

The economics of happiness

Graphic concept behind the new Sustainability Report

The editorial and graphic design of the Streparava Sustainability Report aims to tell the story of who we are, through the images of our people and the indicators that show our commitment over the years.

The graphic concept is developed around a minimal and balanced layout, made dynamic by a skillful play of contrasts. The images, all of which were created at the Group's offices, are elaborated with bright colors and decisive strokes that emphasize the shapes. The effect invites the eye to linger longer, to decipher the shot, while the typography plays with a strong visual hierarchy, based on emphasizing key messages.

Come and discover our ESG approach also on our website.

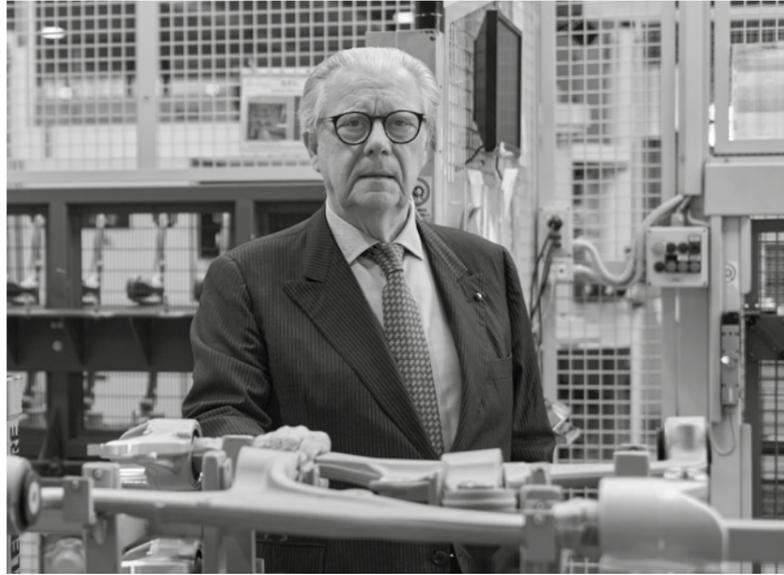


	Letter from the President	2
	CEO Introduction	4
Sustainability Report	2023 Concept	8
	We have been a family since 1951	10
	Milestone	12
	Presence in the world	14
	2023 Goals	18
Rooted in the future CHAPTER 01	Mission, Vision and Values	22
	Strategy and Governance	24
	Our stakeholders	26
	ESG path	28
	Economic sustainability and investments	36
Innovation, suppliers and customers CHAPTER 02	An integrated vision	40
	The outlook of sustainable mobility	42
	Customers and products	44
	Testing Center	48
	Streparava certifications: the path	50
	Streparava supply chain	52
Streparava human capital CHAPTER 03	Our approach	60
	Lean Lifestyle	62
	Kaizen method	64
	Our people	66
	Recruitment, work and opportunities	72
	Training	74
	Skill assessment and professional growthy plan	76
	Diversity & Inclusion	77
	Stage, Dual learning and relationships with schools	78
	Welfare and Group of Happiness	80
	Development and support to the community	84
	Communication	88
	Safety and health	92
Streparava for the environment CHAPTER 04	Topic approach and Environmental Policy	96
	Circular economy	98
	Reduction in energy consumption	108
	Carbon footprint and Carbon Disclosure Project	112
	Category score	114

Sustainability Report 2023

The most important things to be happy are to have something to do, something to love and something to hope for.

Letter from the President



Since 2012, the United Nations has chosen 20 March as the date to celebrate the International Day of HAPPINESS.

We, at Streparava, have contributed, with the collaboration of the Human Capital office, to creating a series of events for the “Happiness Project”, because HAPPINESS, shows itself in different forms, and we wanted to include it within the broader strategic project of environmental, social and governance sustainability (ESG).

For us, people's well-being is not a fad of the moment, but a precise corporate strategy. A person who consciously chooses to be part of a team does his/her utmost to give his/her best; this wellbeing ignites his/her creativity, his/her ability to solve problems, his/her predisposition to establish positive relationships.

How do you recognize a happy company?

Trust, interest and peace of mind between people are elements that cannot be lacking; they are organizations built on the ‘we’ and less on the ‘I’; they listen to people's needs and give them ways to express themselves, to learn, to fulfil themselves; they are more organized, standardized and have less chaos than traditional organizations.

Below, I invite you to take note of how Happiness can be interpreted, either playfully or metaphysically. The first is a famous motif in the 2000s sung by Albano, the second is by one of our supreme poets, Eugenio Montale, winner of the 1975 Nobel Prize for Literature.

President
Pier Luigi Streparava

Felicità
Al Bano e Romina Power
1982

It's a surprise evening,
the moon lit and the radio going
It is a greeting card full of hearts,
happiness
It's an unexpected phone call,
happiness
Happiness

Felicità raggiunta
Eugenio Montale
1925

Happiness achieved, you walk for you
on the edge of the blade.
To the eyes you are gleam that wavers
to the foot, tense ice that cracks
And therefore, do not touch those who
love you most

The match-mix is a bit far-fetched, but it faces us with the materiality of HAPPINESS. It is clear that happiness is a goal to be achieved, each in different ways and with different plans.

CEO introduction



Our journey towards innovation in the automotive sector is rooted in all the elements you will find summarized in this document: people at the center, teamwork and technological development.

Growth, innovation and sustainability

The actions we implement to achieve our sustainability goals are all encapsulated in the eighth edition of the Streparava Sustainability Report. They are concrete actions that, day after day, we implement to improve our impact on what surrounds us: people, the environment, the territory and our partners. This report is more than just a report of our activities; it is a testimony to our ongoing commitment to create value not only for the company itself, but also for the communities in which we operate. As our company mission statement states, our daily commitment is to all stakeholders of today and tomorrow.

We firmly believe that the success of any company lies in the people who make it up. For this reason, the investment in recent years in the growth and development of our employees' skills has been considerable. We can only meet the complex challenges facing the industry and make the journey ahead with motivated, competent and highly engaged people.

The core elements of our growth strategy also reflect our commitment to a sustainable future. We are constantly rethinking the chassis and its component parts, to make it compatible with the weight and traction of green vehicles. In addition, we are investing in sensorization, in anticipation of developments in autonomous vehicles, to ensure higher levels of vehicle safety and efficiency.

Another cross aspect of our strategy is lightweighting. We are committed to researching and developing new materials that allow us to produce lighter components without compromising the strongness and safety of vehicles. To give a concrete example, we are exploring the use of aluminum and its alloys, which offer an excellent combination of lightness and strength.

The new 2023 sustainability report reflects the determination of the entire Streparava Group to pursue its goals and contribute to the well-being of people and the environment.

CEO Streparava
Paolo Streparava

“Be happy, act in happiness,
feel happy, for no reason.”

Socrates

2023



The Economics of Happiness

Have you ever wondered what you like to do?

In the morning when you get up and go to work. And in the evening, when you go to bed after a long day of producing components or doing paperwork.

Few are those who stop to ask themselves such questions, because it takes **courage**, to look inside and accept the answers; because it takes **time**, and sometimes it is better not to think about it. It often seems to us that time, indeed, no longer exists. Everything rushes by and, although digital technology has improved our lives, we no longer have time to **do** anything, let alone our **non-doing**.

So, we work. We produce products for other companies, who will sell them to other people. Companies that have been better at marketing their products than others.

In the world of economics, however, there are organizations that do not shout out, that do not produce just doing it, but that base their economics not only on value and prices, but on the positive impact that these products can have on people's lives, on workers and on territories. These are companies that have rethought their models of life, consumption and work, that start from what makes us feel good, from the reason why we get up every morning to go to work.

They are the so-called **positive organizations**, for whom the well-being of their employees is as important a value as turnover and performance. They are more innovative and productive; they know how to hold their employees and develop their talents.

These are organizations for which the **well-being of people** is not a fad of the moment, but a precise corporate strategy. A person who consciously chooses to be part of a team, does his/her utmost to give his/her best; this well-being ignites his/her creativity, his/her ability to solve problems, his/her predisposition to establish positive relationships.

Eudaimonia, as happiness is called by Aristotle, does not correspond to mere individual satisfaction and exclusively private pleasure, but it refers to the individual's allocation and relationship with the world. According to Aristotle, a 'good life', a happy life, is more than just a balance between pleasure and pain and coincides with a virtuous life, that is, a life lived in accordance with right action and right thinking. Happiness thus understood is the ethical foundation of human life: right working and right thinking are a synonym for sustainability.

it takes courage,
to look inside and
accept the answers;
because it takes time.

These are companies that have
rethought their models of life,
consumption and work, that start
from what makes us feel good.

But how can one recognize a happy organization?

Trust, interest and peace of mind among its members are elements that cannot be lacking; they are focused on the 'we' and less on the 'I'; they listen to people's needs and give them the opportunity to express themselves, to learn, to fulfil themselves; they are more organized, standardized and have less chaos than traditional organizations.

And at the head of this team there is a captain, a **positive leader**, capable of acting consistently and who also works on his/her own well-being. He/she communicates in a proactive and supportive manner, cultivates feedback, establishes empathetic relationships, and builds relationships with his/her co-workers.

This is what it means to be happy at work: to choose organizations in which we feel good, where we can express ourselves, our aptitudes and skills. But this model does not generate itself, it needs the contribution of everyone, the effort of each employee to put common well-being and respect at the center.

Happiness is trendy, let us contribute
to making the world of work happier!

We have been a family since 1951



1951 Cologne, Brescia province.

In a deconsecrated church, four partners with five workers began producing bolts and screws for the company OM of Brescia. Among them was Gino, our founder.

Since then, Streparava has been transformed and today produces complex systems in the automotive sector. The milestones of Streparava's success pass through the evolution of the product, processes and technological applications: in 1978 we produced the first independent suspensions, in 1998 the first rocker arm assemblies, thanks to a significant technological leap, up to the latest products in the bus, tractor and premium car components.

2023 Adro, Valladolid, Sete Lagoas, Bangalore, Saronno, Valsamoggia, Erbusco.

Today, Streparava produces high-precision powertrain and chassis components supplied to major OEMs (Original Equipment Manufacturers) for motorbikes, cars, buses, commercial and industrial vehicles.

OEM: original equipment manufacturer

An OEM is a company that makes components, sets of components or software to be integrated into another company's products.

The Group's continuous growth at national and international level sees Streparava add a further piece to its presence in Italy, with the establishment of Streparava SMT, through the 100% acquisition of CMO's business unit to produce sheet metal components for commercial vehicles.

With this new entry we reach 10 production plants worldwide, 7 of which are in Italy, as well as Spain, India and Brazil, for a total of almost 1,100 employees. The Group also focuses on the mobility of the future by participating, through its e-Shock and Ascari affiliates, in projects capable of offering innovative and sustainable solutions linked to the main trends that are influencing the development of the automotive sector.



Steering Committee.
From the left: Ivano Astori, Marco Rubagotti, Mauro Corsini, Mauro Andolfo, Manuela Corini, Raffaella Bianchi, Roberto Deltratti, Fabio Faustini, Paolo Streparava, Stefano Guerra, Pier Luigi Streparava, Paolo Bentivoglio, Enrico Deltratti, Roberto Zerbin, Andrea Ferrari, Giuseppe Ardiri, Davide Ferrario, Renato Cotti Piccinelli, Gianantonio Riello, Matteo Bettoni.



1951

- Streparava Establishment Year

1978

- 1° Suspension

1998

- 1° Powertrain component

2000

- SISA (Spain) Grand opening

2002

- SCAL (Brazil) Grand opening

2013

- SIND (India) Grand opening

2014

- BPT Takeover

2018

- SPT Takeover

2019

- Shareholdings in E-Shock

2020

- Presentation first digital chassis
- Alunext incorporation

2022

- Lease of Cervati Fonderie business unit

2023

- SMT Takeover and establishment

Group structure



Presence in the world

Streparava Holding Spa

Is the parent company of the Streparava Group. The holding company focuses on defining corporate strategies and ensures efficient management of resources, fostering collaboration between the companies in the group to maximize results and the overall growth of the group.

Streparava Spa

Established in 1951, it is a leader in the automotive sector, specializing in the production of suspension, axle and other structural components for cars, light and heavy commercial vehicles.

Streparava Iberica SLU

Established by the Cavaliere del Lavoro Gino Streparava in 2000. The company has always been dedicated to the production of axles for light commercial vehicles. Located in the north-west of Spain, in the city of Valladolid, it covers an area of 3,613 m².

SPT Srl

A company operating in the powertrain sector, with established expertise in the manufacture of engine connecting rods, was acquired in 2016 and it is in Valsamoggia, in Bologna province.

BPT Borroni Powertrain Srl

was established in 1973 by the same-name family and has been part of the Streparava Group since 2014. The company specializes in the manufacture of crankshafts and camshafts and it is in Saronno, in Varese province.

In May 2023 we celebrated 50 years since the establishment of Borroni, ten of which were spent within the Streparava Group. Through the "Factory in the Family" anniversary, we opened the doors of the Saronno plant to all our employees and their.

Streparava SMT Srl

Established in 2023 through the takeover of CMO's business unit for the production of components for commercial vehicles, the company, with its 50 years of history in the sector, is located in Erbusco (Brescia) and covers an area of 9000 square meters. It specializes in the production of pressed and welded sheet metal components and machining for the commercial and industrial vehicle market.

Streparava Componentes Automotivos LTDA

Located in Brazil, it is a subsidiary of the Streparava Group specializing in the production of suspension and axle components for the South American automotive market. The company offers high quality and technologically advanced solutions for customers in the region.

Streparava India PVT

Is the Indian headquarters of the group, established in 2014 and specializing in the production of powertrain components. It is in Bangalore and employs around 300 people.

Alunext Srl

Joint venture established at the beginning of 2021 from the merging of Costamp Group Spa, a leader in the design, engineering and production of molds for components in the automotive sector, and Streparava SpA, the company produces aluminum alloy castings using different technologies. The company has three production plants in Sirone (LC), Castegnato (BS) and Brescia; the last two plants became part of Alunext following the lease of the Cervati Fonderie business unit.

The Group places great emphasis on electrification and autonomous driving. This is shown by its shareholding in **e-Shock srl**, an e-Novia Group company specializing in the production of electronic solutions for controlling vehicle dynamics and a leading supplier of embedded Artificial Intelligence applied to the control of semi-active suspensions, traction and braking. The result of the collaboration between Streparava and e-Shock is the chassis digital, or 'digital chassis', which integrates functionality related to autonomous driving, connectivity and digitization.

Today we are among the industry leaders and partners of major OEMs for powertrain and chassis components and systems.

AS.CAR.I

Supporting this, Streparava S.p.A. decided to invest in AS.CAR.I., a spin-off company of the MOVE team based at the Milan Polytechnic, one of the world's leading research groups in the field of automation and implementation of control systems for vehicles.

business



351 mln aggregate turnover

26 mln Ebitda

+21 mln investments

+80% of the suppliers located in Italy

people



726 employees involved in reports

22% of collaborators under 30

73 new hires in 2023

<3% voluntary turnover rate

training and safety



18.600 training hours

> 25 hours of training per head

+ 4.000 training hours on Safety and Environment

environment



5.196 tCO₂ produced (Scope 1 and Scope 2)

1.038 tCO₂ avoided thanks to company projects

95% of waste sent for recovery

Methodological Note

The eighth edition of the Streparava Sustainability Report aims to transparently report and describe the group's social, environmental and governance initiatives and performance. The reporting scope has therefore been further extended compared to the past and now includes the following companies:

- **Streparava Holding Spa**, located in Adro (BS) - Italy
- **Streparava Spa**, located in Adro (BS) - Italy
- **BPT Borroni Powertrain Srl**, located in Saronno (VA) – Italy
- **SPT Srl**, located in Valsamoggia (BO) – Italy
- **Streparava SMT Srl**, located in Erbusco (BS) – Italy
- **Streparava Componentes Automotivos LTDA** (Abbreviation SCAL), located in Sete Lagoas (MG) – Brazil

Since Streparava SMT Srl joined the group on 1 June 2023, it was not possible to report all the indicators for that company. This document has been prepared using the Sustainability Reporting Standards of the Global Reporting Initiative (GRI) as a reference. With this document, the company aims at demonstrating and highlighting its commitment to a sustainable approach to business, measuring and reporting on its performance, achieved and future objectives.

The data and information reported refer to the period 1 January - 31 December 2023. Where possible, the performance indicators are also reported in relation to the years 2021 and 2022, to assess the dynamic trend over the three-year period.

In accordance with the GRI standard, the topics reported in the Sustainability Report stems from the materiality analysis carried out by interviewing both internal company personnel and external stakeholders. The Sustainability Report has not been submitted to external verification.

“First, have a definite, clear practical ideal: a goal, an objective. Second, have the necessary means to achieve your ends: wisdom, money, materials and methods. Third, adjust all your means to the end.”

Aristotle

CHAP. 1

Mission, Vision and Values define our identity and are the foundations on which we work today to build the Streparava of tomorrow.



They are something concrete and shared, in which we all strongly believe, starting with our management that builds strategies and objectives on them and makes the whole Group participate.

Mission, vision and values that put **people at the center** and empower us to actively contribute to building our **future, both professional and personal**. A future that depends on the environmental, social and economic sustainability that we, as a Group, strive for today.

Every day we are committed to promoting a **sense of belonging** as a common value and feeling. We have been a family since 1951, as the conclusion of our mission states, and we are so in practice because we believe it is important to seek the **well-being** of everyone within the contexts in which they live. In doing so, we are guided by a **positive entrepreneurial vision**, ready to face, and often to anticipate, every challenge that the context poses, and careful to conduct business in a responsible manner towards people and the environment.

