



# Sustainability Report

2023



# Table of contents

3

Letter to stakeholders	7
<b>1. Methodological note</b>	<b>13</b>
1.1 Process to determine and assess material topics	16
1.2 Assessment matrix	18
1.3 Standard and Frameworks used	18
1.4 Preparation, approval and review of the document	19
<b>2. Double Materiality Assessment</b>	<b>23</b>
2.1 Context analysis	25
2.2 Priority matrix	27
2.3 Stakeholder engagement and analysis	29
2.4 Materiality assessment of sustainability sub-topics	32
2.4.1 Double materiality histogram	34
2.4.2 Impact materiality	35
2.4.3 Financial materiality	36
2.5 Highlights	38
<b>3. Who we are</b>	<b>43</b>
3.1 Our history	44
3.2 Our value chain	48
3.3 Products and Services	50
3.4 Corporate culture and values	54
<b>4. Approach to sustainability</b>	<b>59</b>
4.1 Sustainability strategy	60
4.2 Dulevo Telematic	61
4.3 Commitment to quality	62
4.4 A glance to the future	63
4.4.1 Protection of the environment	64
4.4.2 Social commitment	66
4.4.3 Sustainable procurement policy	68
<b>5. Our governance</b>	<b>73</b>
5.1 The corporate governance model	76



## Table of contents

5.2 Operating structure and organizational chart	77
5.3 Integrated risk management	79
5.3.1 Organization, Management and Control Model 231	79
5.3.2 The Code of Ethics: principles of ethics and transparency	79
5.4 Data and privacy protection	82
<b>6. Creation of shared value</b>	<b>87</b>
6.1 Economic value generated and distributed	89
6.2 The positive economic impacts generated by Dulevo	91
<b>7. Our supply chain</b>	<b>95</b>
7.1 A proximity chain	96
7.2 Qualification of suppliers	97
7.3 The value of allied economic activities	97
<b>8. People at Dulevo</b>	<b>101</b>
8.1 Policies related to own workforce	103
8.2 Workforce engagement processes	103
8.3 The personnel	104
8.4 Training and Development	112
8.5 Wellbeing and management tools for people	113
8.6 Diversity and equal opportunity	115
8.7 Salary and remuneration	118
8.8 Our commitment to occupational health and safety	119
<b>9. Dulevo's commitment for the environment</b>	<b>127</b>
9.1 Commitment for the climate	130
9.1.1 Our energy consumption	131
9.1.2 Our carbon emissions	134
9.1.3 Climate risk management	138
9.2 Other pollutant emissions	140
9.3 Towards a circularity approach	141
9.3.1 Waste generated	142
9.3.2 Responsible management of water	144

## Table of contents

10. GRI content index	149
11. Table index	157
12. Sustainability synthetic KPIs	163



# Letter to stakeholders



Maurizio Giansiracusa  
General Manager

Dear Stakeholders,

I am pleased to present you this team work, our **2023 Sustainability Report**, our very first one, whereby Dulevo wants to share its vision for a more sustainable future and reports on its ESG goals, activities and performances.

Those who, like me, arrived at Dulevo in early 2022 have been lucky: we found a Firm that was a leading player in the province of Parma, with dedicated, passionate skilled and proud people, who, nearly 50 after the Firm's foundation, had just joined the Fayat Group, its majority shareholder since May 2021.

In 2023, the Fayat Group's revenue hit 5.7 billion Euros; the Group has 23,557 employees working in 170 Countries, and 228 companies based in all 5 continents; it is strong, diversified, global and, first and foremost, driven by deep values, which inform the whole organization at all levels. The Group has made the strategic decision of going on a **sustainability path**, setting up the Clement Fayat Foundation, which reinvests a material part of the Group's profits in Corporate Social Responsibility (CSR) initiatives, and starting a decarbonization path in 2023 aimed at a very challenging target: **A -30% reduction in emissions by 2030**.

In 2023 Dulevo decided to base the development of its new strategic on Sustainability principles. This is consistent both with the Fayat Group's values, and with our market positioning and our identity, accrued over the nearly 50 years of our history. These principles strongly suggest the opportunity to become a leader in the

sustainable development of our industry: indeed (i) all our products are low-emission (we are the only player proposing a **CNG range** and one of the first ones going live with an **electric sweeper**), (ii) our factory was designed to minimize energy consumption and to use solar panels, (iii) our site consists by 70% of green areas, (iv) we procure most of our supplies from proximity partners (v) thanks to our **mechanical-suction-filtering technology** streets can be cleaned very effectively and swiftly, with a minimum use of water and, at the same time, the air can be cleaned by filtering PM10 and PM2.5, (vi) our motto is based on the word "passion", because all Dulevo employees are proud of our Brand. Since 2022 the Company has proved able to generate profits and cash flows through organic and robust growth.

We do believe that we can and must play our part in the Group and, therefore, we have accepted the challenge of becoming the **Light House** for the entire Fayat Road Equipment Division as regards decarbonization.

In order to do so, we have added the Chief Sustainability Officer to Dulevo's management team, who, together with the identified Ambassadors, immediately started to work to achieve the chosen sustainability targets, conveying the importance of this matter to all our colleagues and to our stakeholders.



## Message from the Chief Sustainability Officer



Francesca Bertini  
Chief Sustainability Officer

### «A journey of a thousand miles begins with a single step»

9

We have decided to adopt the double materiality approach, as defined by the European Commission Corporate Sustainability Reporting Directive, a few years earlier than its mandatory adoption.

This will enable us to assess even more effectively how sustainability requirements influence our Firm's business operations and how they impact on people, on the communities in which we operate and on the environment.

