

vimec



VIMEC s.r.l.
Via Parri, 7 | 42045 Luzzara (RE) | Italy
Ph. +39 0522 970666 | Fax +39 0522 970677
P.I. 00758850358 | info@vimec.biz
www.vimec.biz/en

VIMEC Subsidiaries: Madrid - Spain
Avignon - France | London - United Kingdom
Warsaw - Poland | Munich - Germany

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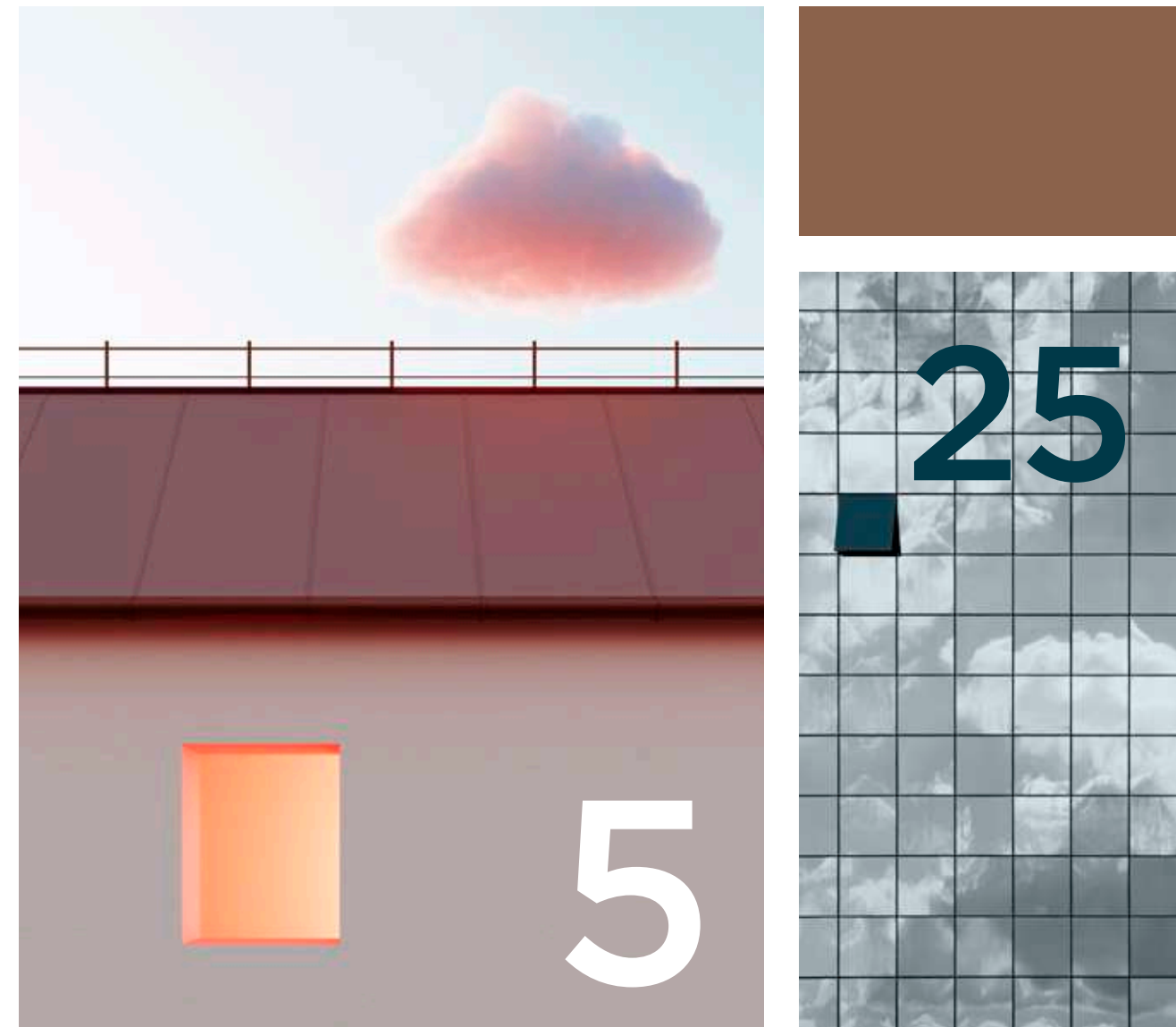


vimec

It is time for parents to teach young people early on that in diversity there is beauty and there is strength.

Maya Angelou

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1.0_HIGH LIGHTS (2020 vs 2019)

2020
ENERGY MIX
CONSUMPTION

+5%

2020
CO₂ EMISSION

-6,5%

2020
EMPLOYEES
ENGAGEMENT

+18%

2020
UPDATED CODE OF
CONDUCT

2020
WORKPLACE
ACCIDENT

-16%

2.0_CEO LET TER

Vimec has always been driven by ambition and by the desire to develop products to create a world without barriers, a world that promotes individual freedom of movement, thus improving people's quality of life. We feel good and fully satisfied whenever we solve an accessibility problem. This is our craft, it's what we have been doing for 40 years now, executing projects around the world and improving the quality of life of tens of thousands of people.

A more accessible world will help us leave this place better than we found it to our children.

But this is not enough. Leaving a better world means planning economic, social and environmental development in a fully sustainable way.

Through the "360° SustainAbility" project, Vimec commits to report every year the activities and results of its sustainable development path, which includes reducing emissions and having ethics in our conduct, with close attention and equal opportunities for our employees.

With this report we want to confirm our commitment and give full visibility to the progress we are making.

**A more accessible world
will help us leave this place
better than we found it to
our children.**

Andrea Veggian

3.0_ OUR JOURNEY TOWARDS SUSTAINABILITY

TRIPLE BOTTOM LINE

Development is defined as sustainable if it is capable of generating an equilibrium between these three areas: **social, economic, environmental.**

3.1_INTRODUCTION

Over the years, the concept of sustainable development has been the subject of growing interest from civil society. It is the result of greater awareness that the planet's resources are finite, and the increasingly pressing need to preserve the quality of the natural heritage, aiming to promote more balanced economic and social development models than those adopted in the past.

It is immediately evident that one of the characterizing aspects of sustainable development is the multidisciplinary approach: it combines environmental, economic and social issues. This type of approach, also known as **TRIPLE BOTTOM LINE**, was proposed by the World Commission on Environment and Development, which bases its vision of sustainable development precisely on the analysis of these three dimensions: economic, social and environmental. Development is defined as sustainable if it is capable of generating an equilibrium between these three areas: social, economic, environmental. In other words, it is sustainable if there is a balance between the three "Es": **ecology, equity, economy.**



Therefore, an organization is "sustainable" when it is not only financially stable, but also minimizes its negative environmental impacts and acts in accordance with social expectations. This means engaging future generations with an attitude of greater responsibility regarding what is produced not only in economic terms, but also in ethical, environmental and social terms.

The growing attention to sustainability, which is legitimately widespread, and the need to be accountable at every level has prompted organizations of every kind to adopt **control systems for their business activities**. These are aimed at assessing their sustainability by representing the economic, environmental and social impacts produced and creating models capable of measuring, representing and monitoring sustainability through a set of indicators designed to guide decision-making processes through an integrated approach with economic, environmental and social indicators.

However, evaluating the sustainability of management policies in order to keep the variables that affect the state of economic, social and environmental systems under control is complex.

There are indicators used for this purpose, **measurement tools** capable of providing a summary representation of the phenomenon in question, so as to preserve the information content of the analysis. **In order to assess sustainability, we must integrate economic, social and environmental indicators.**

This makes it possible to monitor the phenomenon, facilitating the comparison of data, to guide programming and planning choices towards more sustainable management approaches and models and to facilitate the dissemination and communication of the investigation's results. The use of analysis models to calculate the indicators is the basis for calculating indexes that represent a given phenomenon.

Without data, you're just another person with an opinion.

W. Edwards Deming

3.2_DEFINITION OF SUSTAINABILITY

The definition linked to the concept of sustainable development is the following:

“Development that meets the needs of the present without compromising the ability of future generations to satisfy their own”.

The concept of sustainability considers as inseparable the link between the economic, social and environmental dimensions, and must stimulate companies to integrate them significantly into their business models.

ECONOMIC SUSTAINABILITY

Can be defined as the ability of an economic system to generate a lasting growth of economic indicators, by creating income and jobs to sustain populations and combining resources effectively.

Economic sustainability is pursued through the control of capital (natural, human, social, cultural), preventing its depletion in order “not to endanger the possibilities of future generations to generate wealth and well-being”.

SOCIAL SUSTAINABILITY

Is the ability to ensure conditions of human well-being (safety, health, education) that are equally distributed by class and by gender.

Within a territorial system, social sustainability means the ability of the stakeholders to work together effectively, based on a shared concept of the project, encouraged by the coordination of the various institutional levels.

ENVIRONMENTAL SUSTAINABILITY

Refers to the ability to preserve the three functions of the environment over time: the function of resource supplier, the function of waste receiver, and the function of direct source of utility.

Within a territorial system, environmental sustainability means the ability to enhance the environment as a “distinctive element” of the territory, while ensuring the protection and renewal of natural resources and heritage.

The dimensions are closely interrelated by a multiplicity of connections and must be analysed systemically, as elements that together contribute to the achievement of a common goal.

Mutual interrelations must be taken into account in every planning and design choice, decision or action. If just one or two of the dimensions are prevalent, sustainable development does not occur.

3.3_“360° SUSTAINABILITY” PROJECT

For Vimec, “360° SustainAbility” represents laying the cornerstone, the beginning of a cultural change.

It is our promise and dedication to develop a sustainable environment for everyone.

This project was conceived and really took shape in 2020, although we consider it appropriate to start by assessing the data for 2019.

What is our approach to the project?

_Multidimensional stakeholder approach: social, economic, environmental

_Definition / applicability to all stakeholders of the organization

_Benchmarking with companies considered to be at the forefront in this field

_A concrete strategy (what to do) and an **implementation plan** (how to do it)

_Listing goals and KPIs for regular progress tracking

_Identification of key success factors to ensure inclusion in daily operations

The only constant
in life is change.

Buddha

4.0_VIMEC: ITALIAN MOBILITY

COMFORT, SAFETY, WELL-BEING.

**At home and in places open to the public,
we take people's mobility to another level.**

We do this by creating mobility solutions
and lifts that improve people's lives and the
quality of homes and public spaces.

We take people's mobility
to another level.





Our story begins in 1980 near the river Po, between the provinces of Mantua and Reggio Emilia. We have always worked here, faithful to our land and to our footprint as an Italian company, favouring local suppliers, to give work to the people of our community and collaborating with small artisan manufacturers in our area.

Over the years we have become an important player in the industry thanks to the values that guide us every day: the passion, commitment and integrity with which we provide our customers with the best purchasing experience.

We have always worked here, faithful to our land and to our footprint as an Italian company.

The foundations of our continuous growth are the constant investments in **innovation, research, quality** and **safety** both for the product and for the company's working methods.

Thanks to the efforts of over 200 employees and a network of consultants ready to advise you in the best possible way, as well as a widespread technical support network throughout Italy and in various European and non-European areas, VIMEC is able to create **customized systems** for every customer's needs.

The Vimec production plants cover an area of over 35,000 square metres, of which 20,000 house the operational centres and production plants.

5.0_ BACK GROUND



- 1980** VIMEC (Villastrada Meccanica) was founded by 4 partners in Villastrada (MN): third-party account mechanical workshop with 5 employees.
- 1983** The first model of stairlift (V1) is born.
- 1985** The production of stairlifts reaches 100 units per year.
- 1989** VIMEC's business is concentrated solely in the production of stairlifts.
- 1992** The plant is moved to its current location in Luzzara (RE) (4500 m², covered).
- 1993** The production of lifting equipment and technical aids for the disabled people begins.
- 1995** Production reaches 2300 units with 100 employees.
- 1996** Achievement of the UNI EN ISO 9001 Certification. The field of application is that of "Design, production, installation and technical support of lifting equipment, technical aids for the disabled people and stairlifts". VIMEC is certified by the DNV-GL accredited body.
- 1998** Expansion of the premises.
- 2000** Expansion of the premises.
- 2001** Production reaches 4500 units with 140 employees.
- 2002** Expansion of the carpentry department (5500 m², covered, reaching a total of 12000 m²).
- 2005** Expansion of the assembly department (7500 m², covered, reaching a total of 19500 m²).
- 2006** Purchase by the PM & Partners Fund (Milan).
- 2015** Purchase by the IGI Fund (Italy).
- 2017** Purchase by the current owner, the Latour Investment Fund (Sweden).



SALES

- _ Direct through VIMEC sales representatives.
- _ Through Dealers and Agencies throughout Italy.
- _ Through Importers in European and Extra-European countries.

PRODUCT TYPE

- _ Straight and curved electric stairlift systems with armchair or platform.
- _ Lifting devices for the disabled people.
- _ Technical aids for the disabled people.

METHODOLOGY

- _ Collaboration with the customer from project analysis to plant commissioning.
- _ Routine and preventive maintenance service on the installed systems.
- _ Technical aids for the disabled people.

EMPLOYEES

- _ 171 persons

INSTALLATION, TECHNICAL SUPPORT

- _ Through VIMEC Authorized Service Centres throughout Italy.
- _ Through Importers in European and Extra-European countries.

6.0_OR GA NIZA TION

7.0 OUR PEOPLE

BOARD OF DIRECTORS

Since the end of 2018, our board of directors is composed as follows:

_Karlsson Lenander Bjorn Alexander
(Chairman)

_Veggian Andrea
(Deputy Chairman and CEO)

_Samuelsson Gustav Karl
(Director)

_Eriksson Fabaz Bo Olof Thomas
(Director until 31/12/20)

HR CORPORATE STRUCTURE AND PERSONNEL POLICIES

The current HR organization includes 171 employees:

_158 hired at the Luzzara premises

_13 colleagues in the European branches
(France, Spain, England, Poland, Germany)

The organisational structure has been heavily modified and enhanced with the advent of the new Latour ownership.



The organization chart shows 7 first lines that report to the CEO.
The first lines correspond to the company departments:

_HR

_R&D

_Production & Safety

_BU Italy

_BU Export

_Administration/IT/Purchasing/ CdG

_Marketing



Graziano Calciolari
Production Manager



Jacopo Poggioli
Italy Business
Unit Manager



Andrea Sorio
Export Business
Unit Manager



Dario Manicardi
Chief Technical
Officer



Fabio Bertoli
HR Manager



Andrea Veggian
CEO Vimec since 2018



Ilaria Nalato
CFO Chief Financial Officer



Michele Mingori
Chief Marketing
Officer



The organizational structure was overhauled and strengthened with the advent of the new Latour ownership. In particular, the two Italian and Export Business Units were created, to include all the functions that are relevant to the customer: sales, after-sales, customer care, maintenance and spare parts.

In the Production & Safety area, the responsibility for safety lies with the Production Manager, while the HSO function is assigned to an external consultant.

The R&D area underwent the deepest reorganization: the structure is now divided by product type. As a result of this reorganization, almost 70% of the workers in this department have been hired in the last 2 years.

In the department managed by the CFO, the most important organizational change concerns the management of the Purchase function, which was annexed to this department (previously it was part of the Production department). It is likely that with recent events, this department will return under the CEO.

In collaboration with the Great Place To Work team, since 2019 Vimec has developed a project that concerns the entire HR area: starting from an analysis/survey of the organizational climate, it aims to improve all aspects of the workplace in order to achieve a series of benefits for its people and for the company:





This activity takes place throughout the year, starting from the questionnaire submitted to employees which allows us to listen to everyone's opinion, gather ideas, suggestions, points of view and requests.

Many organizational changes adopted in the company during 2020 resulted from the analysis of the data that emerged from this project:

- _Creation of the Vimec Experience team
- _Introduction of flexible hours
- _A system was created to highlight problems emerging between the various company departments
- _Improved communications to and from the production lines
- _Establishment of line contact persons in the production departments

The aforementioned new Vimec Experience team launched many initiatives in order to further raise the standard of living of employees. In collaboration with the management, it achieved several benefits already at the end of 2020. One of these concerns those who dedicate time for VOLUNTEERING at certified non-profit organizations or cooperatives (with the aim of assisting disadvantaged people), making them eligible for an additional paid day off per year.

2020 was a year characterized by the COVID-19 emergency: in an extraordinarily complicated situation, we organized and put in place all the activities necessary to make Vimec a safe workplace for all of our employees.

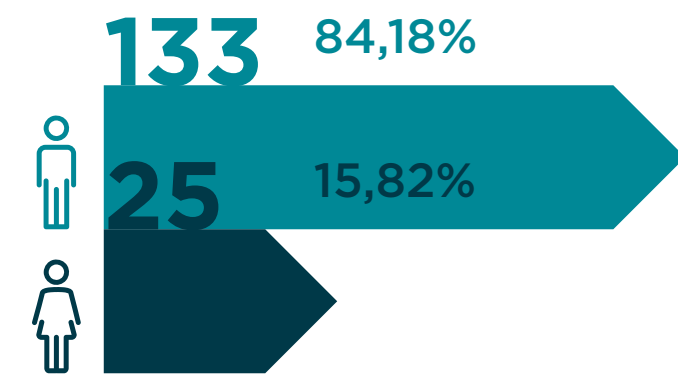
We arranged for emergency smart working by promptly procuring all the IT tools needed to work remotely. All the company's workers were equipped with personal safety equipment and measures were taken to avoid gatherings at the entrance and exit. All workers were paid the CIG [i.e., wage guarantee fund] contributions in advance by the company, also ensuring that everyone was insured with a specific medical policy as well as offering optional Covid testing for free.