We have the ambition to create human relationships in which people are also **happy** in the working environment.

We want to be automotive professionals and we are driven by passion, inspiration and sustainability:

inspired because we are driven to continuous improvement in our daily decisions, with the firm will to create a better future for the company;

passionate about our business, which allows us to experience the company as a source of enrichment;

sustainable from a human, social, environmental, economic and governance point of view, i.e. with a 360-degree view towards all our stakeholders.

We have been a family since 1951.
Ready for future challenges.

Mission

We provide high-impact solutions worldwide through the design, validation and production of driveline, chassis and powertrain components and systems. Our people are committed every day to safety, continuous improvement, reliability and the well-being of all stakeholders today and tomorrow. We are committed to improving our environmental impact.

Team spirit
Welfare
Challenge

Vision

Passionate, inspired, sustainable. A global professional team recognized as a provider of key innovative solutions for the mobility of the future.

The Code of Ethics
defines the set of values,
rules and ethical
and behavioral principles.

Corporate
 Governance

Streparava's governance structure is organized according to the traditional administration and control model. The Board of Directors, appointed by the Shareholders' Meeting, is the body responsible for the management of the company, the adequacy of the organizational structure and the control of general performance. The reference value model guarantees its transparency and competence.

Organizational
 model (Italy)

The Board of Statutory Auditors has the task of supervising compliance with the law and observance of the principles of fairness. The Supervisory Board, composed of an external member and an internal member, is responsible for verifying the functioning, effectiveness and compliance with the Organizational Model pursuant to Legislative Decree 231/2001 and the Code of Ethics.

The Code of Ethics defines the set of values, rules and ethical and behavioral principles all Group companies are inspired by, in carrying out their activities. The Code of Ethics is an integral part of the 231 Organizational Model, which regulates the administrative responsibilities of legal persons and companies.

The Organization Model pursuant to Italian Legislative Decree 231/2001 and the Code of Ethics express the commitments and ethical responsibilities in the conduct of the activities of all Group companies, following principles of fairness, legality and transparency, in full compliance with the laws, procedures and regulations contained therein.

Having a strategy means having a defined objective, although this does not mean we cannot change it or adapt it to times and circumstances, because those who have a strategy must be able to shape it according to what is happening around us.

Defining it, however, allows us to share it with our teams, reason it out together and make sense of what we do. But strategy alone is not enough, and this is where **'tactics'** comes in, which, taking its cue from strategy, helps us decline that series of actions that can help us 'protect' our business intent.

Involving our people is an indispensable part of building strategy and tactics, because we could never think of a strategic intent and design tactics and **projects** without discussing them with those who are engaged on a daily basis in 'making things happen'.

Streparava Board of Directors

Streparava Holding Spa is the 100% parent company of Streparava Spa, BPT Borroni Powertrain Srl, SPT Srl and Streparava SMT Srl and 50% of Streparava Componentes Automotivos LTDA. Shareholders sit on one or more Boards of Directors of the companies together with independent external members.



Pier Luigi Streparava



Paolo Streparava



Enrico Deltratti



Roberto Deltratti



Rosella Streparava



Marco Streparava

HOSHIN KANRI (HK)

Hoshin Kanri (HK) is a methodology derived from Japanese organizational culture:

Ho	Direction
Shin	Compass needle
Kan	Control
Ri	Logic

It is an integrated management approach that combines strategic and operational management, aligning a company's functions and activities with its strategic objectives.

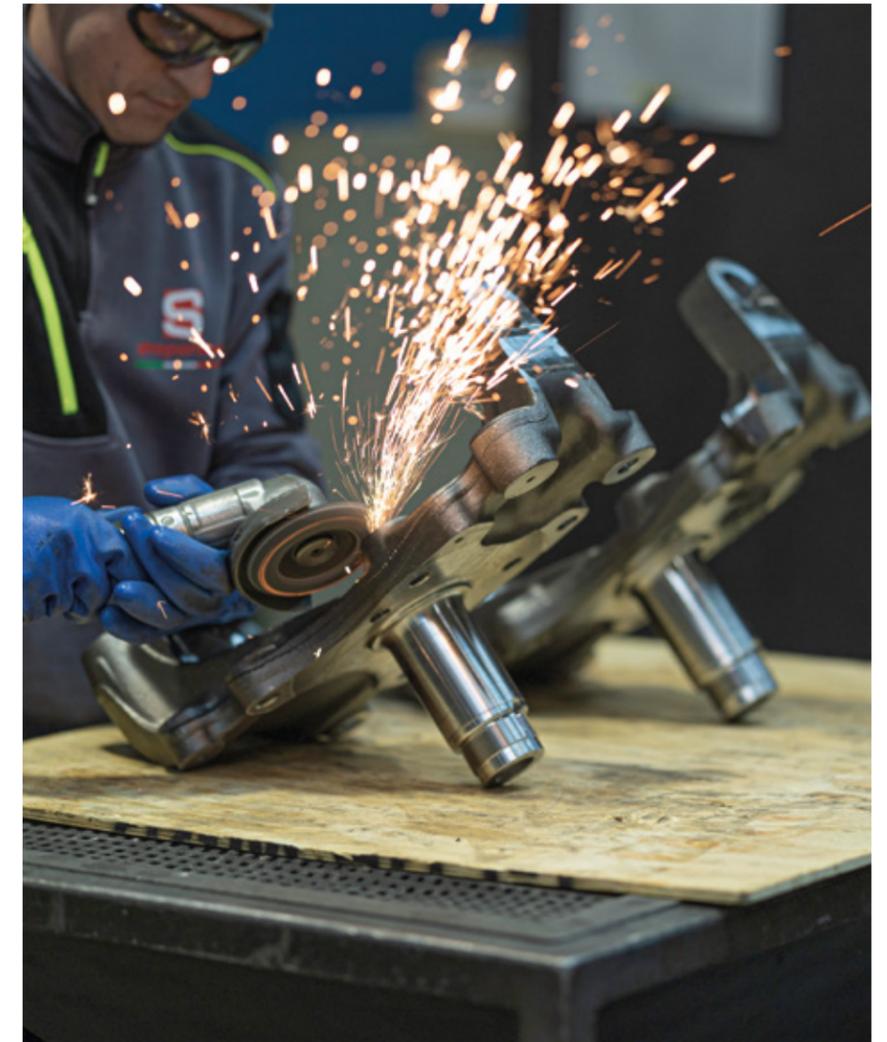
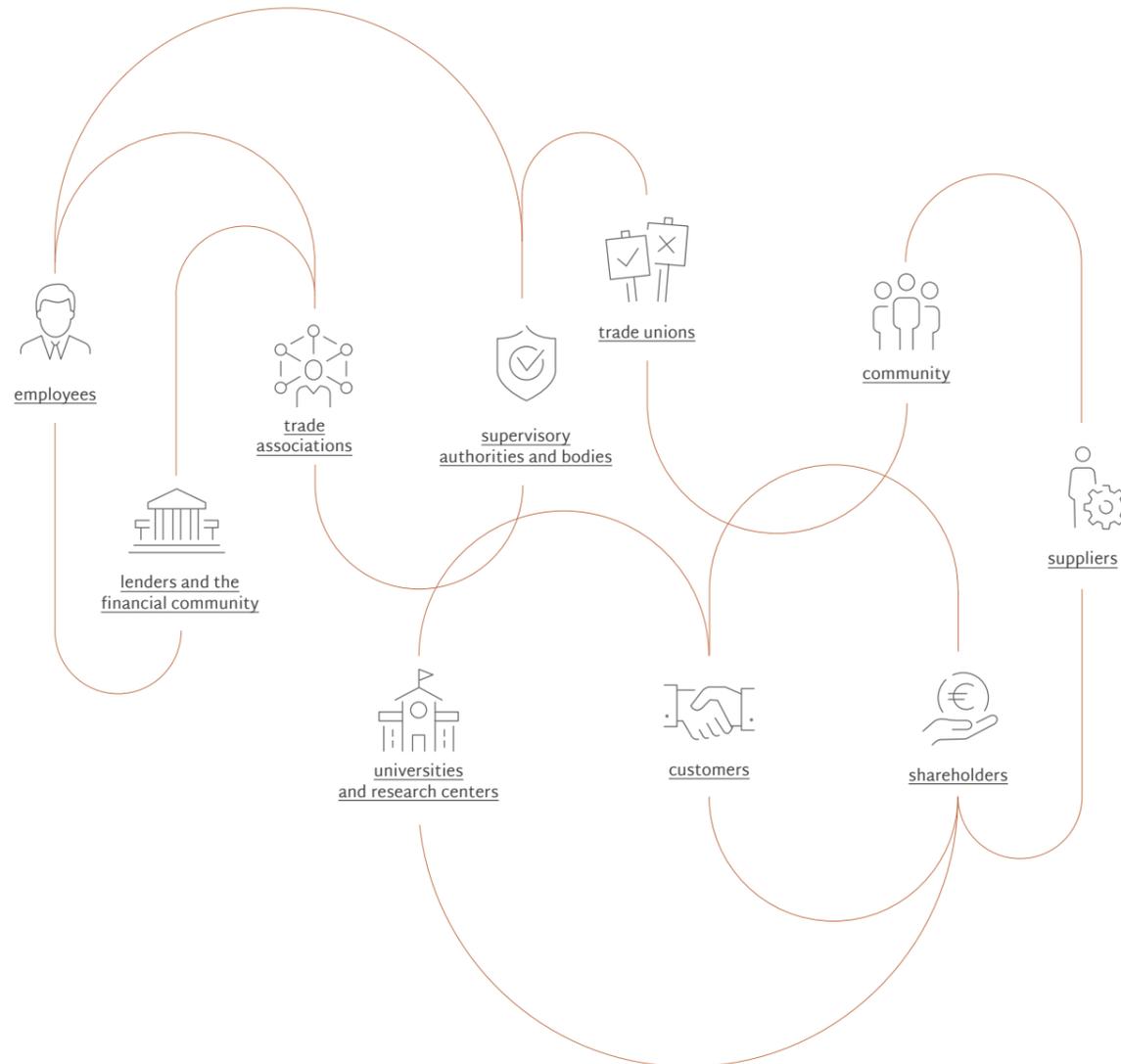
At Streparava, strategies are developed with the tool of **Hoshin Kanri**; a process that defines the steps necessary for the success and growth of the company. Through the CEO Committee and the various organizational committees, the achievement of results and the implementation of strategies over time is monitored

Each month, performance results are analyzed through our **dashboards** and the specific work plan is discussed with the necessary activities to activate corrective actions or new potentials. Monitoring is done at 360° from the point of view of quality, safety and productivity, and all economic and financial results are analyzed, allowing all aspects of the different projects to be constantly under control.

The Hoshin Kanri allows us to **link** vision, strategies, objectives and improvement projects and is the basis and support of our ESG strategies. The Hoshin Kanri is a pivotal tool for a company that grows and develops on the basis of what it has built in the past, but at the same time cultivates a strong orientation towards the future with long-term strategies and new, ambitious goals.

If we can now consider outdated the traditional economic theory that recognized as the sole purpose of business the production of a profit to be distributed to partners and shareholders in the form of a dividend, and if today we see progressively implemented business strategies oriented towards satisfying all the company's stakeholders - employees, customers, suppliers, as well as shareholders and lenders, but also the community and the natural environment; then it should be natural to ask ourselves: **what are the expectations of our stakeholders? How can we meet them?**

Our employees, customers and suppliers have specific and often different expectations and needs, what satisfies one group may not fully satisfy another; our commitment is to seek a balance between the demands of our different stakeholders and to prioritize their needs, giving continuity and solidity to our company and always taking responsibility for our choices and decisions.



At Streparava, we have always operated with the objective of creating shared value: our way of doing business is founded and based on listening to and respecting internal collaborators, as well as on the creation of solid and lasting ties with stakeholders outside the company.

ESG Path

At Streparava, we believe that creating shared value is a strategic lever to achieve economic success while generating progress and social value through the integration of environmental issues and social needs into core business and corporate strategies.

Strengthened by this conviction, in 2022 we embarked on a path of integrating environmental, social and governance (ESG) issues into business processes with the aim of adopting an increasingly responsible business management, capable of contributing to the sustainable growth of the Group and generating a positive impact on all our stakeholders.

A path that for us is a concrete challenge that we face with enthusiasm by implementing an increasingly sustainable way of doing business based on environmental, social and governance (ESG) criteria. It is on the basis of ESG criteria that we now measure ourselves with a view to continually improving our environmental, social and governance impacts and having our stakeholders assess us transparently.

The Stages of our ESG path



Materiality analysis

Materiality analysis is the methodology used by Streparava to identify priority impact and financial relevance issues on which to base its future strategies, which are summarized in the ESG Strategic Plan.

This analysis methodology provides a more complete overview of the company's impact on the various dimensions, integrating the positive and negative impacts that the company has or may have on the economic, environmental and social context in which it operates, with the risks and opportunities that each issue has on the company's financial performance

Applying a new dual materiality approach, in 2022, we conducted an 'impact materiality' analysis, examining the most significant impacts Streparava generates on the economics, the environment and people (including human rights). This was followed by a 'financial materiality' analysis, which focused on external risks and opportunities that could have a significant financial impact on our development, performance and positioning in the short, medium and long term.



Our analysis process



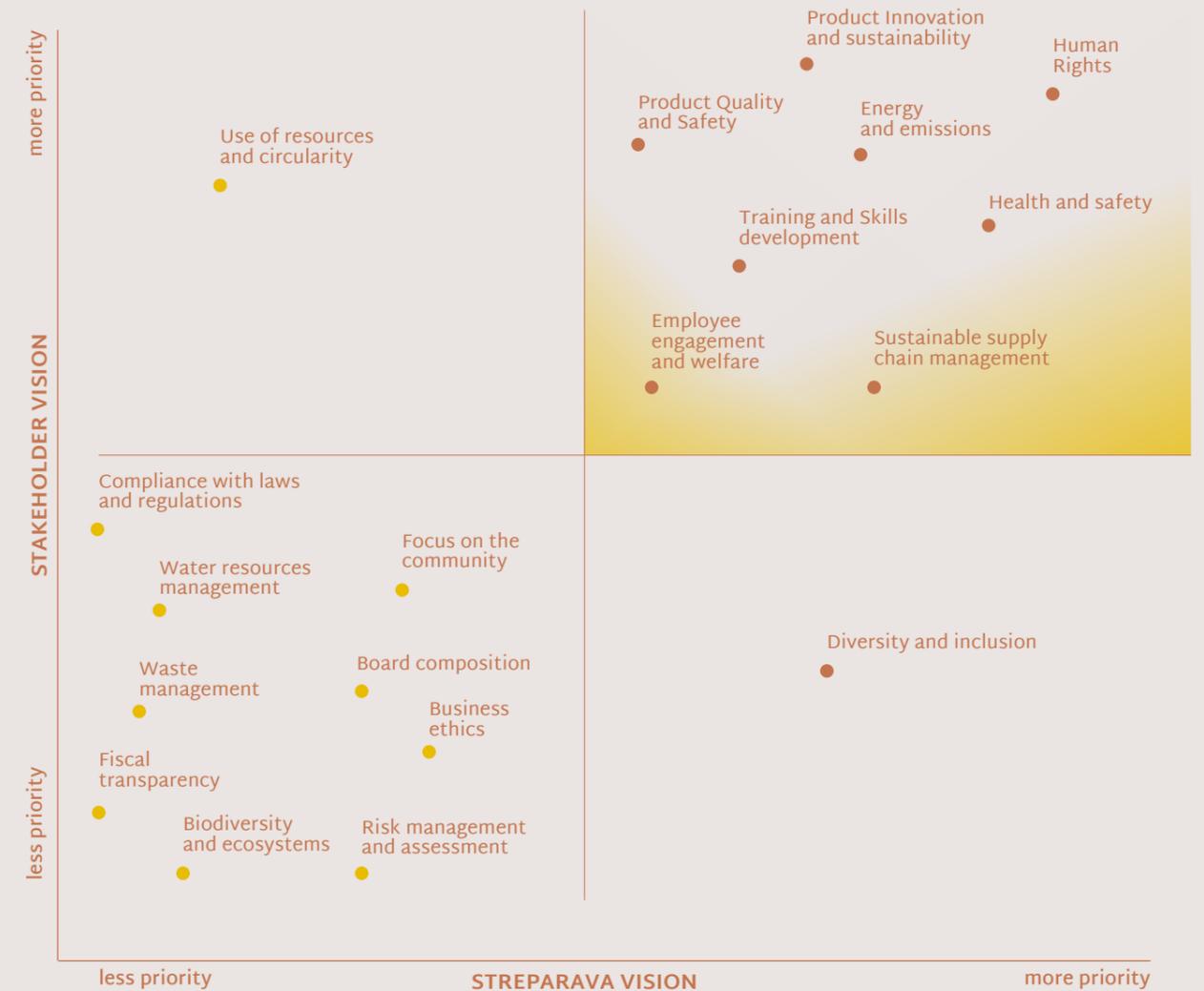
The involvement of our strategic stakeholders was carried out from a dual perspective:

- **“impacted” stakeholders:** individuals or groups on whom the positive or negative effects of the company's decisions and activities and its direct and indirect business relations along the value chain fall or could fall;
- **users of sustainability statements:** individuals who have an interest in the company's sustainability policies (existing and potential investors, creditors, lenders, insurance companies) as well as other users, including the company's business partners, trade unions and social realities, civil society and non-governmental organizations, analysts and academics.