Since 2022, led by the Fayat Group, we have analyzed and monitored the emissions from our plant in order to achieve a 30% reduction by 2030. We have set the goal of using electricity from renewable sources and we have planned to install a photovoltaic plant by 2026, whereby we will be able to cover our total consumption of electricity in our business operations. Furthermore, we are committed to fostering larger and larger engagement also of our supply chain, to ensure full adoption of our sustainability culture.

Our will to be **responsibly active** is an approach that follows the lead of the **United Nations 2030 Agenda for Sustainable Development**, motivates us to contribute to the achievement of the 17 SD Goals and will remain our guide on our path forward. The figures, performances and projects described in this document are the result of constant and ongoing work and give a sense of how much taking on a clear and responsible commitment generates tangible actions to the benefit of people, communities and the environment.

I hope that the information contained in this report gives you a full view of all we are doing at Dulevo in order to be a **better and socially responsible firm**. We continue to work to protect our people, our customers and the planet that we all share. And even if our road may not always be straight, I am confident that, enhancing the efforts of all our employees, we will be able to achieve our sustainability goals.







# Chapter

## Methodological note

# 1.





# Methodological note



This document is the first Sustainability Report for the year 2023 of Dulevo International S.p.A., hereinafter referred to also simply as "Dulevo" (also as the Company or the Organization). This report was prepared as a voluntary choice made by the Company, with the main goals of providing its stakeholders with a clear and exhaustive overview of Dulevo's commitment to sustainability. With this report, the Company intends to communicate its initiatives and the progress achieved in the economic, social and environmental scopes, describing how these activities significantly contribute to sustainable development.

Publishing this report, Dulevo intends to communicate - in a transparent and responsible manner - its policies, endeavours, and the achieved it has achieved in the sustainable management of resources, in the respect for the environment and in generating a positive impact on society. Therefore, this document is an essential tool to inform the Company's stakeholders of the sustainability goals that the Company has set and of the path it has started on to achieve them, giving evidence of the importance that Dulevo attaches to corporate social responsibility and to active contribution to achieving a more sustainable future.

## Adoption of the GRI Standards and alignment to the EFRAG Standards in compliance with the CSRD

To prepare this 2023 Sustainability Report, Dulevo adopted a rigorous methodological approach based on the Global Reporting Initiative (GRI) standards, which as internationally acknowledged as the benchmark for sustainability reporting. The choice of the GRI standards resulted from the Company's will to adopt well-established reporting standards, thus making it easier for its stakeholders to interpret the data and to assess the impact of the activities that the Company carried out.



With this report, the Company intends to communicate its initiatives and the progress achieved in the economic, social and environmental scopes, describing how these activities significantly contribute to sustainable development.



At the same time, responding to the new developments in the applicable legislation on sustainability, Dulevo took a first significant step towards alignment to the European Financial Reporting Advisory Group (EFRAG) standards, in compliance with the Corporate Sustainability Reporting Directive (CSRD) of the European Union. This alignment process is evidence of Dulevo's proactivity in meeting the new sustainability reporting requirements, in order to ensure even higher transparency and reliability of the reported information. Albeit it is indeed a challenge given their complexity and novelty, the endeavour to align to the EFRAG standards is evidence of Dulevo's ambition to be at the forefront in sustainability reporting, while ensuring full compliance with the latest EU directives on that matter.

### General disclosures

This Sustainability Report covers Dulevo International S.p.A., whose operational headquarters are:

- Registered office and main headquarters: Fontanelato (PR) Via Giovannino Guareschi 1
- Secondary headquarters: Local unit no. PD/1 at address Viale

Germania 13 Ponte San Nicolo' (PD), Italy.

In order to ensure the utmost clarity and consistency in communicating the information contained in its 2023 Sustainability Report, Dulevo specifies that the reporting period in which all the sustainability data and metrics are collected, analyzed and expressed is equal to the financial period closed as at 30 September 2023. That choice ensures that the presented information accurately reflect the Company's performances and activities in the entire fiscal year, giving its stakeholders a complete and exhaustive picture of endeavours made and results achieved in the sustainability scope. Furthermore, it is specified that, the environmental data given in this first Sustainability Report regard solely the main headquarters in Fontanelato (PR), which is deemed the most significant one.

Furthermore, Dulevo owns 50% of Dulevo India PVT.LTD, which, in this first Sustainability Report, has not been included in the value chain perimeter. The Company is going to update the perimeter and the assessment in its next Sustainability Report.



## 1.1 Process to determine and assess material topics

This document was prepared in accordance with the Global Reporting Initiative (GRI) Universal Standards 2021, to ensure high-quality and highly pertinent reporting. In order to focus on matters of major interest and directly related to the impacts generated by the Company, a thorough process was adopted to determine material topics. This process was carried out in compliance with GRI Standard 3: Material Topics 2021, ensuring careful selection of the most significant matters for the Company and for its stakeholders. To ensure full compliance with the latest developments in sustainability reporting, the new European Sustainability Reporting Standards (ESRS) framework drafted by the European Financial Reporting Advisory Group (EFRAG) has been fully integrated starting from the assessment of material topics. The assessment has taken into account also

