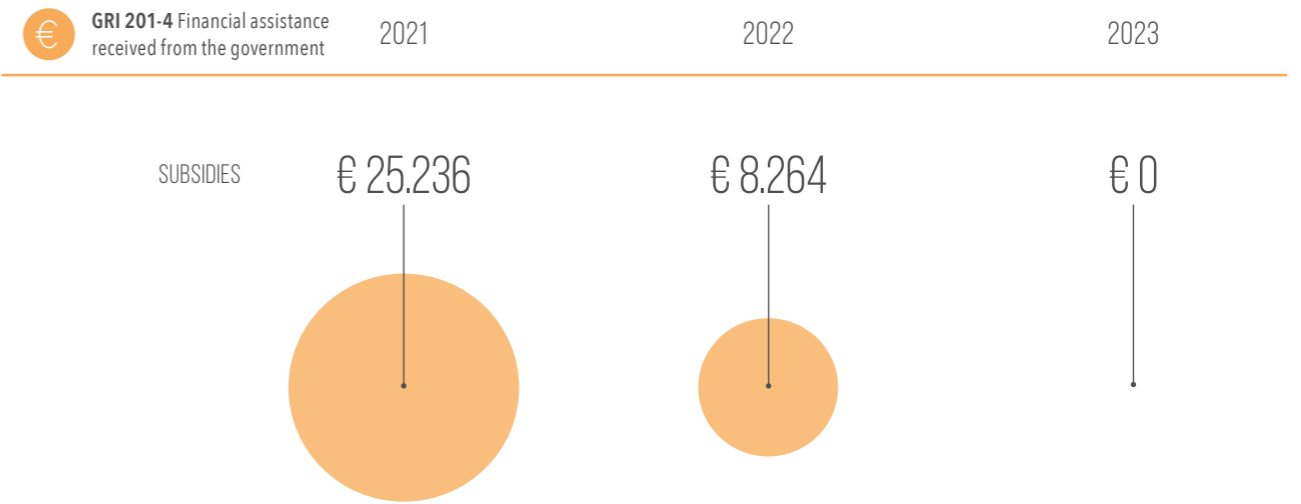
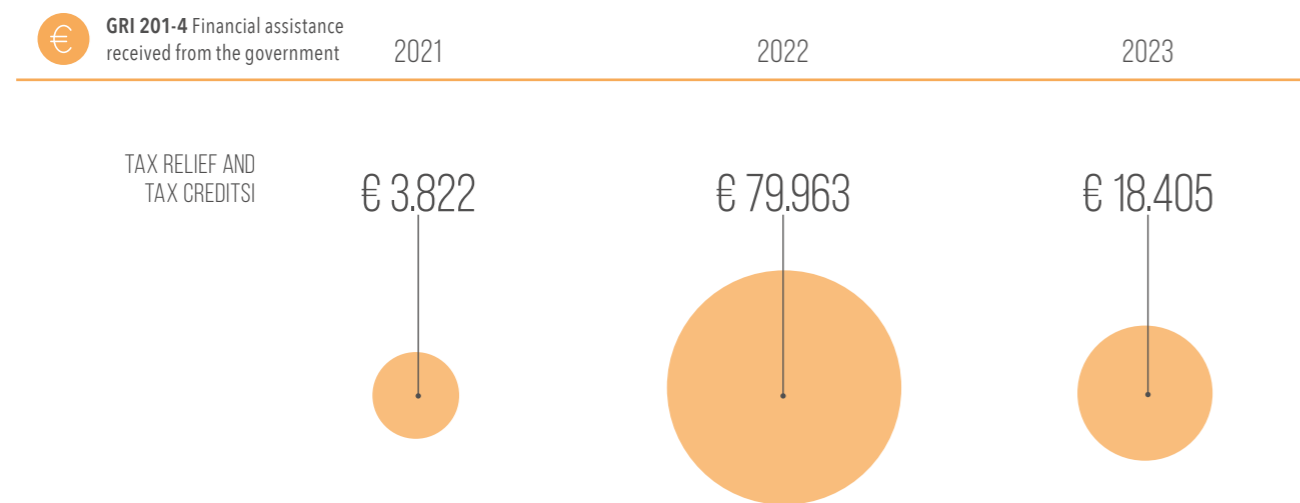
### Material themes