The involvement of our strategic stakeholders was essential; it allowed us to define an ESG path focused on what are effectively the priority ESG issues for Streparava.

The ESG issues that are priorities for Streparava are represented in the materiality matrix; this highlights the issues to which significant economic, environmental and social impacts for the company

and its stakeholders are linked. Our materiality matrix is the result of listening to internal and external stakeholders as well as analyzing company processes and strategies in order to prioritize the sustainability actions we are going to implement in the coming years.



Well-being, safety, innovation and the environment are the key words that contain the result of the analysis conducted.

Our priority ESG topics, their management methods, their contribution to the UN 2030 Agenda's Sustainable Development Goals

The 2030 Agenda for Sustainable Development is an action plan for people, planet and prosperity. Signed on 25 September 2015 by the 193 member countries of the United Nations, including Italy, and approved by the UN General Assembly, the Agenda defines 17 Sustainable Development Goals (SDGs) divided into 169 targets or goals to be achieved in the environmental, economic, social and institutional spheres by 2030. The goals set for sustainable development have global validity, they concern and involve all countries and components of society, from private companies to the public sector, from civil society to information and cultural actors: no one is excluded, nor should anyone be left behind along the path needed to take the world on the road to sustainability.

Companies are called upon to contribute to the achievement of the Sustainable Development Goals by adopting increasingly responsible business models, investing in people, innovation, technological development, environmental protection.

PRIORITY TOPIC	SDGs	MANAGEMENT METHOD
Energy and emissions		Energy management methods aimed at efficient use of energy sources to contrast climate change and reduce the company's environmental impact, as well as ensuring the economic sustainability of supply: reducing energy consumption, favoring, where possible, renewable sources and reducing energy requirements for products and services.
		Emission reduction strategies (greenhouse gases and other ozone depleting substances) aimed at countering negative impacts on climate, ecosystems, air quality and public health: monitoring and reducing emissions and air pollution as well as by complying with national laws and regulations, international protocols and conventions.
Innovation and product sustainability	 	Business processes where the concept of innovation is intrinsically linked to that of environmental, social as well as economic sustainability: researching and developing products and services that reduce negative impacts and maximize positive impacts on the environment and people with attention to the challenges of the sector and the global context.
Training and skills development		Training and skill development programs aimed at enhancing human capital in line with corporate objectives and improving employees' job satisfaction: ensuring continuous training and refresher courses, evaluating their impact on performance and professional development.
Health and safety		Systems aimed at ensuring health and safety at work: preventing accidents, injuries and occupational diseases, ensuring the psychophysical integrity of people in the workplace, involving workers in the identification of hazards and risk assessment and promoting a culture of health and safety through training and information activities.
Involvement and well-being of employees	 	Projects aimed at promoting the involvement and wellbeing of employees, improving their satisfaction, motivation and participation in achieving the company's objectives: knowing the needs of employees, promoting participation at all levels, rewarding commitment, stimulating team spirit, activating forms of welfare.
Product quality and safety		Company systems aimed at guaranteeing the quality and safety of products in response to customers' expectations and needs, while at the same time taking into account the impact on the environment and on people: complying with mandatory laws and regulations, developing products that minimize negative impacts, searching for solutions that are focused on the demands of the sector and the social context.
Sustainable management of the supply chain	 	Responsible supply chain management aimed at monitoring the social and environmental as well as economic impacts of all procurement, production and distribution processes activated directly by the company or traceable by it, through the work of suppliers: assessing risks and impacts along the entire corporate value chain.

Key elements of Streparava's ESG Strategic model

The Purpose the direction of our ESG path, what drives the change we want to generate with a view to maximizing long-term value for all our stakeholders.

Climate change, resource shortage, digitization, evolving lifestyles... everything around us is changing, ever more noticeably and abruptly. The vision of mobility after 2030 will also be radically transformed: electric, digital and connected means of transport; autonomous driving and a shift from owned vehicles to shared networks. In this context, our intention is to be always innovative solution providers for the industry; we look at change as an opportunity and turn uncertainties into challenges, always approaching products, processes and partnerships in new ways. Strengthened by a solid and well-rooted essence, yet capable of progress and innovation, we are committed to making our contribution in a changing industry, defining objectives and actions capable of transforming our activities for a new future, for the benefit of the planet and people.

Ambitions macro goals that ground our Purpose: they are closely linked to Streparava's values: challenge, welfare, team.



Meeting today's challenges to change tomorrow



Making well-being and happiness the driving force of our company



Act as a team to achieve common goals

ESG Strategies they preside over Streparava's material issues and have been defined in relation to the areas on which the company has considered necessary to define new or improvement objectives.



Decarbonizing our activities



Aligning business needs with those of our people



Sharing our journey with our partners



Innovating our products



Evolving Streparava's know-how



ESG Roadmap

The ESG path, guided by a special committee of the same name, led to the definition of the ESG Roadmap for the implementation of sustainability in the business: to each ESG strategy identified are linked specific objectives and projects whose feasibility in terms of resources (economic, human, ...) has been assessed.

Our ESG Roadmap collects the challenges that will see us engaged in the coming years which are associated with specific projects (which we call HK), whose performance is monitored through specific KPIs.

The ESG (Environment, Social, Governance) Roadmap is one strategic and operational tool and recognizes environmental issues, social and governance as a corporate priority.

Respect for environmental, social and corporate governance factors, they must guide the strategic choices of companies and investors to respond to the ever-increasing attention towards sustainable practices.

The ESG Strategic Plan allows you to define priorities and set goals (measurable) objectives and an action plan to achieve them and allows to:

integrate the sustainability strategy with company strategies and business objectives;

pursue sustainability objectives along strategic lines identified;

keep priorities, actions, costs and timescales under control.

The distributed economic value is the economic share produced by Streparava that is allocated and divided for the company's various stakeholders.

As turnover has grown to over **350 million euros** for the companies involved in this report, the distribution of economic value has been as follows:

86,8%

to suppliers of raw materials and services

11%

to employees

0,2%

to the Community

1,1%

to Public Administration

< 0,1%

to capital providers

Through its actions, Streparava not only ensures daily operations and business continuity over time for itself, but also supports, through the distribution of value to the various stakeholders, the continuity of these stakeholders over time.

Employment continued to grow over the course of the year, while wages did not show any clear signs of acceleration overall. In the third and fourth quarters, at the same time as the unemployment rate fell, there was growth in wages, albeit less than the rise in prices.



Aggregate data
Values expressed in thousands of €

	2023	2022
VALUE OF PRODUCTION	351.466 €	331.386 €
Sales revenue	346.022	325.133
Changes in inventories of work in progress, semi-finished and finished products	2.687	2.751
Increases of non-current assets from in-house production	435	311
Extraordinary proceeds	0	365
Other items	2.322	2.826
DISTRIBUTED ECONOMIC VALUE	328.012 €	311.010 €
OPERATING COSTS	287.373	274.488
Costs for raw materials	249.329	238.132
Costs for services	35.399	35.903
Changes in raw material inventories	1.078	256
Other operating expenses (after taxes)	774	17
Extraordinary charges	793	180
VALUE DISTRIBUTED TO EMPLOYEES	36.093	32.526
Staff costs	36.093	32.526
VALUE DISTRIBUTED TO CAPITAL SUPPLIERS	118	482
Interest and other financial charges	118	482
VALUE DISTRIBUTED TO P.A.	3.757	2.853
Current taxes	3.603	2.701
Deferred and prepaid taxes	0	36
Other operating expenses (only the value of taxes)	154	116
VALUE DISTRIBUTED TO THE COMMUNITY	670	661
ECONOMIC VALUE WITHHELD	23.454	20.376
Operating (or loss) profit	14.672	12.792
Depreciation/ Impairment/ Revaluation	8.782	7.584

Investments

Innovating and renewing processes is the key to maintaining a leading role in an increasingly competitive market conditioned by “external factors”. The global conditions of recent years have impacted on everyone's life in all areas, and the world of work has certainly been affected.

The Group's total investments amounted to over EUR 21 million and concerned the purchase of specific equipment and the installation of machinery and plant, with a focus on robotized machining centers, as well as expansion costs.

Particularly, several major multi-year investments were completed and started up in 2023: for example, the installation of photovoltaic

panels at the Streparava Spa plant saw the 'start-up' of the entire system. At the industrial level, the installation of production lines for the G-Class rear axle and Lamborghini Suspensions were completed in the new warehouses, with the integration of the various process stages ranging from friction welding, mechanical machining, automated assembly and welding, to painting and wax-treatment.

In all plants, the growth in production and the start-up of major new orders required new industrialization and the adaptation of the plants to the new situation, with major efforts in redefining layouts and improving the existing production process.

“Where the needs of the world
and your talents cross, there lies
your vocation.”

CHAP. 2

The market also needs our skills if it is to meet the industry's demands for ever greater sustainability.

We are committed to transforming our potential into a tool for growth not only internally but for all stakeholders with and for whom we work. For this reason, we consider it fundamental to invest within the Group in high-impact innovation and to build mutually beneficial relationships both upstream and downstream in our value chain by continuing to establish relationships with our suppliers and customers based on collaboration and trust.

Our approach

Thanks to its presence in Italy and around the world, Streparava today represents a complete and coordinated design and production chain capable of managing all stages of product development and offering its customers solutions of the highest level. Constant investment in people development and state-of-the-art technology has led the company to integrate into a single structure, capable of operating from design to production, via prototyping, testing, validation and industrialization of products.

Thanks to our approach, customers can choose the stage they can rely on Streparava and get what they need: from the prototype stage to individual machining and assembly.

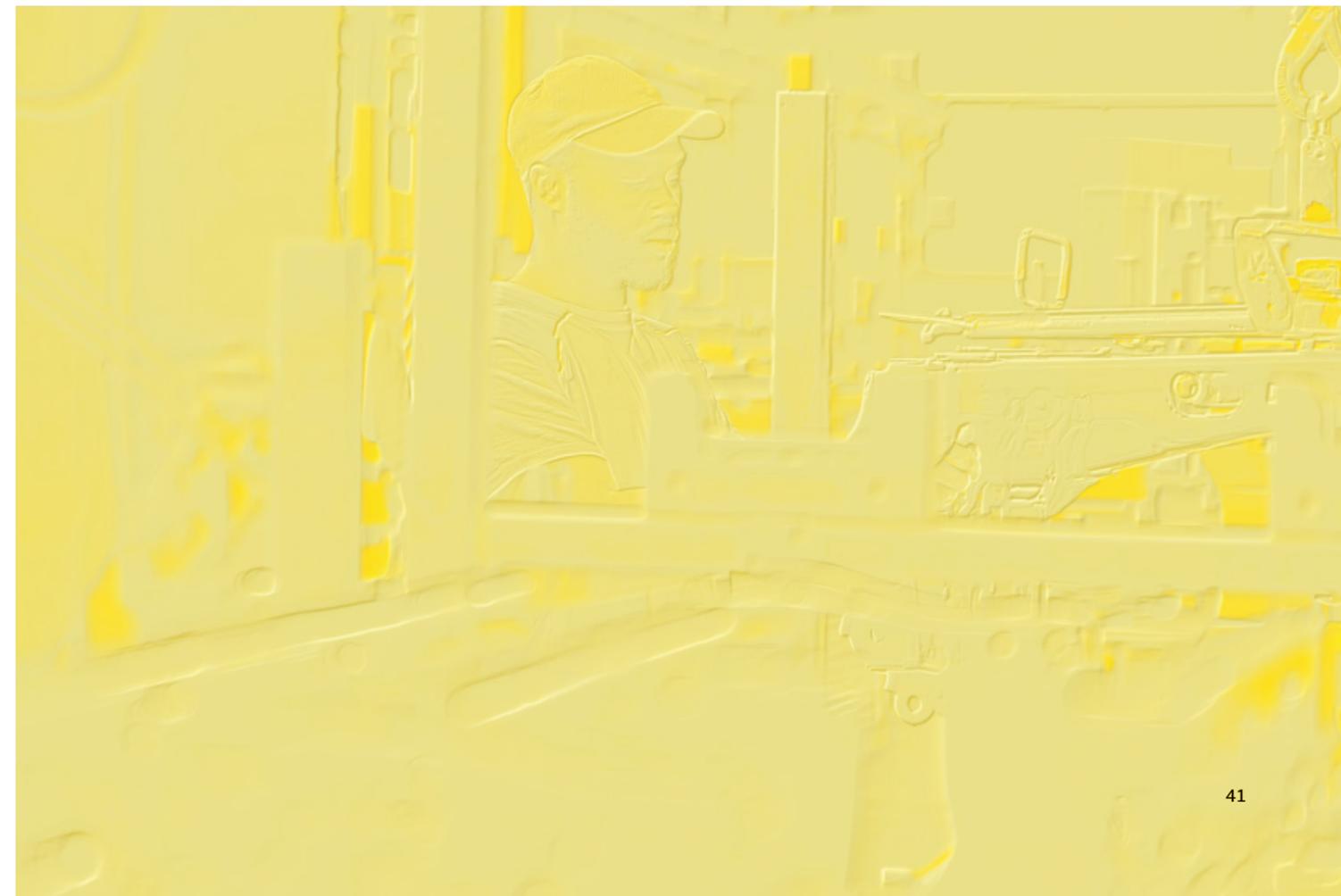


HOW: values, vision, mission, lean, sustainability



At Streparava, we manage every production process, coordinating suppliers from all over the world and guaranteeing high-level results for every job, within the set delivery time.

Today we are among the industry leaders and partners of the major OEMs for powertrain and chassis components and systems.



Sustainable mobility outlook



In the current context of transformation of the automotive sector, it is evident how vehicles are taking on a new identity, transforming themselves from simple means of transport to true intelligent devices on wheels, with a major impact on both the market and the environment.

The new mobility era

The transformation of traditional vehicles into connected and intelligent platforms will create a landscape in which data services will play a central role. This “new mobility” is based on the integration of sensors, autonomous driving systems and cutting-edge technologies that will radically transform the way we conceive mobility.

The paradigm shift in the automotive sector involves a redefinition of the roles and responsibilities of companies. Vehicles will increasingly be considered as service enablers and therefore companies such as Streparava, system providers, will increasingly be in charge of developing and bringing solutions, both in the traditional and the “new mobility” perimeter. To manage this transition, vehicle manufacturers will transfer a significant part of product responsibility to system providers such as Streparava.

This shift of responsibility will be a crucial challenge for us. The economic and environmental pressure that the automotive world is under will increase. Therefore, the need to develop innovative technical and manufacturing solutions in line with sustainability standards will become crucial, and the cost of investment and the search for sustainable solutions will increasingly become focal points of our business strategies.

With sustainability at the center of global concerns, Streparava recognizes the importance of integrating environmental and economic as well as social criteria into operations and product solutions. We are called upon to innovate not only to remain competitive in the market, but also to contribute to a more sustainable future.

Technological innovation and sustainability must go hand in hand to ensure a future where mobility is efficient, accessible and environmentally friendly.

OBWE: On Board Weighing Equipment

The OBWE (On Board Weighing Equipment) project is an innovative initiative developed by Streparava in collaboration with e-Shock and IVECO, with the aim of improving road safety and operational efficiency in transport.

The OBWE system uses advanced sensors and algorithms to accurately calculate the real weight of vehicles, allowing the total mass stated on the vehicle registration certificate to be monitored and adhered to. This is crucial to ensure passenger safety and prevent damage to the vehicle caused by overloading, such as longer braking distances, the risk of loss of control and accelerated component wear.

The compliance to the European legislation, in particular Implementing Regulation 2019/1213, which requires the installation of on-board weighing systems for commercial vehicles over 3.5 tons, is a key element of the OBWE project. This compliance not only contributes to road safety, but also helps reduce environmental impact through reduced component wear and tear and emissions.

The collaboration between Streparava, e-Shock and IVECO has led to significant results, such as being recognized with the Innovative Together award at the Iveco Beyond days in June 2022.

Initial tests on vehicles equipped with the OBWE system, particularly on the Daily MY24 platform, have shown very positive results, highlighting the accuracy of the data acquired, which is well within the tolerances required by law.

In addition to regulatory compliance, the OBWE project also offers multiple opportunities to further improve operational efficiency and sustainability. For example, the integration of mass and load distribution data can be used to optimize transport operations, reducing operating costs and environmental impact.

In addition, the data acquired can be used to improve the operation of other electronic vehicle systems, such as brake distribution, air suspension, automatic cruise control and retarder. This helps not only to improve the efficiency of the individual vehicle, but also to promote the adoption of more sustainable technologies in the entire transport sector.

To conclude, the OBWE project represents an important commitment to road safety, demonstrating our ongoing commitment to innovation and operational excellence. We are excited to continue working with our partners to develop and implement more advanced solutions for the mobility of the future.

[For further information on OBWE system](#)



We have been developing, testing and manufacturing independent front suspensions for light commercial vehicles, carrying out the final assembly of the complete suspensions on a dedicated line, with automatic controls and recording of all safety-related data since 1978.



Chassis Components

Since the late 1970s, at Streparava we have been designing, testing and manufacturing independent wheel suspension components for vehicles (traction and non-traction), axle assemblies and mechanical components for cars, commercial vehicles, buses, off-road vehicles, trucks and agricultural vehicles. We take great care in the production process, thanks to the experience and skills gained in all the technologies and materials used in our industry - steel forgings, cast iron, aluminum forgings, castings, aluminum extrusions and sheet metal - having highly automated machining and assembly lines dedicated to the different products, always ensuring the traceability of our components and process parameters.

