



# ***SUSTAINABILITY REPORT***

**2022**





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# LETTER TO THE STAKEHOLDERS

For quite some time I felt the need to align spontaneous initiatives within a coordinated strategy, allowing the company to bear witness to its commitment, character and style.

A style based on "doing", observing shared values and behavioural norms that distinguish us. The interest is no longer just about how much is done, but more and more about how it is done and how to do it well. We have changed our vision to become a hallmark of excellence.

The challenge that attracts us is demonstrating that we can work in our interest and for the good of the community, in an original way with quality-based leadership and in a creative and forward-looking manner.

At the level of Governance, we have established a sustainability committee, a working group composed of the most important company functions given the task of analysing the most relevant issues and their related impacts, to then propose an action plan aimed at a total integration between the economic-financial and socio-environmental logics, shared with our stakeholders.

We have placed people and the environment at the heart of our business strategy, because we believe that sustainable growth is an act that

we owe to future generations.

After collecting information on these issues for some time, in autumn we began to implement a structured path concerning the same. The intentions were first focused on focusing on our "why" and then moving on to "how", that is, with what style, values and behaviours would we be active; the "what" has been easy: to date we produce the best heat exchangers on the market.

Conscious of the fact that in a path of excellence it is essential that every person operates according to an ethic and style, as a first necessity, we turned to the P of People, because we believe that Profit is only a consequence of the "right" People, motivated people who are able to shape our production systems, but also our consumption styles as individuals.

We are actively committed to creating a better tomorrow with conscious and responsible behaviours at work and in everyday life and the first Oesse Sustainability Report seeks to respond to this need, because we believe it is our duty to account for the performance within the sustainability path that we have decided to undertake.

There are many initiatives that we have planned and many that we have already been able to realise long before

we understood the importance of measuring them in order to be able to bear witness to them through this first report.

The first Sustainability Report is a management tool that allows us to monitor the progress we have already made and allows us to identify areas for improvement, while providing evidence of how sustainable development is an integral part of our strategy. Since 2021, when Oesse celebrated its 25th year since its foundation, Oesse has wanted to prove and testify to our path and our maturity in the active social role that will accompany our sustainable growth. A witness made even more effective by the particular historical moment that we are experiencing, which has allowed us to grasp and experience with greater intensity and vigour our commitment to a sustainable future, aware of the interdependence of each human being with the global dimension.

We have learned to appreciate silence as space that is available for reflection to devote to the context in which we operate. We have invested in the quality of working life, freeing ourselves from the superfluous in order to make room for the important things that surround us: the persons we care about, our relationships, the environment and the satisfaction of having participated concretely in a goal as common

as it is universal. Only through the intelligence, passion and will of all of us will it be possible to spread a culture of sustainability, necessary for improving things with the benefit of hindsight, actively working for the creation of a better tomorrow.

It is also for this reason that we have accompanied our strategy towards a social responsibility of living and working with ethics and elegance with the pay-off: Sharing Energy. I thank everyone for their commitment.

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**Francesco Scandolo**  
*Managing Director*





## Oesse's energy

# ABOUT US

Since 1996, Oesse Srl has been a leader in the design and sale of industrial fluid cooling systems.

Founded from the vision of the Company's CEO, Francesco Scandolo, the company has affirmed its capabilities and brand over time through increased know-how, becoming one of the benchmarks of European players in industrial heat exchange.

## 2000

Oesse establishes in a **warehouse in San Quirino**, creating the space necessary to satisfy the continuous work with the Far East.

## 2011

The production and assembly departments are divided. **With the opening of Plant 2 we move from 2,100 square metres to 6,800 square metres.**

## 2019-2020

Current **Reshoring** assessment for total production in Italy, which reduces both the risks of sudden blockages and the risks of negative impact on the environment.

## 1996

**Oesse** was founded as a European buyer office of compressor components.

## 2009

The crisis leads to diversification towards the **endothermic engine sector**.

## 2014

**Introduction of the Lean approach** to business processes for improving quality, efficiency, and time to market.

## 2022

Oesse celebrates 26 years of activity on the market and continues to structure itself as an innovative company, adding to those already obtained, the **new certifications ISO 140001 - Environmental Environment and ISO 450001 - Safety.**

## Oesse's energy

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# OUR NUMBERS

26+ 

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years of shared energy

22.000.000 

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turnover

300 

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new projects per year

2 

production plants

+50 

foreign markets served

75 

collaborators

## Oesse's energy

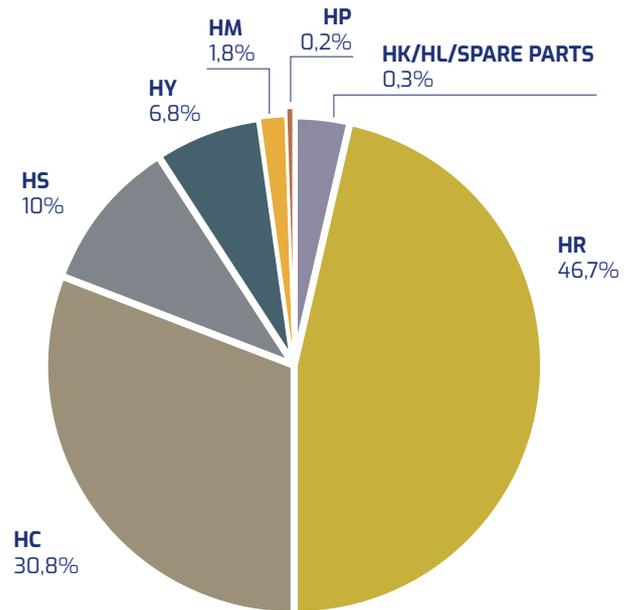
# PRODUCTS AND MARKETS

Our leadership stems from the continuous exchange of information between the customer and the company; in this way, we provide quality products and a service in line with customer expectations, throughout all phases of project development: **Analysis and consulting, Design, Development and sampling, Testing, Production, Shipping and After-Sales assistance.**

Our products, standard and customised, cool the most prestigious brands of endothermic engines and the application sectors are multiple:

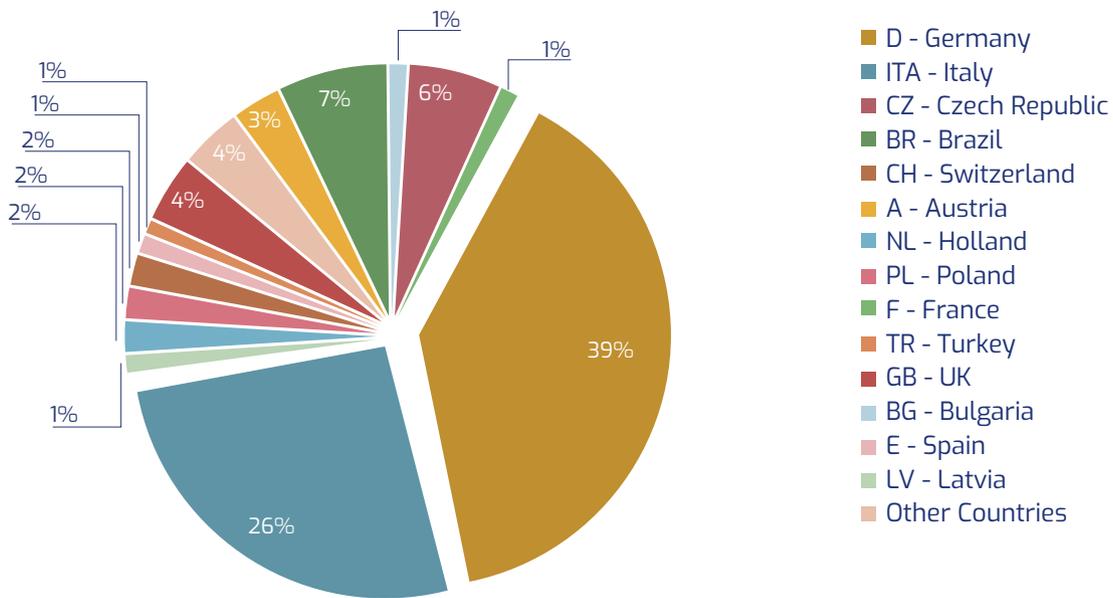
- 01. OFF ROAD
- 02. AGRICULTURE & FORESTRY
- 03. HANDLING & LOGISTIC
- 04. ENDOTHERMIC ENGINES
- 05. ENERGY / RENEWABLE
- 06. HYDRAULIC DEALERS
- 07. INDUSTRIAL / STATIONARY
- 08. RAILWAY
- 09. ELECTRIC & ELECTRONIC DEVICES
- 10. OIL & GAS
- 11. ON ROAD
- 12. MUNICIPAL VEHICLES

We assemble our products in line with customer requirements, which is why in 2022 we mainly sold Customised products (HR, HC and HS Series) and to a lesser extent Standard ones (HY, HM, HP series).