- Compliance
- Business ethics



# 2023 PERFORMANCES

€ GRI 201-1 Direct economic value generated and distributed		2021	2022	2023
<b>A</b>	DIRECT ECONOMIC VALUE GENERATED: SALES	<b>€ 21.304.000</b>	<b>€ 21.121.000</b>	<b>€ 18.633.000</b>
<b>B</b>	ECONOMIC VALUE DISTRIBUTED	€ 13.180.275	€ 12.336.300	€ 9.296.000
<b>B1</b>	OPERATIVE COSTS	€ 10.139.000	€ 9.432.000	€ 6.543.000
<b>B2</b>	EMPLOYEES SALARIES AND WELFARE	€ 1.799.000	€ 1.705.000	€ 1.634.000
<b>B3</b>	PAYMENTS TO CAPITAL SUPPLIERS	€ 0	€ 0	€ 0
<b>B4</b>	PAYMENTS TO GOV (TAXES)	€ 1.234.000	€ 1.192.000	€ 1.119.000
<b>B5</b>	INVESTMENTS IN THE COMMUNITY	€ 8.275	€ 7.300	€ 6.434
<b>C (A-B)</b>	ECONOMIC VALUE RETAINED (A-B)	<b>8.123.725 €</b>	<b>8.784.700 €</b>	<b>9.337.000 €</b>



- GRI 406-1 Incidents of discrimination and corrective actions taken
- GRI 417-2 Incidents of non-compliance concerning product and service information and labeling
- GRI 417-3 Incidents of non-compliance concerning marketing communications
- GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data
- GRI 2-27 Compliance with laws and regulations

There were no episodes in the reporting periods with regard to the reported GRIs.





# METHODOLOGY

# 05



## DRAFTING PRINCIPLES

The drafting of this document is inspired by various principles that refer to frameworks, standards, and typical indicators of sustainability reporting:

- **The International Reporting Framework** (<IR>) published by the International Integrated Reporting Council (IIRC) for the strategic focus and future orientation, stakeholder engagement, materiality, credibility, and completeness of information;
- **The Global Reporting Initiative** (GRI, Reporting with reference to the GRI Standards) for measuring performance;
- **The United Nations Sustainable Development Goals** (SDGs) in reference to the implications of relevant issues on Sustainable Development Goals.

## REPORTING CRITERIA

The 2022 Sustainability Report of Brevetti Montolit Spa represents the company's first reporting exercise implemented to effectively inform its stakeholders about its annual sustainability performance. This document aims to provide integrated information about the management model, practices, key risks, opportunities, and effects related to ESG (Environmental, Social, and Governance) issues identified as material. The ultimate purpose is to highlight the actions taken towards sustainability objectives and provide feedback to the legitimate expectations of all stakeholders of Brevetti Montolit Spa. Brevetti Montolit Spa's Sustainability Report is prepared in reference to the "GRI Sustainability Reporting Standards" of the Global Reporting Initiative (GRI Standards), taking into account the latest updates outlined in the "GRI Universal standards 2021

# GRI INDICATORS

GRI STANDARDS	DESCRIPTION	PAGE
GRI 2: General Disclosures 2021	2-1 Organizational details	15
GRI 2: General Disclosures 2021	2-2 Entities included in the organization's sustainability reporting	15
GRI 2: General Disclosures 2021	2-3 Reporting period, frequency and contact point	67
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	19, 30, 31
GRI 2: General Disclosures 2021	2-7 Employees	19, 52
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	23
GRI 2: General Disclosures 2021	2-11 Chair of the highest governance body	23
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	7, 37
GRI 2: General Disclosures 2021	2-23 Policy commitments	24
GRI 2: General Disclosures 2021	2-27 Non-compliance with laws and regulations in social and economic matters	63
GRI 2: General Disclosures 2021	2-28 Membership associations	27
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	35
GRI 3: Material Topics 2021	3-1 Process to determine material topics	35
GRI 3: Material Topics 2021	3-2 List of material topics	35
GRI 201: Economic Performance 2016	201-1 Economic value directly generated and distributed	62
GRI 201: Economic Performance 2016	201-4 Financial assistance received from the government	62, 63
GRI 302: Energy 2016	302-1 Quantity of fossil fuels consumed	48