For Streparava's two product categories Chassis, i.e. chassis components, and Powertrain, i.e. engine components, we have been working for years in the direction of more sustainable mobility.

Powertrain Components

Since 1995 we have been designing, testing and manufacturing powertrain components for the various sectors of the automotive industry. We started with the production of rocker arms for heavy duty vehicles equipped with heavy duty engines. From there, we expanded our product range to crankshafts and camshafts, connecting rods, engine brake systems and transmission components. The acquisitions of BPT Borroni Powertrain and SPT go in the direction of strengthening the powertrain area, thanks to their important know-how in the production of crankshafts, camshafts and connecting rods.

We are committed to promoting sustainability and innovation in the automotive sector through a series of initiatives and projects aimed at reducing CO₂ emissions, making vehicles lighter and progressing towards electric mobility, thus responding to the growing demands of the market and the environment.

Lightening and Suspension Operations

Streparava has always played a key role in the innovation of independent front suspension for light commercial vehicles. One example could be our axle, made up of more than 150 components purchased or machined in-house, all assembled to produce a single item, delivered to the OEM's plant and ready to be coupled to the chassis.

The constant study of innovation and lightening has led us to develop a specific solution with an HPDC aluminum cross-member, which replaces the standard sheet metal solution. This proposal, which is still in the study phase, has the potential to reduce the weight of the system by 50% while simultaneously improving the payload and reducing CO₂ emissions. Moreover, the elimination of painting and cataphoresis operations contributes to more sustainable production.

The adoption of an aluminum cross-member would not only have a positive impact on the performance of conventional vehicles, but would also make it possible to compensate for the additional weight of the batteries in electric versions, thus promoting the adoption of electric mobility.

Electric Mobility and Emission Reduction

In response to the growing demand for electric vehicles, Streparava is committed to supporting progress towards more sustainable mobility. Collaboration with prestigious automotive brands such as Mercedes-Benz and Lamborghini is a tangible example of our commitment.

Streparava is ready to supply components for the next generation of electric vehicles, such as the electric G-Class and Lamborghini's Revuelto hybrid super sports car. The integration of advanced electric technologies not only improves vehicle performance, but also contributes to the overall reduction of CO₂ emissions.

Technological Innovation for Sustainability

The EASYLIFT project reflects Streparava's commitment to optimizing the efficiency of heavy-duty engines. Through the implementation of features such as Cylinder Deactivation (CDA) and the Miller Cycle, we can maximize energy efficiency and reduce harmful emissions. These technological advancements not only meet Euro VII regulations, but also lay the foundation for a more sustainable future in the automotive industry.

These projects prove our contribution towards more sustainable and responsible mobility. Through continuous innovation, collaboration with key industry players and the adoption of environmentally friendly production practices, we strive to create a positive impact on the environment and society as a whole.



Testing Center

Milestone for research and sustainable development.

Primary goal is to maintain high standards of competitiveness.

In the heart of our corporate mission lies a relentless commitment to innovation and sustainability. In 2009, we inaugurated our Testing and Prototypes division, a benchmark in the automotive industry for sustainable research and development. Our Testing Centre was designed with the aim of validating our products through rigorous testing and measurement, reproducing the real-life conditions to which they will be subjected and analyzing the data obtained with scrupulous precision.

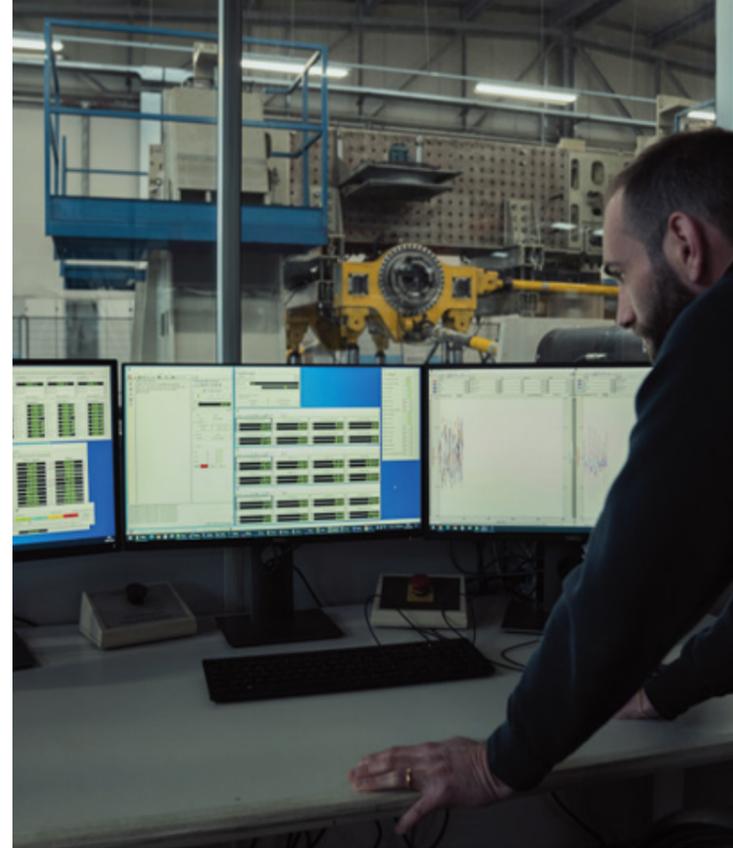
What makes our approach unique is our ability to achieve rapid results without compromising quality.

Thanks to our wide range of advanced tools, we can speed up the testing process, reducing product development time while ensuring maximum reliability and safety.

Besides meeting our internal needs, our laboratory is designed as a collaborative area where we can work closely with our partners to develop customized solutions that meet their specific requirements. We also offer the opportunity for other companies to use our skills and infrastructure to conduct tests and validate their products, thus helping to promote innovation and knowledge sharing in the industry.

A key element of our commitment to quality and reliability is our UNI EN CEI ISO 17025:2018 certification from Accredia. This recognition attests to the competence of our staff and the validity of our equipment, allowing us to issue internationally recognized test reports for accredited tests. It is a tangible proof of our commitment to excellence and transparency at all stages of our production process.

For Streparava, maintaining high standards of competitiveness is a primary goal. We have always believed that adopting the most advanced product development techniques is essential to achieving this goal. Our Testing Centre is one of the foundations we base our research and innovation on, ensuring that every product that leaves our company is at the forefront of performance, safety and sustainability.



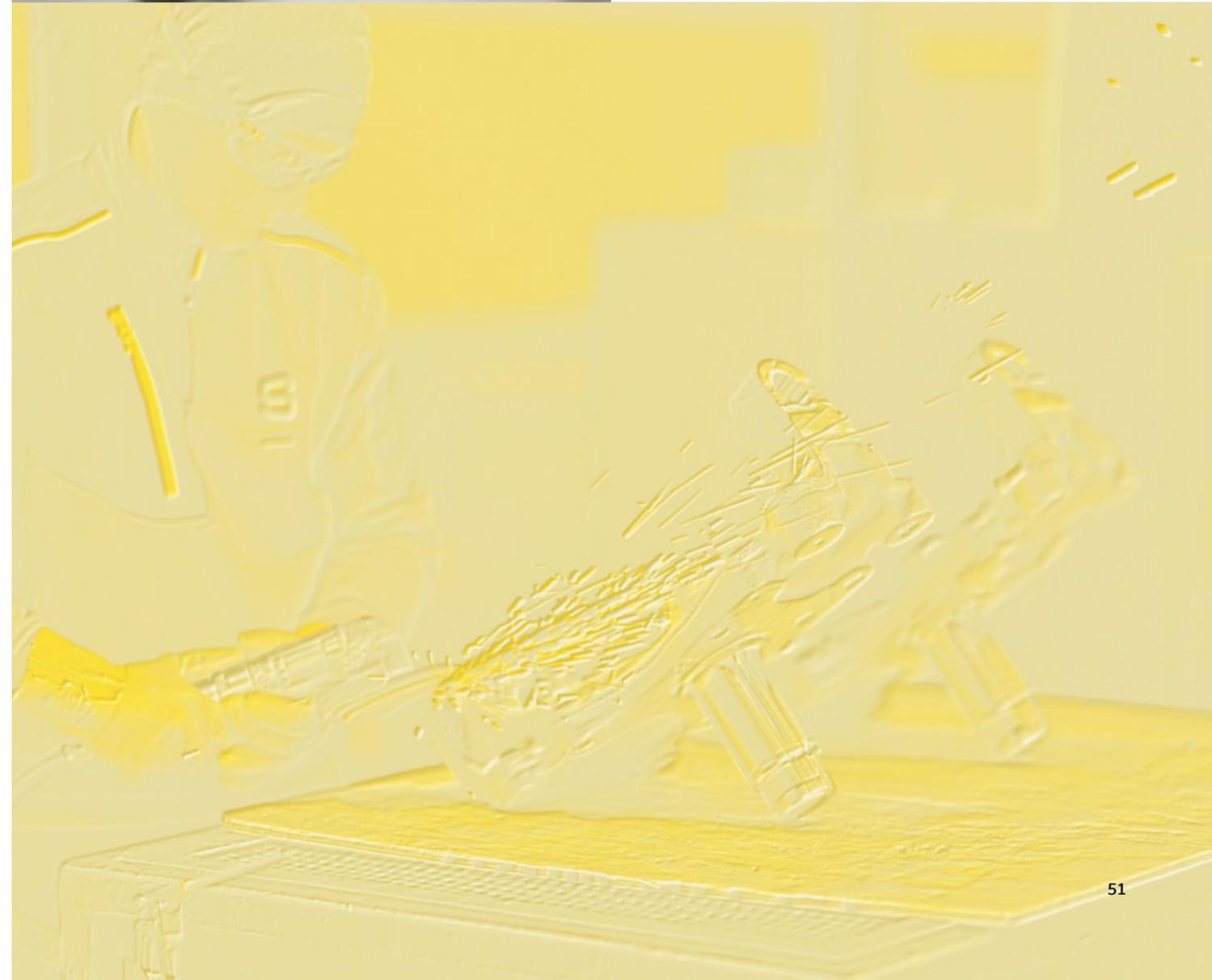
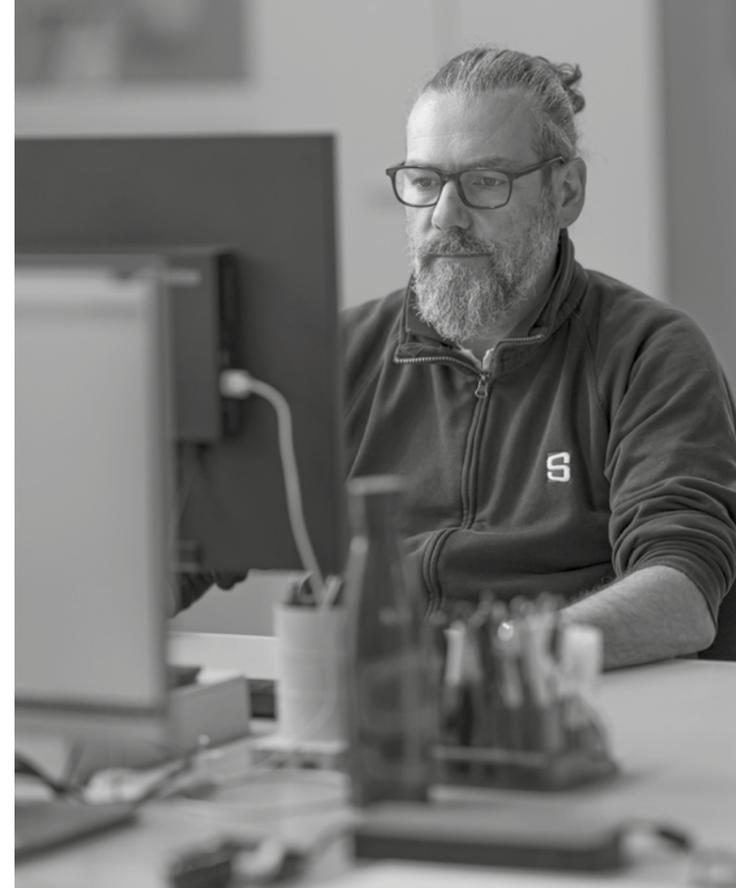
Management systems represent the organizational model that the company has decided to adopt to comply with mandatory requirements and to strive for continuous improvement in terms of quality, environment, health and safety.

At Streparava, we consider management systems as basic elements for the sustainable development of the entire Group and each individual plant.

Our policies regarding management systems - which involve quality, environment, safety, social responsibility, energy management and privacy - consider the entire system of needs and expectations coming from the context in which we operate and from the various stakeholders and interested parties.

At Streparava Spa, the integrated Safety and Environment management system has been active since 2005, with effective implementation of actions to reduce environmental impact. With the expansion of the number of companies in the Group, the Safety and Environment management system has also seen its boundaries widen, with approaches tailored to the specifics of each individual plant and the fundamental support of the corporate functions and managers.

To prove this approach, BPT Borroni Powertrain embarked on the certification path from the beginning of 2023, which concluded with the passing of the first audit, aimed at obtaining integrated Safety and Environment ISO 14001/45001 certification, in January 2024.



Streparava supply chain

Ongoing or new geopolitical conflicts, inflationary pressures and the recessionary environment, weather events related to climate change, and the aftermath of the pandemic may impact access to goods, the way they flow to their destination, and the final prices of goods.

These factors highlight, now more than ever, the **strategic role** of the Purchasing function. At Streparava we call it Procurement and, considering that around three quarters of Streparava's turnover is "procurement", its central role can be easily understood. This centrality must be translated into the ability of Procurement itself to become a "**profit center**" for the company as well as one of the first "**business partners**" inside and outside the company.

In this context, Streparava has developed a series of specific strategic projects.

Main objectives are: the **development of a 'sustainable' supply chain over time**, the strengthening of an internal and external **company leadership**, the **pursuit of technical-economic efficiencies** (technical cost reduction) as well as the extension of **development and improvement programs** at corporate level, adopting the same analysis and intervention dynamics in all companies.

Projects where the Procurement function is a key player



Corporate Supplier Development — Program that aims to improve the skills and competencies of suppliers beyond their current level. Through constant support to the entire supply chain, this program is intended to be an element of growth and development for the entire supply chain, a fundamental element in achieving the company's objectives.

The Supplier Development project therefore has the following main objectives: the development and strengthening of suppliers, the development of a reliable Vendor Rating that represents the 'credibility' of the company's internal ratings, constant monitoring of suppliers so to be recognized as authoritative and knowledgeable stakeholders, as well as the development of ESG concepts.

Supply Chain Risk Assessment (SWITCH program) — A comprehensive analysis of the supply chain aimed at assessing its risks under various aspects such as the economic-financial environment, the geopolitical context, natural events and disruption costs, from which specific action plans are derived with the aim of mitigating the level of risk through planned and not just reactive action strategies. We believe that risk management cannot be experienced only as an emergency, but it must be the result of planning and an integral part of the company's strategic plan.

During 2023, a specific Vendor Rating was defined for each plant to map and analyze the suppliers of each company. This activity will also be extended, in 2024, to the SMT plant, which was recently acquired by the Streparava Group.

Vendor Rating: a systematized and standardized supplier evaluation and classification process, which allows a check list to be created and monitored based on identified evaluation criteria. In Streparava, there are criteria related to Quality, Logistics and Purchasing.

186

Suppliers mapped at the end of 2023



Lean Office extended to Corporate Italy: an initiative to extend the principles of Lean Office to the entire corporate environment in Italy with the aim of continually improving technical and economic efficiency.

Lean Organization Pilot Model: model that promotes organizational Lean that is fundamental in today's rapidly changing environment.

81%

Suppliers in Class A

0%

Suppliers in Class D

99%

Mapped Procurement turnover

In 2023, all Plants in the Group were involved in regular and periodic visits for a constant exchange of ideas, information, best practices, visions and behaviors. These activities will permit to benefit from best practices at Group level and to have extensive results and important synergies

A key factor in the success of this approach is the constant **support of suppliers and partners**. As a matter of fact, we consider it fundamental to develop **internal and external company leadership** based on the concept that there is no success without knowledge and that knowledge must guide the company's choices in identifying partners that allow growth in terms of products, processes and competitiveness

The improvement activities planned and implemented by Streparava are aimed at ensuring an all-round sustainability of the supply chain to meet the challenges of a complex and ever-changing environment in a timely and effective manner together with our suppliers.

It is also thanks to the profitable relationships that the company has been able to build and consolidate with all the players in the supply chain that Streparava can “**do its job well**”: a network of relationships based on transparency, fairness, respect, listening and a continuous search for **mutual satisfaction**.

STREPARAVA
Geographical distribution purchases (%)

	2021	2022	2023
Italy	86,8%	85,4%	85,2%
Europe (except Italy)	11,1%	11,8%	12,3%
India	0,3%	0,3%	0,6%
Other countries	1,9%	2,6%	1,9%

BTP
Geographical distribution purchases (%)

	2022	2023
Italy	76,0%	78,1%
Europe (except Italy)	23,9%	21,9%
India	0,0%	0,0%
Other countries	0,1%	0,0%

SPT
Geographical distribution purchases (%)

	2022	2023
Italy	74,9%	66,3%
Europe (except Italy)	25,1%	33,7%
India	0,0%	0,0%
Other countries	0,0%	0,0%

STREPARAVA SPA
Product type purchases (%)

	2021	2022	2023
Subcontracting work	6,9%	6,8%	4,0%
Finished and semi-finished	19,9%	20,3%	34,5%
Packaging, auxiliaries, services	44,6%	43,6%	24,0%
Facilities and equipment	7,4%	8,2%	7,0%
Not managed by order	21,2%	21,1%	30,5%

BPT
Product type purchases (%)

	2022	2023
Subcontracting work	12,0%	14,7%
Finished and semi-finished	24,5%	24,4%
Packaging, auxiliaries, services	30,2%	38,6%
Facilities and equipment	11,0%	15,1%
Not managed by order	22,4%	7,2%

SPT
Product type purchases (%)

	2022	2023
Subcontracting work	3,5%	6,4%
Finished and semi-finished	54,3%	65,7%
Packaging, auxiliaries, services	27,2%	11,9%
Facilities and equipment	15,0%	4,8%
Not managed by order	0,0%	11,2%



Streparava human capital

“To exercise one's own talent freely,
that is true happiness.”