“

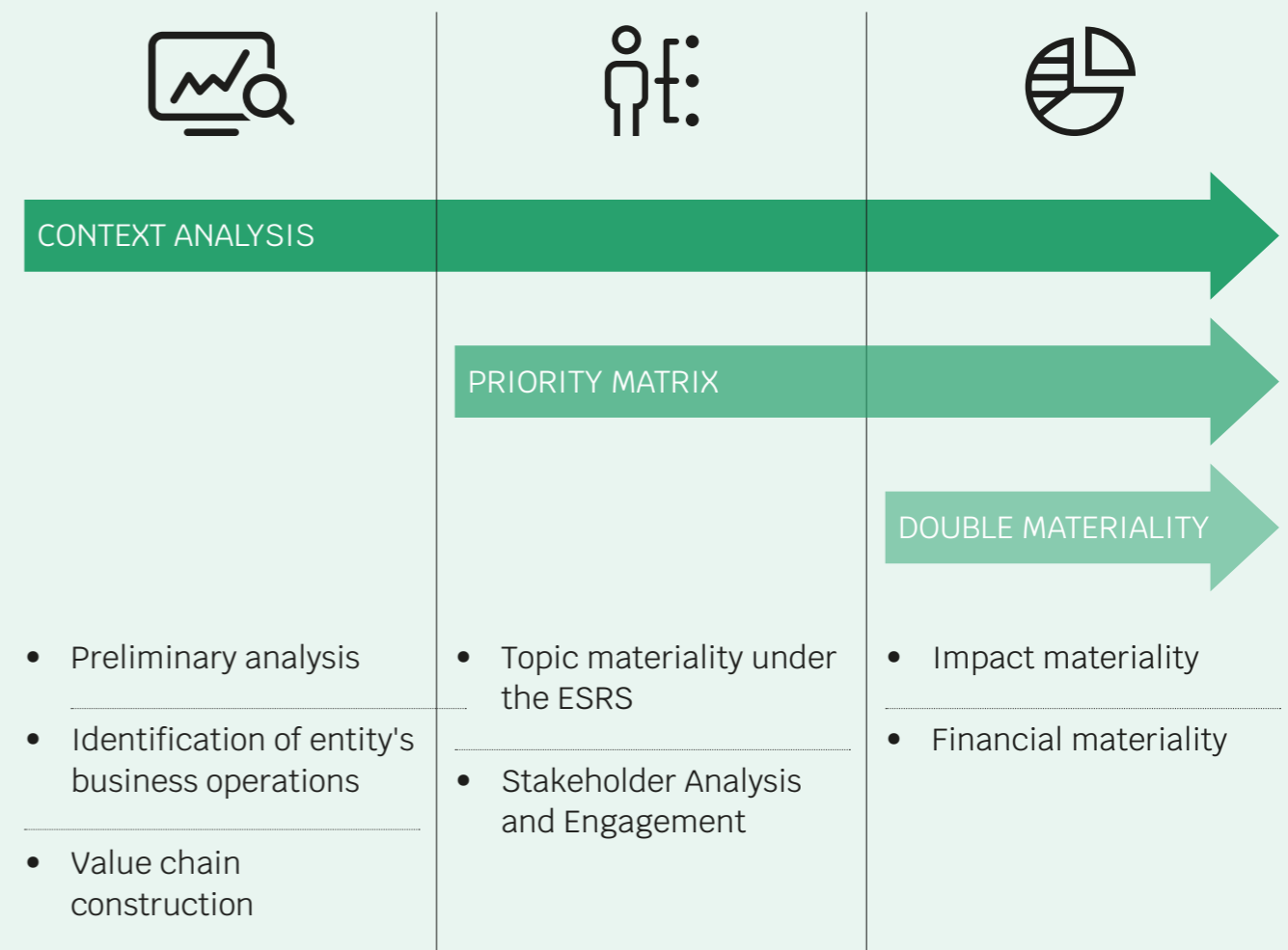
To ensure full compliance with the latest developments in sustainability reporting, the new European Sustainability Reporting Standards (ESRS) framework drafted by the European Financial Reporting Advisory Group (EFRAG) has been fully integrated starting from the assessment of material topics.



the topics reported in accordance with the Materiality Map given in the standards issued by the Sustainability Accounting Standards Board (SABS). Not only does this approach increase the materiality and accuracy of reporting, but it also lays the basis for transparent and responsible communication on the environmental, social and governance (ESG) impacts of the organization. Furthermore, this document is prepared based on the Double Materiality concept, an essential principle to understand both the significant impacts generated by the organization on the environment and on society and the effect of environmental, social and governance (ESG) matters on the entity's operating and fi-

nancial performance. This bilateral approach ensures that reporting covers not only the external effects generated by the Company's operations, but also how the ESG material topics may impact the organization's resilience, sustainability and business success in the long term. This full-range perspective ensures that reporting is aligned both with stakeholders' expectations and with the global direction towards higher transparency and corporate responsibility. It is important to note that the financial materiality approach is currently being studied by international regulators and standard setting bodies and is subject to continuous methodological in-depth assessment.

### STEPS IN THE DOUBLE MATERIALITY ASSESSMENT





## 1.2 Assessment matrix

The table below represents the assessment matrix adopted for both materiality perspectives, categorizing events based on their severity/extent and their probability of occurrence. This tool has been used to assess and prioritize risks, opportunities and positive and negative impacts relating to the entity's business operations and corporate processes and their dependence on the sustainability matters studied.

**TABLE 1 ASSESSMENT MATRIX**

Probability	Severity / Extent			
	Little or no effect	The effects are appreciable but not critical	Impatto significativo	Impatto altissimo
Improbable	Low	Medium	High	High
The risk is unlikely to materialize	0-6	21-27	41-47	62-69
Possible	Low	Medium	High	Extreme
The risk may materialize	7-13	28-33	48-54	74-75
Certain	Medium	Medium	High	Extreme
It's certain that the event will occur	14-20	34-40	55-61	76-81

## 1.3 Standards and Frameworks used

Dulevo International S.p.A. has reported the disclosures listed in the GRI Content Index for the period from 1 October 2022 to 30 September 2023 with reference to the Sustainability Reporting Standards of the Global Reporting Initiative 2021.

In order to ensure the quality of the disclosures and the appropriateness of the data presentation methods, for the definition of the Report contents, Dulevo drew inspiration from the principles set out in GRI 1: Foundation 2021: Accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, verifiability. Dulevo has structured its sustainability reporting based on a thorough analysis of international and Italian Standards and Frameworks, giving special attention to the ESRS Standards drafted by the European Financial Reporting Advisory Group (EFRAG), in compliance with the Corporate Sustainability Reporting Directive (CSRD).

