

## **SUSTAINABILITY REPORT - 2020**

### **ATOMAT GROUP COMPANY PROFILE**

ATOMAT GROUP, founded in 1968, is a leader producer of CNC turning lathes, grinding and notching machines and relevant tools for hot rolling steel industry as well as rolls for welded tube, heating elements, wire rods, re-bars and wire mesh.

ATOMAT GROUPS incorporates five companies in four different countries. Leader company of the group is ATOMAT SPA – Remanzacco – Italy.

The company was established in 1968 and includes four plants dedicated to roll, machines and tool production. Today ATOMAT designs and manufactures CNC machines and relevant software dedicated to rolling mill roll maintenance shops.

All Atomat machines in all countries are assisted by remote teleservice and, when requested, by interventions at customer's site. Atomat produces also the tools for its machines.

The superior performance of Atomat Tools is the result of long experience and continuous testing.

For roll production Atomat can provide design and manufacturing of steel and tungsten carbide rolls for several applications: welded tube, steel hot and cold rolling, copper and aluminum rolling, rolls for heating elements and guide rollers.

Quality is granted by the control of each single step in the roll production thanks also to the group synergy. In fact the Carbides used for the roll production are sintered by a company of the Group: Multicarb Srl – Martignacco - Italy that produces rolls and wear resistance inserts in Tungsten and Titanium carbides by Vacuum or HIP sintering.

We are glad to introduce Atomat Group **SUSTAINABILITY REPORT**

It's the a voluntary document which ATOMAT GROUP publishes and which aims to describe in a transparent and clear way the company's progresses and points of improvement regarding the environmental, social, economic and governance topics.

The document is a knowledge instrument to punctually communicate the company's activities and targets achieved in relation to sustainability.

The aim of the document is to strengthen the relationship and collaboration with a wide audience of stakeholders (citizens, institutions, communities, media, employees, suppliers, customers, authorities...).

ATOMAT GROUP believes the unique business model benefits the company operationally, financially and through the responsible use of our resources, in all market environments.

The corporate business model is based on sustainable growth, transparency, the development of talent and diversity and the protection and social development of the areas. The innovative approach is one of the core focuses and strengths which the Company utilizes not only throughout the existing and future businesses, but also as the company thinks about employees, partners, communities and environmental impact.

ATOMAT GROUP is committed to operating in a sustainable manner by continuing to identify areas for improvement and, where appropriate, implementing action plans to accomplish those improvements in the day-to-day business. This inaugural report presents an opportunity for communicating the ongoing sustainability efforts.

The Company will continue evaluating company-wide progress, including elevating the goals to achieve further improvements in the sustainable business model.

The Sustainability Report is composed of 4 parts dedicated to:

### **Safety – Customers - Environment - Ethics.**

#### **Safety**

Safety is the main target in ATOMAT GROUP Sustainability Report.

Creating and maintaining a safe work environment is at the core of the values. ATOMAT GROUP wants every individual to go home safely at the end of each day and to take an active role in remaining safe both on the job and at home. The goal is always zero incidents—no accidents, no lost workdays, no injuries.

Each employee is accountable for being thoroughly knowledgeable of and observing all safety practices. Safety is always at the forefront and is a topic of discussion at meetings across the company, whether led by an employee, a supervisor or manager. Management is engaged and continuously evaluates the status and any possible improvement.

Safety training is provided for all individuals in their respective roles. Training covers potential safety and health hazards, and safe work practices and procedures to eliminate or minimize hazards. In addition, ATOMAT GROUP provides information to employees through regular internal communication channels, such as employee meetings, one-on-one conversations, special speakers, location postings and other communications.

ATOMAT GROUP is committed to health and safety protection in the workplace through actions aimed at reducing risk factors. All corporate activities are governed by management systems on health and safety at work and the adoption of good practices, promoted and shared with suppliers, has, for some years, made it possible to keep accident rates down, for both employees and contractors,

The health of workers, who, depending on the task performed, are exposed to specific risk factors, is monitored through health surveillance activities carried out by dedicated health professionals.

To guarantee a work environment that meets occupational hygiene standards, environmental surveys are periodically conducted aimed at monitoring micro-climate, biological and physical aspects of the locations. In addition, ATOMAT GROUP absolutely prohibits the drinking of alcoholic beverages while at work.

Lastly, also ATOMAT GROUP promotes various health improvement initiatives directed at employees through its corporate welfare.

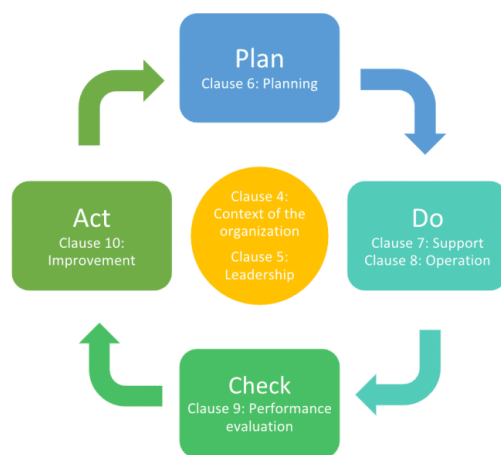
ATOMAT GROUP continues to promote direct and ongoing communication with its people, through an internal network of information flows aiming at disseminating information and know-how with the goal of making the Company's goals clear and sharing them, bolstering team spirit and increasing the level of participation. Communication is focused on the enrichment of contents and the introduction of new initiatives, information activities and formats and the involvement of people.