Aristotle

CHAP. 3

We place our people, the Streparava Human Capital, at the center of our actions, every day and in all our realities: the approach and the way of living the organization in which we believe is based on corporate values and their continuous diffusion.

We place our people at the center of daily action also through a series of projects and initiatives aimed at improving their physical, mental and emotional **well-being**. Some of these are summarized in the paragraphs of this chapter, others have become our daily life.

We believe in **listening** and in the key role that **teamwork** plays: for these reasons, we have given ourselves some fundamental rules to best organize the continuous alignment of information. All Streparava managers have the role of guide and coach of their collaborators, to be stimulated through one to one, that is, recurring individual meetings, focused on the 360-degree needs of each professional.

We base our work on a **cross-functional approach**, which can go beyond the defined hierarchical structure, and which is expressed in the importance of strategic HK (Hoshin Kanri) projects.



We have adopted the Lean Lifestyle® Company Model to maximize the company's human, organizational and technological potential and turn Lean Thinking into a strategic weapon.

For several years now, we have chosen to spread the Lean Culture throughout our company. Originating with Toyota in the middle of the last century, Lean Thinking has gradually become a method that has revolutionized the way a company is run. In short, it is a different way of approaching business, seeking obsessively to add more and more value for the customer while minimizing waste and non-value-added activities in all areas of the company, from production to all office processes. However, this was not enough for us.

To really develop the company's full human, organizational and technological potential and turn Lean Thinking into a real strategic weapon, we decided to adopt the Lean Lifestyle® Company model. The Lean Lifestyle® is an evolution of Lean Thinking that is put at the service of people, and not only of business processes, transforming it into a real lifestyle inside and outside the company to achieve more results and at the same time deep well-being for people. This is strongly consistent with our founding value of caring for people.

The Lean Lifestyle® leadership model is developed around 5 logical levels

01

Personal Excellence
Express the best of themselves, with minimum effort

02

Energy
Being able to generate energy around and for oneself

03

People Development
Become developers of the human potential of each employee and colleague

04

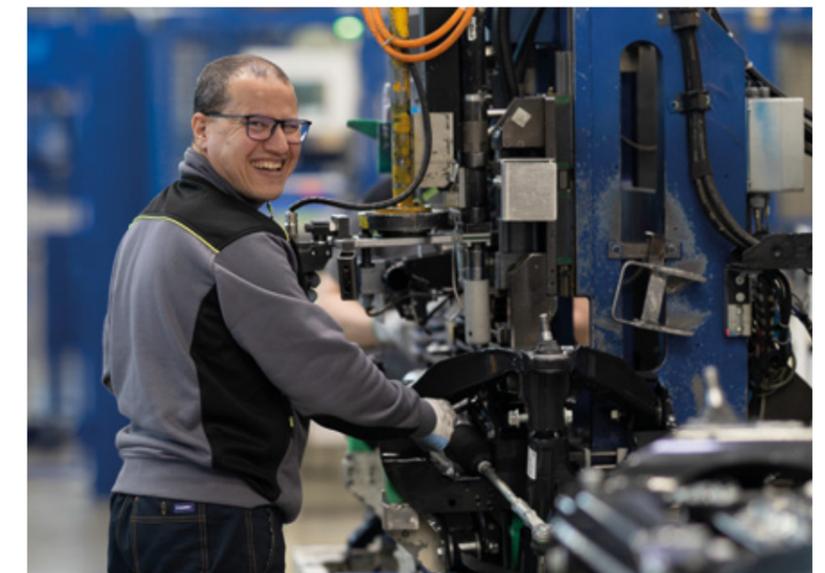
Vision
Be both visionary and pragmatic in carrying out one's tasks

05

Lifestyle Excellence
Adopt excellence as a lifestyle

The Steering Committee, made up of the top corporate managers, has decided to have a real **Decalogue of the Lean Leader**, a guideline to lead the conduct of our ideal leader.

- 01 Focuses on **Gold Activity** to achieve maximum results with minimum effort.
- 02 **Plans** one's own activities and those of others in advance, in order to achieve the desired results in the set time.
- 03 Complies with **company standards** and contributes to their continuous improvement.
- 04 Faces problems **methodically** by basing decisions on factual data verified in the field.
- 05 Provides timely and constructive **feedback** to improve processes and people.
- 06 Actively **collaborates** with others to achieve goals.
- 07 **Delegates, empowers and leads** according to company values and Lean Lifestyle® principles.
- 08 **Explores** new avenues and is open to change to evolve the Streparava group.
- 09 Knows how to strike a successful balance between **personal and work life**, promoting physical, mental and emotional well-being.
- 10 Teaches by example and generates **positive energy** to develop self and the others.



Kaizen comes from the Japanese words 'KAI' and 'ZEN', translated in full as 'change for the better'.

Kaizen is the tool used at Streparava to implement improvement projects.

Depending on the complexity of the problem to be addressed and the available resources, different Kaizen models are used: Advanced, Major, Standard and Quick.

Quick Kaizen is accessible to all employees in order to propose a 'simple' improvement such as, for example, modifying a piece of equipment or tool, reorganizing the workplace, implementing operational procedures or eliminating an unsafe condition.

Although described as 'simple', the underlying process is by no means trivial. In fact, it assumes that the author has gathered the necessary information to correctly identify the problem, provide its solution and then transcribe the ideas in as clear and detailed a manner as possible.

This process, repeated over time, develops in people a greater knowledge of company processes and dynamics, enabling the exchange of ideas and the development of an improvement-oriented mentality. As a matter of fact, the objective is to involve as many people as possible in the continuous improvement processes in order to have a veritable army of Problem Solvers at our disposal.

2018

1,39

QK/person

2023

2,10

QK/person

target

3

QK/person

16.000

€ paid out as prizes

3.600

implemented proposals

In order to improve the participation and involvement of all employees, aiming at achieving the target of 3 improvement proposals per person, the followings were introduced:

- a dedicated training section in the annual courses in which the guide to filling out the Quick Kaizen form and using the method in various production contexts is dealt with in detail;
- an automated computer system so that you can promptly email the results of your improvement proposals with an explanation;
- the "Kaizen of the month" award which selects the most relevant idea among the various Quick Kaizen submissions, with a dedicated sweatshirt award.

Based on the results obtained at the Adro plant, the Quick Kaizen tool was extended to all other Group plants.

“Change does not always mean improvement, but to improve is to change.”

Our people

1100

N° employees worldwide

622

N° employees involved in the report



EMPLOYEES

	SVA			HOLD			BPT		
	2023	2022	2021	2023	2022	2021	2023	2022	2021
Total employees	378	371	352	9	0	10	76	71	67
Workers	270	262	253				56	51	47
Employees and managers	101	102	92	8	8	9	20	19	19
Executives	7	7	7	1	1	1	0	1	1
Temporary workers	48	65	55				25	23	23
Males	339	337	321	3	3	4	73	68	64
Females	39	34	31	6	6	6	3	3	3
% FEMALE WORKERS OUT OF TOTAL	10,3%	9,2%	8,8%	66,7%	66,7%	60,0%	3,9%	4,2%	4,5%

	SPT			SCAL	SMT	TOTAL
	2023	2022	2021	2023	2023	2023
	47	50	51	67	45	622
	34	38	38	59	40	459
	12	11	12	7	4	152
	1	1	1	1	1	11
	9	11	9	3	19	104
	34	35	35	49	42	540
	13	15	16	21	3	85
	27,7%	30,0%	31,4%	31,3%	6,7%	13,7%



AGE

	SVA			HOLD	
	2023	2022	2021	2023	2022
Workers	270	262	253	0	0
< 30 years	35	34	30		
Between 30 and 50 years	151	146	145		
> 50 years	84	82	78		
Employees, managers and executives	108	109	99	9	9
< 30 years	19	19	13	1	1
Between 30 and 50 years	61	63	60	7	7
> 50 years	28	27	26	1	1
Temporary workers	48	65	55	0	0
< 30 years	26	39	32		
Between 30 and 50 years	18	24	22		
> 50 years	4	2	1		

	BPT			SPT			SCAL	SMT	TOTAL
	2023	2022	2021	2023	2022	2021	2023	2023	2023
	56	51	47	34	38	38	62	40	462
	11	6	3	2	2	1	37	5	90
	32	31	32	20	20	18	20	20	243
	13	14	12	12	16	19	5	15	129
	20	20	20	13	12	13	8	5	163
	0	0	1	1	1	0	3	1	25
	16	14	15	3	4	7	3	3	93
	4	6	4	9	7	6	2	1	45
	25	23	23	9	11	9	0	19	101
	12	14	11	3	9	6		4	45
	11	8	11	5	2	3		12	46
	2	1	1	1	0	0		3	10



DIVERSITY

	SVA			HOLD		
	2023	2022	2021	2023	2022	2021
% foreign workers out of total	9,3%					
No qualification/ Primary school	10	9	10			
Lower secondary school diploma	145	150	149			
Professional qualification	58	58	50			
High school diploma and technical specialisation	111	101	92	3	4	2
Bachelor degree, master degree and subsequent specializations	54	53	51	6	6	8
% part time out of total	2,4%	2,7%	3,1%	10,0%		

RECRUITMENT AND RESIGNATION

	SVA			HOLD		
	2023	2022	2021	2023	2022	2021
Overall turnover	6,1%			22,2%		
Voluntary turnover	1,6%			22,2%		
Recruitment	30	36	42	2	2	5
Resignation	23			2		
Voluntary resignation	6			2		
Retirements	8			0		
Other*	9			0		

*Dismissal, transfers, failure to pass the probationary period, etc.

TRAINING 2023

	SVA E HOLD	BPT	SPT	SCAL	TOTAL
Average training trained employees*	17,20	76,43	24,88	28,91	25,65
Hours performed	7.484	7.720	1.393	2.024	18.621
Safety	1.965	767	399		3.131
Technical-Production	1.243	444	310		1.613
Code of ethics and 231	74	122			196
Quality	421	199	96		715
Lean	188	157	60		405
Organisation	714				714
On the job	264	6.033	528		6.825
Digital	166				166
Environment	928				928
Welfare	1.514				1.434
Testing Center	8				8

*Hours provided / n° of trained employees per month.

	BPT			SPT			SCAL	SMT	TOTAL
	2023	2022	2021	2023	2022	2021	2023	2023	2023
% foreign workers out of total	11,8%			14,9%			1,5%	46,7%	11,7%
No qualification/ Primary school	1	1	1	0	0	0	1		12
Lower secondary school diploma	23	22	25	20	21	21	10		198
Professional qualification	3	9	8	2	3	3	3		66
High school diploma and technical specialisation	44	35	29	20	20	20	48		226
Bachelor degree, master degree and subsequent specializations	5	4	4	5	6	6	14		84
% part time out of total	1,3%	1,4%	1,5%	12,8%	12,0%	11,8%	0,0%		2,6%

	BPT			SPT			SCAL	SMT	TOTAL	
	2023	2022	2021	2023	2022	2021	2023	2023	2023	
Overall turnover	11,8%			0			19,1%	31,3%	8,9%	10,9%
Voluntary turnover	5,3%			0			4,3%	4,5%	0,0%	2,7%
Recruitment	14	11	12	7	12	8	17	3	73	
Resignation	9			9			21	4	68	
Voluntary resignation	4			2			3		17	
Retirements	3			4			0		15	
Other*	2			3			18	4	36	

DISPENSING

SVA	HOLD	TOTAL
2023	2023	2023
58.128*	31.090**	89.218

*Guido Carli, Fondazione Brescia Musei, Parrocchia Ospitaletto, Destini Incrociati, Fabbrica del Futuro, AIL, UNIBS, OM IVECO, UNICATT, Croce Rossa, Supporto Emilia Romagna, FAI, Red Run, AIB Guido Carli, Castelli tramite Comunità Bresciana, Protezione civile Castelli Calepio, Gruppo Volontari Ambulanza Adro, Fondazione Capriolese, Ist. Comprensivo Adro, Canossiane Rovato, Rete Daphne.

**AIRC, Team Volley Cazzago, Teatro Grande di Brescia, Rete Daphne.

73

N° hires during 2023

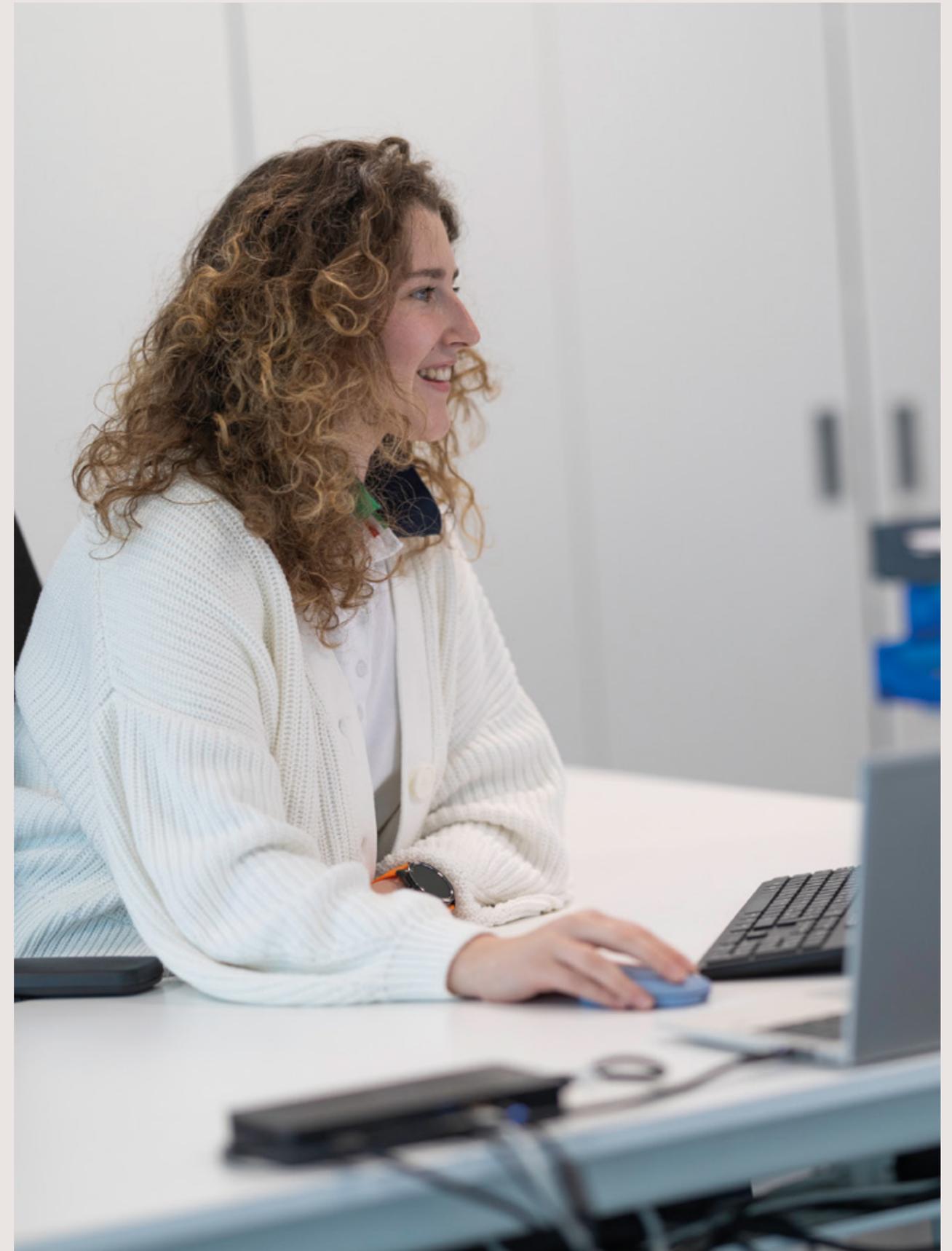
+18k

N° hours of training provided

We search for a talent to place “the right person in the right place”

We continuously invest in Human Capital with a view to improvement, development and the constant search for the best talent. We structure and give fundamental care to the assessment phase of the personnel being hired, paying attention to the **aptitudes, desires and aspirations** of our candidates: we search for talent by assessing all relational, personal and career aspects of future colleagues in an attempt to always place “**the right person in the right place**”.

In the production departments too, awareness of organizational and safety aspects is of paramount importance and is among the aspects that are addressed from the very first onboarding: training starts from the very first moment one joins Streparava, with a tutoring and coaching phase by more experienced colleagues, with the aim of achieving operational autonomy and providing key concepts in terms of safety, quality and continuous improvement. Demonstrating how crucial this tutoring and onboarding phase is, we recorded more than 7000 hours of on-the-job training, fieldwork.