GRI STANDARDS	DESCRIPTION	PAGE
GRI 305: Emissions 2016	305-1 Direct GHG emissions (Scope 1)	49
GRI 305: Emissions 2016	305-2 Indirect GHG emissions from energy consumption (Scope 2)	49
GRI 306: Effluents and Waste 2016	306-4 Waste not intended for disposal	49
GRI 306: Effluents and Waste 2016	306-5 Waste destined for disposal	49
GRI 401: Employment 2016	401-1 New hires and turnover	54
GRI 403: Occupational Health and Safety 2018	403-9 Accidents at work	57
GRI 403: Occupational Health and Safety 2018	403-10 Professional diseases	57
GRI 404: Training and Education 2016	404-1 Average hours of annual training	58
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity among governance bodies and employees	59
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective measures adopted	63
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance regarding information and labeling of products and services	63
GRI 417: Marketing and Labeling 2016	417-3 Instances of non-compliance relating to marketing communications	63
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints regarding violations of customer privacy and loss of customer data	63

Brevetti Montolit s.p.a. has reported the informations mentioned in this GRI Index during the period between the 1st January 2022 and the 31st December 2022 referring to GRI Standards.

# GLOSSARY

**Capitals.** Six types of resources through which a company can create value:

- **Financial:** financial resources (financing forms, equity, etc.) used to produce goods or services.
- **Productive:** physical resources (buildings, facilities, equipment) used to produce goods or services.
- **Intellectual:** intangible resources related to organizational capital and knowledge value.
- **Human:** the skills, capabilities, and experience of people and their motivation to innovate.
- **Social and relational:** the ability to share information to enhance individual and collective well-being
- **Environmental:** environmental processes and resources that provide goods or services for an organization's success.

**ESG (Environmental, Social, Governance):**

indicates the sustainability dimensions by which an organization's activities are evaluated, not only from an economic and governance perspective but also from an environmental and social perspective.

**Business model:** an organizational system through which an organization, through its business activities, transforms inputs into outputs and outcomes (impacts) and aims to fulfill the organization's strategic objectives and create value in the short, medium, and long term.

**Governance:** the individuals or organization(s) (e.g., the board of directors or a corporate trustee) responsible for overseeing the strategic direction of an organization and its responsibilities and administration obligations. For some organizations and jurisdictions, those responsible for governance may include executive management.

**Inputs:** capital (financial and non-financial resources) that an organization draws upon for its business activities.

**Integrated reporting:** a process based on integrated thinking that results in a periodic integrated report of an organization on the creation, preservation, or erosion of value over time, as well as communications related to value creation aspects.

**Outcomes (Impacts):** the internal and external consequences (positive and negative) on capitals resulting from the business activities and results of an organization.

**Outputs:** the products and services generated by an organization, as well as any by-products and waste.

**Performance:** the results of an organization relative to its strategic objectives and its results in terms of its effects on capitals.

**SDGs (Sustainable Development Goals):** 17 United Nations goals to be achieved by 2030. These goals serve as a guide to contribute to global development, promote human well-being, and protect the environment

**Stakeholders:** Groups or individuals who can reasonably be significantly influenced by an organization's business activities, outputs, or results, or whose actions can reasonably have a significant impact on the organization's ability to create value over time. Stakeholders may include providers of financial capital, employees, customers, suppliers, business partners, local communities, NGOs, environmental groups, legislators, regulatory authorities, and policymakers.





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