PRODUCTS SOLD BY %

From our registered and operations offices in Via Maestri del Lavoro, 81/83 in Porcia, in the heart of Italian manufacturing in North-eastern Italy, we ship our products to Europe, in particular Germany, the Middle East and South America.



PRODUCTS SOLD BY COUNTRY BY %

## Oesse's energy

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# OUR VALUES

### WE ARE THE FOOTPRINT OF EXCELLENCE

Our Purpose is being a company that witnesses a style of sustainable growth, capable of transmitting attention to conscious choices, because even a complementary product could be the energy able to set in motion great changes.

With our Mission we seek to guide the innovation of industrial processes by proposing integrated solutions for heat exchange, attentive to preserving our resources and building solid relationships with our stakeholders. Innovation is the basis of sustainability, only by creating new products and processes will it be possible to offer high-performance solutions that respect the delicate balance of our planet. Innovating the organisational systems to look toward shared and lasting well-being.

To conduct its business in a sustainable way, the company must not only find innovative solutions, but must also maintain constant relationships with its stakeholders. This is how a company's success is deeply tied to its reputation and the consistency of its value system, and with that of the stakeholders.

Our values integrate sustainability principles: Respect, Enthusiasm, Integrity and Responsibility.

Without attention to human beings and their capacities, there is no development or innovation that can be said to be sustainable: any objective that we collectively set can only be achieved thanks to the action of the individual who is an integral part of our system.

Our choice is to set our values within the Code of Ethics. This is because we believe that it is necessary to demonstrate and communicate in a document with legal value the rules that guide our conduct, directing the choices of those who work within Oesse, both in regard to relations with the company itself, and with external stakeholders.



## RESPECT

- Respecting people for assumed behaviours, skills, merits and interests, enhancing individual peculiarities
- Earning the respect of people through fairness in relationships and one's commitment respecting targets and deadlines
- Respect the environment by promoting the improvement starting from the corporate environment made of values, rules, processes



## ENTHUSIASM

- Demonstrate unstoppable curiosity and interest in exploring new themes
- Put yourself empathically towards others and be a testimonial of the corporate spirit through a smile
- Face and propose new challenges with passion and optimism



## INTEGRITY

- Being aware of your own merits and recognize your limits and errors by persevering in improvement and maintaining critical lucidity
- Be consistent with the purposes and values of the company
- while respecting the authenticity of their ideas and their way of acting
- Operate in transparency and simplicity by pursuing the assigned goals on time



## RESPONSIBILITY

- Promote continuous improvement with maximum availability and sharing, involving colleagues
- Carry out your activities with diligence and skills constantly updated.
- Prove loyalty and reliability towards the organization
- Being a positive and enthralling incentive. The example of constructive and productive attitudes

## Oesse's Governance

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# THE SUSTAINABILITY POLICY IN OESSE

Consistent with our spirit, we have developed the awareness and the desire to play an active role on our territory. For us, being a footprint of excellence means having the will to leave a tangible evidence of how sustainable business development can be triggered, that is, to constitute an example capable of doing business with style and elegance that can be emulated.

A style marked by the strong ethical values of the territory, witnessed by the daily behaviours of people who act in harmony with the environment. Oesse supports and encourages the laboriousness and ingenuity of people in creating profit aimed at contributing to the protection and improvement of the surrounding environment, starting from the internal one of the company and then expanding more and more on the territory of which we feel part. A virtuous spiral cadenced by milestones of excellence, which will allow us to attract new talents that will bring new value; value that Oesse will continue to let flow into the territory. Our sustainability policy called "3 P" means:

### PEOPLE

Motivated and enthusiastic people, curious and willing to gain more insight, able to create and to smile, each person aware of the purposes of his or her contribution.

### PROFIT

The company as a place of transformation of value, comfortable and efficient, able to gratify and stimulate ideas. An organisational model

capable of constantly innovating and renewing itself in the continuous search for improvement. A testimony of conscience and responsibility.

### PLANET

Harmony, balance and respect between man and the environment, between society and nature, along a path of shared and sustainable development.

The UN 2030 Agenda is the reference document to indicate the sustainability guidelines of the system. Among the objectives (SDG), we have identified those upon which to focus our efforts and express our contribution by sharing our interest in these issues with the stakeholders in an intent of shared commitment that we have expressed in the slogan [Sharing Energy](#).

Oesse intends to manage improvement plans to achieve the goals of the UN 2030 Agenda through an integrated system of certifications recognised by the most prestigious organisation. Within this Sustainability Report you will find, for each topic covered, references to the following targets.

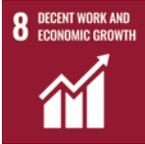
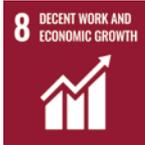



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<sup>1</sup>Sustainable Development Goals

In addition to drawing inspiration from the Agenda 2030 to define the macro objectives to be achieved with our activity, we frame these within the ESG Rating (or Environmental sustainability rating): a synthetic judgement that

certifies the soundness of an issuer of a security or fund from the point of view of from the point of view of environmental, social and governance aspects, which we will elaborate in the following chapters.

Agenda 2030 objectives	Themes
  	<p><b>Environment</b></p> <ul style="list-style-type: none"> <li>Materials</li> <li>Emissions</li> <li>Waste</li> </ul>
     	<p><b>Social</b></p> <ul style="list-style-type: none"> <li>Safety</li> <li>Training</li> <li>Welfare/Benefit</li> <li>Work well-being</li> <li>Equal opportunity</li> <li>Discrimination</li> </ul>
   	<p><b>Governance</b></p> <ul style="list-style-type: none"> <li>Social evaluation of the suppliers</li> <li>Product quality</li> <li>Privacy</li> <li>Socio-economic and environmental compliance</li> </ul>