Training

Formation is part of our life, of our philosophy of thought; always, there is a need to be formed, because no one is born already with knowledge, half of our life is spent being formed. Training is the passage of ideas, of thought, of culture. Training in the company means offering employees training activities to acquire the knowledge and skills they need to perform their work at the highest levels, but not only: we want to help our people work better and with the right methodology, to live better in the company and not only.

ESG training

A strategic share of the training carried out during 2023 was devoted to topics related to the three ESG pillars: more than **2700 hours in total and 350 employees involved** over a period of 5 months, with the aim of addressing some topics of specific interest, with a view to raising awareness, information and personal growth.

A first part was common to all the training sessions held and saw some "internal" lecturers", i.e. Streparava staff, in the classroom. This part covered:

- the ESG path, sharing the stages of the path being undertaken with all employees and presenting the **materiality matrix**.
- Corporate governance on the topic of citizen/employee **rights and duties**, reconstructed through a parallelism with the Italian Constitution.
- Environmental sustainability aspects and impacts, mapping all the environmental aspects and impacts that our company is involved in, with the aim of identifying areas for improvement in day-to-day management.

A second specific part, through the identification of three age clusters, as follows: :

- the **Entrance** group, composed of young people under 35, tackled addiction issues (alcohol and gambling) with the help of some professionals.
- The **Growth** group, with participants aged between 35 and 50, tackled a 4-hour course with a nutritionist doctor.
- The **Experience** group, whose members are over 50 years old, focused on their own vision and the organization, identifying the best ways to strengthen engagement with the company.



Masters and high education courses

We firmly believe in developing the skills of all our staff, encouraging participation in high-level training courses, promoted by some of our main partners located in the territories where we operate (Isfor, AQM, Lenovys, Anfia, Confindustria), such as:

- Master Lean Lifestyle, an educational, experiential and coaching course aimed at managers and professionals who want to develop deep individual wellbeing and at the same time achieve excellent personal and corporate results.
- Master Impact Innovation, whose objective is to teach the keys to generate high-impact innovation and facilitate a corporate Open Innovation system.
- Master's Degree in Management and Business Innovation, devised by Confindustria Brescia, Isfor and the University of Brescia with the aim of developing managerial skills that can be used in today's competitive scenario.
- Quality and Testing Centre, through the constant updating of the skills required by regulations in the automotive sector (VDA 6.3: 2023 for process auditors, ISO 17025, IATF 16949:2016 auditors and ISO 9001:2015).

Lean Academy

In collaboration with Lenovys, a consulting firm and long-term partner of Streparava, whose goal is to spread a new way of working, oriented towards achieving a higher level of well-being and business performance, we systematically carry out personal development courses.

We apply the method widely and at every level to understand how to focus on our value activities (which we call Gold Activities) and at the same time eliminate waste of time in our daily lives and in our way of working. How? For example, by increasing our ability to work focused without multitasking and continuous interruptions and by delegating in a widespread and concrete way.

All staff always have access to a digital Academy of about 25 hours, with the possibility of studying topics related to improving personal work organization and updating themselves with new training snippets.

We strongly believe in a 360° assessment of Streparava's staff and in an approach of sharing and interacting towards natural areas of improvement. We have named the evaluation process Human Capital Review to emphasize the constant updating and evolution of both the professional and human factors we map.

The phases consist of:

01

Skills evaluation

Technical and soft skills evaluation process and following training plan based on the emerging gaps

02

Trust evaluation

Observation and evaluation of the “acted out” behaviors, on the basis of the company values, through the filling out “Trust” questionnaire”.

03

Performance management and goal sharing

On an annual basis, personalized objectives are updated and evaluated for each person, with the aim of sharing and supporting the growth path of each professional by defining the managers' expectations.



Recognizing
diversity

It is in diversity, in appreciating differences as a complement to each of us, that fertile ground can be found, not only to respond to the provisions of the current legislation on the subject, but above all to set up projects that aim at true integration, where **equality** (in the application of rights) is accompanied by true **equity of action**, with policies and activities aimed at responding to all needs.

Some
figures

13,7%

female population

19

nationalities
in the company

NEXT STEP:
assessment of Diversity
& Inclusion management
practices in the Group's
Italian companies.

In the second half of 2024, in-depth work was planned on the most relevant areas of diversity within the organizational context, consisting of a qualitative-quantitative analysis, an assessment of the current situation and the identification of gaps in terms of strengths and areas for improvement compared to the current management.

The analysis is functional to understand the current positioning of the company with respect to the reference guidelines on the subject, such as ISO 30415 (Guideline on the promotion of Diversity and Inclusion (D&I) principles in organizations) and UNI PdR 125/2022 (Guideline on the management system for gender equality) and to identify possible areas of improvement to act on.

65

No. of students hosted
in Dual Learning

6

No. of students in university
internships

7

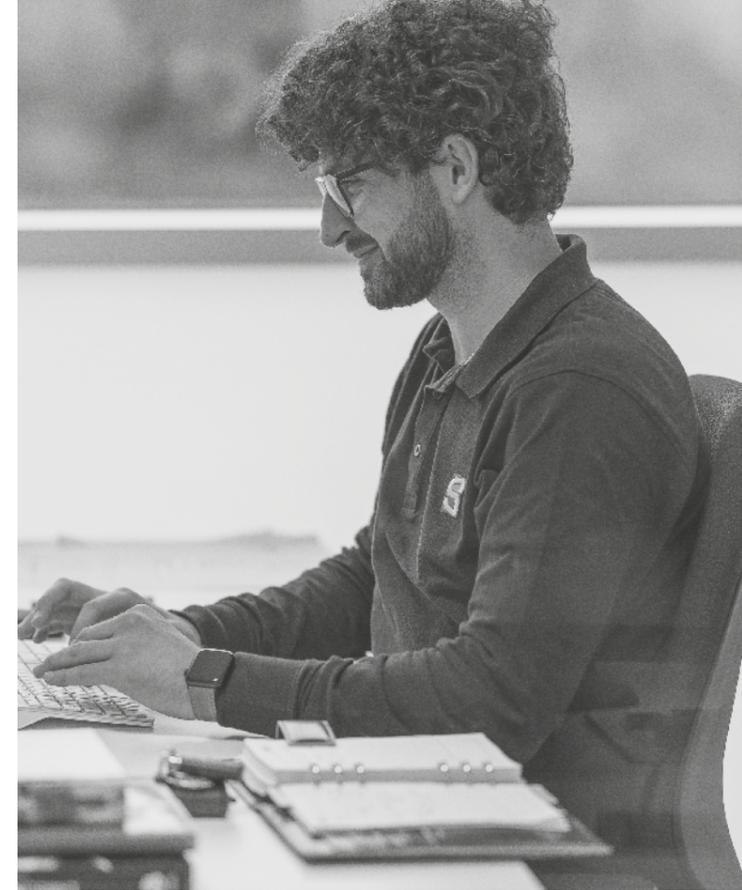
No. of students in ITS
and IFTS internships

As a result of the strong ties that bind us with some of the main educational institutions in the provinces where we operate, we have created Dual Learning projects, **internship** and **first job placement** programs that allow graduating and undergraduate students to “touch” the company reality.

We strongly believe in the Technical High Schools system and have been a partner of ITS Lombardia Meccatronica since its foundation; we host internship students annually and many of them have become part of the Streparava team.

In May, the second year of the **Dual Learning project** was launched with the Istituto di Istruzione Superiore Marzoli di Palazzolo sull'Oglio, aimed at final-year mechatronics experts. The project was structured for two classes, about fifty students in all, involving 40 hours of training with our in-house teachers as experts in the automotive sector.

As part of this experience, the students got to know how our company works, how the company is structured and its organizational flows. The project was created with the aim of creating a connection with the students, directing them towards an informed choice of postgraduate pathway.



81% of the corporate population considers corporate welfare policies adequate.

Why the concept of happiness

At Streparava, wellbeing is one of our core values: we interpret it in terms of physical, mental and emotional wellbeing. We are aware of the impact companies have in achieving better well-being for their employees and, especially in recent years, this concept has become increasingly central and important.

Our intention was to focus on happiness for three main reasons:

Happiness is easy to detect. Although it may seem an abstract goal, it is relatively easy to perceive whether a person is happy or not, and we learn to recognize this characteristic from childhood.

Happiness is healthy. It reduces stress levels and promotes the production of hormones such as serotonin, dopamine and oxytocin, which improve our mood.

Happiness is personal. Each of us has our own perception of happiness and personal methods to achieve it. The company can help amplify this perception by identifying the main tools for pursuing it and taking targeted and fair action.

Why happiness in the company

Several studies show how increasing happiness through actions taken in companies produces an increase in productivity, innovation, sales and impacts on the company's retention capacity. But how are we working on happiness in the company?

Streparava has implemented an evolution towards a more focused approach to the topic, moving from a general idea of well-being to a series of **concrete actions to promote employee well-being**. Since 2021, we have set up a dedicated cross-departmental working group consisting of people of different gender, contractual level, age, seniority and geographical origin. This group is working on several initiatives, including healthy eating, healthy behavior, physical activity, diversity management, work-life balance and sustainable mobility.

Physical activity

Sports competitions (BAM, StraWoman). The support for certain sporting events and the sharing of initiatives related to physical activity are at the basis of the Streparava team's presence in some of the best known events held in the Brescia area, especially those related to the world of non-competitive running and walking, such as the Brescia Art Marathon, a race that takes place in the streets of the city with the objective of "unveiling" museums and historical monuments, or the StraWoman, which takes its name from the association of the same name, whose objective is to make sport an engine of social change.

Corporate football team. A project that had been interrupted during the pandemic years is back and active starting from the month of September 2023: the Streparava football team is back in the CSI football league. The team is made up entirely of employees and temporary workers from Streparava Spa. A united team, in the game as well as in the company, ready for new challenges.

Catalogue of the good exercise. A sports catalogue is available online to which everyone can contribute by sharing either the routes they have walked or cycled (with descriptions of the route, duration and difficulty) or by describing their favorite sport and indicating how and where to start. In 2023 we also supported participation in the walking activities of the Festival del Cammino and the initiative "A spasso con Giammy", a non-competitive charity walk organized in the municipality of Cologne.

The in-house nutritionist. Mens sana in corpore sano!

As it is well known and proven by scientific studies, health is also and above all maintained at the table, through the food we eat.

Precisely for this reason, at Streparava Spa we have activated the possibility for all workers to benefit from a free initial visit to be carried out in the company with a nutritionist doctor, with whom they can discuss various topics, such as a correct and balanced diet, as well as the possibility of elaborating specific nutritional profiles. Sixty-five employees chose to join the initiative.

If the employee wishes to continue his or her path, after the first visit, we made it possible for him or her to have access to the relevant facility under an agreement.

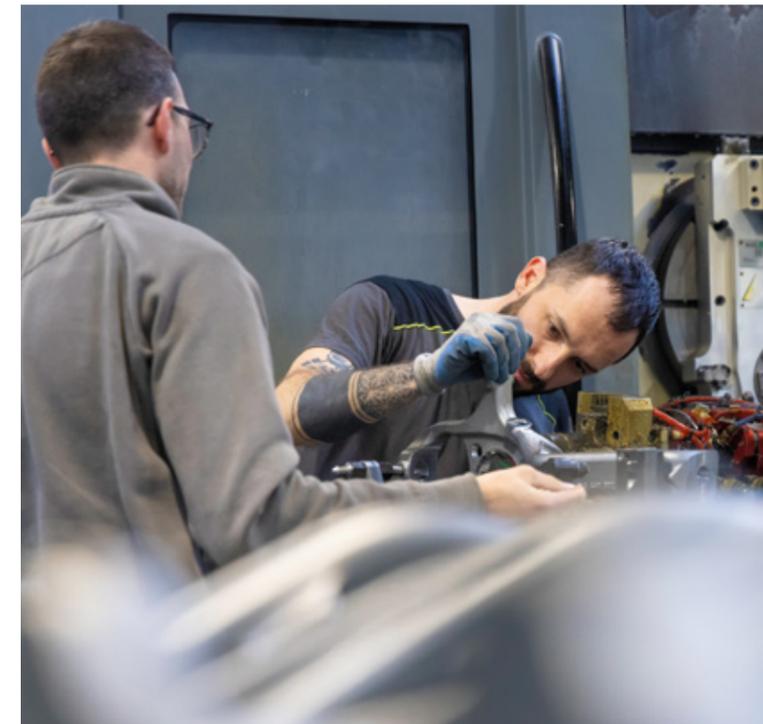
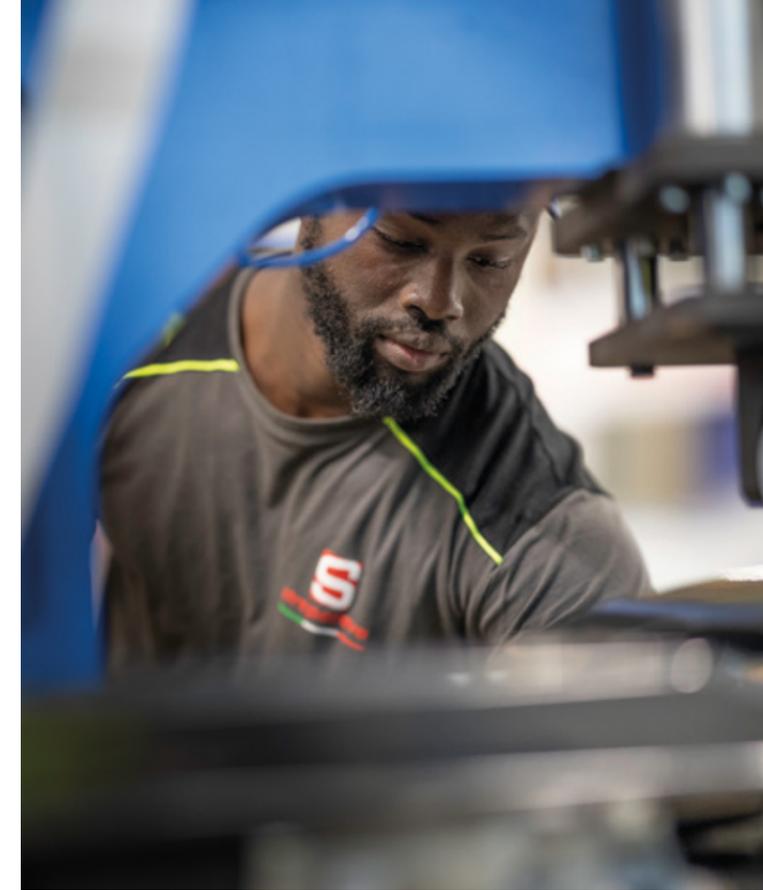
Meal Delivery Service. When Streparava SMT became part of the Group, in June 2023, there was no canteen service: we therefore felt that one of the very first initiatives to be implemented was related to meals for employees.

A **meal delivery service** with vending machines was activated in cooperation with the restaurant 'Le Mani in Pasta' in Calvisano, managed by the cooperative 'A mano a Mano', which creates employment opportunities for disadvantaged and disabled people.

The "**INsuperABILI**" project aims at recovering and integrating people with various disabilities into the world of work, through concrete participation in work activities. This is an important project that has allowed not only Streparava SMT to have an effective refreshment point, but also an opportunity for job placement for people who live with unfavorable conditions every day.

Local Conciliation Alliance membership. For many years, we have been part of the Local Conciliation Alliance, led by the municipality of Palazzolo S/O, which offers partial economic support for the fees of socio-educational care services for minors aged between three and 14 years and for the expenses incurred for the care of elderly family members in a non-self-sufficient condition and severely disabled people..

Agreements. We are always trying to improve the portfolio of agreements available to our employees, engaging both in direct contact with local entities and through online shopping platforms. We have reserved a particular focus for those agreements linked to health issues (promotion of prevention packages with Mètasalute, discounts with local institutes for specialist examinations and sports medical examinations) as well as safety issues (service and tire mechanic agreements).



Development and support to the territory

Brescia Bergamo 2023

Brescia and Bergamo, with their rich historical and artistic traditions, celebrated an unforgettable year, offering a unique experience to visitors from all over the world. It was a time when the two towns showed the best of themselves, celebrating their cultural heritage and opening the doors to new forms of artistic and creative expression.

At Streparava, we have always been committed to the promotion and development of the local community, actively supporting various cultural initiatives and demonstrating our commitment to the growth and enhancement of the area. Thanks to financial and logistical support, many cultural projects have been able to come to life, enriching the artistic and creative offerings of the two towns.

01

Organization of the show 'The Power of Language' by Paolo Borzacchiello

We opened the doors of our headquarters in Adro (BS) to everyone, bringing theatre into the company: "reality is the result of the words we use to tell it", this is one of the musts of the author Borzacchiello, one of the greatest experts in linguistic intelligence, who tells how the words we have in our heads or the words we use with others have a decisive effect on the accomplishment of our desires.

02

Design of the 'Factory of the Future'

The installation, set within the Brescia Water Park, aimed to talk about Brescia companies and their good practices, best representing the spirit of the territory, i.e. its ability to look to the future without forgetting tradition.

03

Support for the exhibition 'From the Factory to Art'

Which told the story of the industrial products of Brescia companies from a different artistic perspective.

04

Support for the initiative 'L'impresa nel Romanzo'

Support for the Confindustria Brescia and Università Cattolica del Sacro Cuore initiative 'L'impresa nel Romanzo' (Enterprise in the Novel), whose aim is to analyze the relationship between man and industrial work, through the reworking and interpretation of several novels that place the human being and the factory at the center of the narrative.