The smart working experience made it possible to approve a work-from-home rate also for the post-pandemic period, in order to better organize the home-work balance of all workers.

7.1_ OUR EMPLOYEES IN NUMBERS

At the end of 2020, the employee situation is illustrated by the following tables:

NUMBER OF EMPLOYEES



TOTAL 158

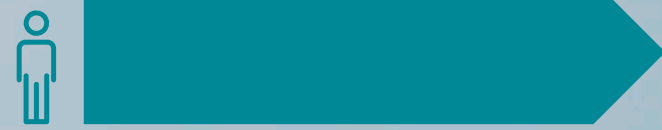
Numbers referring to the headquarters in Luzzara.



EMPLOYEE CATEGORY

MANAGER

100%



TOT. 4

EMPLOYEE

73.33%



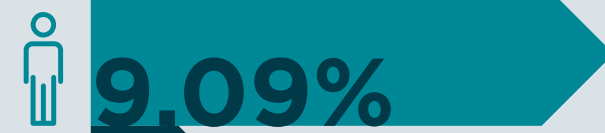
26.67%



TOT. 75

MIDDLE-MANAGER

90.91%



9.09%



TOT. 11

WORKER

94.12%



5.88%



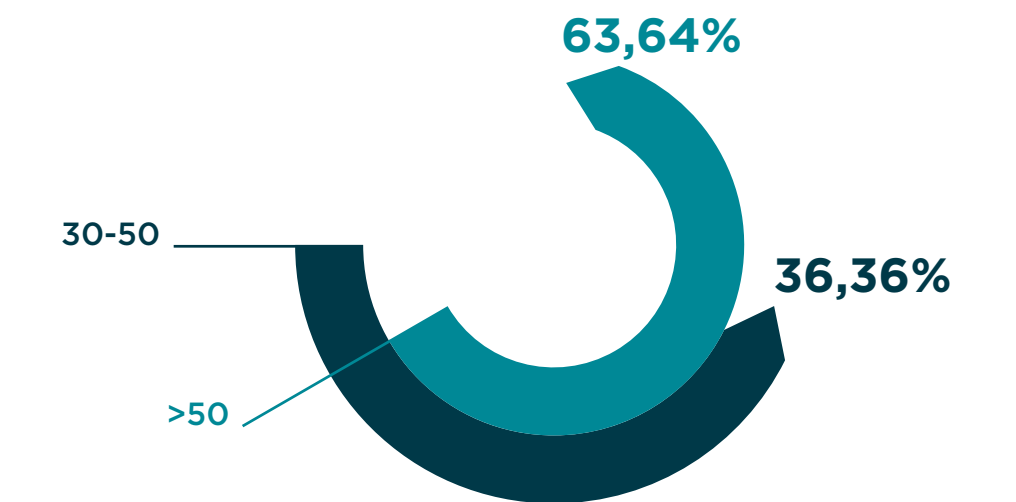
TOT. 68

EMPLOYEE AGE CATEGORY

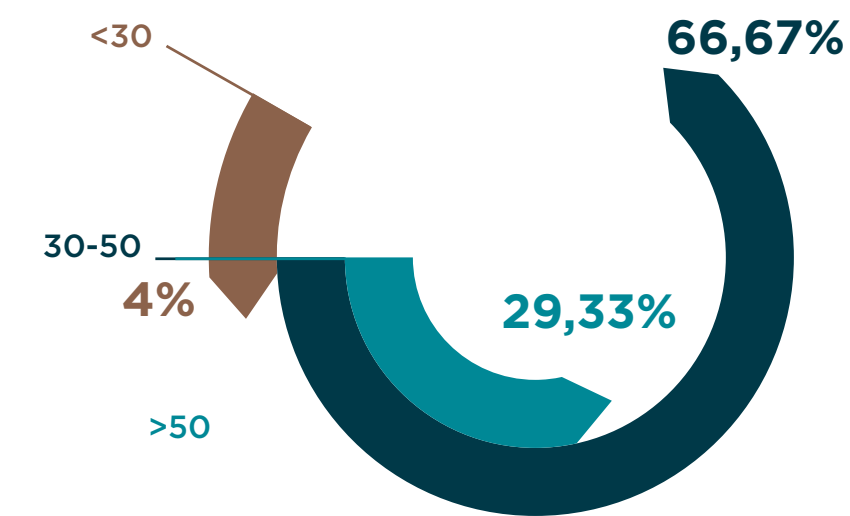
MANAGER



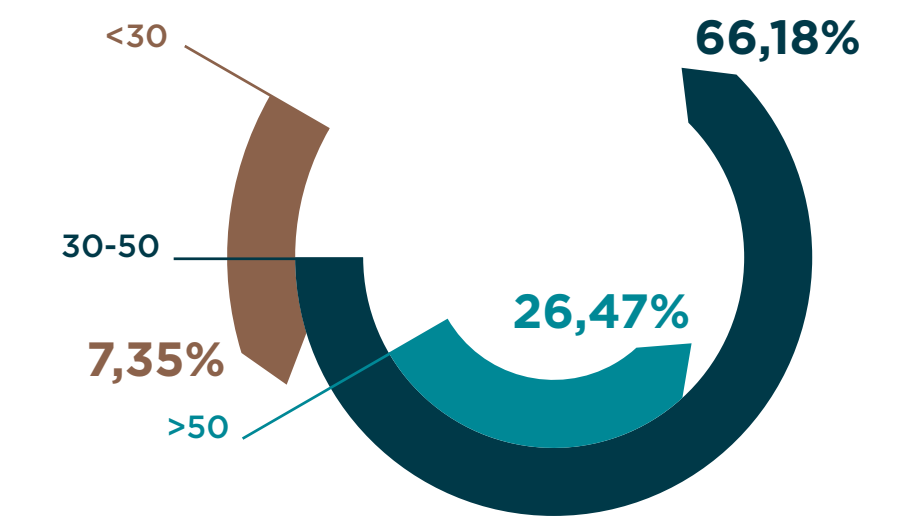
MIDDLE-MANAGER



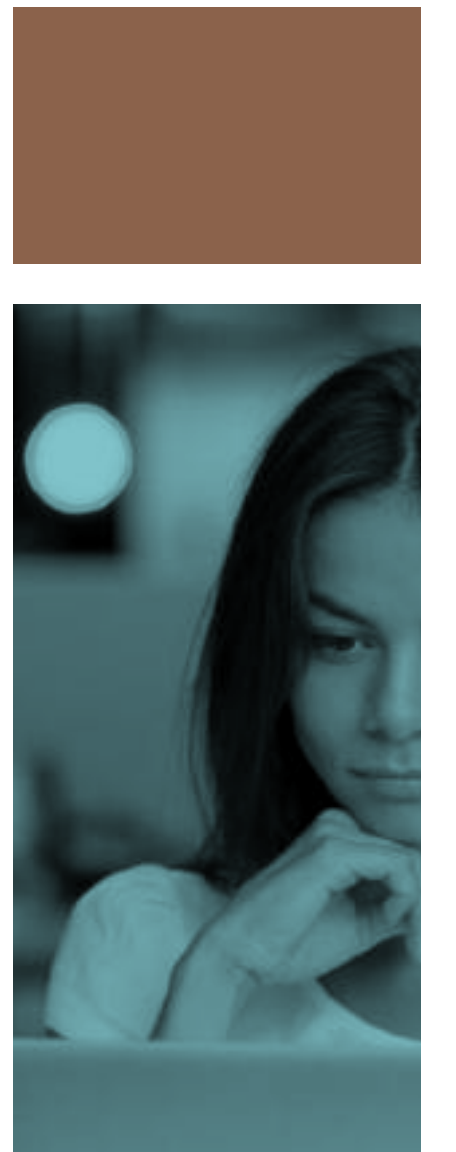
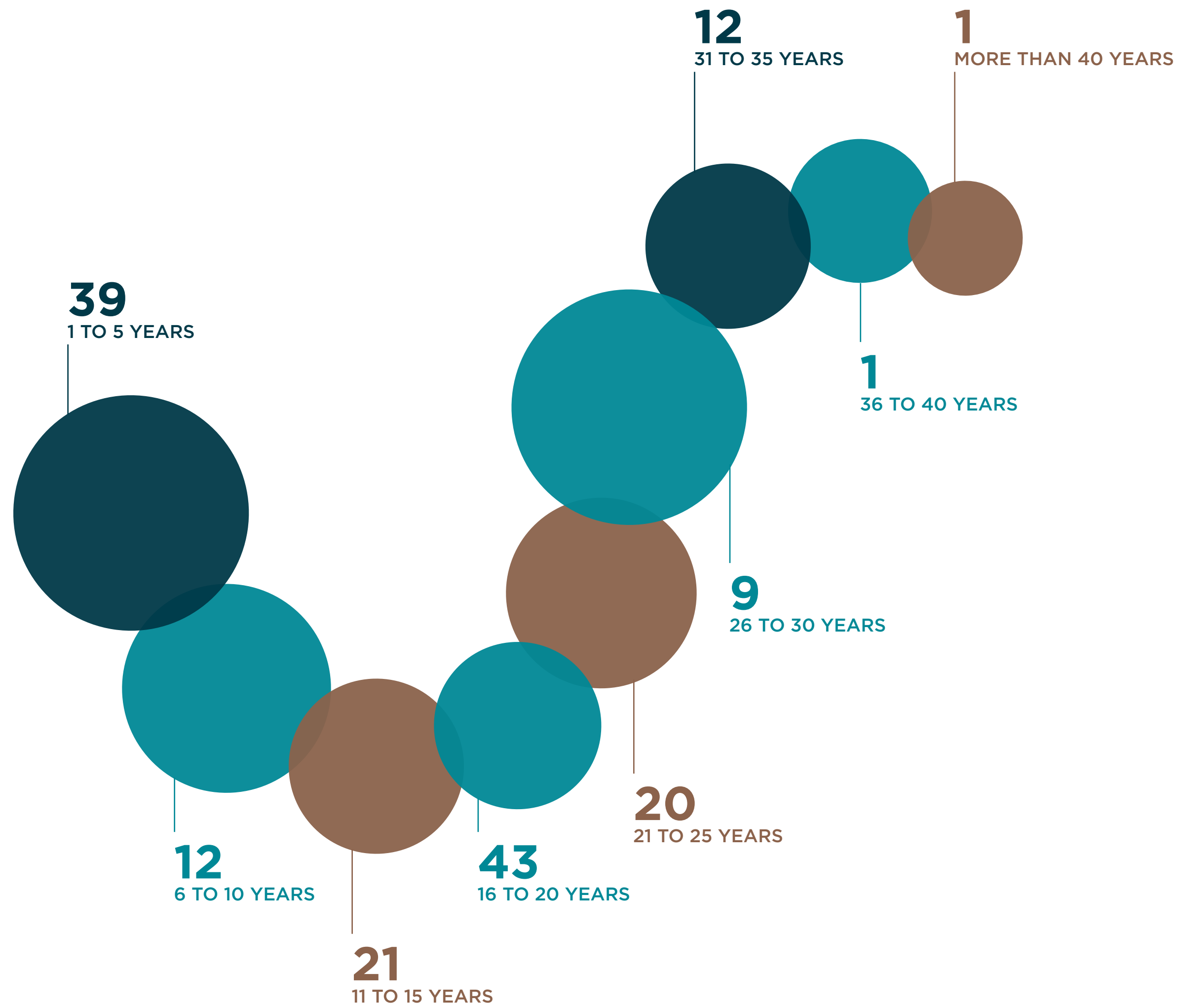
EMPLOYEE



WORKER



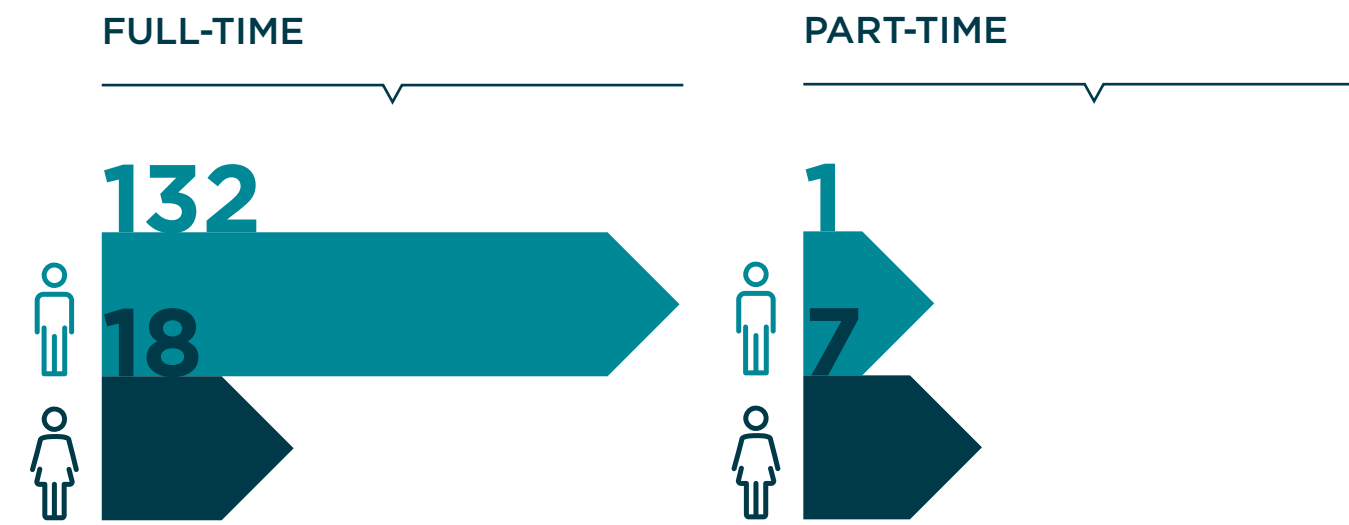
COMPANY SENIORITY



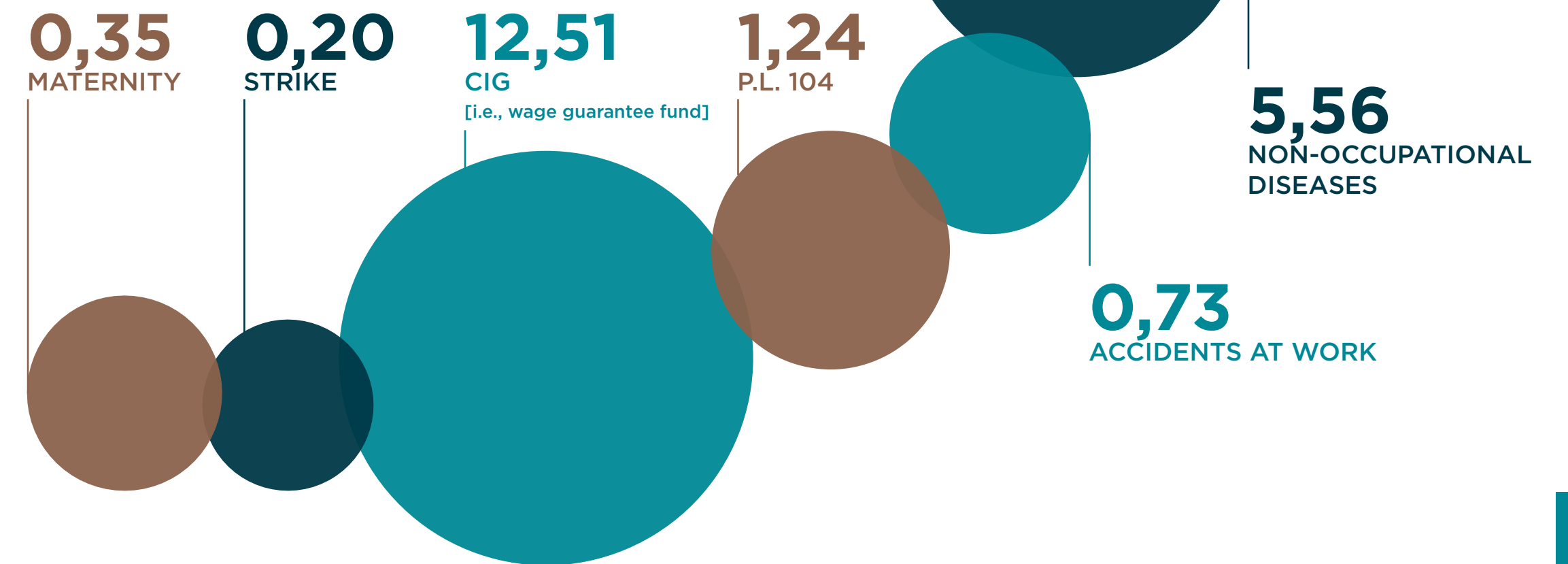
7.2_RETENTION RATE 2020

The graph highlights a high rate of employee retention.