## Oesse's Governance

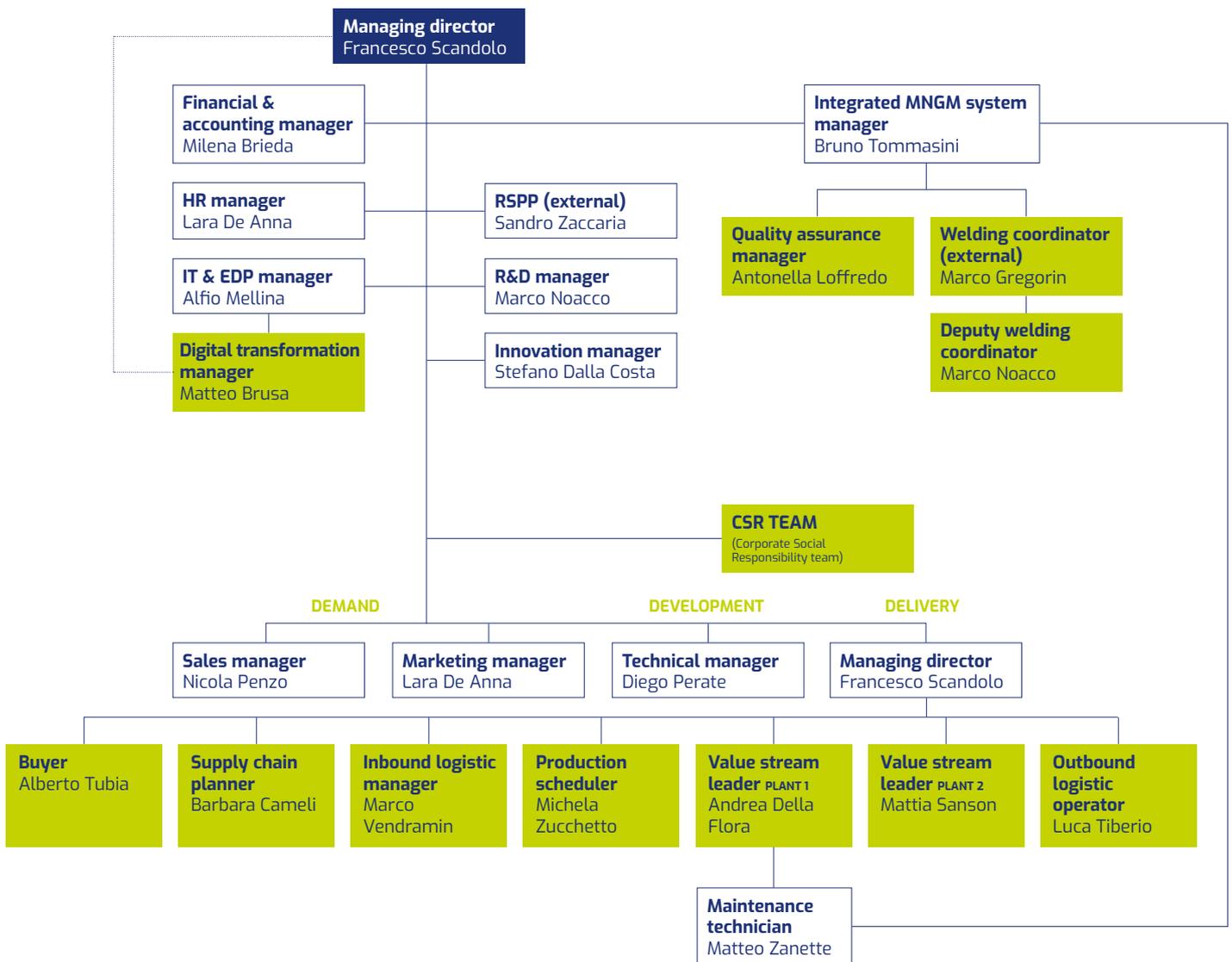
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# SUSTAINABILITY MANAGEMENT

At Oesse, we have always been sensitive to corporate organisational orientations and continuous improvement; we include sustainable strategic innovation among our main strategies to create lasting and shared value, paying particular attention to the social community and the environment.

As proof of this, we have decided to include the CSR Team in our organisation chart. The group includes, in addition to the Management, the Manager for the Prevention and Protection Service, the Marketing Manager, the

Administration Manager, the Plant Manager, the Operations Manager and the Quality System Manager. This group has the task of following the progress of the implementation of sustainability projects throughout the year, creating shared value inside and outside Oesse.



## Oesse's Governance

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# THE RELATIONSHIP WITH OUR STAKEHOLDERS AND THE MATERIALITY MATRIX

### Mapping

For our first report, we sought to directly involve our stakeholders in identifying the themes to be accounted for. Engaging our stakeholders means understanding and knowing what they think about sustainability issues, in order to then be able to direct our strategic choices.

We have also identified 23 themes to be submitted to our stakeholders by identifying them through a benchmark analysis with the competitors, as well as by the 2030 Agenda Sustainable Development Goals and by an internal needs' analysis.

Through group work we have identified the stakeholders and then grouped them into the following macro-categories:

### Our interlocutors

#### Customers

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- Customised
- Standard

#### Suppliers

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- Suppliers of standard products and services
- Suppliers of customised products
- Agents

#### Internal stakeholders

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- Employees and their families
- Management and owners

#### Media

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- Social
- Trade magazines
- Local newspapers

#### Community financial institutions

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- Public Administration
- Cultural associations (sport, music)
- Training institutes
- Trade associations

#### Competitors

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#### Research and development bodies

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- Universities
- Other research bodies

#### Financial institutions

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- Banks and insurance companies

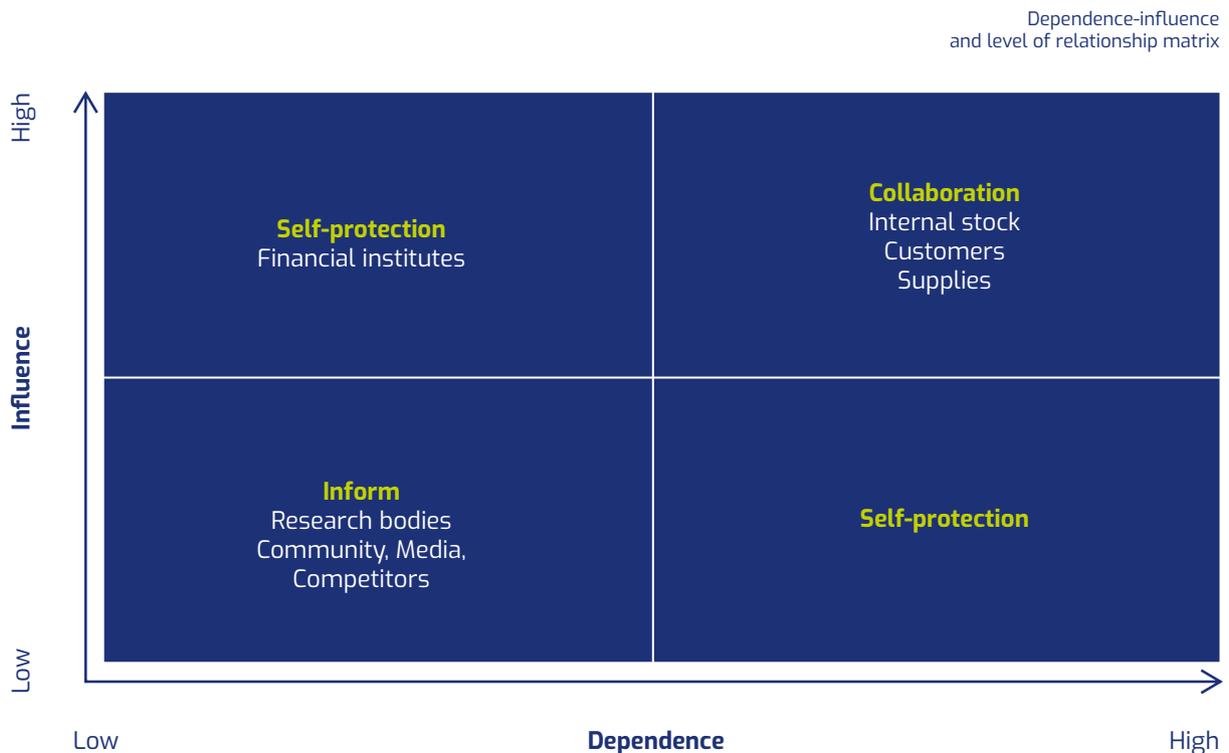
**Evaluation**

Each category of stakeholders has been placed within a matrix to determine their degree of dependence and influence in regard to the activity of our company, and then defining the degree of engagement to be established with each. This is because we believe it is essential to strengthen trust in the relationship with our stakeholders, cultivating relationships: a path of sustainability is based on dialogue to build shared value in the medium to long term.

To determine the degree of engagement at each quadrant, a level of importance has been assigned, corresponding to the total number of stakeholders to be assigned within each category.

We chose the on-line questionnaire as the communication channel, a way to quickly connect with our contacts and to obtain easily processable results: 39 questionnaires were sent with a response rate of 90%.

This allowed us to open a direct channel with our stakeholders for identifying the issues that are important to them as well as determining the level of sensitivity with respect to each theme.