## Customers

ATOMAT GROUP is committed to provide and improve its services for customers with a view to efficiency, continuity, transparency, quality and a focus on the market, promoting collaborative relationships with regulators and institutions and guaranteeing adequate economic returns to make the investment strategies sustainable

ATOMAT GROUP is ISO 9001 certified and respects a set out strict criteria for a quality management system. This standard is based on a number of quality management principles including a strong customer focus, the motivation and implication of top management, the process approach and continual improvement. By using ISO 9001 ATOMAT GROUP helps ensure that customers get consistent, good-quality products and services, which in turn brings many business benefits.

ISO 9001 is a great guarantee for ATOMAT GROUP in demonstrating its ability to consistently provide products and services that meet customer and applicable statutory and regulatory requirements, and enhancing customer satisfaction through the effective application of the system, including processes for improvement of the system and the assurance of conformity to customer and applicable statutory and regulatory requirements. The structure of the ISO 9001 standard is split into 10 sections (clauses). The first three are introductory, while the last seven contain the requirements for the Quality Management System against which a company can be certified. Here is what the seven main clauses are about:



ISO 9001 main clauses & PDCA cycle

ATOMAT GROUP provides outstanding products and solutions that deliver greater value through product differentiation and by anticipating the customer's future needs. By being approachable, flexible, proactive and responsible, ATOMAT GROUP fosters close relationships.

Customer service means providing the right quality product, at the right place, at the right time and contribute to the customer's long-term success.

ATOMAT GROUP is focused on the long-lasting partnerships making numerous changes to supply product deliverables that have meaningfully benefited the customer through cost reductions, time savings and shorter supply chains. The Company helps clients design and install automation that will promote increased efficiency, enhanced safety and environmentally compliant practices.

The superior performance of Atomat Tools is the result of long experience and continuous testing. Quality is granted by the control of each single step in the roll production thanks also to the group synergy.

## **Environment**

ATOMAT GROUP recognizes the importance of being good stewards of our environment and the communities where the employees work and live. ATOMAT GROUP continually evaluate opportunities to improve our processes, equipment and technology to reduce our physical impact on the environment.

The Company seeks to minimize energy usage throughout the facilities.

Management conducts regular operational reviews of energy volumes and costs within each department and facility. Additionally, the facilities share best practices on energy conservation to ensure continual improvement.

ATOMAT GROUP facilities must be in compliance with all relevant state and local air quality standards and emission limits, including all applicable laws, regulations, permits and authorizations and internal requirements governing the operations.

ATOMAT GROUP facilities generate various nonhazardous and some hazardous wastes and follow strictly procedures for how wastes are handled and disposed or recycled.

The facilities share best management practices for reducing waste; most of them have implemented recycling procedures in the last years.

As part of the overall effort to promote environmental responsibility, ATOMAT GROUP focuses on encouraging recycling, recovery and reuse when possible in all of the processes; improving the energy efficiency; increasing the water reuse and recycling rate; encouraging greater environmental awareness and responsibility among the employees.

ATOMAT GROUP takes seriously the responsibility that comes with being a good corporate citizen and is dedicated to making a positive impact in its local community.

ATOMAT GROUP is moving forward while creating superior places to work that enhance the health and performance of building occupants through sustainable planning, design, construction and behavior. This includes the following recommended activities:

- Implement the company Monitoring System
- Invest in Building Enclosure Commissioning and Pursue related Energy Efficiency Measures
- Implement Mechanical and Lighting System Improvements.

## **Ethics**

In this context, ATOMAT GROUP carries out its activities fairly and correctly and in compliance with the law, regulations and provisions and recommendations for businesses, committing to maintain and strengthen its Corporate Governance system in line with national and international best practices.

ATOMAT GROUP believes that every employee contributes to the company's success, not only through productivity and innovation, but also through personal integrity.

The Code of Business Conduct and Ethics expands upon, and supports, the commitment to act with integrity and ensure ethical and awful business conduct in every aspect of the company.

The Code of Business Conduct and Ethics is also part of a larger process that includes compliance with all of the corporate and business policies and the maintenance of open relationships between employees and management, as well as with customers and suppliers. Additionally, the Code of Ethics provides principles to guide the leadership of the company to ensure ethical behavior and compliance with all laws and regulations.

The guideline against corruption and illegality takes its inspiration from the principles of ethics, transparency, integrity and expertise already referred to in the Code of Ethics and

also strives for the continuous improvement of the awareness of ATOMAT's people to recognize corruption and any other type of fraud, as well as their responsiveness to play an active role in the prevention, suppression or reporting of possible violations of anti-corruption laws.