96,41%

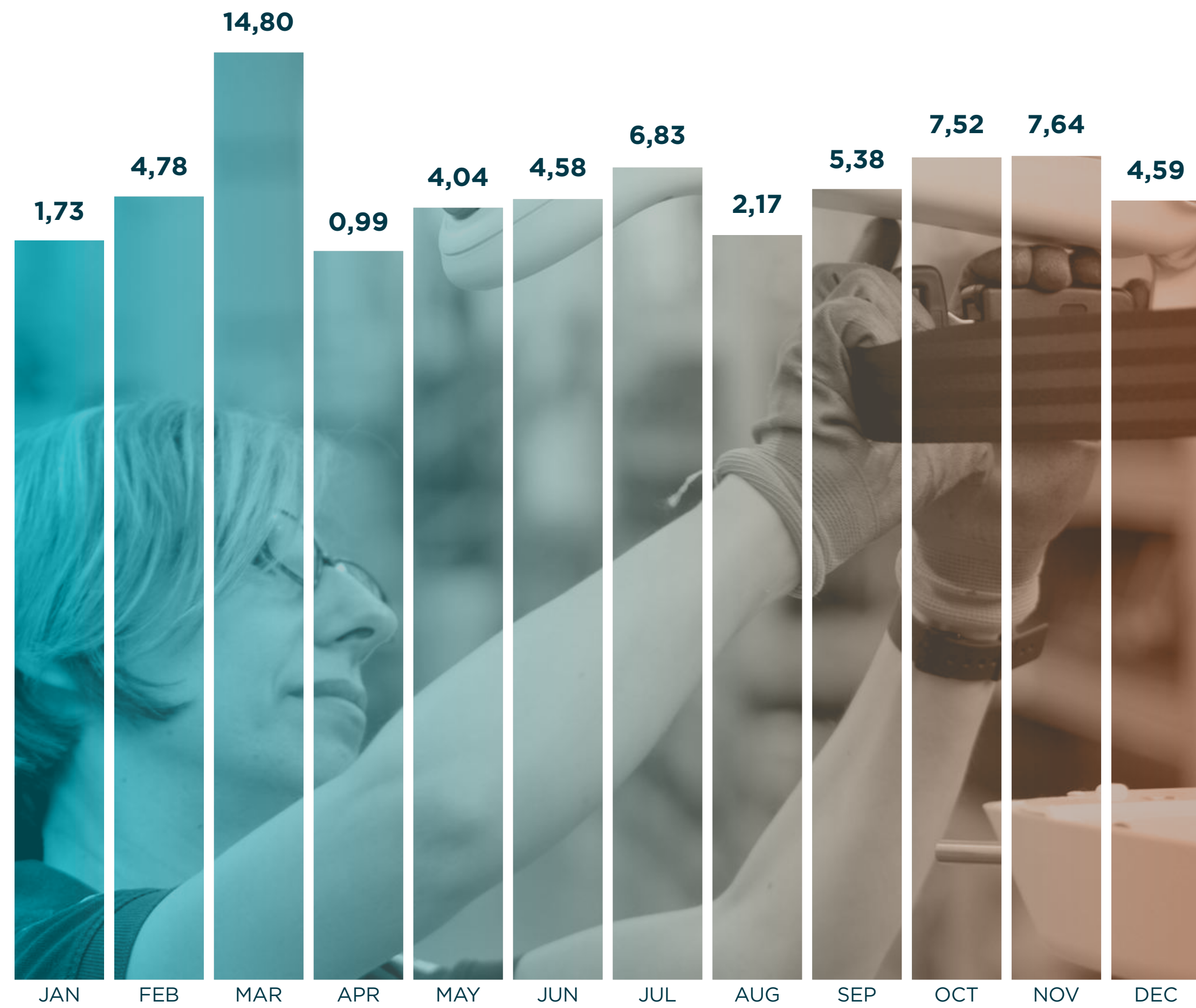


% ABSENTEEISM



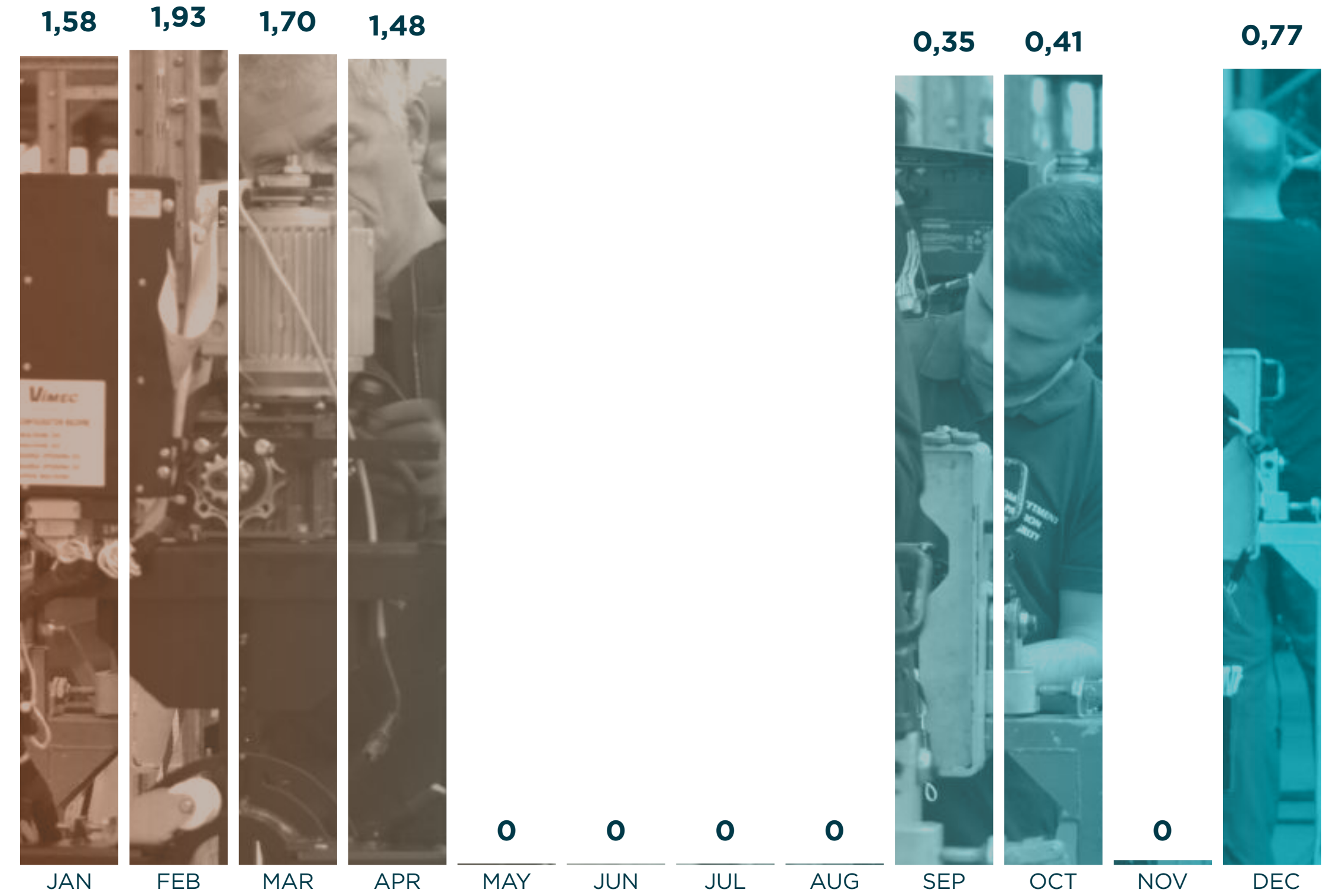
For 2020, the general workshop absenteeism figures were affected by the CIGO [i.e., ordinary wages guarantee fund] provision following the closure of the company due to COVID-19.

% DISEASE 2020



% ACCIDENTS AT WORK 2020

The company is committed to improving the already very low percentage of accidents in the company.



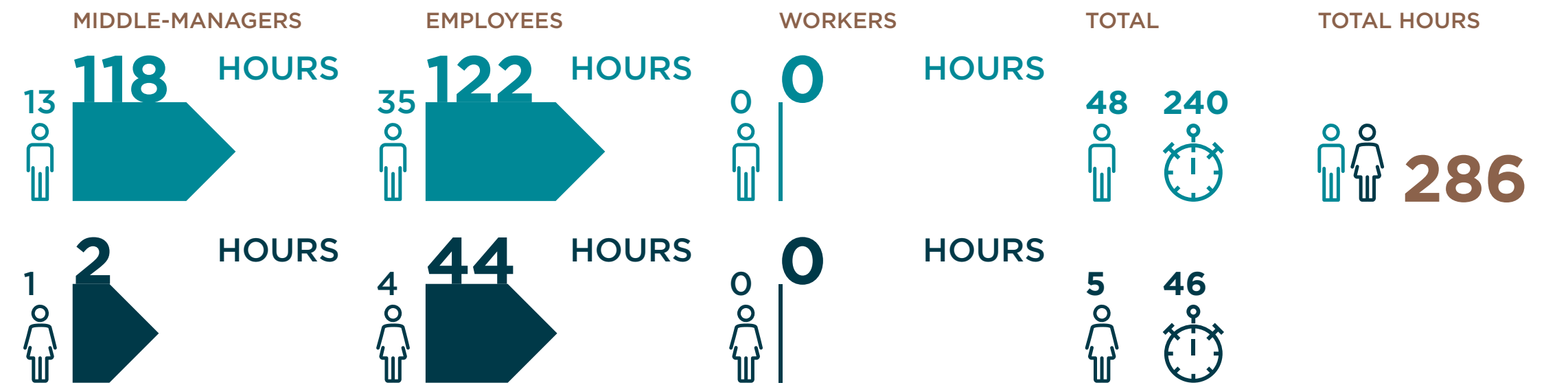
7.3_INTERNAL MOVEMENT 2020

Many internal job rotations, favoured by the reorganization of processes in the workshop (tests on the assembly lines) and in the offices (new organization for Purchasing, R&D, Production planning, BU Italy). Some employees were given the opportunity to manage areas of activity or new projects with responsibilities.

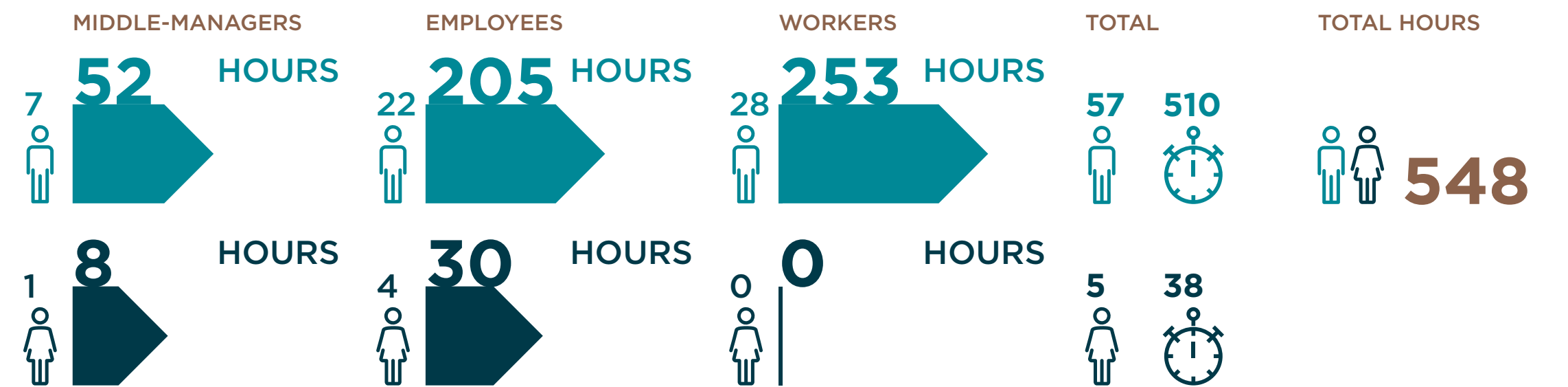
Below is a summary of the hours of training for employees in 2020:



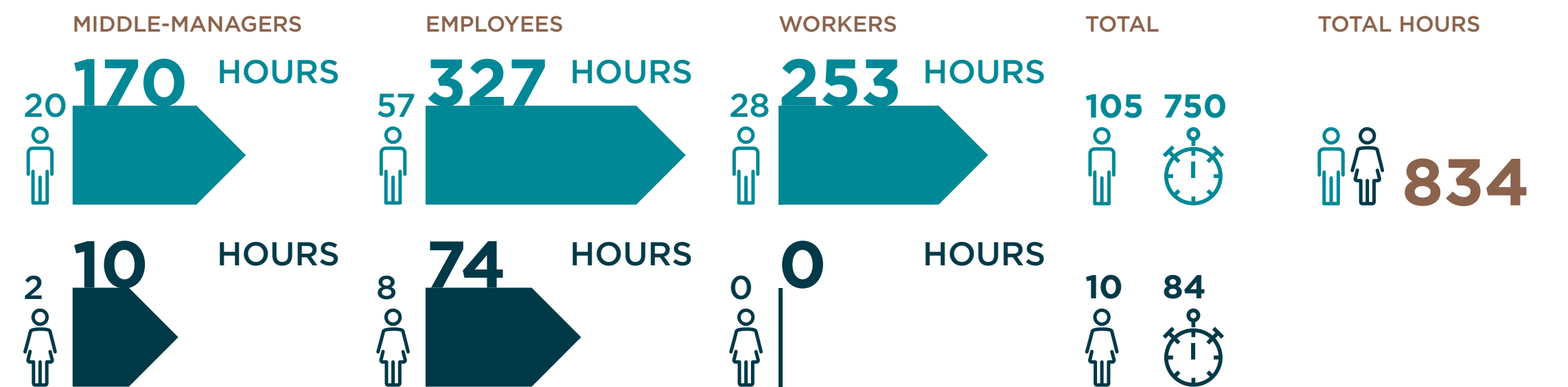
TRAINING NOT REQUIRED BY LAW



TRAINING REQUIRED BY LAW



TOTAL



The planned on-site training courses were partly limited due to the pandemic.

7.4_ WHISTLEBLOWING

A whistleblowing service will be operational at Vimec from January 2021, so that employees can be a source of information to notify the company of any misconduct that must be addressed.

The whistleblowing service will make it possible to alert the company to suspected misconduct. It will be an important tool for reducing risks and maintaining trust in our business, allowing us to identify and act promptly in the event of misconduct.

WHISTLEBLOWING

It will be an important tool for reducing risks and maintaining trust in our business.

The reports can be made anonymously or non-anonymously, in the various ways illustrated below:

ALTERNATIVE 1

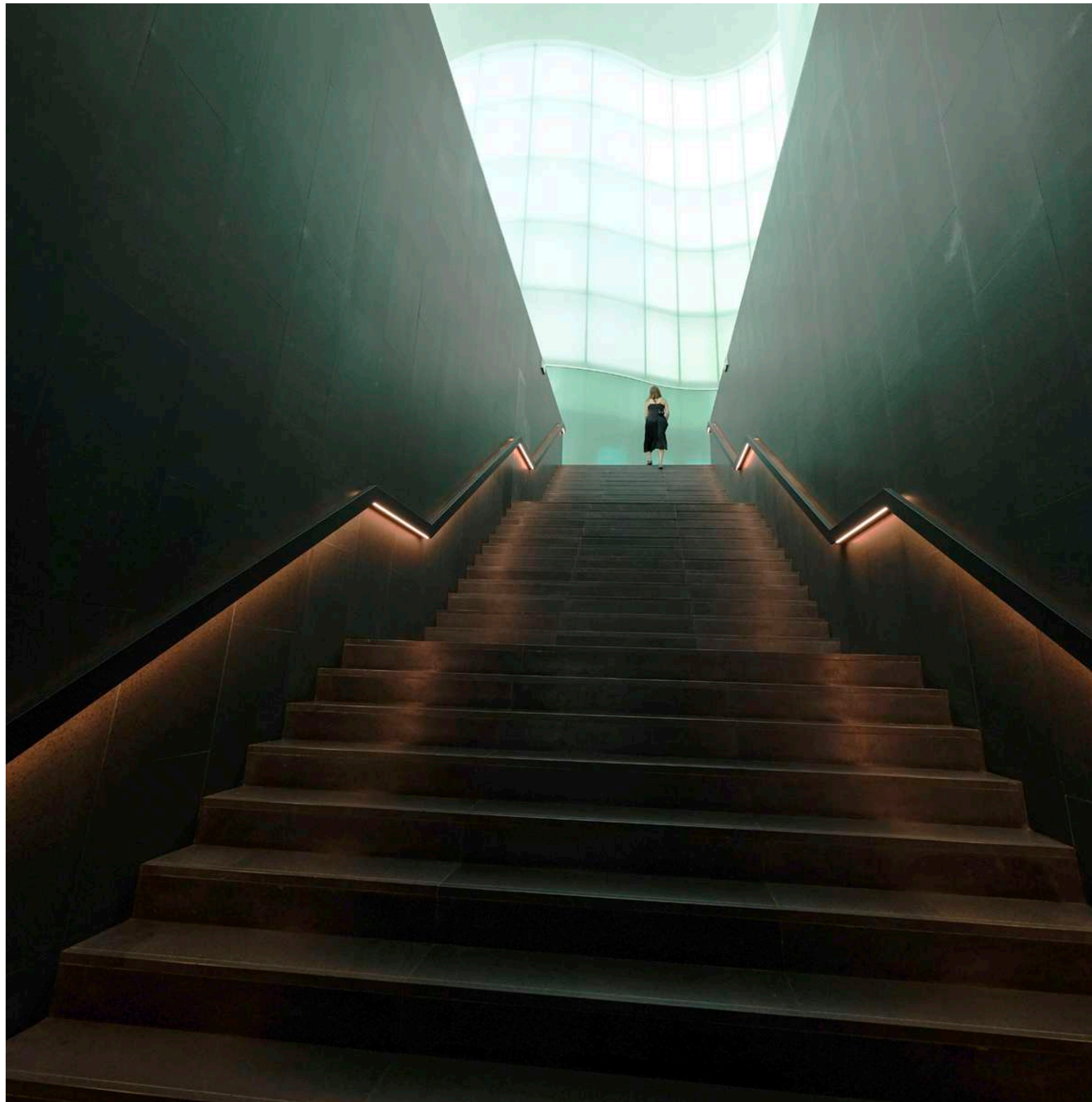
_Contact a supervisor or manager within Vimec S.r.l. business organization.