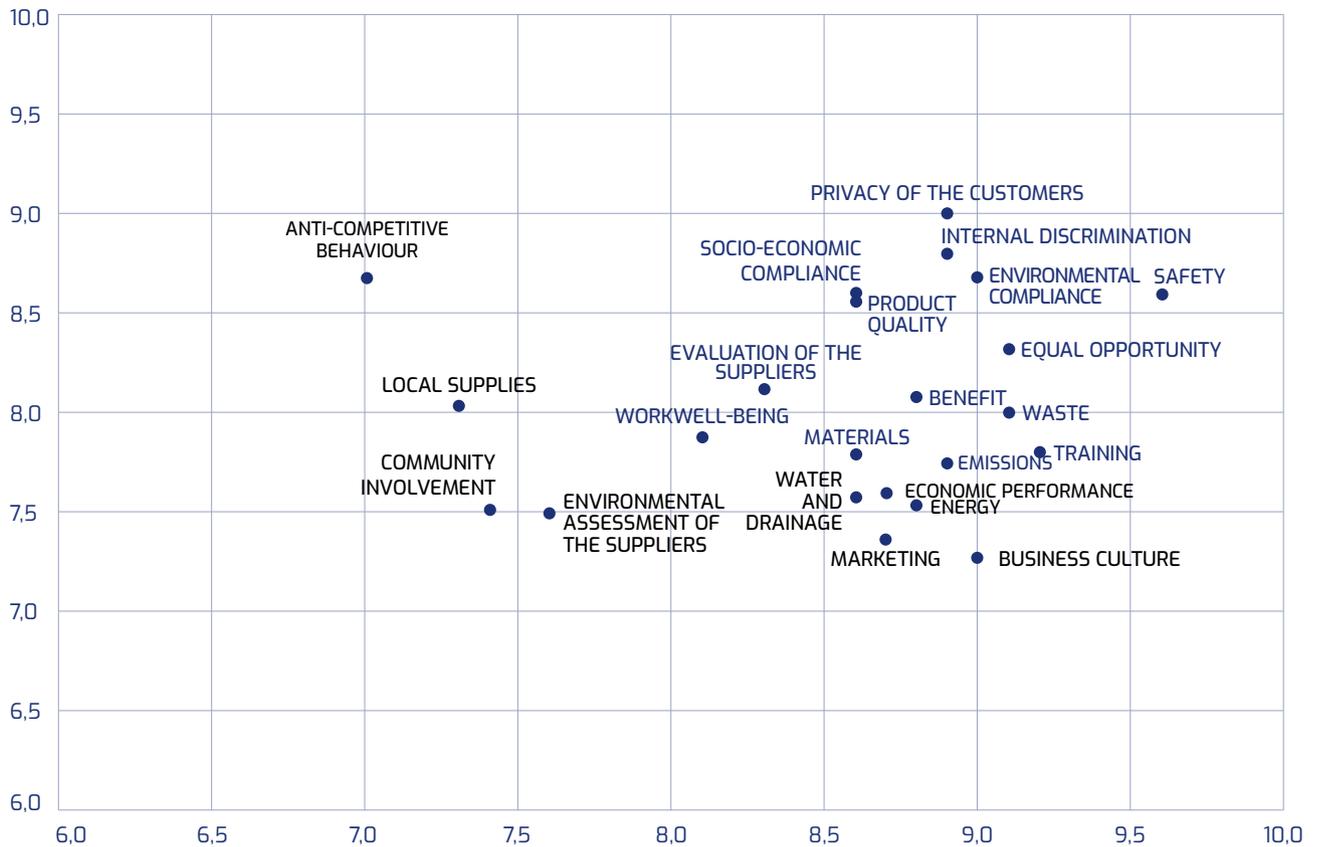
# Oesse's Governance

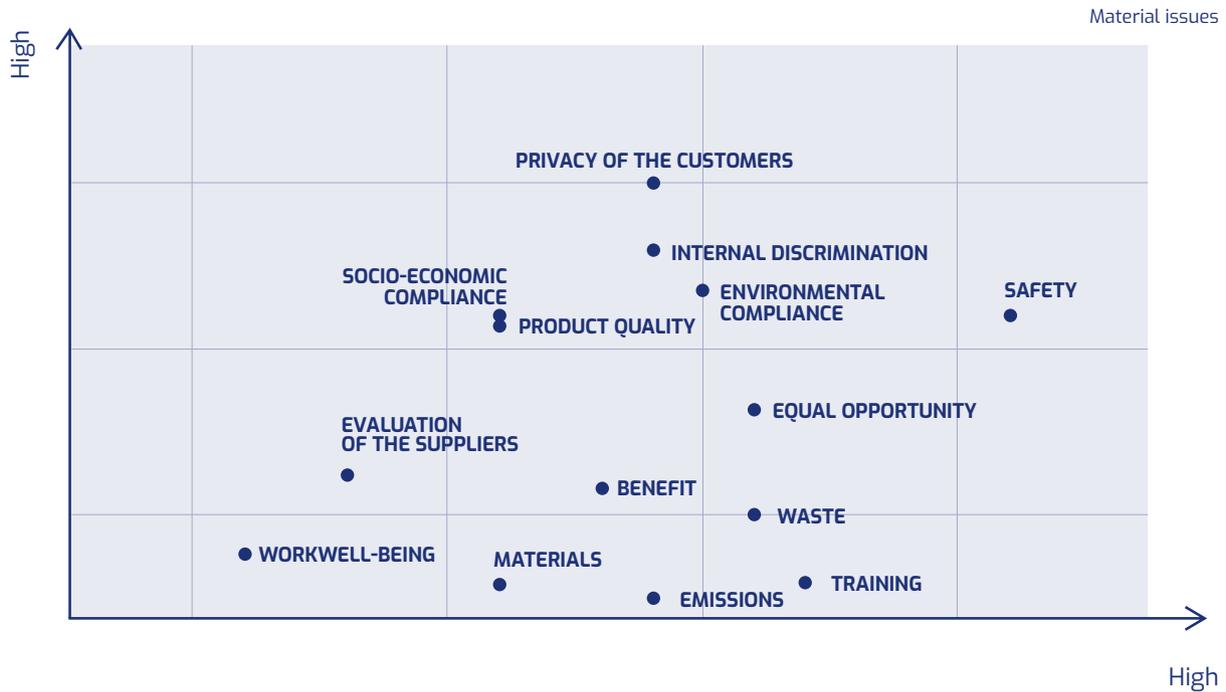
## Materiality

The responses to the surveys were analysed and inserted into a matrix, called a materiality matrix, aimed at identifying the themes considered as priorities by Oesse (axis of the ordinates) and its stakeholders (axis of the abscissa).

The themes considered relevant are depicted in blue.

Materiality matrix





In the table we show the themes divided according to the Environment, Social and Governance (ESG) areas.

This breakdown reflects the order in which topics will be presented within the report.

Classification of the material themes identified

Area	Social
<b>Environment</b>	Materials, Emissions, Waste
<b>Social</b>	Safety, Training, Equal opportunity, Internal discrimination, Welfare/benefits, Work well-being
<b>Governance</b>	Social evaluation of the suppliers, Product quality, Privacy, Socio-economic and environmental compliance

The analysis of the questionnaires received also revealed further issues that we will consider in our strategic choices, namely:

- Paying attention to the circular economy
- Studying the engine power/fan absorption ratio to reduce the fuel consumption of the machines
- Promoting the culture of sustainability
- Promoting the happiness of its employees during the work day.

## Oesse's Governance

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# STANDARD OF ENVIRONMENTAL SOCIAL GOVERNANCE (ESG)

We inspire our business activities with fundamental principles, in line with the UN 2030 Agenda and in compliance with protocols such as ESG standards.

The ESG rating, which is an overall evaluation that certifies the adherence or competency of an issuer, security, or fund from an environmental, social, and governance prospective.

In general, a company that can have a competitive business position with stable returns over time can be considered sustainable.

In particular a company that can:

- create shared value with all stakeholders in a lasting way over time.
- measure business decisions by analyzing all the impacts (economic and otherwise) that they control
- communicate the sustainability impacts of decisions for each ESG factor.

A sustainable enterprise pays attention to three factors:

**Environmental Factor (Environmental):**

which considers the risks associated with climate change and therefore pays attention to reducing CO2 emissions, improving energy efficiency, efficiency in the use of natural resources (e.g., water), adopting policies that tackle air and water pollution and waste of natural resources such as deforestation.