After determining the material topics, for each selected topic pertinent and effective indicators have been chosen to assess Dulevo's progress on its path to its sustainability targets. Then, quantitative and qualitative data have been collected

### MAIN FRAMEWORKS ANALYZED



GRI – to identify and disclose the main environmental, social and economic impacts generated by Dulevo



ESRS (European Sustainability Reporting Standards) – to align the Sustainability Report to the EU Corporate Sustainability Reporting Directive (CSRD).



SDG (Sustainable Development Goals) – to identify the impacts generated by the Company in terms of sustainable development goals



UN – Universal Declaration of Human Rights



ISO 14001 – to have a general corporate reference framework on environmental impacts



ISO 45001 – to have a general corporate reference framework on Occupational Health and Safety impacts

through an information aggregation process that concerned various departments of the Company and aimed at providing an overall view of its performances and effects in economic, social, environmental and governance terms. In designing the data collection, the information availability was taken into account, keeping the flexibility to extend the list of indicators also to future accounting periods. The annual report, where possible prepared on a yearly basis, sets out the time series making reference to the years 2021 and 2022, to ensure consistent comparison of the 2023 performances with those of the previous years.

## 1.4 Preparation, approval and review of the document

The document was prepared under the coordination of the CSO (Chief Sustainability Officer) with the involvement of all corporate functions and was approved by Dulevo's Board of Directors on 28 June 2024.

The point of contact for information on this document is: Francesca Bertini, f.bertini@dulevo.com.









# Chapter

## Double Materiality Assessment

# 2.

23





# Double Materiality Assessment

To understand and assess the bi-directional impact between an organization and its environmental, social and economic context, Dulevo carried out its first materiality assessment. Not only does the double materiality approach investigate the effects of sustainability matters on the Company's performances and operations, but it takes into account also the organization's footprint on its stakeholders and surrounding environment.

With the described approach, the material factors have been identified and prioritized from the standpoint of both external impact and internal effects. This process enables to map all the sustainability critical areas, ensuring that corporate strategies are fit to meet Dulevo's immediate requirements and giving a positive contribution to the wellbeing of society and to the protection of the environment.

“ Not only does the double materiality approach investigate the effects of sustainability matters on the Company's performances and operations, but it takes into account also the organization's footprint on its stakeholders and surrounding environment.

## 2.1 Context analysis

**Preliminary analysis:** the materiality assessment started with the preliminary analysis of the scenario-related documentation deemed relevant for the industry the Company operates in, in order to understand the applicable dynamics and trends. This step also included a comparative analysis of the sustainability reports published by similar entities or competitors, both in the domestic and international arena, to assess the industry best practices and benchmarks.

**Identification of the Company's business operations:** the second step consisted in the thorough analysis of the Company's core business operations, including the services it provides and its business relationships, as well as the market sectors in which it operates, having regard to its mission and strategic objectives. Furthermore, the context analysis documents previously prepared by the Company within the implementation of the ISO 9001 and ISO 14001 management systems were thoroughly reviewed and all the external information sources available were exhaustively assessed.

This multidimensional approach provided a strong and structured basis to assess the impacts generated by the Company and to define effective sustainability strategies.

**Value chain analysis:** the analysis of the activities performed both by the organization and by the entities operating upstream and downstream of the organization throughout Dulevo's value chain, in order to determine the path.

Effects of corporate processes on sustainability matters

Table 2 shows the results of the analysis of the organization's corporate processes expressed as the relationships between the different corporate functions and their impact on ESG sustainability matters, using the ESRS. Within the materiality determination process, the analysis provided a comprehensive overview on how the different functions are engaged in actively promoting sustainability and on how they can respond to the various analyzed topics, thus being yet another tool to identify significant areas for action.





TABLE 2 EFFECTS OF CORPORATE PROCESSES ON SUSTAINABILITY MATTERS

Scope	Role	Position in the Value Chain	ESRS 1	ESRS 2	ESRS E1	ESRS E2	ESRS E3	ESRS E4	ESRS E5	ESRS S1	ESRS S2	ESRS S3	ESRS S4	ESRS G1
Strategy	Chairman General Manager	Leadership	X	X	X	X	X	X	X	X	X	X	X	X
Finance	CFO General Manager	Leadership Support	X	X	X	X	X		X	X	X	X	X	
Control	CFO	Support activities	X	X										X
Administration	CFO	Support activities											X	
R&D	CTO	Design			X	X	X		X					X
Operations	COO	Production			X	X	X		X	X	X	X	X	
Supply Chain Management	Purchasing Executive, COO	Procurement			X	X	X		X		X			
Sales and Customer Service	CCO After Sales Manager	Customer										X		
Quality	Quality Manager	Support activities	X	X									X	X

26

## 2.2 Priority matrix

Sustainability topics have been examined for materiality based on the ESRS framework aligned to the SASB materiality map. This means that each topic has been assessed not only in terms of its importance for Dulevo (internal perspective), but also in terms of its impact and significance for stakeholders (external perspective). This two-dimensional approach ensures that the analysis is balanced and complete, covering the concerns of internal and external stakeholders as well as market pressure. Internal and External approach: the internal analysis has investigated how sustainability matters may have an impact on the Company's internal processes, on employees and value chain.

At the same time, the external approach has investigated stakeholders' expectations, market trends, the applicable legislation and regulations and the potential environmental and social impacts generated by the organization's operations.

This has included taking into account the concerns of the community, pressure from environmental activists and investor demand for social and environmental responsibility. After collecting and analyzing internal and external data, the ESRS topics have been mapped using a Priority Matrix.