ALTERNATIVE 2

_Contact the CEO of Vimec S.r.l.

ALTERNATIVE 3

_Anonymously through the group whistleblowing communication channel.



The reporting service can be used to highlight serious risks for people, for our company, for society, or for the environment, addressing serious irregularities regarding:

- _Bookkeeping, internal accounting controls, auditing matters
- _Fight against corruption, banking and financial crime
- _Very serious forms of discrimination or harassment
- _Other serious irregularities concerning the vital interests of the company or group or the life or health of individuals, such as: serious environmental crimes, serious deficiencies affecting safety in the workplace.

Every report will be recorded and subsequently evaluated by a management team that will decide whether to accept or reject the message: the process that leads to accept or reject a report is regulated.

This internal company policy takes into account the EU General Data Protection Regulation and the guidelines on complaints.

8.0_ RE SEARCH AND DEVELOP MENT

There are also plans for an inter-connectivity solution between our stairlifts/lifts and PCs, smartphones and tablets, dubbed **IoT project**. After all, the electrical systems of the Vimec machines currently on the market were designed and developed no less than 10 years ago

The objectives of this new IoT project are:

- _ Create a Vimec proprietary Cloud to which to connect current (where possible) and future systems for monitoring/technical support/configuration;
- _ Create an App for the end user and one for service companies/ crews in charge of on-site maintenance;
- _ Issue simple commands through Google and Alexa smart speakers.

With this project we aim to:

- _ Reduce the service intervention time in case of machine breakdown (Customer Experience)
- Help the end user understand what the machine is doing during normal operation or in case of stoppage (User Interface/User experience)
- Lay the foundations for data collection that allows us to structure models for predictive maintenance and for the creation of bespoke services for Service Companies and End Users.

To achieve this goal, Vimec has set up a new organization of the R&D area, with the continuous introduction of new specialized roles for each type of product; this new organization was implemented in order to allow people to work comfortably and better express their abilities. Specialized working groups are necessary for some products, while the electrical/electronic and workshop skills must apply across the board to ensure synergies and uniformity in the solutions.

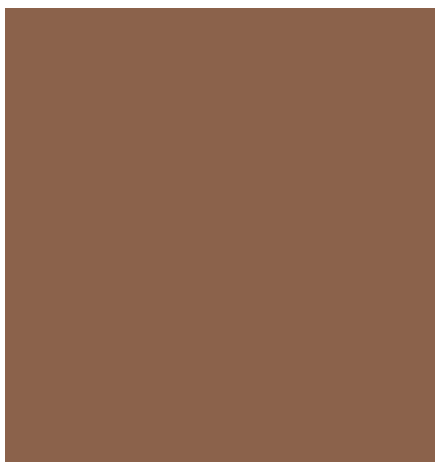
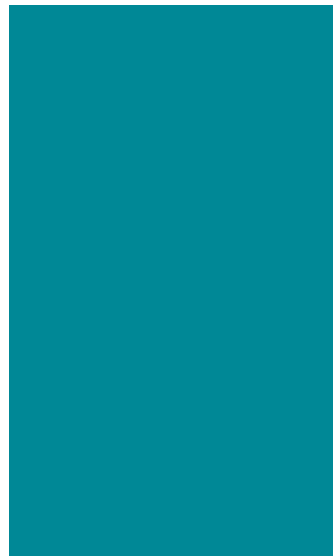
9.0_BR AND

“Vimec Rebranding” began in the second half of 2019. Understanding how much the perception of a brand reflects its real nature or identity is a vitally important factor that allows us to refine a series of communication tools, starting with the brand, to convey exactly who we are and what we do.

Sharing the values of a brand makes it possible to identify the audience, which in many cases becomes its spokesperson.

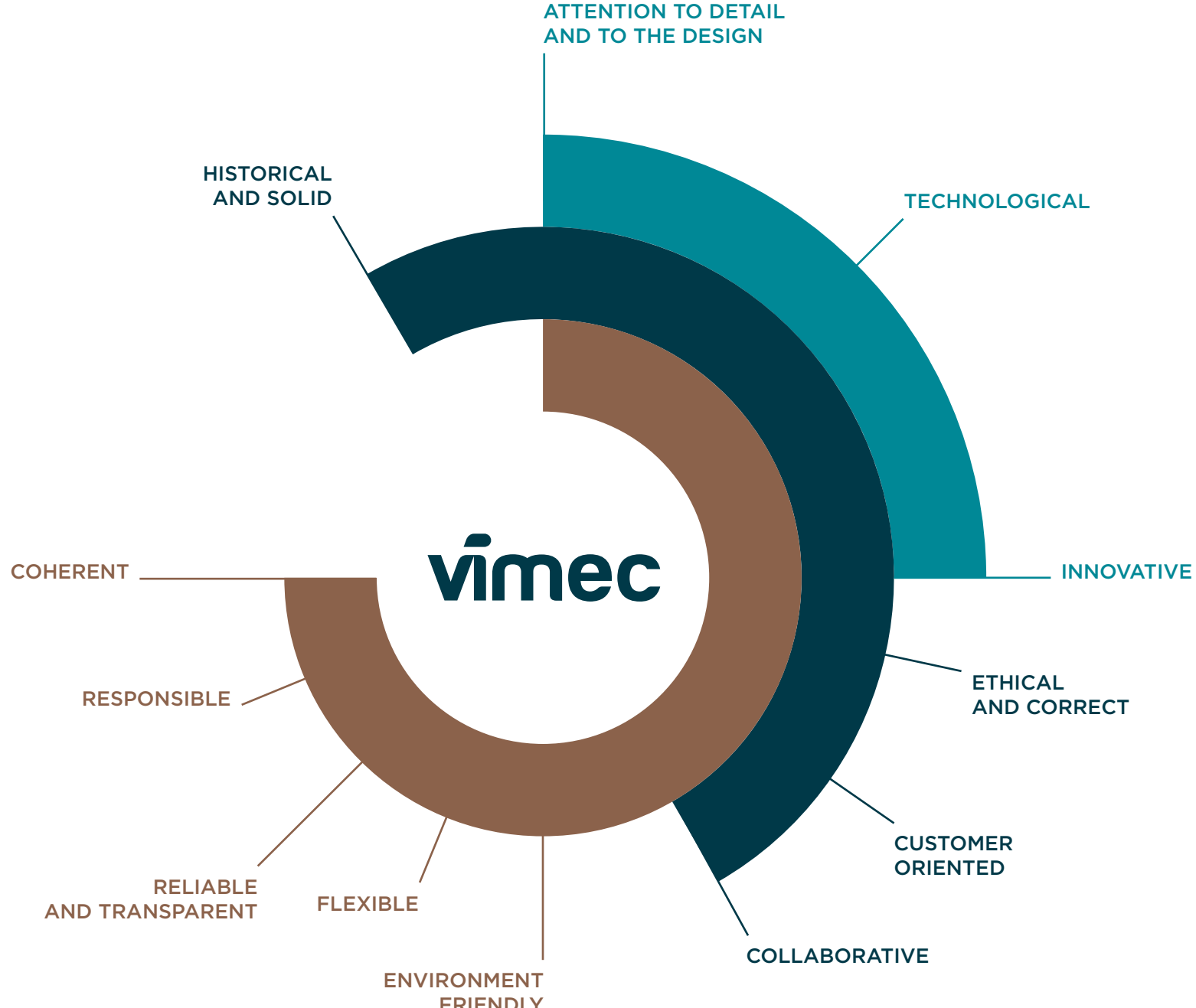
Sharing the values of a brand makes it possible to identify the audience, which in many cases becomes its spokesperson.

One of the most effective and scientific tools to understand how a brand is perceived internally and externally is the Survey. The purpose of a Survey is to collect a volume of information regarding the relationship between the Brand and a group of people, a population, a community, a set of customers, employees and suppliers.



The Survey focuses on the collection of opinions or real facts, and is carried out on an individual level through a structured questionnaire, known as an interview. Analysing the results of these questionnaires gives us a precise snapshot of the Brand, highlighting its strengths and weaknesses, and determining a set of values, commonly called Brand Equity. The rebranding project that Vimec has recently implemented starts from Brand Equity, and will be developed over the next few years.

The results of the Survey questionnaires highlighted the need to create two new Brands linked to the Vimec world, thus becoming two business units named **VIMEC ACCESSIBILITY** and **VIMEC HOMELIFT**. In this way, their respective values will be conveyed to each target, maximizing the communication effectiveness.



10.0_COMPANY PRO FILE

Since 2017, Vimec has been part of the **Latour Group**, a constantly expanding company with long-term investment plans.

The company development lines protect and enhance eco-sustainability, the production chain, and social responsibility towards customers and stakeholders.

The Corporate Social Responsibility is one of the most significant challenges of our times.



vimec ACCESSIBILITY

Vimec Accessibility is the brand line that handles the design, construction and installation of tailor-made solutions to support people with mobility needs, both at home and in premises/spaces open to the public.

Life's most persistent and urgent question is: "What are you doing for others?"

Martin Luther King



vimec ACCESSIBILITY

Vimec Accessibility brings together all the Vimec solutions designed and built for people with mobility difficulties, designed to offer them autonomy and independence, consisting of:

_Chair stairlifts: for the elderly, to continue living in their home in complete safety, without changing their habits.

_Platform lifts for commercial and public environments: for vertical mobility, they work like elevators, at slower speeds, and can be found in restaurants, schools, banks, shops and offices.

_Steplift: lifting platforms to overcome small vertical differences, from a few steps up to three metres.

_Inclined platforms: platform stairlifts are installed along the path of a staircase, ideal for users with motor disabilities who use wheelchairs.

_Mobile stairlifts: these are small tractors that need a suitably trained mobility assistant who can drive the small tractor on which the person is transported, sitting or aboard his wheelchair, to surmount architectural barriers both in private and public environments.

As Vimec people, for these tailor-made solutions we focus on customer care and attention, with a vocation for service, from the choice of solution to the installation and after-sales technical support.





vimec homelift

Vimec Homelift is the brand aimed at customers who want home comfort with a dedicated homelift, characterized by Italian design, technology and eco-sustainability.

Creativity, excellence
manufacturing,
sustainability:
Made in Italy “design”
has conquered the world
this way.

vimec homelift

Vimec **homelifts**, which are also suitable for connecting two floors of an apartment, are ideal for indoor and outdoor installations.

Mini homelifts are the ideal solution to improve the comfort of the home, tailored to the needs of the individual and the family. Suitable for any home or apartment, mini lifts offer versatility and safety.

Elegant and quiet, these **homelifts** are available in many bespoke versions, in order to perfectly adapt to the style of your home and increase its value.

In this regard, it should be noted that in November 2020, the winners were announced for the Design Award that the worldwide reference portal Archiproducts.com holds every year.

The prizes are awarded by a jury made up of several international architecture firms, communication agencies, journalists and architectural photographers. Over 750 candidate products from all over the world are evaluated, rewarding the best solutions that have distinguished themselves for originality, innovation and experimentation.



archiproducts
DESIGN AWARDS

Among the nine winners in the “Construction” section we find the **Homelift by Vimec**, the only vertical transport system among all the winners!

Vimec shares this achievement with all the people who worked on the project and with the company and the network of employees.



10.1_ OUR MISSION

We create design solutions to make life easier for our customers, thanks to a complete range of products for vertical mobility.

10.2_ OUR VISION

We improve people's quality of life and help create a barrier-free world.

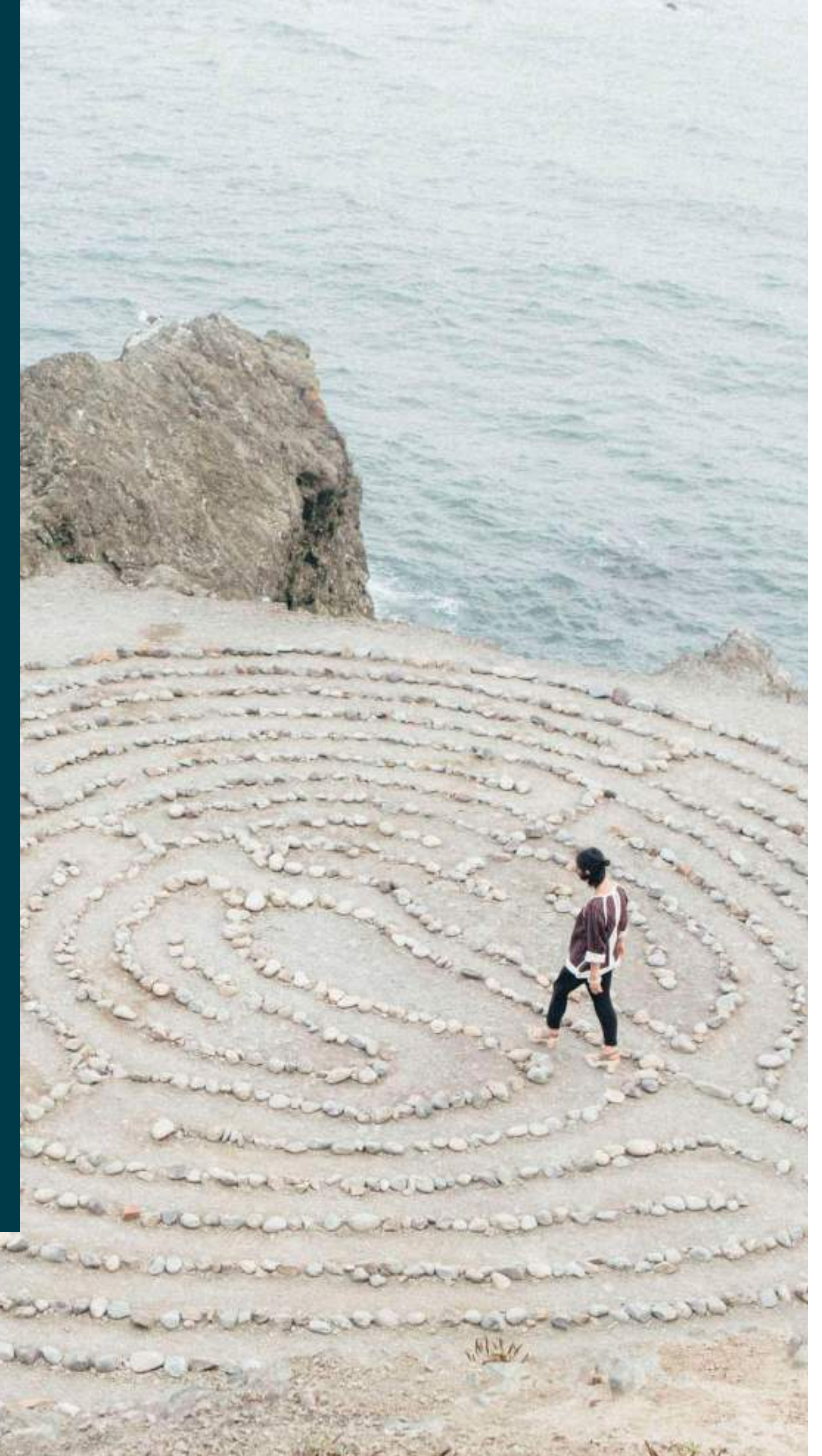
10.3_ OUR VALUES

_Passion: we have a genuine passion for improving the lives of our customers through our work.

_Integrity: we act openly, transparently and honestly, with a long-term perspective to respect our stakeholders and the environment.

_The commitment: we are ambitious and always strive to offer our customers the best shopping experience, through high quality products and services.

We encourage teamwork and everyone is empowered to contribute to its success.