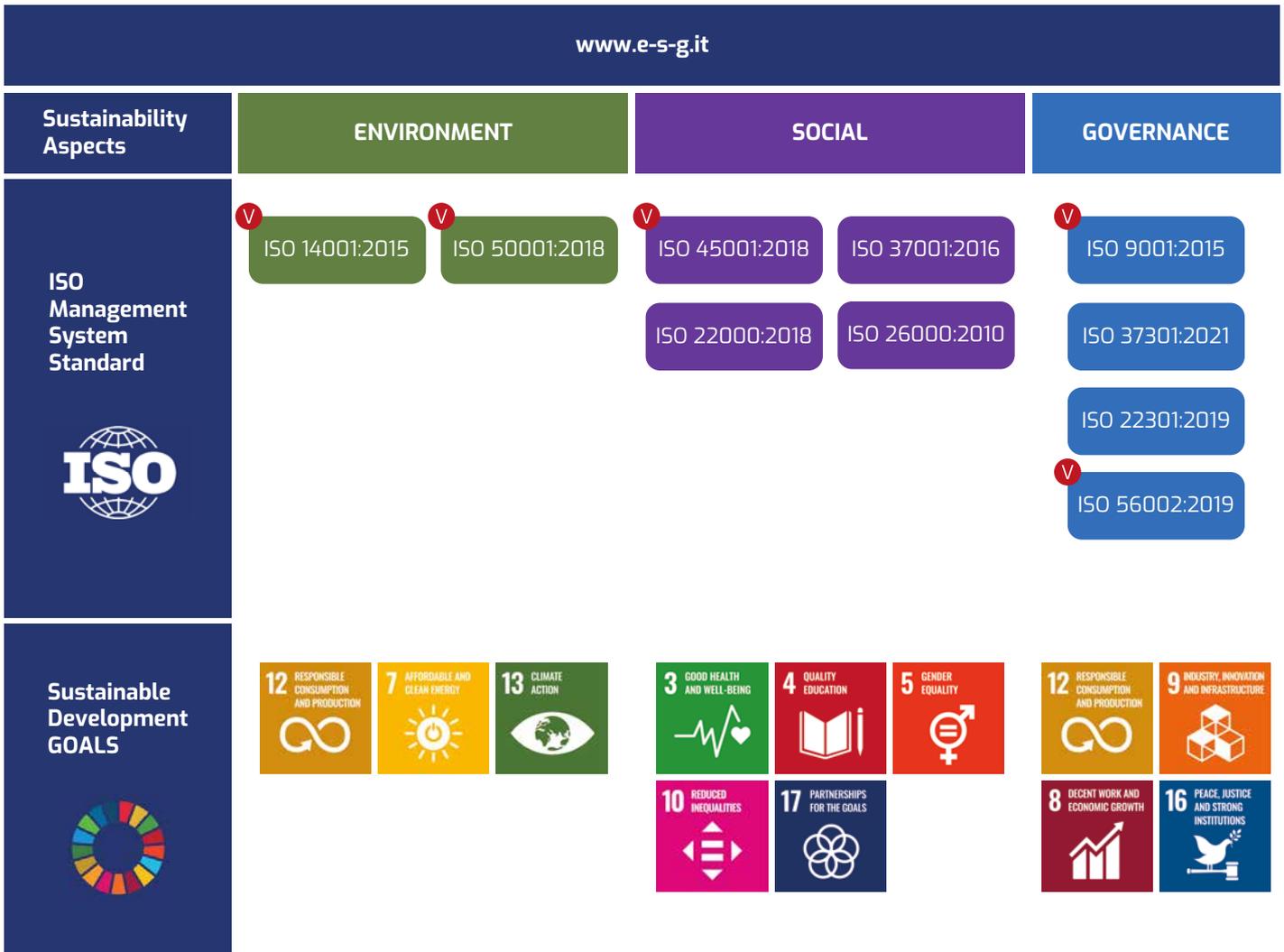
**Social Factor (Social):**

which includes policies to improve work environment, relations with trade unions, supply chain control, as well as attention to sexual orientation, skill and age diversity, labour relations, safe working conditions, respect for human rights and embracing social responsibility in all its aspects.

**Corporate Governance Factor (Governance):**

which concerns the ethics and transparency of corporate governance, the attendance of independent or nonexecutive directors, policies that promote diversity in the composition of the Boards, the presence of sustainability plans and goals related to board remuneration, as well as, control procedures, policies and more generally the behavior of senior management in the company in terms of ethics and compliance.

The chart that illustrates the strategy drawn by the company at the management level, towards the pursuit of the sustainability goals of the UN 2030 Agenda through appropriate ISO certifications, that approach the three main sustainability factors of the ESG rating; environmental, social, and corporate governance.



Our commitment and daily work activities in line with these goals and sustainability, has led us to achieve important outcomes at the end of 2022, which we share below.

More specifically, a new target was set based on surpassing the 54 points in the overall result of the rating.

**ESG** **SME RATING**  
61/100

Rating grade **A**  
Last change 02/2023

**E** ENVIRONMENTAL RATING  
52/100

**S** ENVIRONMENTAL RATING  
62/100

**G** ENVIRONMENTAL RATING  
68/100

## Oesse's Governance

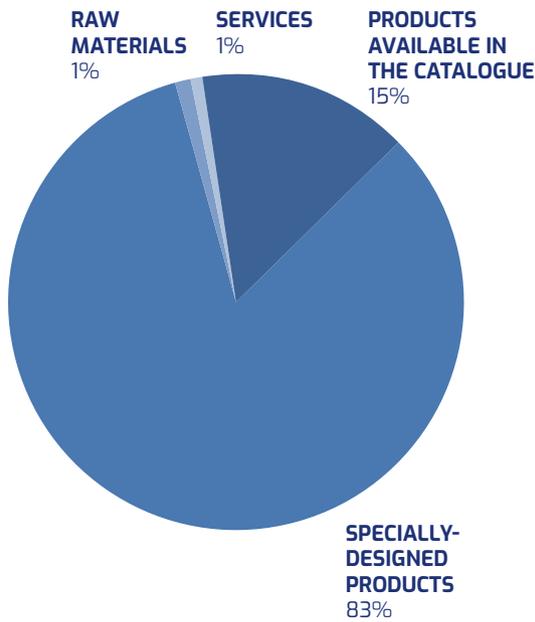
# MANAGEMENT OF THE SUPPLY CHAIN



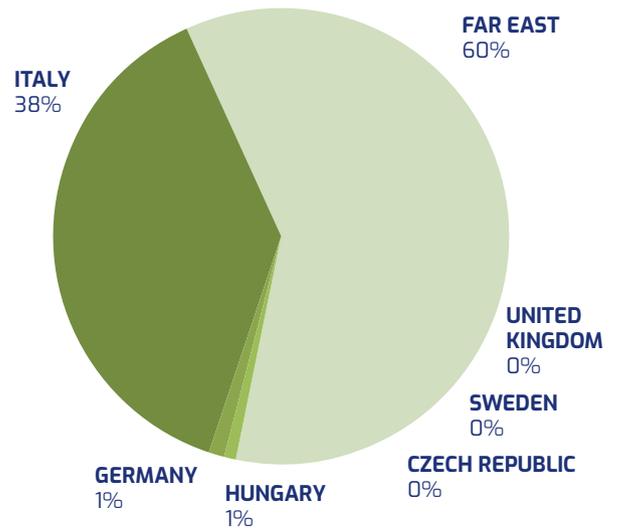
We are committed to creating real partnerships with our suppliers, to ensure a high-level end product.

We have different categories of suppliers present in different countries.

**Type of supply**



**Source of supplies**



The image presents the production cycle of Oesse with the incoming materials:



## Oesse's Governance

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Supplier management follows quality procedures in accordance with our Certified Quality Management System ISO 9001:2015. We are implementing specific questions within the selection criterion to assess sensitivity to social and environmental issues, to guide our selection criteria, also in accordance with our sustainability policies.