Circular Economy with High Social Impact

Combining environmental attention to the industrial waste resulting from the production process and the social impact that a company has on the territory in which it operates is possible: a proof is the project **'The dream begins in bed'** implemented at our premises in Brazil. The components used to assemble Iveco axles are almost entirely imported and, for practical reasons, are packed in certified wooden crates and pallets, which are produced from quality timber to support transport, road haulage, ship handling and forklifts. On the one hand, we have a considerable amount of good quality wood, which we give to companies for disposal and recycling.

On the other hand, close to our site, there is a government association that deals with **the rehabilitation of prisoners** (APAC*), a model prison where, through a method focused on the individual and on work, prisoners are considered as individuals and, as such, follow a path of academic, psychological and legal training, practicing sports, religious and spiritual activities and learning a trade. The instructors working at the center are inmates themselves, who have acquired knowledge in previous professional experience or, when necessary, in local vocational schools.

In a project in 2023, SCAL decided to participate in the **creation of a small carpentry workshop**, through the donation of some basic carpentry equipment.

The project was born because of continuous participation in various social projects and the awareness of operating in a society where very important social problems are faced, where children often lack the basic conditions to be able to dream of a better life. Our idea, in cooperation with the APAC association, is **to build cots and beds made in the carpentry workshop to be donated to families in need.**

In this way we transform waste into furniture that will not only actively contribute to the social reintegration of those who have done wrong, but will also offer comfort and dignity to families in need and give these children the chance to dream of a better life and future.

*APAC System

Currently applied in 43 Brazilian cities, the alternative method of resocialization called the Association for the Protection and Assistance of Convicts (Apac) has a recidivism rate of 30%. In traditional prisons, the rate rises to 90%. On average, non-recidivism (in offences) is 70%. In some areas of APAC, the rate is as high as 98%.



Associations and Foundations

We have been committed for years to supporting foundations, associations and universities located in the areas where we operate: financial support through donations is only a small, but significant part of our contribution to the needs of the community.

Rete di Daphne: GENERiamo Culture project

Over the years, the 'Rete di Daphne' association has built a prepared, solid and effective territorial network for the reception and support of women victims of violence, through the Iseo Anti-Violence Centre, the Iseo, Palazzolo, Chiari and Orzinuovi Listening Desks and the Dorothy House.

Data on corporate donations

Experience and future: Scholarships and Awards Seniority

The tradition started in 2001, and strongly desired by our founder Cav. Lav. Gino Streparava, has awarded 277 students to date for a total of approximately 220,000 euros paid out. The awarding of the most deserving students through the attribution of the Streparava scholarships takes place in conjunction with the anniversary of the Seniority awards for our most loyal collaborators (upon reaching 20, 30 and 40 years of service). An extraordinary opportunity to celebrate those who continue to give their constant contribution to the company's development through example towards future generations.



Although there is no dedicated function at Streparava, a cross-functional working group has been set up since 2023, with the task of dealing with all issues related to corporate communication channels.



But what are the objectives we have set ourselves and the communication strategies we are implementing at Group level?

The strategies follow two macro-areas: the area of internal communication, i.e. all initiatives aimed at making Streparava's initiatives and companies known in depth to all employees, and the area of external communication, which is aimed at all stakeholders outside the company, such as, for example, the local community, educational institutions, customers and suppliers.

Let's start with the goals

we have set ourselves four goals to implement our communication plan over the long term.

01

To have unity of style and image at corporate level, enhancing the different entities that are part of the Group.

02

To make all employees involved, informed and trained on company trends and dynamics (internal Employer Branding).

03

To Make Streparava an attractive place to work (external Employer Branding).

04

To make Streparava attractive to potential new customers by communicating what we do and our working philosophy.

Internal Communication

- Digital notice boards in all break areas
- Company magazine with quarterly publications
- Corporate intranet

External Communication

- Participation in company Open Days and school visits
- Participation in trade and non-industry fairs, such as Euroguss (Nuremberg, Germany) or Futura Expo (Brescia, Italy)
- Testimonials in universities, educational institutions and various workshops
- LinkedIn
- Streparava website

Streparava, as technical sponsor of Ducati Corse 2023, played a small but fundamental role in the historic encore achieved by the Borgo Panigale manufacturer, which won the Riders' title again this year, with Pecco Bagnaia's victory, the Constructors' title and the Teams' title with the Ducati Lenovo Team..

At B.P.T. Borroni Powertrain, at the Saronno (VA) site, we have been producing camshafts and crankshafts for Ducati Corse for years: the professionalism and historical experience of our employees is the key that has allowed us to establish a solid and long-lasting collaboration with the historic Bolognese company.

Streparava will proudly continue its journey alongside the Ducati team in 2024.

"2023 was a historic year for Ducati, which confirmed us as MotoGP World Champions with an Italian rider on an Italian bike for the second year running," adds Claudio Domenicali, CEO Ducati Motor Holding. In a highly competitive environment like racing, being able to count on solid and strategic partners is fundamental. I am therefore delighted to renew our collaboration with Streparava, a leading company in the world of automotive components that provides us with important technological support in and out of the race. Partnerships like this create important foundations for tackling the 2024 season that has just begun".



SAFETY
Accidents at work

	SVA			BPT			SPT			TOTAL
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023
Total no. of accidents at work	7	9	16	1	0	1	2	2	0	10
At work	7	7	15	1	0	1	0	2	0	8
Commuting accident	0	2	1	0	0	0	2	0	0	2
No. of days lost through injury	91	136	292	4	0	10	34	16	0	129
Hours worked	570.240									
Frequency index	1,23	1,28	2,81	1,34	0,00		0,00	2,39	0,00	
Severity index	0,16	0,25	0,55	0,07	0,00		0,00	0,19	0,00	

INDEX OF FREQUENCY

is calculated as total hours worked divided by the number of accidents multiplied by 100.000.

INDEX OF SEVERITY

is calculated as the total days lost due to accident divided by the total hours worked, multiplied by 1000.

At Streparava, the protection of the health and safety of its people has always been a central topic. This aspect is an unavoidable requirement, on which Streparava must continue to place constant attention and commitment, to guarantee high safety standards for the protection of its workers and collaborators.

To properly monitor the topic, all company activities are governed by management systems certified according to UNI ISO 45001 "Occupational health and safety management systems" and the adoption of good practices, which are also promoted and shared with suppliers. The constant monitoring of near misses, through the evaluation of specific indices, allows our specialized personnel to intervene promptly to correct and eliminate problems and criticalities that may arise in the performance of work activities.

We consider it fundamental to prevent any type of risk and accident; this is why it is essential for us to spread an increasingly solid **safety culture** with concrete and targeted actions. We work with enormous commitment and constancy through all the channels at our disposal to raise awareness among workers and collaborators; we invest heavily in training as we are convinced that training and teaching methods are the key to achieving high levels of health and safety. Mandatory safety training is carried out by our specialized in-house personnel who are committed to involving all levels of the organization.



Streparava for the environment

“In all things of nature there
is something of the marvelous.”

Aristotle

CHAP. 4

Protecting the environment has always been a priority commitment for us because of our strong ties with the communities and territories we work in. And today, when the need for and importance of preserving the natural environment and its resources is increasingly relevant and urgent at a global level, our commitment has grown and become more structured.

Our main environmental goals are:

01

to preserve the environment, preventing pollution and protecting staff and the public from environmental impacts, through policies and projects aimed at continuous improvement, particularly with regard to fires, traffic flows, noise and dust emissions;

02

to safeguard the integrity and health of the soil by preventing related emergencies and preparing for an effective response;

03

to reduce polluting emissions into the atmosphere through control and monitoring programs, with projects aimed at systematically reducing environmental impact;

04

to reduce water consumption by identifying and managing waste, monitoring discharges to minimize pollution;

05

to limit material consumption by reusing and recovering materials, reducing waste production and implementing practices in line with the principles of the circular economy;

06

to reduce energy consumption by reducing waste and using renewable energy sources.

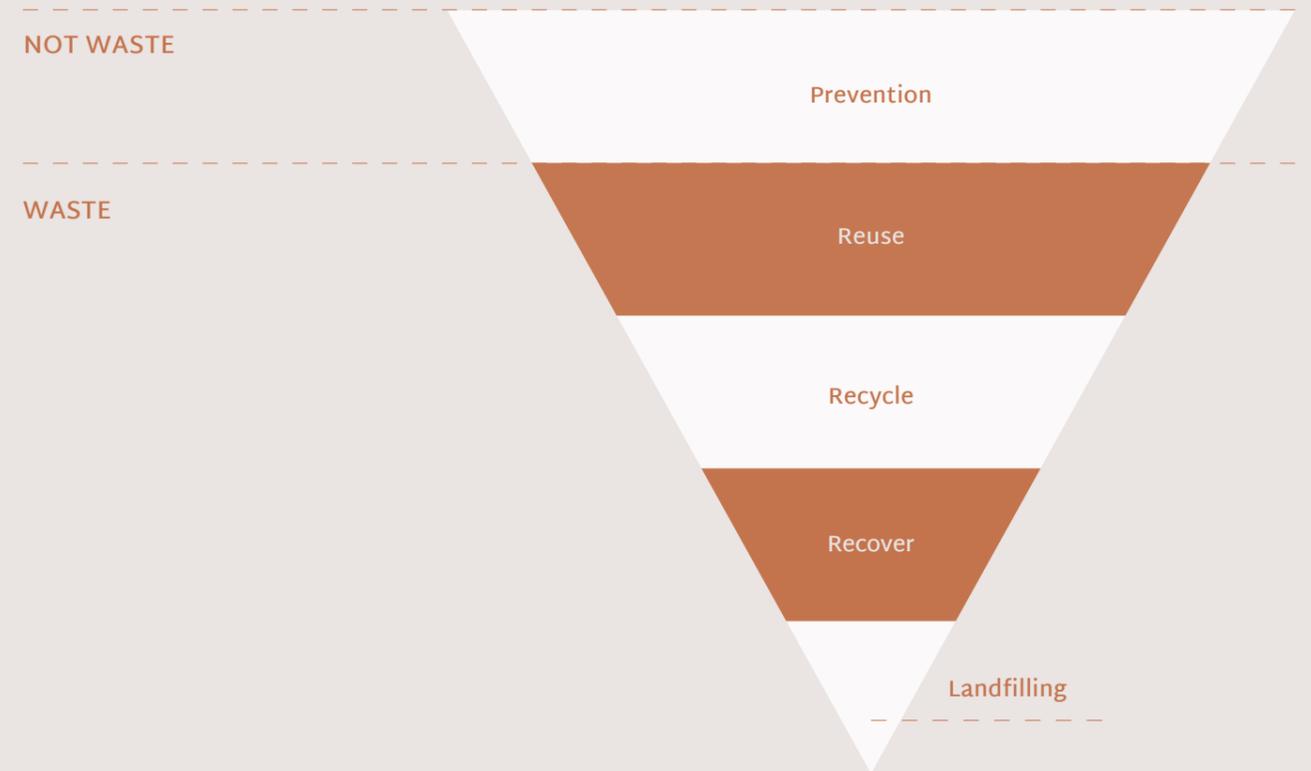
These objectives, shared by all the people in our Group, have taken the form of specific projects, some already implemented and others planned in the short term, which have enabled us to reduce our environmental impact today and will enable us to further limit it in the future.



The work done during 2023 proves the focus of all Streparava Group companies on reducing their environmental impacts: new policies and a renewed interest in projects to reduce the carbon footprint and increase the sustainability of all business processes.

We are committed to developing a business model based on the circular economy. The circular economy proposes a production and consumption model that is no longer based on 'Extract, Produce, Use and Discard', but rather aims to extend the life cycle of products, helping to minimize waste. Once the product has completed its function, the materials of its composition are in fact reintroduced, where possible by recycling; in this way they can be continuously reused within the production cycle generating further value.

Our approach to the circular economy is based on the 4 Rs model - Reduce, Reuse, Recycle and Recover.



Let us start with some terminological distinctions: the term **recycling**, in European and Italian legislation, is defined as "Any recovery operation by which waste materials are reprocessed to obtain products, materials or substances to be used for their original function or for other purposes*". It therefore applies to those products that are

repaired, reclaimed or reconstituted to obtain a good that is equal to the original good, before the material itself becomes waste. Under the area of **recovery** is to be placed "any operation where the main result is to allow waste to play a useful role by replacing other materials that would otherwise be used*".

*Definitions from the Directive 2008/98/EC

The definition of **recycling** activity, on the other hand, refers to "the set of strategies and methodologies implemented to recover useful materials from waste*": these activities differ from recovery in that the original function of the material that has become waste is no longer required.

Thanks to the start of our collaboration with Sfridoo, an Italian company that helps small and medium-sized corporates and large industrial groups in the transition to the circular economy, we have embarked on the path of innovation in waste management processes, with the dual objective of optimizing and valorizing the industrial and civil waste we produce.

Below is an overview of the main circular economy initiatives undertaken:

Sorting and recovery of wooden packaging

Since the first wooden packaging sorting and recovery project, various activities have taken place that have removed specific waste constituting the undifferentiated fraction to recycling plants.

Recycling cigarette butts

With our partner Re-cig, since 2022 we have implemented an innovative process for collecting **cigarette butts** by installing specific smoker points in smoking areas. Once recycled, the butts are transformed into **cellulose** acetate, more precisely into Re-CA® (Recycled Cellulose Acetate). This material is subsequently used to make objects such as spectacle frames or clothing accessories.

In 2023:

17 kg

of butts recovered

40,63 kg

of CO₂ equivalent avoided

8,5 kg

of Re-CA® (Recycled Cellulose Acetate) produced

Analysis on the use of plastic

It is increasingly evident how plastic is harmful to human health, wildlife, communities and the climate. During our ideal day, if we were to reflect on our many interactions with plastic objects, we would realize the dependency that often characterizes our relationship with this material.

But how much plastic is produced in the world today?

A study conducted by the Ellen MacArthur Foundation (The Global Commitment 2023, Ellen MacArthur Foundation) revealed that plastic production has increased significantly, from an average of 2 million tons in the 1950s to a staggering 380 million tons in 2015, with the trend steadily increasing. However, the alarming fact accompanying this increase in plastic production is the low recycling rate of around 9%, a sign of insufficient attention to proper waste management.

At Streparava, although our impact is very much in line with the above figures, we are working to reduce the use of plastic and to increase the percentage of recycling and reuse of plastic.

Thanks to an in-depth analysis of **internal plastic management** and its composition, three specific categories were identified:

- **Urban plastic:** includes all products consumed by coffee machines and similar.
- **Industrial packaging plastic:** mainly derived from the packaging of raw products or consumables.
- **High-quality plastic:** consisting of joint protectors.

Firstly, a specific type of container was allocated to each category: yellow wheeled bins for **urban plastic**, yellow skips for **industrial packaging** and continuous bag containers for **joint protectors**.

Waste and materials

SURVEY YEAR 2023

Values in t

	SVA	BPT	SPT	SCAL	TOTAL
Hazardous waste	578,4	207,6	105,0	5,2	896
Destined for disposal (landfill)	100,1	0,0	104,9	0	205
Destined for recovery	478,4	207,6	0,1	5,2	691
Non-hazardous waste	3.536,5	409,2	255,3	4,3	4.205
Destined for disposal (landfill of waste)	11,7	16,5	1,6	4,3	34
Destined for recovery	3.524,8	392,7	253,7	0	4.171
Total waste	4.114,9	616,8	360,3	10	5.102
Total waste landfill	111,7	16,5	106,5	4	239
Total waste reuse	4.003,2	600,3	253,8	5	4.863
Total waste for recovery	97,3%	97,3%	70,4%	54,9%	95,3%

Dashboard Energy

SURVEY YEAR 2023

Values in kWh

	SVA		
	2023	2022	2021
Energy purchased	10.091.629	12.001.667	12.273.889
Energy used by self-production	1.378.956		
Energy used	11.470.585		
Powertrain	3.441.082		
Chassis	5.640.604		
Auxiliaries services	1.969.046		
General services	419.853		
Methan	601.190	605.508	692.741
Heat treatment	214.100		
DSB painting	45.745		
DSL painting	27.950		
Heating and cooking	313.396		
Total energy consumed	65.738	67.063	71.481

Water

SURVEY YEAR 2023

Values in m³

	SVA	BPT	SPT	TOTAL
Water withdrawal	23.792	2.252	1.210	27.254
Well water	10.769	0	0	
Acqueduct water	13.023	2.252	1.210	
Water discharge	17.842	0	0	17.842
Well water	4.819	0	0	
Acqueduct water	13.023	0	0	
Water consumption	5.950	2.252	1.210	9.412
For civil use	0	2.252	1.210	
For industrial use	5.950			

	BPT			SPT			SCAL	TOTAL
	2023	2022	2021	2023	2022	2021	2023	2023
	2.695.797	3.259.167	3.064.722	1.877.759	2.178.333	2.255.556	2.569.275	17.234.460
	0			0			0	1.378.956
	2.695.797			1.877.759			2.569.275	18.613.416
	40.476	49.239	51.421	95.448	113.832	141.523		737.114
	32.158							
	8.318							
	11.300	13.673	13.059	10.521	12.327	13.696	12.327	278.858

Emissions

SURVEY YEAR 2023

Values in TCO₂

	SVA		
	2023	2022	2021
Direct emissions- SCOPE 1	1.286	1.402	1.443
Thermal Treatments and Painting	555,4	940,0	701,0
Heating and Civil Use	604,9	343,0	636,0
Company fleet on leasing	126	119	106
Indirect emissions - SCOPE 2	2.480	2.949	3.016
Powertrain	845,5	740,0	757,0
Chassis	1.385,9	1.345,0	1.375,0
Auxiliaries services	483,8	627,0	641,0
General services	103,2	237,0	243,0
Photovoltaic	338,8		
Indirect emissions - SCOPE 3	704	1.398	0
Employee air travel	147,0	100,0	
Commuting (home-work commute)	323,0	341,0	
Air and sea import travel	233,9	957,0	
Total emissions	4.470	5.749	4.459

	BPT			SPT			TOTAL
	2023	2022	2021	2023	2022	2021	2023
	98	143	143	208	266	319	1.593
	62,1	91,0	95,0		241	300	
	16,1	13,0	14,0				
	20	39	34	24	25	19	
	662	801	753	461	535	554	3.603
							0,0
							0,0
							0,0
							0,0
	0,0			0,0			338,8
	56	64	0	33	43	0	793
	55,9	64,0		33,2	43,0		
	816	1.008	896	703	844	873	5.989

Conversion factors used

Greenhouse gas emissions were calculated according to the principles of the GHG Protocol. It should be noted that the only greenhouse gas considered was carbon dioxide (CO₂), in line with the source of the emission factors used.