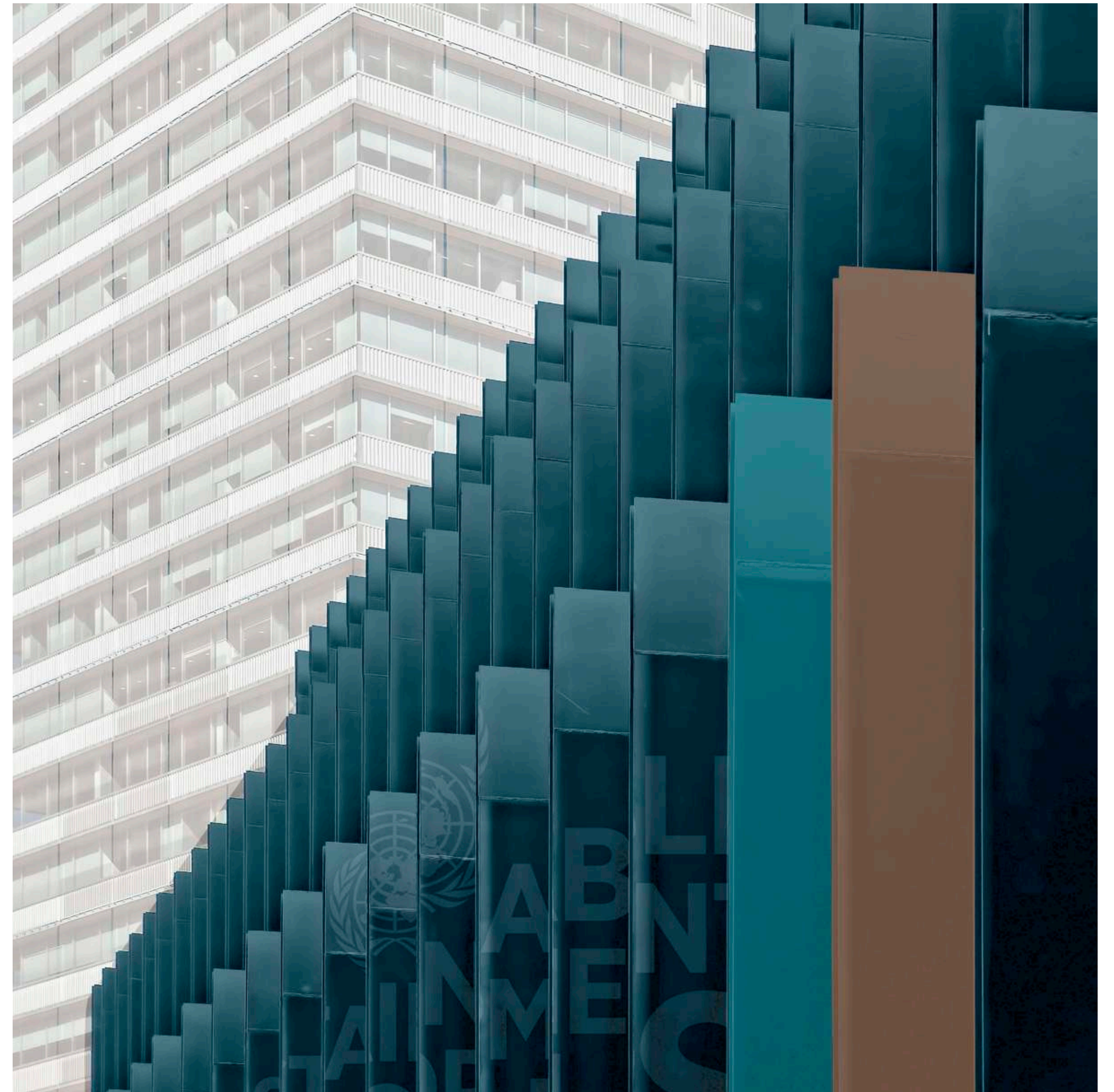


STAKE HOLDER ANALYSIS

The potentially relevant issues have been identified taking into consideration the **United Nations Sustainable Development Goals (SDGs)**.

The Management Team evaluated the relevance of sustainability issues for our Group and our stakeholders through a survey.

The sustainable development goals are all connected with each other and all are called to contribute.



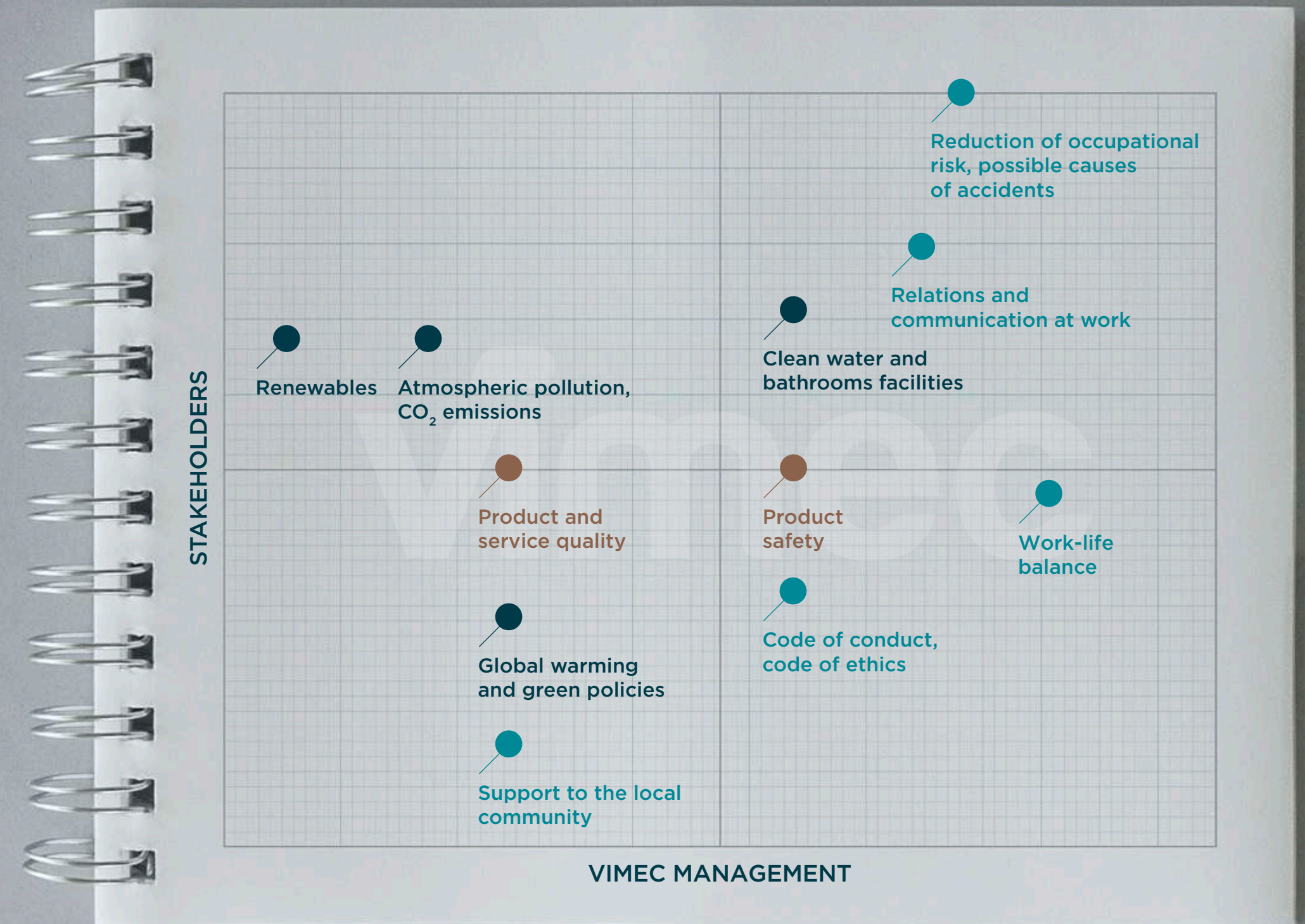
The results of the analyses represented in this graph show that the main focus is on the social level, in particular on SDG 8, which also emerges at the business level.

The other main SDGs involved are n° 6, n° 7 and n° 13. The vision of the company mostly coincides with that of the stakeholders, with few understandable differences on the business side due to the different level of responsibility.



_STAKEHOLDER ANALYSIS

● ENVIRONMENTAL ● SOCIAL ● BUSINESS

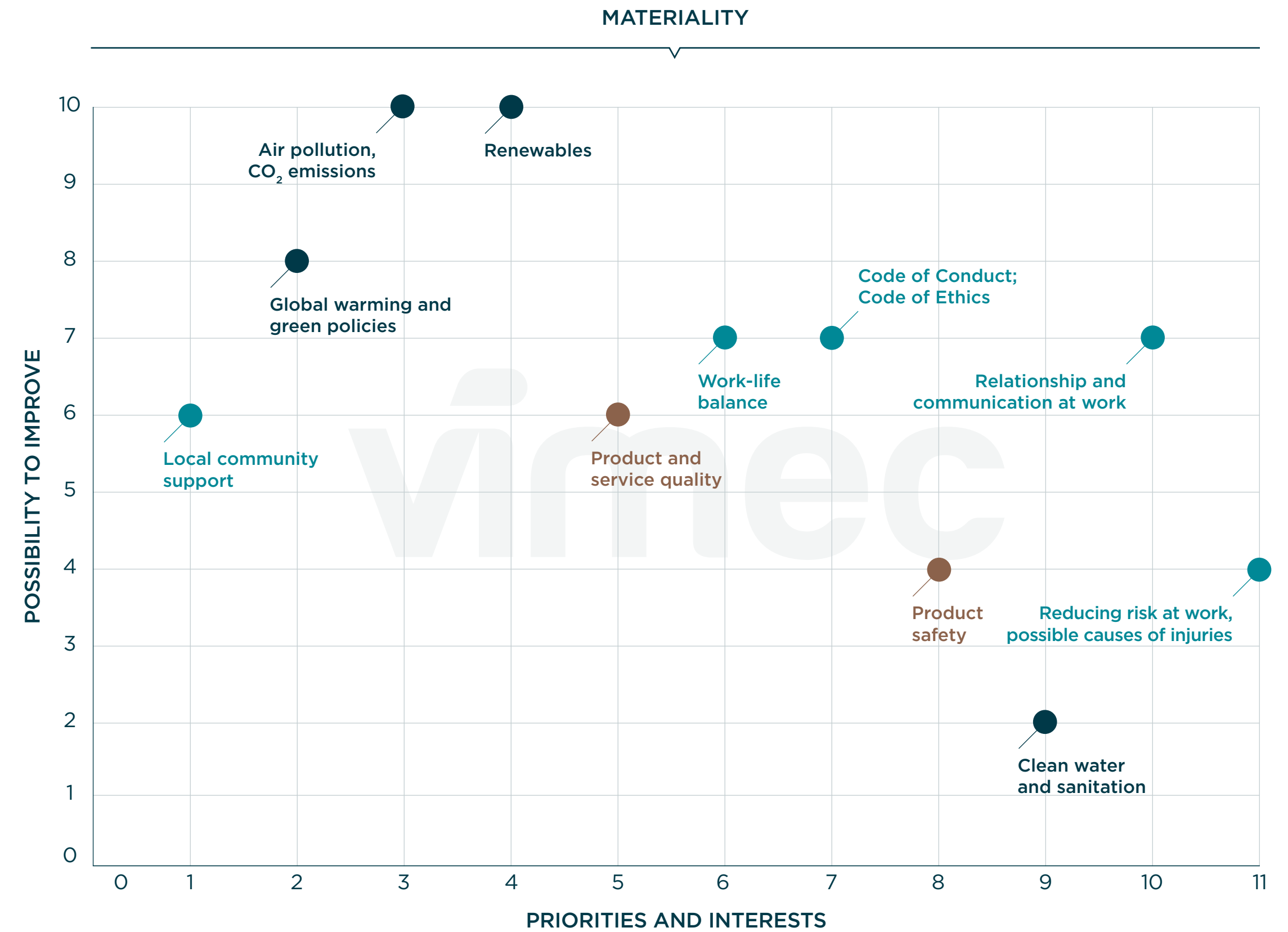


The topics cover the best interests of both parties involved, and our focus will be on implementing practices and policies that follow this report as our guideline.

MATERIALITY

After collecting and processing the data from the Stakeholder Analysis, which helped us describe our goal, the next step is to identify the possibility of improving our impact in the selected topics, based on our priorities.

The materiality matrix below, shows the intersection between the previous analysis and a qualitative analysis by the Management Team, to highlight the areas where the company is able to improve better and faster, thus representing our strategic priorities of sustainability.



Based on the chart above, we have listed the main policies of each topic that the company is considering.

11

**REDUCTION OF RISK AT WORK,
POSSIBLE CAUSES OF ACCIDENTS**

**_ELIMINATION OF
HAZARDOUS WASTE:**

Following the need to eliminate hazardous waste, the company has removed and replaced the asbestos roof covering with metal sheets, improving work life quality and worker safety.

Furthermore, in view of the entry into force of a new regulation starting in 2021, the area used for the internal waste collection and disposal is being reorganized.



10

**RELATIONS AND
COMMUNICATION AT WORK**

**_PARTNERSHIP WITH THE GREAT PLACE
TO WORK CONSULTING FIRM:**

Since 2019 the company has been working to improve the quality of the operational environment, and to do so we asked GPtW to help us manage and coordinate a team dedicated to this task, improving relations and communication.

9

**CLEAN WATER AND
BATHROOMS FACILITIES**

The situation is already good, but a corporate restructuring project is planned which will further improve this point.



8

**PRODUCT
SAFETY**

_IMPROVEMENTS ON LIFTS:

The cabin door lock has been introduced, the HL version uprights are used on all units, and the belt attachment plate has been reinforced in order to increase product safety.



7

CODE OF CONDUCT, CODE OF ETHICS

_DURING 2020 THE NEW CORPORATE CODE OF CONDUCT WAS COMPLETELY REWRITTEN AND DISTRIBUTED AGAIN.

Vimec has adopted the Organizational Model required by Italian Legislative Decree no. 231/01, to strengthen the corporate organization from the point of view of procedures and compliance with regulations. In the HR Portal you can find the entire specific documentation that the company has developed and adopted to ensure responsible conduct that follows the rules on corporate responsibility.

The company has also appointed the Supervisory Body which will be in office from 1 January 2021.

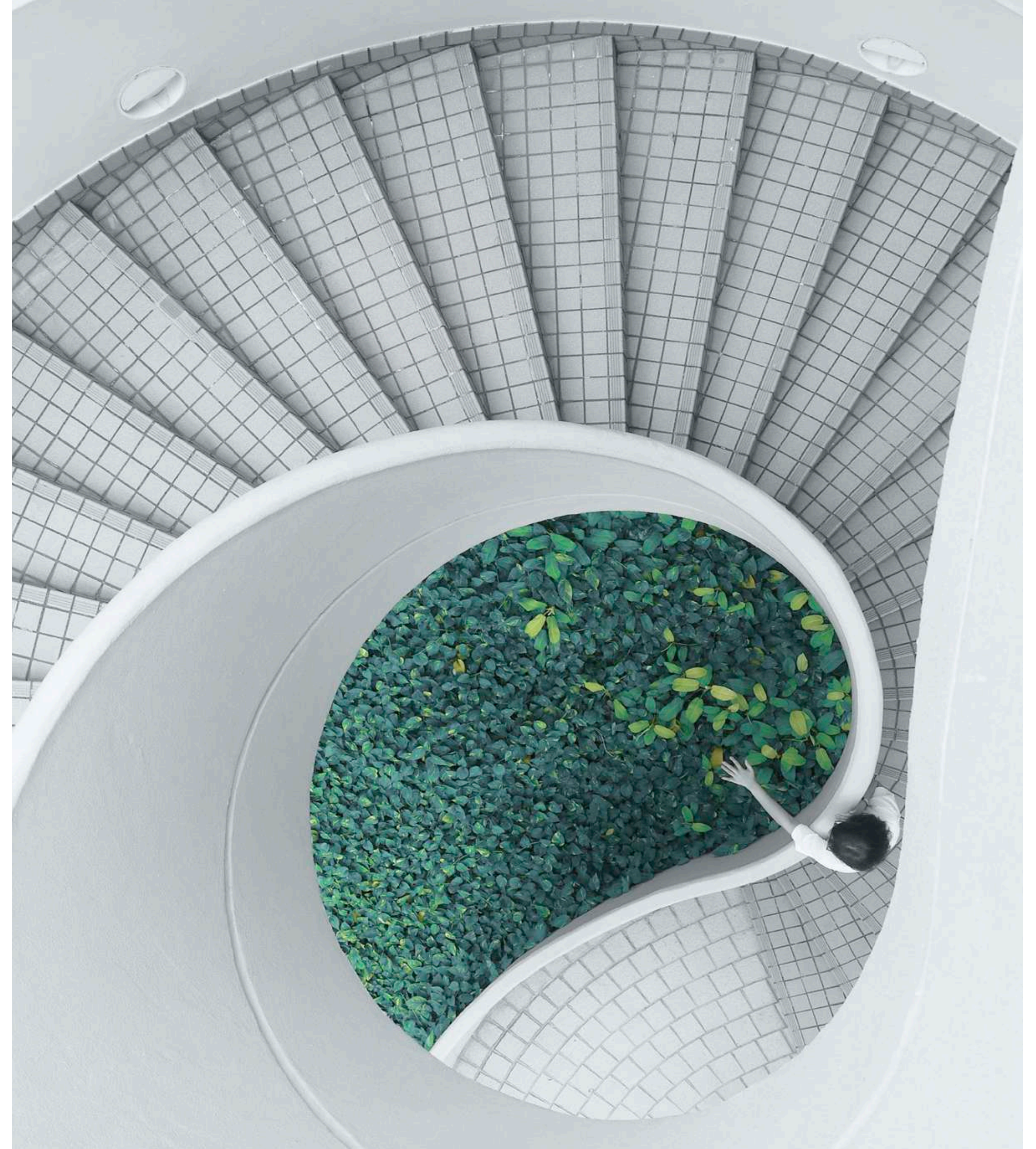


6

WORK-LIFE BALANCE

_FLEXIBLE HOURS:

In 2019, we gave our employees the opportunity to improve their working conditions by adopting more flexible office hours.