Suppliers are currently evaluated through ISO 9001 audits and through quarterly send/deliver quality reports. New suppliers are required to fill out the introductory pre-assessment form, followed by the sampling order and the final evaluation with report. Working at the pre-assessment level of the suppliers, it is possible to spread the CSR culture with the related questionnaire, involving them directly in regard to sustainability issues.

A new set-up of the Quality Assurance department has made it possible to focus more focus on the improvement suppliers through improvement actions shared in an atmosphere of collaboration and mutual interest.

The value proposition of a company is also realised through its value chain; this is why we are working together with our suppliers to connect them more and more to our production chain, implementing the Kanban technique.

# QUALITY PRODUCTS



To develop an innovative product you need energy, passion and attention to detail, from the initial project, to customisation, to delivery.

To have a product that is always of high quality, it is essential to establish a clear and collaborative relationship with the customers for the management of the critical issues that have emerged. For this reason, customer complaints are handled directly by the quality office that classifies non-compliance internally or externally in a company database that forwards the defect report to the technical department.

In 2022, the non-conformities detected amounted to 1.2% of the items produced, testifying to the quality of our solutions.

The focus on product quality is also evidenced by the considerable importance given to the prototyping phase. The prototype department is increasingly innovative and focused on improving the various aspects product for subsequent production: from the actual product to the packaging to the production cycles, the study of risks related to production-assembly and use by customers. The sample is sent to customers accompanied by a special report sample report describing its fundamental characteristics.

The analysis of the prototype also makes it possible to assess safety risks associated handling or use by the end customer.

# PRIVACY MANAGEMENT



Oesse protects and manages the personal data in its possession with due caution. For this reason, in line with the General Data Protection Regulation (EU Regulation 2016/679) it has identified within it the corporate functions responsible for data management, the System Administrator and the Internal Manager. All information that has a character of confidentiality, such as work projects, information regarding know-how, financial operations, strategies and operational results,

lists of customers, suppliers and collaborators, represents a strategic component of the company's assets and is therefore kept with all the necessary precautions.

The data in the paper documentation are transferred to the company archive, equipped with various levels of access, based on the confidentiality of the information contained; digital data is instead managed on an external (cloud) server.



## Energy for the environment



Aware that each of our individual and business actions at the local level produce an impact at the global level, we decided to go down a path to reduce our greenhouse gas emissions, which are primarily responsible for the increase in global average temperatures and consequently the climate change.

The "carbon footprint" is a measure used to quantify the magnitude of greenhouse gas emissions in the atmosphere which has allowed us to identify specific actions to reduce them and to set decarbonization targets consistent with the Paris agreements and validated by SBTi (Science Based Target Initiative) to help limit the global average temperature within +1.5°C, by 2050.

The project involves the annual calculation of our carbon footprint (CFP) in compliance with the Science Based Target Initiative programme. The CFP report is submitted and monitored by the SgBti organization.

To join this initiative will lead to the realisation of our commitment to help keep the average global temperature increase well below 2°C compared

to pre-industrial levels, by choosing emission reduction targets in line with the targets under the Paris Agreement (2015).

The latest CFP report issued provided the following results:

All the scopes	t. Co <sub>2</sub>
Scope 1	119
Scope 2	16
Scope 3	13635
<b>Total</b>	<b>13770</b>

Scope 1: and 2 are emissions from physical units or processes owned or controlled by the company that releases GHG into the atmosphere.

Scope 2: emissions that come from the production of imported electricity.

Scope 3: including all other indirect emissions generated by the company's value chain.

As explained in the diagram.

## Energy for the environment

We acknowledge that by being ourselves part of the supply chain of many companies, we can contribute to the reduction of our customers' total emissions and to become an example to our competitors.

This choice also represents a strategic distinctive element for our company. Since the first CFP Report issued and submitted to the SBTi organization, Oesse has initiated an emissions reduction process whose actions will be completed in the year 2023.

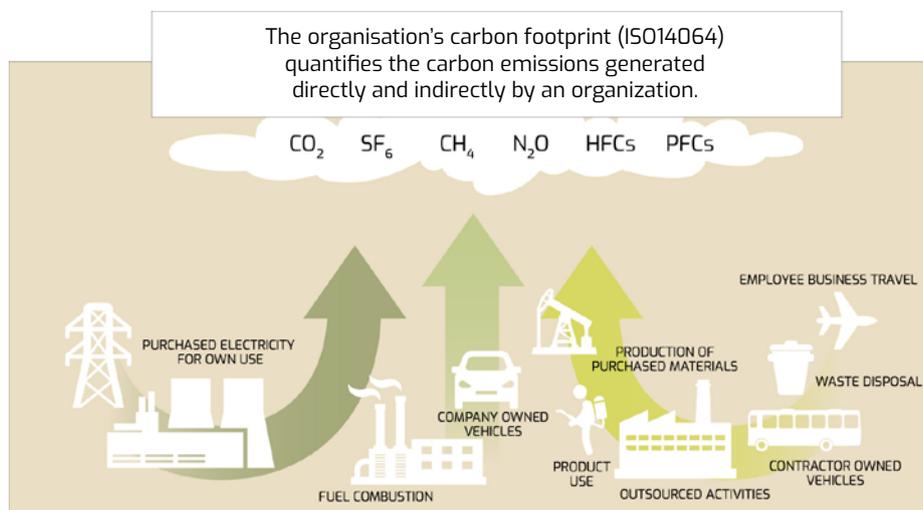
The main completed tasks were:

- Waste reduction (-52%);
- Change to renewable electricity (100%)
- Upgraded company car fleet

These activities include in particular:

- installation of high-efficiency photovoltaic system.
- replacement of diesel generator with electric cabin.

In 2023 we will release the updated CFP Report, which will show the reduction in emissions following the completion of these actions.



**OUR INITIATIVES**

The energy that is developed by the heat exchanger is the same energy that we want to share with our people across our community.

For a more sustainable management of resources, we have launched a project to renew the company car fleet, a car that is already available to employees so that they we can test the reliability of electric vehicles and therefore spread the culture of sustainability in both working and family environments.

Renewable materials consist of paper-cardboard and wood packaging. Mixed packaging consists of metal and plastic wrapping. For the coming year we set ourselves the goal of obtaining information from suppliers on the composition of the material in order to understand its recycled percentage.

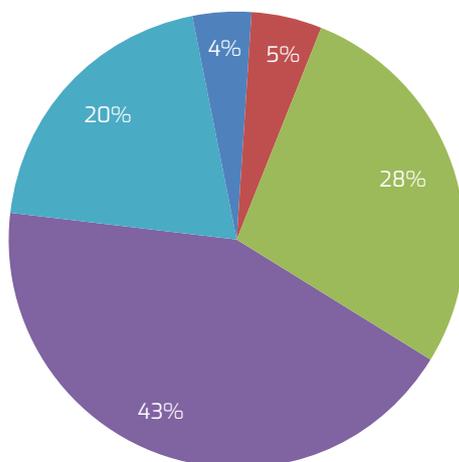
When evaluating new suppliers, this kind of qualification will be considered through a specific evaluation questionnaire.

This initiative will have an impact on waste production. Currently 100 per cent of waste is sent to third parties for recovery or disposal operations.

The goal for 2023 is to focus on the differentiation of mixed packaging, in order to improve the recycling rate and eliminate the corresponding CER code.

This will have positive effects in terms of strategic corporate innovation and will represent a key element for our contribution to Objective 13 of the 2030 Agenda for Sustainable Development of the United Nations.

To create the energy of our exchangers, we first need the human energy. Ensuring that our employees working in a safe, positive, and challenging environment is our priority.



- Aluminium
- Iron and steel
- Paper and cardboard packaging
- Wood packaging
- Mixed material packaging



## Energy for people

# HEALTH AND SAFETY



To prevent risks and protect our employees, from harm, we keep the Risk Assessment Document (DVR) constantly updated, in compliance with the Consolidated Law on Safety at Work: The Legislative Decree 81/08, following the risk assessment of all company activities and processes, carried out by the Employer in collaboration with the RSPP (Head of Prevention and Protection Service) the external Company Doctor and the Workers' Safety Representative and with the consequent prevention and protection measures.