Ordering the topics based on their materiality and urgency, the matrix has enabled Dulevo to determine which areas need to be immediately addressed and which ones can be scheduled for future action. This preliminary analysis tool has enabled Dulevo to obtain a preliminary view of sustainability topics in order to more exhaustively verify the specific size of the impacts generated and suffered.

Furthermore, yet another investigation layer has been implemented to thoroughly assess the sub-topics associated with sustainability matters. This further assessment le-

27

TABLE 3 PRIORITY MATRIX

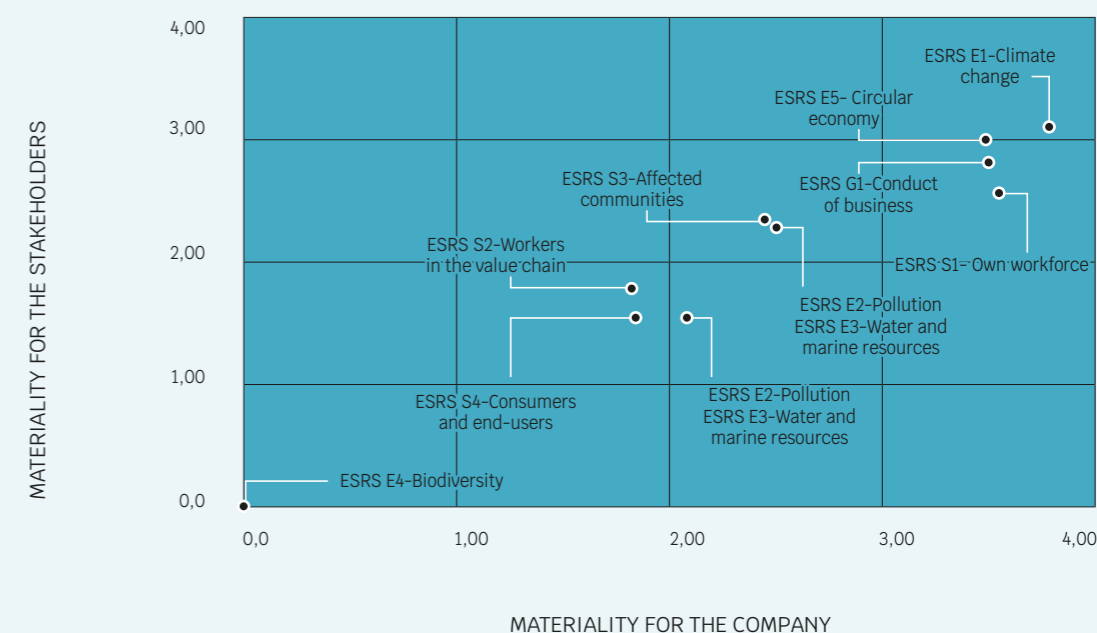







TABLE 4 LIST OF MATERIAL TOPICS

Material topics	Material sub-topics	Human Rights Universal Declaration Of Human Right	SDGs 2030 Agenda
<b>ESRS E1</b> Climate change	<ul style="list-style-type: none"> <li>Mitigation</li> <li>Adaptation</li> <li>Energy</li> </ul>	3. Right to life 22. Social security 25. Adequate standard of living and right to health 28. Social order	  13.2      7.2, 7.3
<b>ESRS E5</b> Circular economy	<ul style="list-style-type: none"> <li>Consumption of resource inflows</li> <li>Consumption of resources relating to products and services</li> <li>Waste</li> </ul>	3. Right to life 22. Social security 25. Adequate standard of living and right to health	 12.2, 12.5
<b>ESRS G1</b> Business conduct	<ul style="list-style-type: none"> <li>Anti-corruption and anti-bribery</li> <li>Business ethics and corporate culture</li> <li>Lobbying</li> </ul>	12. Right to privacy 18. Freedom of thought 19. Freedom of expression 20. Right to public assembly	  9.4      16.5, 16.7
<b>ESRS S1</b> Own workforce	<ul style="list-style-type: none"> <li>Health and safety</li> <li>Working conditions</li> <li>Training and skills development</li> <li>Work-life balance</li> <li>Gender equality</li> </ul>	12. Right to privacy 18. Freedom of thought 19. Freedom of expression 20. Right to public assembly 22. Social security 23. Workers' rights 25. Adequate standard of living and right to health	   5.5      8.2, 8.5, 8.8      9.4
<b>ESRS E2</b> Pollution	<ul style="list-style-type: none"> <li>Pollution of air</li> <li>Pollution of water</li> <li>Pollution of soil</li> <li>Microplastics</li> </ul>	3. Right to life 22. Social security 25. Adequate standard of living and right to health	 3.9
<b>ESRS S3</b> Affected communities	<ul style="list-style-type: none"> <li>Economic, Social and Cultural Rights</li> </ul>	3. Right to life 22. Social security 25. Adequate standard of living and right to health 28. Social order	   10.3      11.6      12.2, 12.5
<b>ESRS E3</b> Water and marine resources	<ul style="list-style-type: none"> <li>Water consumption</li> <li>Water withdrawal</li> <li>Wastewater discharge</li> </ul>	3. Right to life 22. Social security 25. Adequate standard of living and right to health	 6.3, 6.4, 6.b
<b>ESRS S4</b> Consumers and end-users	<ul style="list-style-type: none"> <li>Health and safety of a person</li> <li>Data processing</li> <li>Access to information</li> <li>Responsible marketing practices</li> </ul>	12. Right to privacy 22. Social security 25. Adequate standard of living and right to health	   3.9      10.3      12.2, 12.5
<b>ESRS S2</b> Workers in the value chain	<ul style="list-style-type: none"> <li>Working conditions</li> <li>Health and safety</li> </ul>	22. Social security 23. Workers' rights	   5.5      8.2, 8.5, 8.8      9.4

vel has proved crucial to isolate and identify specific elements broken down within each topic.