5

PRODUCT AND SERVICE QUALITY

_THE NET PROMOTER SCORE (NPS):

This policy is an index based on the customer satisfaction survey, allowing us to recognize the relationship our customers have with the brand.

This index is going well. Any negative feedback triggers a review regarding the dissatisfied customer.

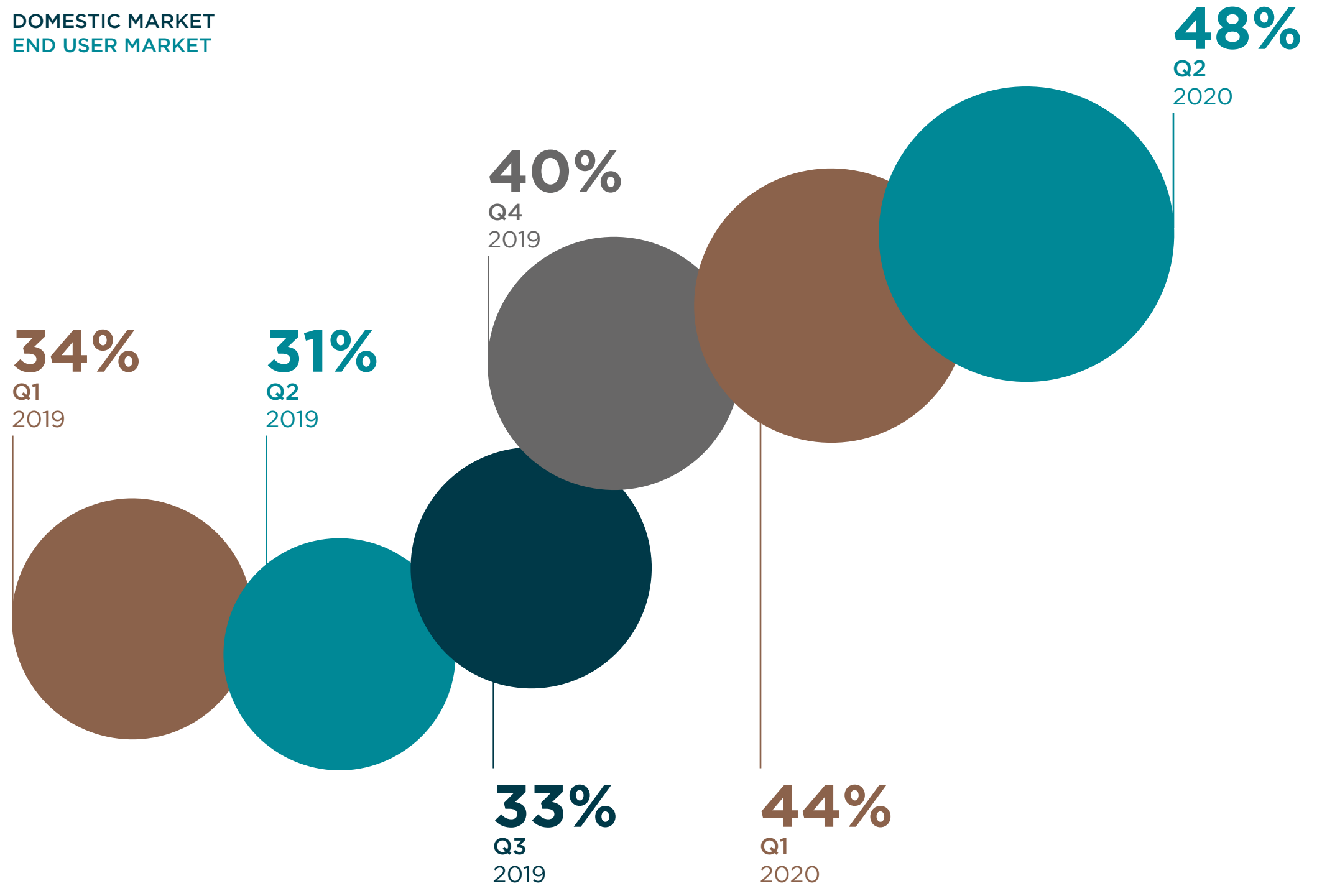
_CUSTOMER SATISFACTION INDEX: **NPS= 48%**



PROMOTER SCORE = % PROMOTERS – % DETRACTORS

NPS NET PROMOTER SCORE - THE STORY SO FAR

DOMESTIC MARKET
END USER MARKET



This analysis is essential, so as to work towards constant improvement of customer satisfaction.

4

RENEWABLE ENERGIES

Currently the only renewable energy used is that coming from the electricity supplier.

However, there is a corporate restructuring project which includes measures aimed at improving this point.



3

CO₂ EMISSIONS AND ATMOSPHERIC POLLUTION

_HYBRID FLEET (COMPANY CARS):

As our corporate fleet reaches the expiration of its leasing contracts, we are moving to a more sustainable option by leasing only hybrid cars. When the time is right, we aim to have a fully electric fleet, also installing charging stations at the company.

2

GLOBAL WARMING AND GREEN POLICIES

_REDUCING THE USE OF PLASTIC:

This policy, which will always be applied inside our facilities, was adopted in 2019 by eliminating the consumption of water bottles from offices and replacing them with a water dispenser, reducing the production of plastic waste by 75,000 units.

_MAINTENANCE AND PRODUCT MANAGEMENT OF "RED FOLDER" ORDERS:

In order to pursue a faster and better management of our products, we have digitized all paper archives, from customer order to product maintenance sheets.



1

SUPPORT TO THE LOCAL COMMUNITY

_"GUARANTEED MOBILITY" PROJECT:

With the participation of the Municipality of Luzzara and other local associations, this project has allowed us to purchase a minibus for people with disabilities, a way to remain faithful to our vision and mission.

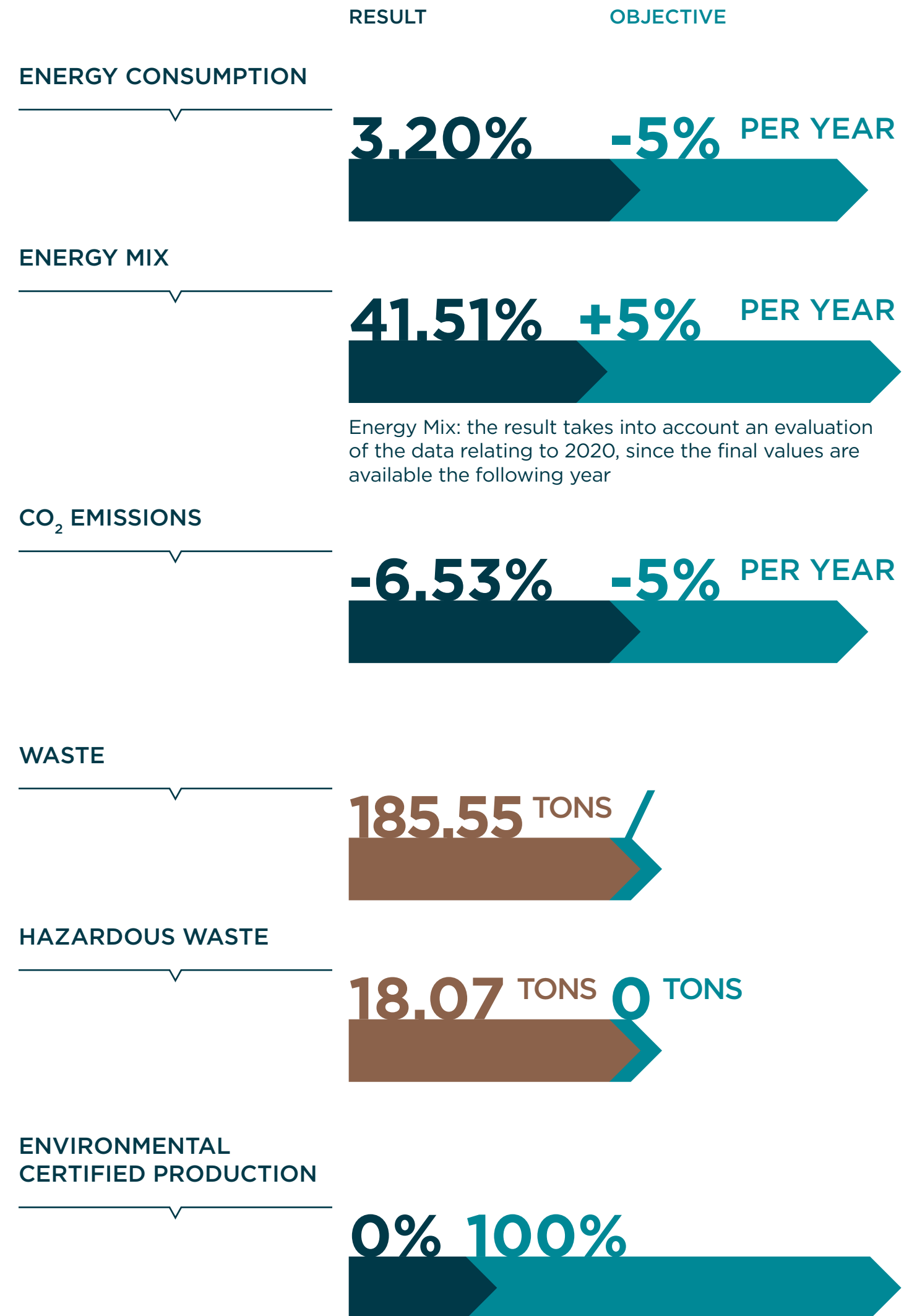


KPIs

Our annual results (2020 vs 2019) divided into three main categories are presented below:



_ENVIRONMENTAL SPHERE



There is a project for renovating the Vimec buildings which includes a measure aimed at improving this point. Furthermore, as our corporate fleet reaches the expiration of its leasing contracts, we are moving to a more sustainable option by leasing only hybrid cars. When the time is right, we aim to have a fully electric fleet, also installing charging stations at the company.

In view of the entry into force of a new regulation from 2021, the area used for the internal waste collection and disposal is being reorganized.

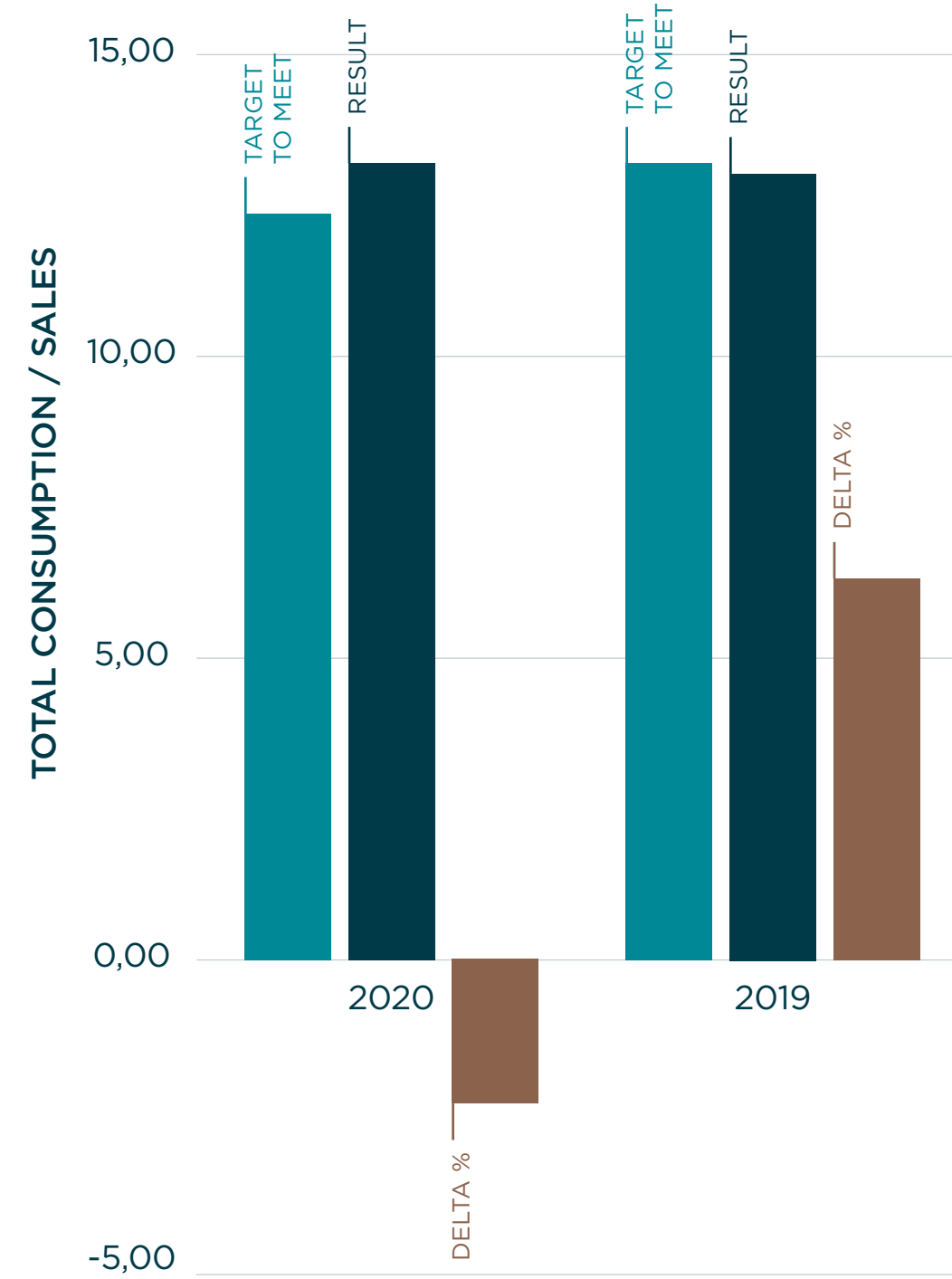
We expect to achieve Environmental Certification some time in 2021.