The figure of the external Company Doctor, in addition to collaborating in the risk assessment phase, reinforce health surveillance in the company and intervenes in the event of a high risk resulting from the work-related stress risk assessment carried out annually.

To create innovation, there is a need of organizational and management models capable of supporting a process of continuous improvement. Therefore, we decided to implement a Safety Management Organizational Model (MOG-S ex 231), a management system that defines a "modus operandi" to reduce accidents, occupational illnesses and to safeguard the health and safety of our employees. In year 2022, Oesse obtained ISO 45001 certification, and the resulting annual audits carried out by TUV RHEINALD will allow us to continuously improve our already good safety performance from a PDCA perspective.

Employees can report their observations regarding health and safety through the RLS (workers' safety representatives) and the internal trade union representatives, three per trade union

for blue and white-collar workers. Considerations are considered and duly attended with prioritized actions. In order to improve engagement with employees and understand internal needs, surveys can be sent as already done in the past with the questionnaire for the evaluation of work-related stress, and a monthly meeting between safety officers are scheduled to discuss any safety-related topics and therefore their consequent training.

In 2022 the team of safety officers and the emergency team was expanded from 5 to 15 workers.

The Near Miss form is filled in when unforeseen situations have put, or could have put at risks persons, property, or the environment. This allows us to prevent future potential accidents through a careful analysis of the situation and implementing effective solutions, thanks to the greater awareness and commitment of our employees towards health and safety. However, during 2022, 3 accidents with an accident rate of 48.38 and 9 near misses were recorded.

In all cases, the safety team has initiated actions to avoid re-occurrences or reduce risks. Companies that carry out their activities within temporary or mobile construction sites within the perimeter of our company are required to draw up the Operational Safety Plan, while a single document for the risk assessment of interference is presented and countersigned by the contracting company.

In the year 2022 they were not detected accidents attributable to personnel from external companies.

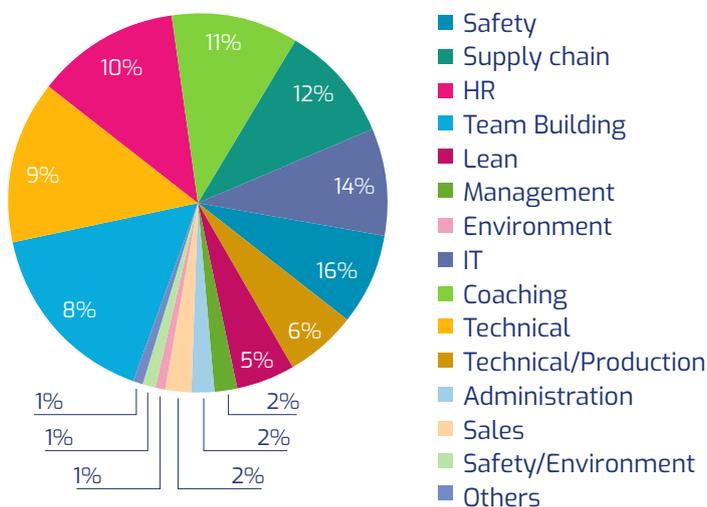


# TRAINING

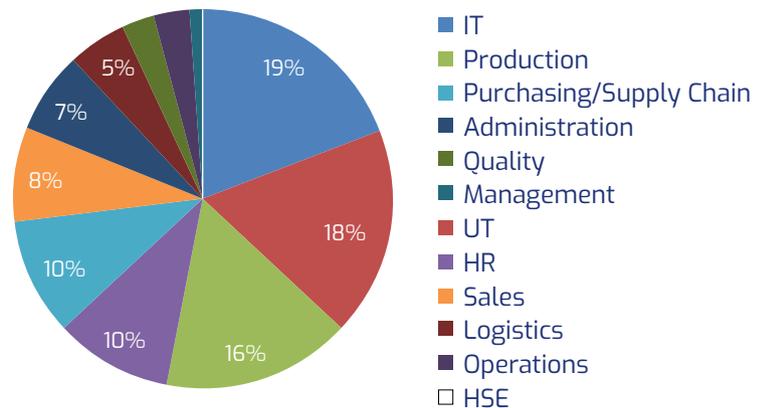


Oesse has always supported and promoted the professional development of employees through training. Training is aimed at learning and encouraging creativity of resources necessary to renew and improve company processes. The learning techniques depend on the depth of knowledge sought. The usefulness of having learned does not only satisfy personal curiosity, but also being able to put it into practice is a great achievement. The added value of investing in training lies in sharing and dissemination of what has been learnt. With this in mind, Oesse has expanded its payoff into **sharing energy, sharing knowledge.**

We believe that in order to have the commitment and active participation of people, it is essential to get them involved in our vision. Therefore, we have decided to implement a training plan for all areas of the company.



TRAINING HOURS BY SUBJECT AREA



TRAINING HOURS PER DEPARTMENT

## Energy for people

The training life cycle includes the following phases:

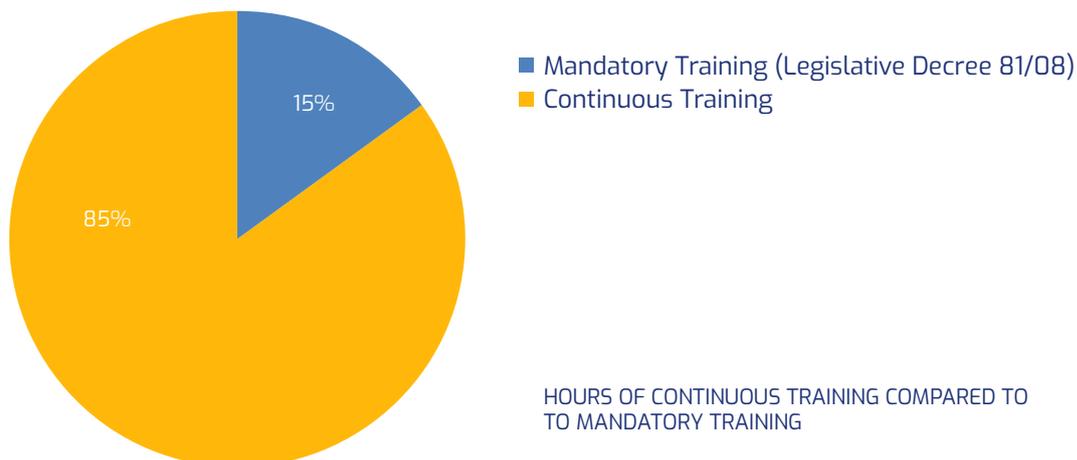
- Analysis of training needs, in line with business objectives
- Design of the training plan: in relation to the specific context, goals, objectives, and available options within different training paths are defined
- Planning of training program: definition of contents, choice of trainers, methodologies and teaching tools and related recording
- Implementation of training activities
- Evaluation of the results obtained with respect to the predefined objectives

Training and education needs may be related to:

- Introduction or change of tasks, processes, company tools, or new legislative provisions, involving the introduction of aspects relevant to service quality, management of environmental issues, risk on the working environment or the commission of crimes

- Need for updating, according to the frequency provided for by the reference legislation on safety at work (legislative decree 81/08 as amended, state-regions agreement)
- Internal audits, or audits promoted by the HRBP (Human Resources Business Partner) and management
- Objectives and training actions to be undertaken following the management review
- Requests by personnel to acquire specific skills in addition to the minimum ones foreseen
- Maintenance/upgrading of skills.

With the exception of courses required by law (such as those provided by Legislative Decree 81/08 as amended and by the State-Regions Agreement) and those relating to organizational updates of the Company (such as those linked to Model 231/08 and/or the Plan anti-corruption and transparency adopted by the Company), it is the responsibility of the functional managers to report to HRBP the need for a training course and complete the training request form.