Thanks to this very thorough analysis, the organization has been able to identify specific and significant aspects, ensuring the most complete and exhaustive materiality assessment as possible. This thorough approach helps to ensure that all facets of sustainability matters are taken into account and appropriately assessed in the Priority Matrix built, giving a strong basis for informed and mindful strategic decisions.

“

Thanks to this very thorough analysis, the organization has been able to identify specific and significant aspects, ensuring the most complete and exhaustive materiality assessment as possible.

### 2.3 Stakeholder engagement and analysis

The process of assessment and active engagement of the Company's stakeholders is fully integrated in day-to-day management of operations. The objective is to ensure that the stakeholders' voices and perspectives are systematically taken into account in corporate decision-making and strategies, thus enhancing responsibility to and alignment with the interest of all stakeholders.





TABLE 5 STAKEHOLDER ANALYSIS

	Description	Interests/ Requirements	Position along the value chain	Engagement initiatives	Benefits
<b>Shareholders</b>	Fayat Italia SRL with the majority shareholding (99.98%) and Stefano Benini with a minority one.	Market leadership; Return on Investment; Growth of the Company; Sustainability and social responsibility; Stability and risk management.	Leadership.	Regular meetings and general meetings of shareholders; Sustainability and social responsibility reporting.	Return on investment; Strategic influence; Access to insider information Business opportunities and network; Sustainability and social impact.
<b>Banks and insurance undertakings</b>	Unicredit, BPER, BPM, Credem, Crédit Agricole, BNL, Euler Hermes	Risk management that includes prevention policies; Contingency plans and adequate insurance coverage to effectively address the various operational, legal, financial and technological risks.	Value system.	Regular meetings and periodic updates; Workshops and Training on products and risks; Sharing of market analyses and surveys.	Portfolio diversification; Stability and reliability; Return on investment; Image and Reputation; Cross-Selling opportunities: the relationship with Dulevo may open the way to cross-selling of financial and insurance products.
<b>Associations</b>	Unione Parmense degli Industriali; Eunitèd AISBL; Afidamp; ANFIA; KilometroVerde; UN Global Compact.	Innovative solutions and evidence of success to promote the best practices in the industry; Active participation in shared initiatives for sustainable waste management and for the adoption of eco-friendly technologies.	Manufacturing; selling and distribution	Participation and enrolment in association activities.	Access to industry leading innovations; Promotion of sustainability; Improvement in the industry standards; Higher visibility and credibility; Support in training initiatives.
<b>Customers</b>	Customers are divided into two categories: Industrial (49%), and Municipal, (51%). HQ Customers have a direct relationship with Dulevo whereas Direct Tenders are managed through dealers. The dealers are classified based on the service they provide: selling, maintenance service and rent. Dulevo has over 120 dealers and operates in 80 Countries worldwide.	Product reliability; After-sale services; Environmental sustainability: purchase of machines that respect the environment, in line with sustainability standards (municipalities); Financial flexibility: flexible financing options, including rental and leasing to manage investments in the best possible way; Skilled support for maintenance; Compliance with the applicable legislation and regulations: interest in products that are compliant with the applicable local and international regulations.	Selling and distribution; Customer service.	Dulevo wants to strengthen its existing network of dealers, expand its geographical footprint and develop sustainable products. Furthermore, Dulevo aims at establishing long-term relationships with its dealers putting people more and more at the centre of its strategic decisions.	Cost reduction: efficient maintenance and long useful life of the products reduce overall costs; Environmental sustainability: eco-sustainable products help customers to comply with the applicable legislation on the protection of the environment; Specialist support: access to a dedicated customer service; Implementation of several digital platforms for technical assistance and training via videoconference, with considerable savings in terms of travels for Dulevo and for its customers; Adaptability: the possibility to rent equipment gives flexibility in order to adapt to temporary requirements; Satisfaction: on-time delivery of product (OTD), tailor-made approach.
<b>Workers</b>	Dulevo has over 200 employees 96% of whom have been hired with full-time and open-ended employment contracts. 60% of employees are engaged in manufacturing, 34% have a clerical job and, 5% have management roles.	Wages are consistent with market levels; Corporate investments; Work Tools that are up to date and in line with those of the other entities of the Group; Functional and ergonomic workstations; Competitive Products; Operational efficiency; Serene and safe work environment; Safety in emergencies is ensured; Professional development and training.	Value system-	Training and coaching; Development of the Process Engineering department; trade union representation.	Job stability and professional growth; competitive pay and benefits; Training and development; Work-life balance; occupational safety and wellbeing; International career opportunities.
<b>Joint trade union representation (Italian acronym RSU) and Trade Unions.</b>	Dulevo enhances trade union representation, actively cooperating with the Trade Unions (Italian acronym OO.SS) to ensure the protection of workers' rights. The presence of joint trade union representation (Italian Rappresentanze Sindacali Unitarie or RSU) Fosters constructive dialogue between the Company and its Employees, promoting a serene and participatory work environment.	Active participation of the joint trade union representation in the corporate decision-making processes; Transparency in negotiations with the Trade Unions; Continuous monitoring of working conditions and employees' wellbeing; Support in solving conflicts and in promoting a positive atmosphere at the Company.	Value system.	Contribution given by the joint trade union representation to the improvement on working processes and conditions; Participation in the corporate committees for occupational health and safety Cooperation with the Company in implementing social and economic sustainability projects.	Cooperation with the joint trade union representation to define professional growth programmes; Monitoring of work-life balance policies; Promotion of initiatives aimed at employees' wellbeing and safety; Participation in international mobility programmes to foster the extension of workers' skills.