_ENVIRONMENTAL SPHERE

The following tables represent the trend of the above indexes:

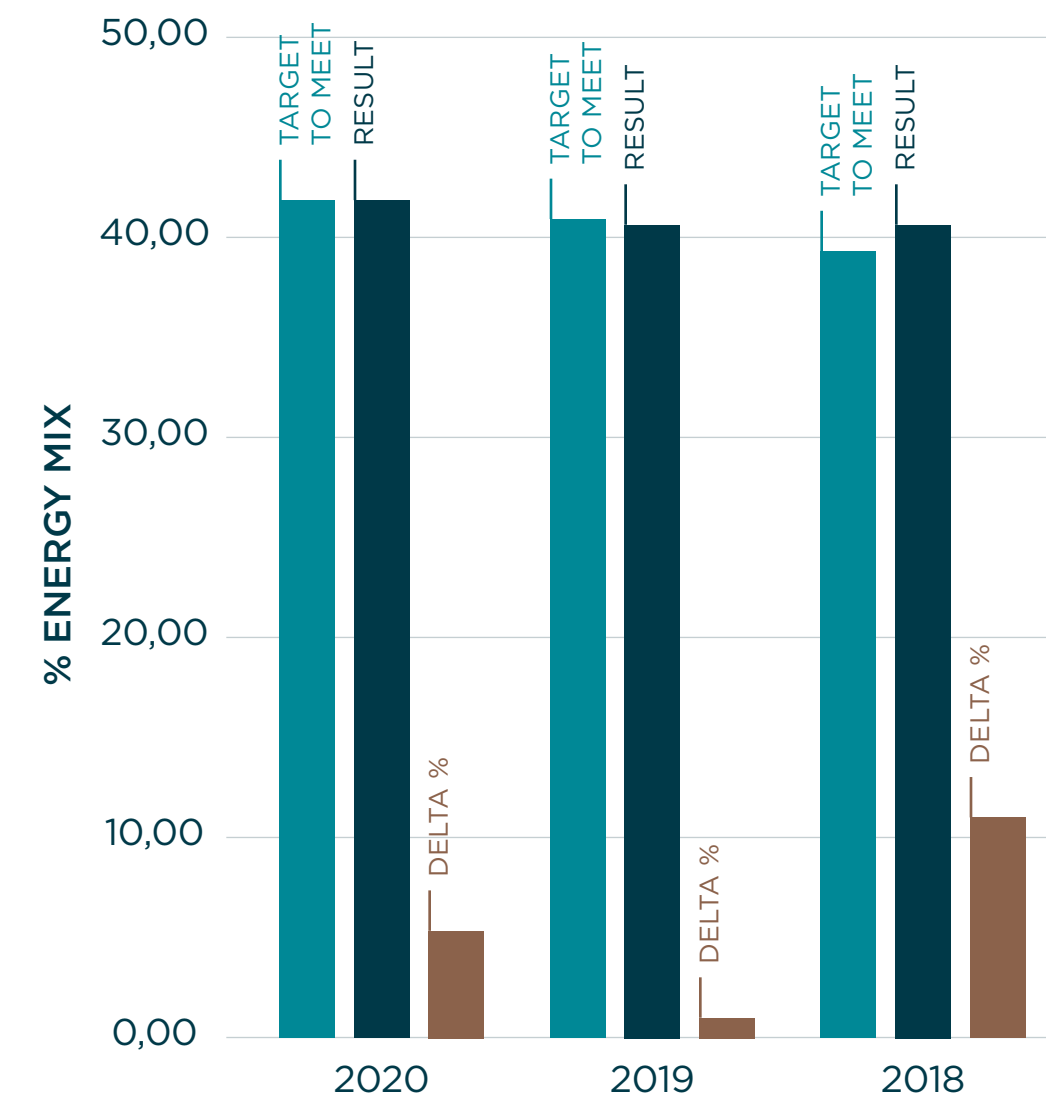


ENERGY CONSUMPTION



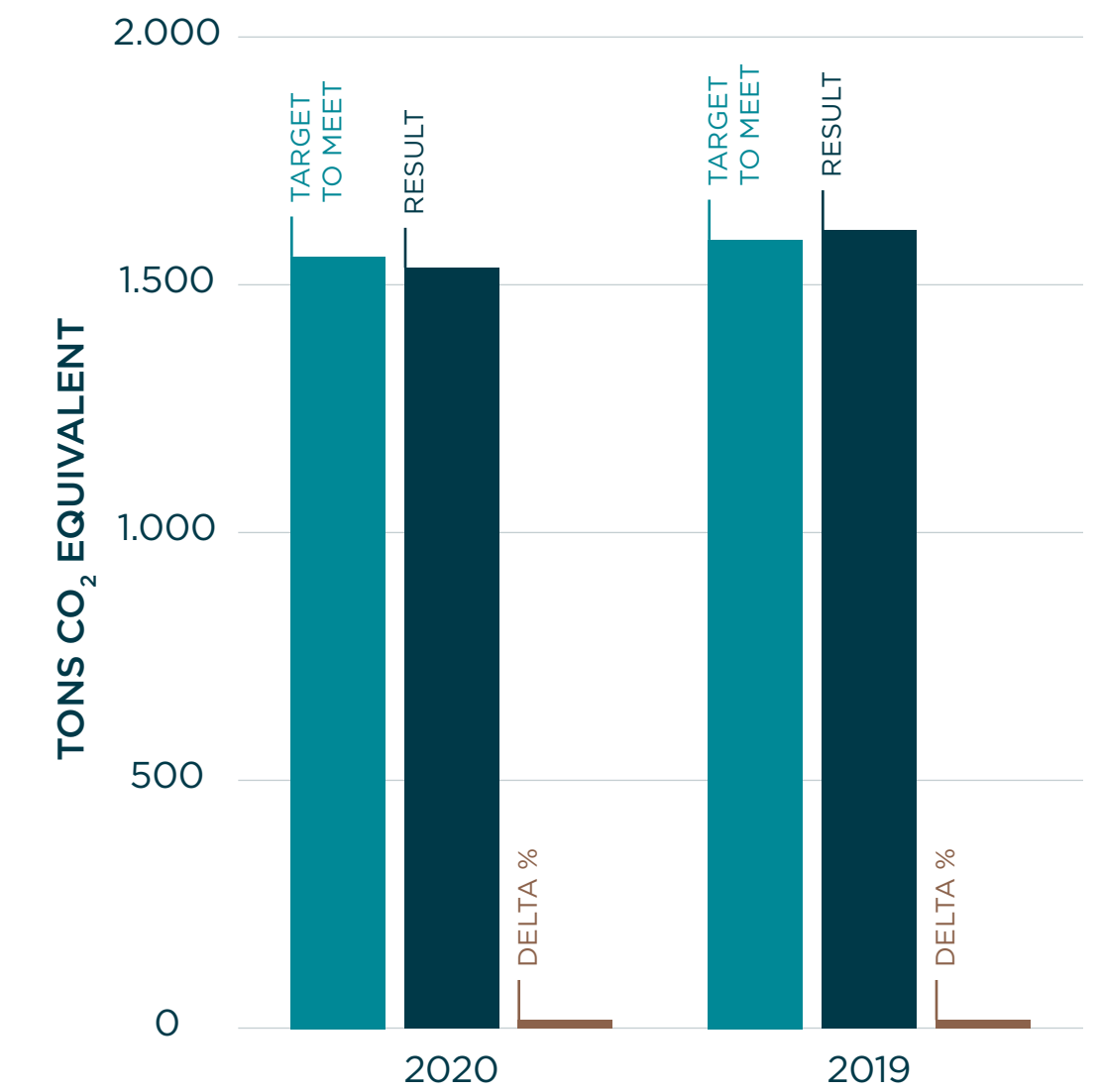
The negative result of this index is due to the fact that this figure is proportionate to the annual turnover, which unfortunately for 2020 was largely affected by the Covid-19 pandemic. In a normal situation, this goal would have been easily achieved.

ENERGY MIX



The target was achieved despite the fact that the only use of renewable sources at the moment derives from the electricity supplier. The planned renovation of the company's buildings will certainly lead to a further improvement of this index.

CO₂ EMISSION

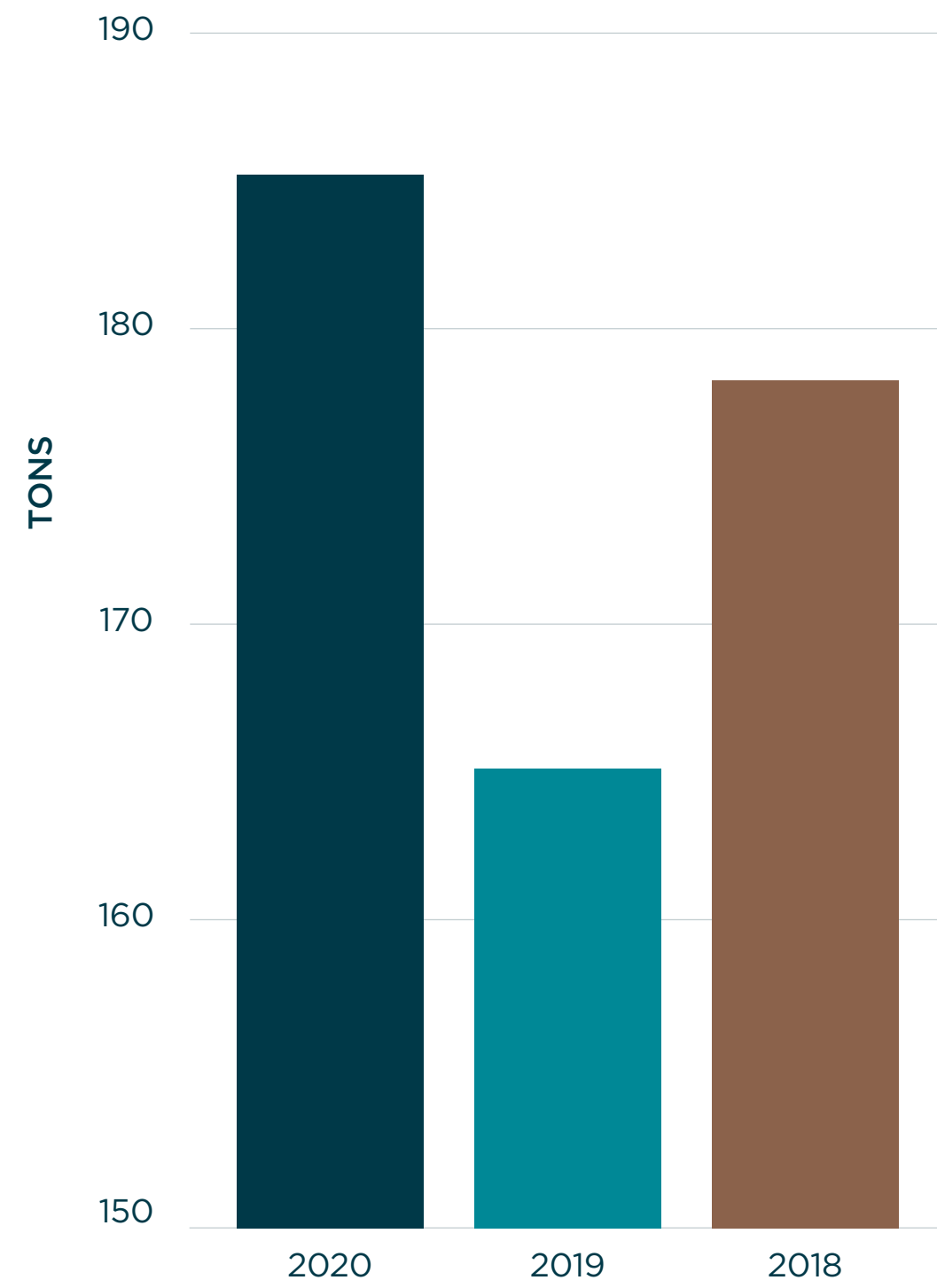


The objective was achieved also thanks to the ongoing renewal of the company car fleet, replacing old cars with hybrid vehicles.

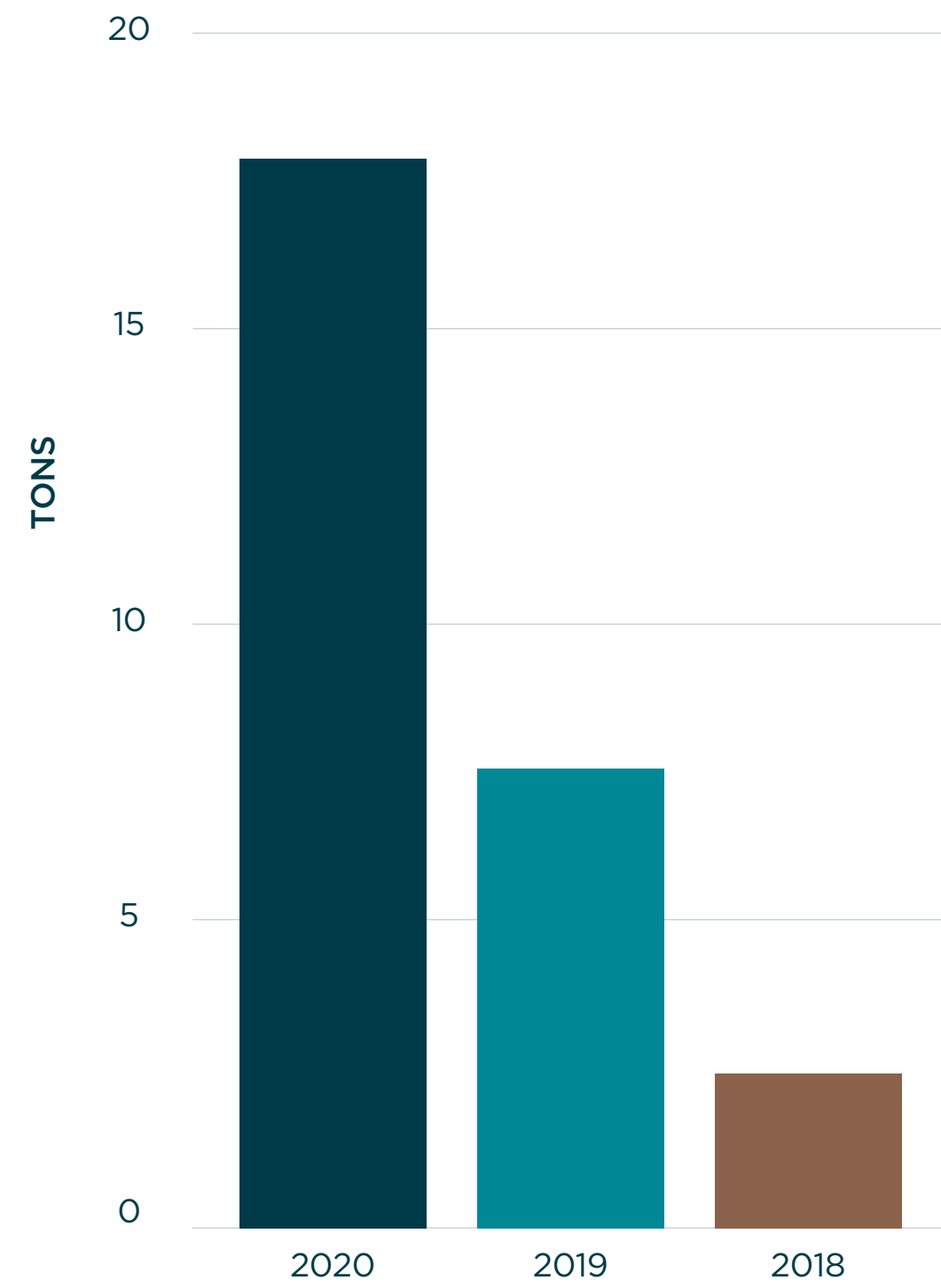
ENVIRONMENTAL SPHERE



WASTE



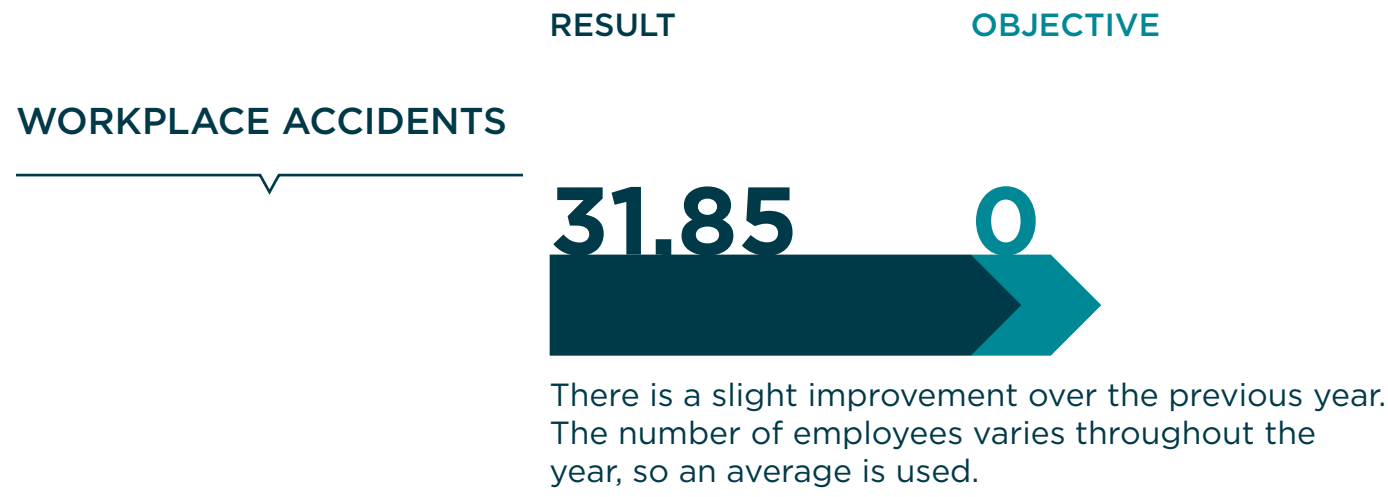
HAZARDOUS WASTE



This figure's increase in 2020 is linked to the extraordinary reclamation of the two disused diesel oil tanks buried in the goods reception area. Were it not for this extraordinary operation, the figure would be very similar to that of the previous year.