HOURS OF CONTINUOUS TRAINING COMPARED TO MANDATORY TRAINING

# BENEFITS AND WELL-BEING OF PEOPLE AND THE TERRITORY



At Oesse, we aim to create a working environment that is more and more tailored to the needs of our employees, focus on their well-being and quality of life, in order to give them the opportunity to express maximum energy in their work.

Therefore, the first action that was taken, was the setting up of the canteen area, as well as the decision to contribute to covering more than 50% of the cost of meal vouchers for Oesse People. We have reached a three-year second-level agreement, to determine the calculation criteria for Production Bonuses, governed by the Metalworking National Collective Labor Agreement.

The attention we pay to our People is also being given to the following areas dedicated to their well-being during their presence in the company:

- relaxation area equipped with table football
- company library with a section dedicated to Lean issues
- provision and installation of an automatic defibrillator for cardiac arrest

Thanks to the analysis of the workplace climate, now in its third edition, we have an accurate view of the results of the activities carried out and any new needs of employees.



## Energy for people

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The following results derived from the 2022 analysis:

- Satisfaction rate for the job in the company: 90%
- Employee recommendation rate for work in the company: 74%.
- Engagement rate for achieving objectives: 75%.
- Rate of willingness to continue working at the company in 12 months: 90%

### Employee initiatives

Sharing moments and passions is a priority for us. Spending time together is an opportunity for growth that goes beyond the professional aspect. This conviction is our passion and leads us to organize multiple initiatives and activities capable of strengthening ties between People, motivating human growth, and cheering up professional activities.

Among the many activities we carry out, the main ones are:

- CORPORATE EVENTS OF GATHERING PEOPLE IN PERSON. Since 2017, we have been organizing at least once a year a moment of sharing (dinner, party, toast, etc.) to foster a strong company culture.
- COMPANY LOTTERY: At Christmas we raffle off gifts received from our suppliers.
- Company Bonus senior employees' campaign: every year we reward employees who achieve 15 years of company seniority. In 2022 rewarded 3 employees: two men and one woman.

- TEAM BUILDING ACTIVITIES: Throughout the year, we carry out many initiatives aimed at fostering communication and establishing a climate of trust and cooperation among People.

The activities carried out in the last period were many: creative painting in the company; stretching course; memory march; musical team building event.

### Community initiatives

Our professional activities do not distract us from caring for the community in which we live and work.

In the current year, we have implemented several practical activities undertaken by our employees to support the community in which we live to bring tangible help in different situations such as:

- THE KITCHEN GARDEN with which we converted the unused area of the company into a vegetable garden. We worked together with the staff of a local cooperative that deals with social and labour integration.
- FOOD AID PROGRAM: our employees took part in the solidarity project: '100 kits for 100 families'.

Since several years now, we have been sponsoring cultural and musical events of International appeal, aimed at attracting visitors to the city and generating wealth for residents, as well as enriching them culturally through innovative themes and activities.

Among the main cultural initiatives in the area that we sponsor are:

- Pordenonelegge, the author's book festival;
- TEDx, independent conferences on innovation-related topics;
- Festival Blues in Villa, a music festival , some free tickets were made available to our employees.

It is also essential to provide support to organizations and associations concerned with the welfare of the underprivileged and young people in the area. In fact, we have helped to sustain them financially:

- the PORDENONE HOSPITAL during the Covid pandemic

- LA NOSTRA FAMIGLIA Association of S. Vito al Tagliamento

- HUMUS BASKET Association of Sacile

- CYCLING TIME

- SCII CLUB 5 Ski association CIME of Pordenone

- SOS FVG - TRAINERS AND RESCUE AND SAFETY OPERATORS of Pordenone.

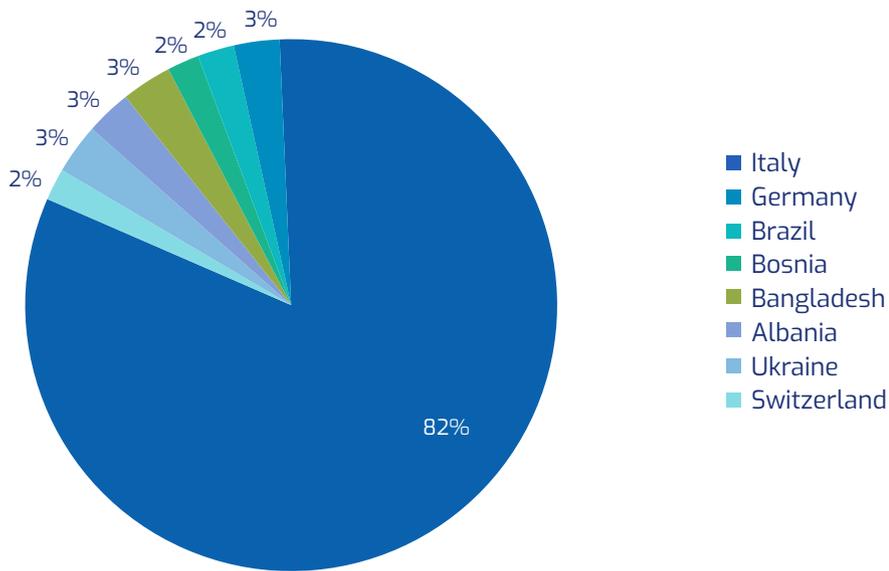




# SOCIAL INCLUSION AND EQUAL OPPORTUNITY



At Oesse we respect diversity and believe it is a value. Our employees originate from 10 different nationalities.



EMPLOYEE COUNTRY OF NATIONALITY BY %

# Energy for people

The company has 60 employees as follows:

	Men	Women
Full-time	37	21
Part-time		2

We are convinced that inclusiveness is a driver for the creation of value for the company itself.

We are therefore committed to increasing the presence of female staff, to create a workplace where men and women can perform their tasks based on equal opportunities for all.



38%



Women	Blue Collars	White Collars	Managers
<30		4%	
from 30 to 50	35%	30%	
>50	9%	17%	4%



62%



Men	Blue Collars	White Collars	Managers
<30	3%		
from 30 to 50	27%	32%	
>50	14%	11%	14%

% OF MALE AND FEMALE PRESENCE BY AGE AND TYPE OF EMPLOYMENT

The acknowledgement of the results achieved, and professional skills expressed by employees, represent the essential criteria for career growth and remuneration. Although a pay gap exists, we strive to reduce it and reach a real and effective inclusiveness.

In 2022, there were no reports of internal discrimination. Any reports of misconduct or discriminatory behaviour are discussed and dealt with by the CSR Committee itself.

Seniority	Blue Collars	White Collars	Managers
<30			
from 30 to 50	-6%	-15%	
>50	5%	-25%	13%

DIFFERENCE % MALE-FEMALE SALARY  
BY TYPE OF EMPLOYMENT

## Energy for people

The total percentage of employees with less than 5 years' service is 48% between 5 and 10 years is 8%, and above 10 years is 43%. In the following table you can see the number details for the male-female categories.

For all company employees, attention is paid to the entire career growth within the company, in which the focus is on individual abilities and professional inclinations.

Seniority	Men	Women
<5 years	21	8
between 5 and 10 years	2	3
>10 years	14	12

NUMBER OF EMPLOYEES BY AGE  
AND MALE-FEMALE GROUP

In 2022 we faced a year of general change for the world of work, in which we experienced an overall turnover rate of 39%.

This context leads us to work with even more commitment to optimizing career development and boosting the corporate climate.

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# METHODOLOGICAL NOTE

In order to communicate and bear witness, in a clear and transparent way, to the importance we attach to sustainability issues at Oesse, we have decided to draw up the first Sustainability Report, following the Global Reporting Initiative Standards "Core" option.

It seeks to be a tool to convey our social, economic and environmental performance through appropriate indicators and to communicate the objectives we are committed to pursuing. The indicators presented are the tool for measuring the material themes resulting from phase of engagement with the stakeholders.

The perimeter of the 2022 Sustainability Report follows that of the Financial Statement, attributable to the company Oesse Srl. Oesse Srl undertakes to draw up its Sustainability Report annually. For any information, please consult the contact person:

**Lara De Anna: [l.deanna@oesse.com](mailto:l.deanna@oesse.com)**

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