TABLE 5 STAKEHOLDER ANALYSIS

	Description	Interests/ Requirements	Position along the value chain	Engagement initiatives	Benefits
<b>Local, national and European institutions</b>	Dulevo cooperates with regulators, ministries, innovation agencies, standard-setting bodies, local authorities, research institutions and Chambers of Commerce, at a local, national and European level.	Environmental compliance, innovation, sustainability and economic development.	Upstream and downstream.	Development of industry-specific regulations and standards; Start of cooperation arrangements with universities and innovation agencies; environmental sustainability initiatives; Dialogue and consultation.	Cutting-Edge Innovations; Support to local authorities in implementing their initiatives.
<b>Suppliers</b>	Our network of suppliers consists of over 350 firms. 80% of them are based in Italy and are family-run SMEs.	Long-standing or exclusive relationship; Supplying products and providing services that meet the reciprocal requirements Improving the quality of the service delivered; Long-term relations; Contract clarity.	Upstream and purchasing.	Logistic covenant with formalized partnerships.	Resilience of the procurement system (continuity and stability of production flows); Reduction in transportation costs and related emissions.
<b>Community</b>	Local area.	Support during emergencies: Prompt actions in critical situations; Support to infrastructures that are essential for people's wellbeing; Social commitment; Adoption of sustainable manufacturing practices and promotion of ecological awareness.	Upstream and downstream.	Educational partnerships through cooperation arrangements with schools and universities; donations.	Town cleaning and maintenance and keeping public health; occupation and stimulus to the local economy; Training and skills.
<b>Media</b>	Local and national media.	Value contents; useful, educational and promotional information; Lead generation;; Networking.	Upstream and downstream.	Institutional website; Newsletters; Social media; Industry events and trade fairs; PR and press releases; Traditional advertising.	Direct access to novelties on products and sustainability; Quality storytelling; Professional training; Larger audience.
<b>Scientific community</b>	University of Reggio Emilia; Technopole of Reggio Emilia; University of Parma.	Applied innovation: development of technical solutions for real challenges, such as waste management; Cooperation on projects that combined research and practical application; hands-on training.	Research and development.	Launch of research projects to support industrial doctoral programmes; Organization of technical workshops; Setting up prizes for innovation and participation in startup incubators.	Access to advanced research; Joint development of eco-compatible solutions; Opportunities for students and researchers to acquire direct experience on innovative projects.
<b>Governance bodies</b>	Shareholders; Board of Directors; Board of Auditors; Chairman and members of the BoD.	Business strategies that are consistent with the Company's growth and sustainability; Keeping the balance of powers; Day-to-day management of operations, Strategies and corrective actions; Compliance with the applicable legislation and with the Company's Articles of Association; Proper business administration management.	Leadership.	Regular meetings; Continuous training; Transparent relations; Direct communication.	Sustainable economic growth; Increase in productivity and attractiveness; Improved relations with stakeholders.
<b>Assessment and control bodies</b>	The Organismo di Vigilanza (OdV) is an internal body responsible for supervising the effectiveness of and compliance with the Company's management model, as well as its updating, in accordance with Italian Legislative Decree 231/2001.	Autonomy and independence; Specialist skills; Access to information; Communication and reporting; Whistleblower protection.	Value system	Regular meetings; Access to information; Direct communication; Participation in Audits.	Compliance with the applicable legislation and regulations; Risk mitigation; Improved governance; Prevention of frauds, corruption and bribery; Alignment to changes in the applicable legislation and regulations.
<b>Competitors</b>	Domestic and international players.	Technology and Innovation; Sustainability practices; Market expansion; Partnerships and cooperation arrangements.	Downstream.	Industry cooperation arrangements; Sharing of best practices.	Up-to-date view of the market and technologies.
<b>Representatives of future generations</b>	Young people and students.	Environmental sustainability; Responsible technological innovation; ethical business practices; employability; work flexibility.	Value system.	Development of educational programmes at schools on sustainability and waste management.	Fostering environmental awareness and more sustainable behaviours, while providing training and educational opportunities that give young people the skills to address and solve future environmental challenges.



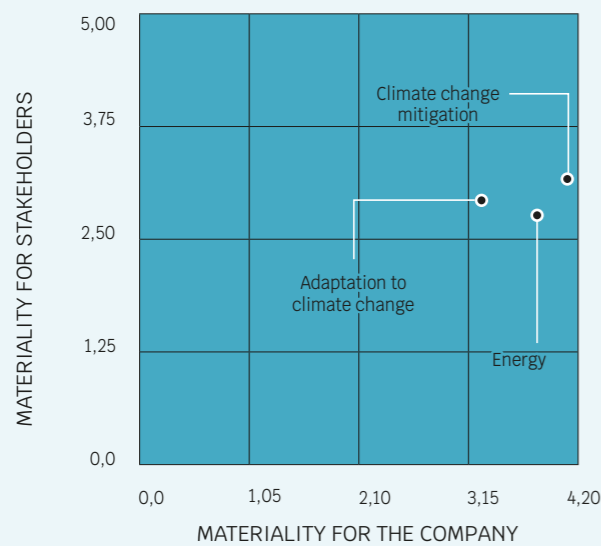
## 2.4 Materiality assessment of sustainability sub-topics

The materiality assessment of sustainability sub-topics describes how specific sustainability matters are considered important by both the Company and its stakeholders. The resulting charts show the priority given to each topic in accordance with the double perspective, enabling to identify the areas of the highest common interest and those that require higher attention or improvement.