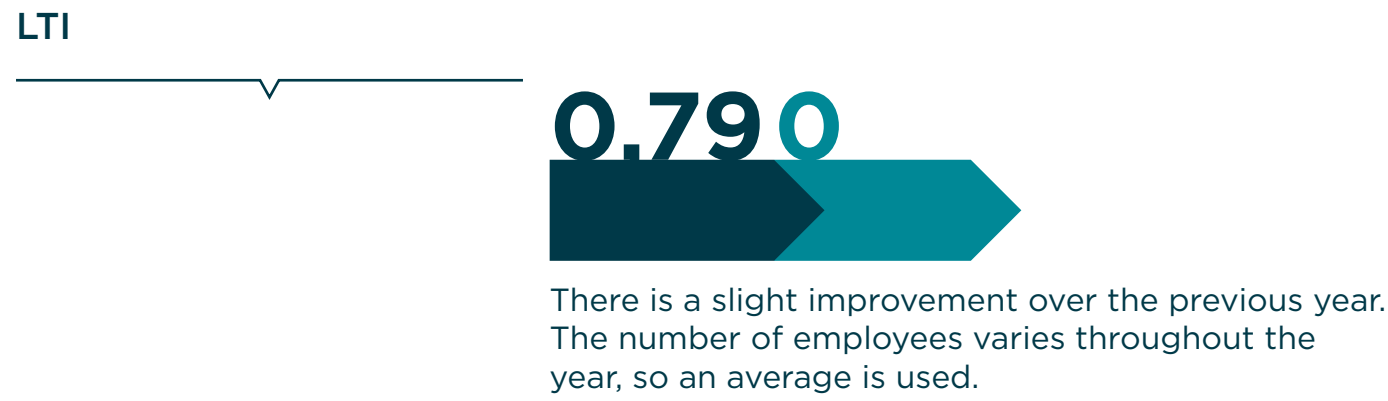
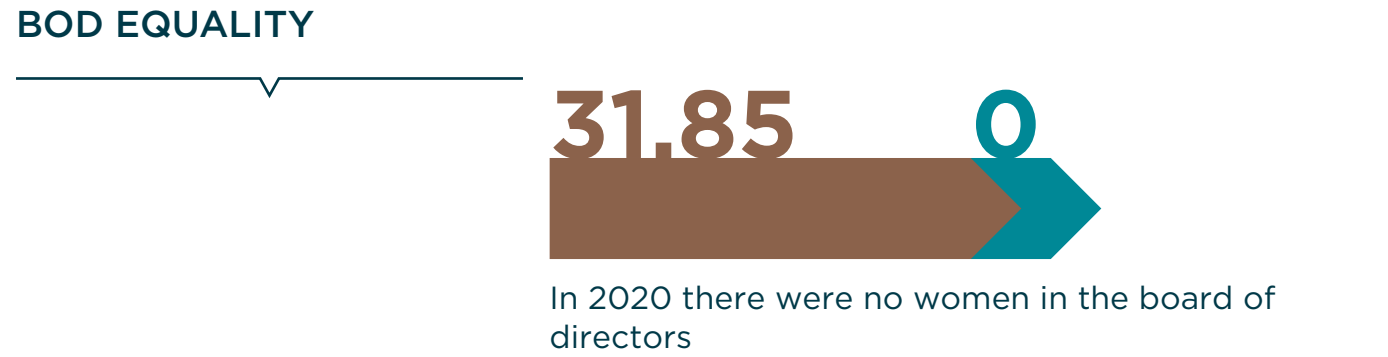
_SOCIAL SPHERE



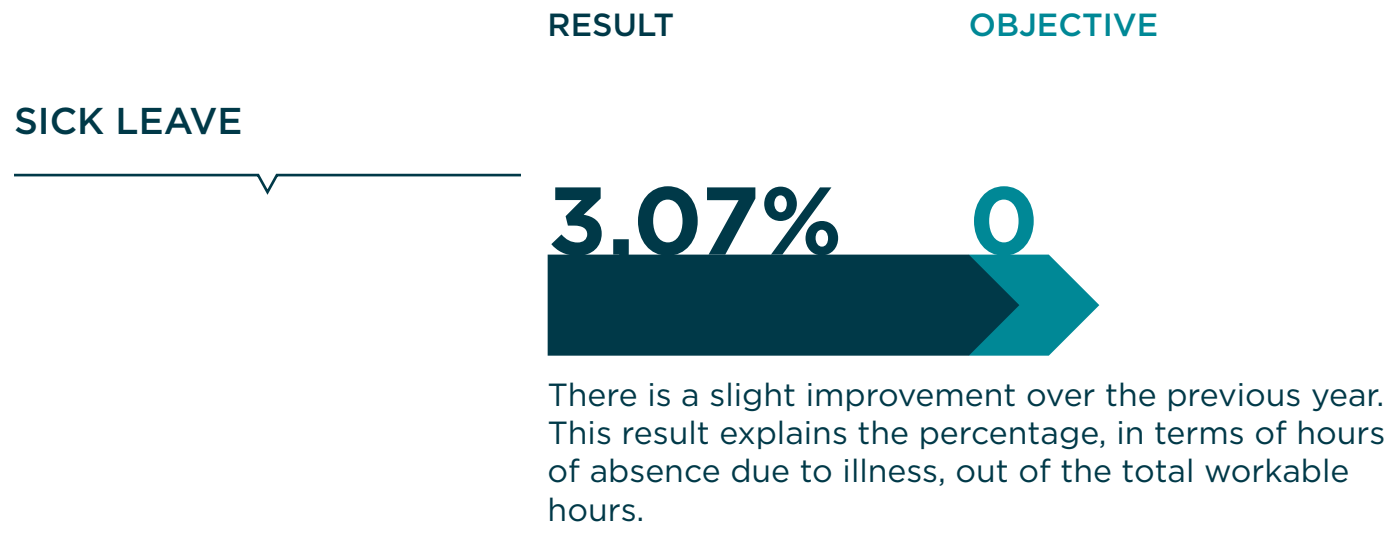
A role will be introduced to handle maintenance and to increase the levels of safety and reliability of the workplace equipment and systems.



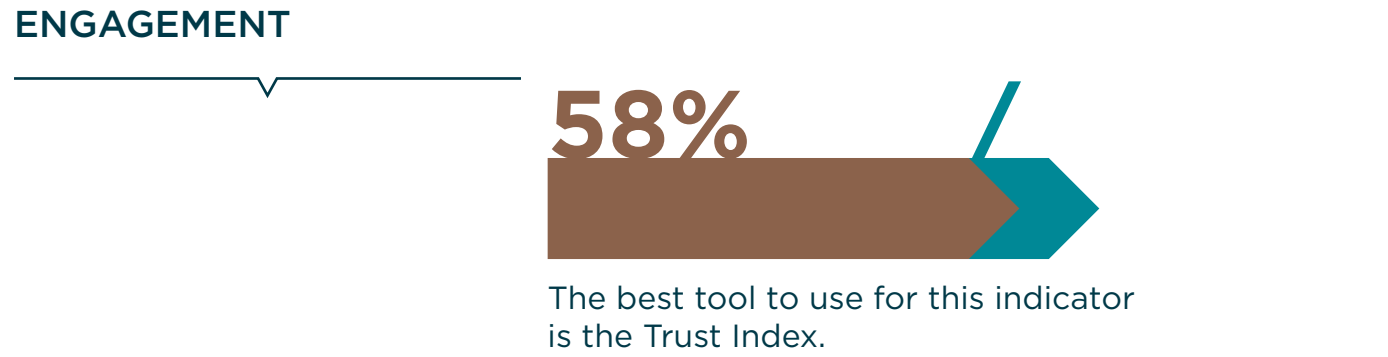
In the current situation there are no women in the management team, among the managers, or in the Board of Directors. There are no company policies against hiring female staff. In all the searches for new resources to be hired by the company, we specify that the positions are aimed at both men and women. We strongly believe that an increased female presence in Vimec can improve business operations and decisions.



A role will be introduced to handle maintenance and increase the safety and reliability levels of the workplace equipment and facilities, and free covid tests and flu vaccines will be provided.

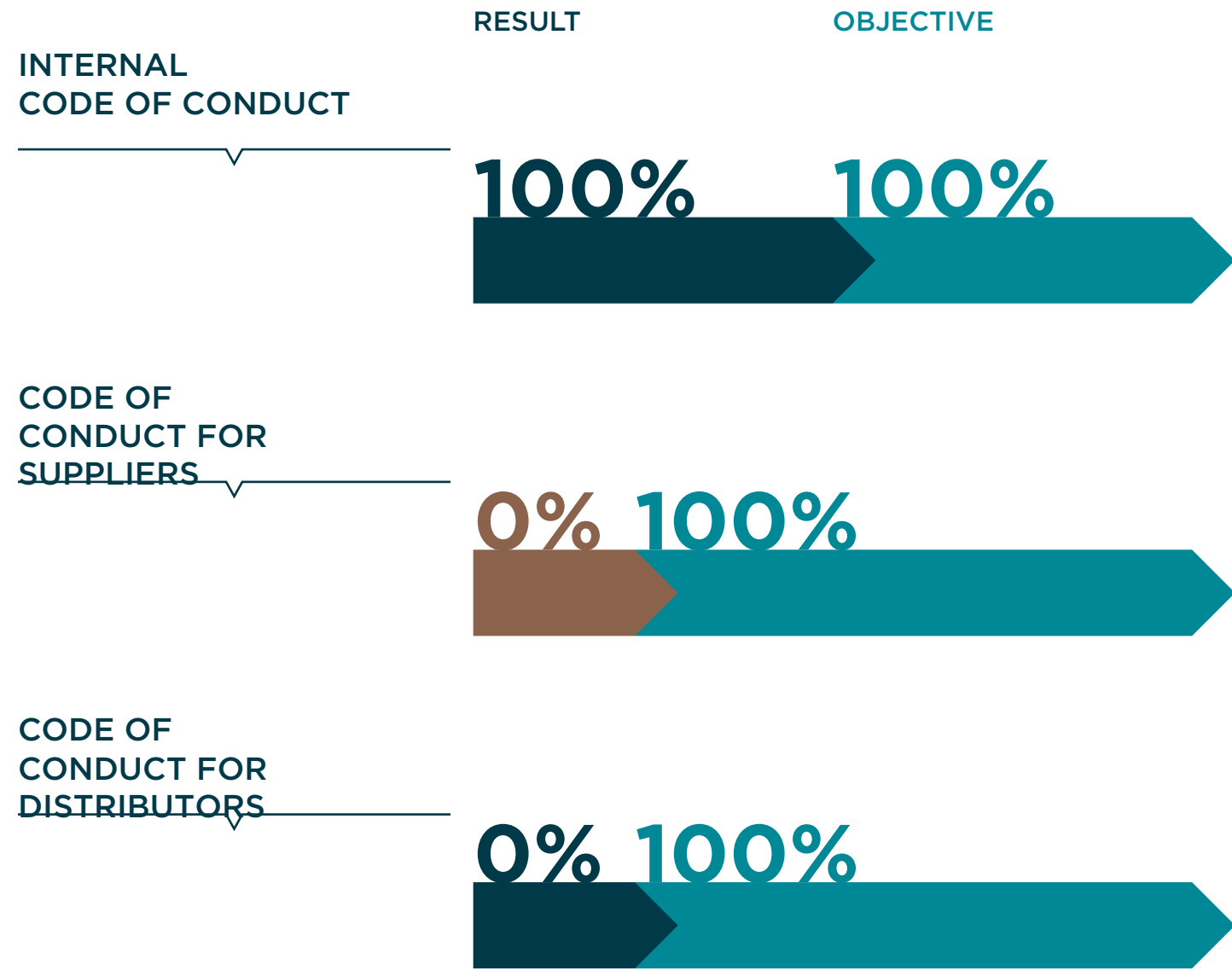


Vimec is committed to the health of its associates, offering free flu vaccinations for those who request them and voluntary periodic COVID-19 screening. Of course, the offices will continue operating in smart working mode, and we will remain attentive to all organizational and legal guidelines (eg: differentiated hours for entrances, exits and work breaks; supply of masks and distancing devices, daily sanitation of company premises).



The 2020 Trust Index figure has greatly improved compared to 2019. This reassures us regarding our direction. We will further improve the situation thanks to some new initiatives due to start in 2021 (all proposed by Vimec Experience Team), together with the important professional and managerial development project aimed at the staff who have taken or will soon take on roles of responsibility, giving them the skills they need to become aware and prepared managers.

_CORPORATE ETHICS SPHERE



During 2020 the new corporate code of conduct was completely rewritten. Vimec has adopted the Organizational Model required by Italian Legislative Decree no. 231/01, to strengthen the corporate organization from the point of view of procedures and compliance with regulations. Currently all the documentation is stored in a company portal, but by mid-2021 it will also be made available for the entire external network. The company has also appointed the Supervisory Body which will be in office from 1 January 2021.



GOALS

SHORT- AND LONG-TERM GOALS

Regarding our short-term goals, we are focusing on several company quality improvements.

_The introduction and regulation of the smart working mode, which was accelerated by the pandemic that hit us since the spring of 2020.

_The upgrading of the energy class of our offices, scheduled for 2020, but delayed until at least 2021 due to the pandemic crisis that hit the world.

_The growth of “360° SustainAbility”, a budding sustainability project, starting from its structure which adopts the GRI standards and integrates better monitoring of KPIs by the end of 2021.

Moving on to a further perspective, the following are our long-term goals:


_Following the implementation of our Code of Conduct for our employees, the goal of fully reaching suppliers and distributors by 2025.

- Through the partnership with GPTW, the company will improve equality and working conditions.

- The reduction of fossil fuels as an energy source, which indicates that we cannot depend only on the energy mix of our energy suppliers. We must implement our own renewable energies, evaluating the implementation of a photovoltaic system as well as reducing our energy consumption.

We also strive every year to implement safer and better products, which makes this effort a full-fledged objective.

This also applies to our environmental impact, such as reducing the use of plastic and adopting green policies.



To date, many initiatives have been launched and/or are taking shape, growing and improving day by day. We would like to mention them to give an idea of how much Vimec is working hard from this point of view:

Many initiatives have seen the light and/or are taking shape.

_Application of the smart working policy which, in addition to improving the quality of life of employees, also results in a significant decrease in CO2 emissions (estimated at around 20%) thanks to the decreasing number of cars on the road

_Flexible working hours

_An insurance policy to protect employees who contract Covid-19, free swab test and flu vaccine for all employees

_Reduction in plastic wrapping by using chipboard panels obtained from our cardboard shredding machine

_Elimination of plastic bottles by installing free dispensers for all employees

_Introduction of sorted waste collection

_Digitalization of the internal warehouse logistic

_Implementation of a code of conduct

_Leased hybrid cars to replace the existing ones in the company fleet

_Collaboration with GPTW to meet personal needs and improve employee work/life balance

_Focusing collaborations mainly with suppliers who are also environmentally conscious

_Renovation of the facilities by refurbishing the offices and all electrical systems, improving the distribution of the production spaces, also optimizing the extraction systems, noise pollution, and taking all possible precautions to avoid the infiltration of substances harmful to the environment into the soil and groundwaters

_Installation of a photovoltaic system which, in addition to reducing electricity consumption and increasing the use of renewable energy, offers access to tax deductions, thus also reducing the economic outlay

_Remediation of the two disused diesel oil tanks buried underground in the goods reception area

_Waste: following the entry into force of new legislation in 2021, the area used for internal waste collection and disposal is being reorganized

VIMEC FOR THE COMMUNITY

Vimec represents a pragmatic example of the economic development of small and medium-sized companies in Italy: over 65% of suppliers operate within a radius of a few kilometres from the Luzzara production plants, and the indirect business generated by Vimec involves more than a thousand families.

Vimec's positive economic and social impact also includes the implementation of local projects, including charitable initiatives, such as:

_Cash donations to support local authorities (schools, auser [i.e., voluntary association aiming to promote active aging of elderly people], municipality).

_In spring 2020, during the Covid-19 pandemic, Vimec donated 250 FP2-type masks to the Municipality of Luzzara, intended for all social and health workers in the municipal area striving to support the weakest sections of the population.

_“Guaranteed mobility” project: in collaboration with the Municipality of Luzzara, **Vimec contributed with a sponsorship that helped purchase a minibus to transport disabled** residents of the municipality to the hospital facilities in the provincial capital town of Reggio Emilia.

_“Vimec Liberi Tutti” project: to celebrate the company's 40th anniversary (21 April 1980), Vimec promoted a project **to provide free of charge a system for surmounting architectural barriers.**

The industrial sector generated by Vimec involves more than a thousand families.



Through Facebook, Vimec first launched a collection of reports by citizens and local associations regarding architectural barriers in public spaces considered as “places of the heart” to be improved (July-October).

During November-December, on the same Vimec Facebook page people voted for their “favourite place of the heart”: there were over 10,000 votes, and the winner was the Petraio station of the Naples Funicular, and second place went to the facilities for volunteer associations of Borgoricco (Padua).

At both locations, **Vimec will install free of charge one of its architectural barrier removal system.** This initiative will significantly improve accessibility to two very busy public spaces, providing mobility for people with motor disabilities, who will finally be able to use the two most voted places.



AU DIT

The sustainability report presented here has been verified internally, and it currently does not meet GRI standards.

We will pursue the fulfilment of these requirements in the near future, to improve our performance not only in terms of sustainability, but also from the point of view of the audit.

That said, the performance of our procedures was based on our professional opinion. This included inquiries with the staff responsible for preparing the information included in the report, analysing the documents, and recalculations.

In particular, we carried out the following procedures:

_Analysis, by means of interviews, of the governance system and the management process of issues related to the company's sustainable development.

_Analysis of the process for defining the material aspects included in the report, with reference to the criteria applied to identify the priorities for the various categories of stakeholders and to the internal validation of the process outcomes.

_Understanding the processes that lead to the generation, collection and management of the significant qualitative and quantitative information included in the report.

In particular, we collected data and indicators that were requested by AB Latour to satisfy the group's standard data gathering.

Luzzara, 12 February 2021

Chief Executive Officer: ANDREA VEGGIAN

Sustainability Project Manager: PIERPAOLO PICCOLI

The logo for vimec, featuring the word "vimec" in a lowercase, white, sans-serif font against a dark teal background.