- **Scope 1 Direct Emissions:** for the calculation, the emission factors present in the "Table of national standard parameters" of the MATTM (Ministry of the Environment and Protection of the Territory and the Sea) were used on the data of the Higher Institute for the Protection and the Environmental Research (ISPRA) for the years 2020, 2021 and 2022.

- **Scope 2 Indirect Emissions:** for the calculation of these emissions, the location-based methodology was used, making use of the emission factors present in table 1.13 of the "Ispra Report 386/2023".

Saving CO₂

SURVEY YEAR 2023

Values in TCO₂

PROJECT	TOTAL
Purchasing renewable energy (Streparava Brazil)	631,3
Using renewable energy (Streparava Spa)	338,8
Recovery of node caps*	56,4
Reduction of plastic bottles (H ₂ O dispensers)**	11,6
ReCig - cigarette butt recovery***	0,04
TOTAL	1.038,08

*Lack of new plastic production from recycled caps

**Lack of new plastic production - Estimated number of bottles

***Equivalent to 17 kg of butts recovered

Recycling of joint protector caps

Among the three different categories of plastic, **joint protector caps** represent a highly valuable plastic waste, both economically and environmentally.

Being composed of almost identical polymers and not being contaminated by other materials, the joint protector cap is one of the most valuable plastic wastes: through a new **collection flow**, which includes separation at the assembly stations and subsequent disposal in appropriate bins, we were able to intercept them at the source and valorize this type of waste.

Thanks to this activity, we have estimated a 40% reduction on an annual basis in the disposal as unsorted waste, amounting to approximately 52 tons of material. Moreover, thanks to a new supply agreement, the collected material is delivered to recyclers who, using mechanical processes, prepare the waste for **processing** into secondary raw material.

By no longer treating the joint protector caps as undifferentiated waste and preparing this material for recycling, approximately 514 tons of CO₂ emissions were avoided along the supply chain in one year.

Regarding **urban plastic**, at the end of the activity undertaken last year with several trade union representatives, the supply of equipment for **separate collection** in the offices and production areas was completed. In this way, it will be possible to accurately map the fraction of discarded material from all workplaces to proceed with the subsequent implementation of new operational lines, always pursuing reuse and recycling policies.

Reducing plastic

In 2023, the company decided to install natural and sparkling **water dispensers** at Streparava Spa, BPT and SPT sites in all break areas and at the company restaurant, as well as providing water bottles for the entire company population to use for free.

This activity, first, has made it possible to **reduce** the number of plastic bottles disposed of by 90%: against an inevitable increase in the consumption of water for civil use, which according to sampling data is around 40,000 liters, it is possible to highlight a consequent saving of 80,000 half-liter plastic bottles, with a related reduction in the consequent environmental impact and management costs.

The saving, in environmental terms, corresponds to an avoided disposal of 2.88 tons of plastic, equivalent to an avoided production of approximately 11.5 tons of CO₂ equivalent.

Improvement in water management

Targeted interventions, including the resolution of leaks at some company locations, allowed us to monitor and record water consumption and savings more accurately and precisely. These activities cannot be translated into tangible economic savings, given the cost differences between water line maintenance and the actual cost of water. Our commitment, therefore, in an area that is very often underestimated by companies because it has little impact on business costs, is for a significant ethical and environmental investment and a concrete demonstration of our commitment to a problem, that of water scarcity, which affects everyone.

Next steps

Some new projects are being studied on specific types of waste which, by their nature, contain materials that can be used for new purposes so that they can be valorized as new raw materials or sources for energy production.

Reducing energy consumption



2023 was a pivotal year for Streparava, as our ongoing commitment to reducing energy consumption and promoting environmental sustainability laid a solid foundation for a structure of continuous improvement and future expansion and standardization. At a time when protecting the environment is a global priority, we are working hard to reduce our impact and help build a more sustainable future.

In line with these values, one of the cornerstones of the ESG path is the improvement of **energy management** and the reduction of energy consumption: we have set ourselves ambitious annual targets to increasingly reduce the energy impact of unmanaged waste.

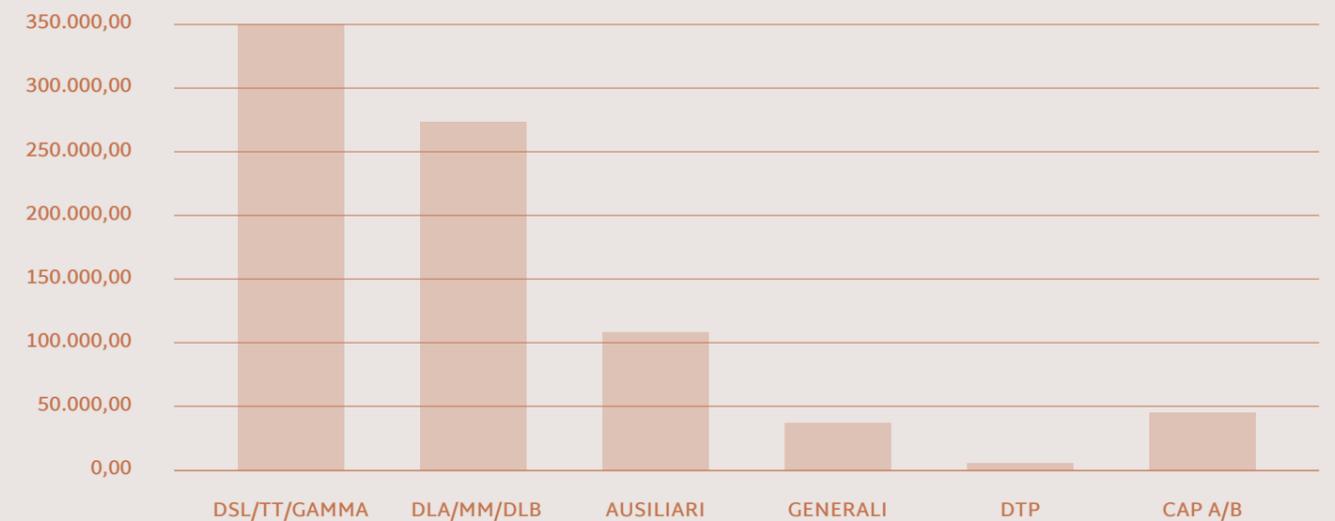
Aware of the challenge ahead, we would like to share the results achieved so far and outline the way forward.

Energy Diagnosis

To achieve our energy reduction targets, the first step was to fully understand our current energy consumption. We have invested significant time and resources in **collecting, analyzing and interpreting** consumption data.

This "effort" has allowed us to identify areas of inefficiency and opportunities for improvement, giving us a solid base on which to build effective reduction strategies.

Example of monthly monitoring in Streparava Spa



Improving efficiency in production

In 2023 we improved the energy efficiency of some of our production machines, including paint vacuum cleaners and timed washing machines.

Reducing natural gas consumption

During the year 2023, we reduced our use of gas, thanks to **improvements to our line**. The company's goal remains to continue this process of reducing fuel consumption, moving more and more towards electricity, which, thanks to the use of green photovoltaic energy, will limit our environmental impact.

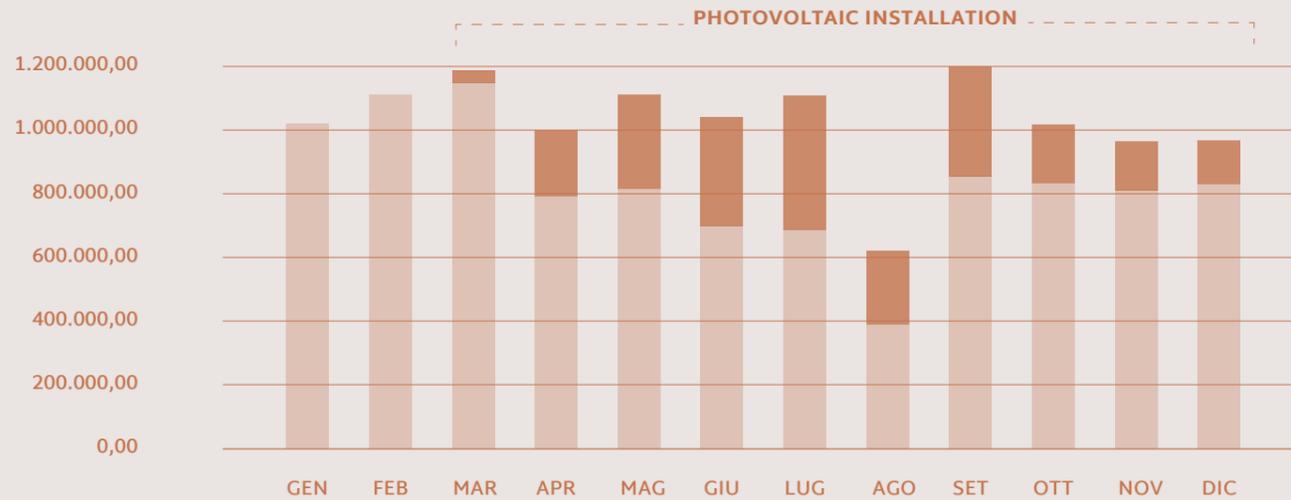
Self-generation of renewable energy

Solar energy is one of the main vectors we can use to reduce our emissions. In June 2023 we completed the installation of a 4.6 MWh **photovoltaic system** at our Adro (BS) site; an important step towards adopting renewable energy sources and reducing our dependence on fossil fuels.

As one can imagine, 2024 will consequently be the first 'reference' calendar year in which we will observe the outcomes of this strategic project over the twelve months.

2023 was a test year, in which we accomplished the true power of this technology; the start-up has only been official since the middle of the year, but the effects can already be seen, as the following numbers show:

- **12%** of the Adro plant's energy needs from self-generation
- **339** tons of CO₂ not produced



Purchasing green energy

At Streparava Componentes Automotivos LTDA (SCAL) in Sete Lagoas, Brazil, we obtained 100% of the electricity used in the plant from renewable sources. Compliance with all environmental standards and regulations is certified by Pacifico Energia Serviços Ltda, a company that guarantees that our energy suppliers are 100% renewable and carbon-free. In this way, we were able to offset CO₂ emissions related to scope 2 for an energy consumption of 2,570 MWh during the year 2023.

Brazil Energy Matrix 2024 (Top 3 Renewable Energies):



Commitment to continuous improvement

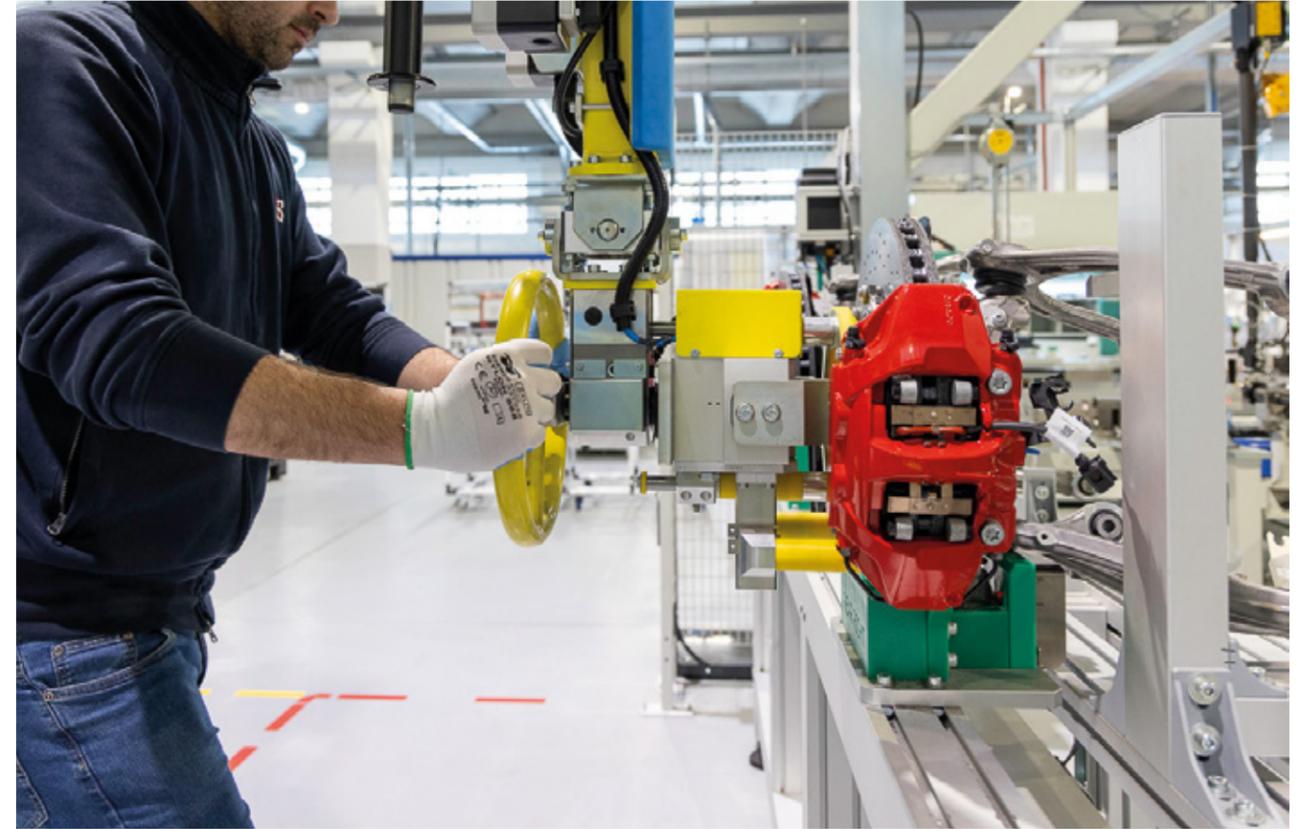
Despite the progress achieved so far, we recognize that reducing energy consumption is a commitment that requires constant monitoring and continuous innovation. We will continue to closely monitor our consumption, identifying and implementing further actions to seize opportunities for improvement. We are committed to promoting a corporate culture focused on sustainability by actively involving employees in the journey towards greater energy efficiency.

Collective efforts to reduce energy consumption are a key step towards reducing our carbon footprint and mitigating climate change. Emissions of CO₂ and other greenhouse gases from energy production and consumption are among the main causes of global warming; by reducing our energy consumption, we can limit them, and thus contribute to keeping global temperatures below critical levels.

The focus on reducing energy consumption goes beyond bureaucratic compliance with regulations; it is a tangible expression of our values and our commitment to a more sustainable future.

By constantly reading and analyzing data and subsequently adopting innovative solutions, such as solar energy, we are determined to reduce our environmental impact and promote a responsible corporate culture.

The amount of carbon dioxide (CO₂) saved thanks to the actions implemented is a key indicator of the effectiveness of Streparava's efforts to reduce environmental impact and mitigate climate impact. By grouping the savings obtained from each action, we obtain an overall picture, which can be summarized in the three-year trend table of the carbon footprint of the company's main activities.



The table reports information on the following emission areas (or Scope):

- Scope 1** Emissions directly produced by the company
- Scope 2** Indirect emissions deriving from the purchase of energy by the organization
- Scope 3** Indirect emissions produced by other sources

The outline of our Scope 3 includes corporate air travel, employee commuting* and, partially, the movement of goods**.

* employee commuting is calculated only starting from 2022 and is not present for previous years

** partial data; supplied by a freight forwarder that handles 92% of Streparava Spa's imports by sea and by air

Since 2015 we have adopted the CDP (Carbon Disclosure Project), the most important and widespread system for measuring and reporting on climate impacts. The annual compilation of the CDP, particularly the Climate Change questionnaire, has become a compass for the good performance of the group's policies and initiatives in terms of environmental impact. The assessment report issued by the CDP allows us to make progress in protecting the environment, driving us, through comparison with companies of a similar size, to continuously improve our governance on climate change.

As a proof of the work fulfilled in recent years, in 2023 we improved our Score by two points from D to C for both the Climate Change questionnaire and the Supplier Engagement Report. Specifically, we improved the area of Business Strategy & Scenario Analysis and Energy & Emissions Management in terms of Scope 1 and 2.

Carbon Disclosure Project (CDP) is an international non-profit organization that manages the largest global environmental disclosure system. Its main goal is to encourage companies and cities to measure, disclose, manage and reduce their greenhouse gas emissions and overall environmental impact. The CDP collects data on the environmental performance of thousands of companies and cities worldwide and makes it available to the public, investors and policy makers to promote greater transparency and action towards environmental sustainability.

Category score