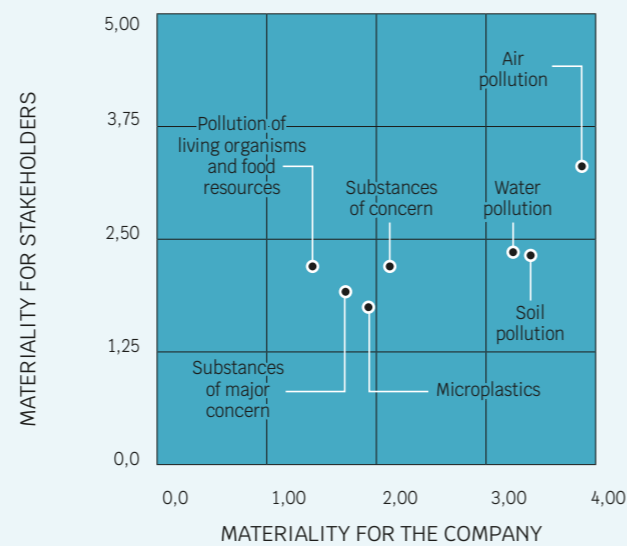


The resulting charts show the priority given to each topic in accordance with the double perspective, enabling to identify the areas of the highest common interest and those that require higher attention or improvement.

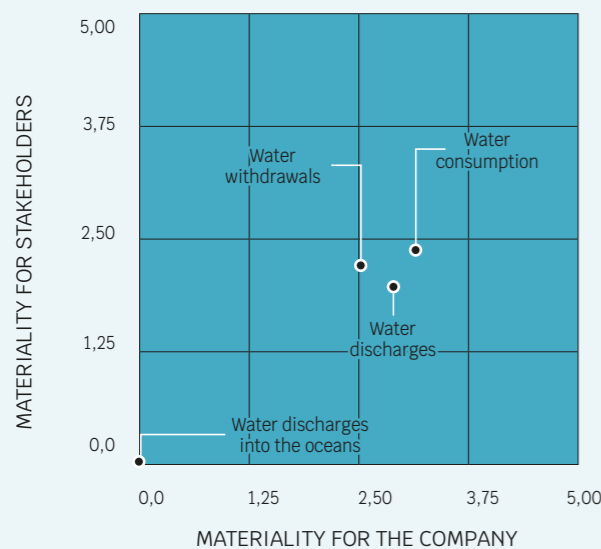
ESRS E1 – CLIMATE CHANGE



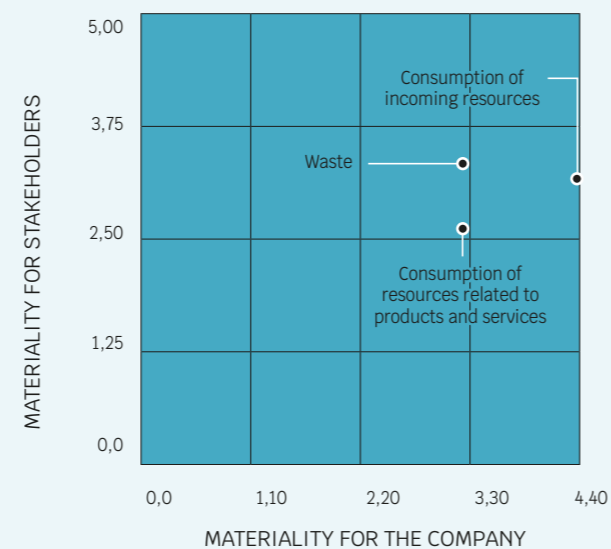
ESRS E2 – POLLUTION



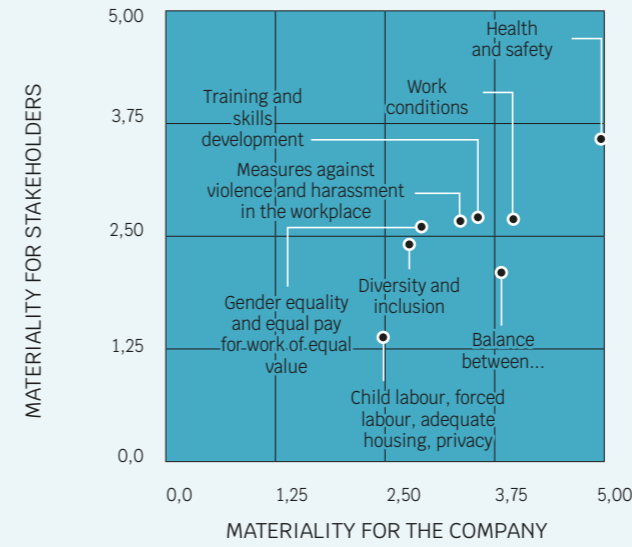
ESRS E3 – WATER AND MARINE RESOURCES



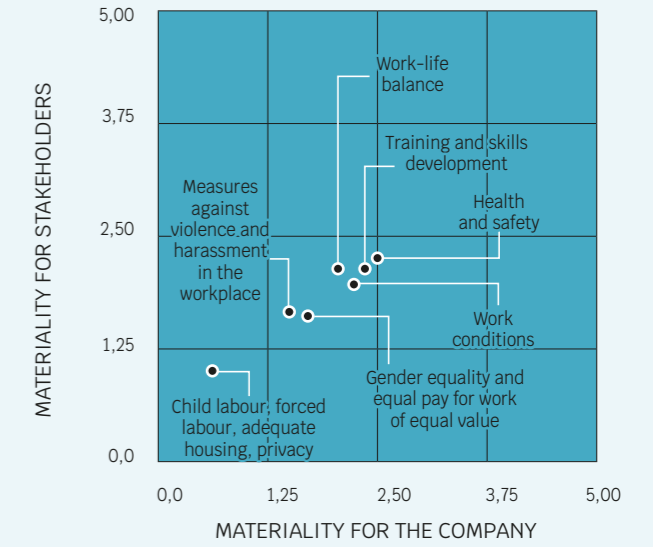
ESRS E5 – CIRCULAR ECONOMY



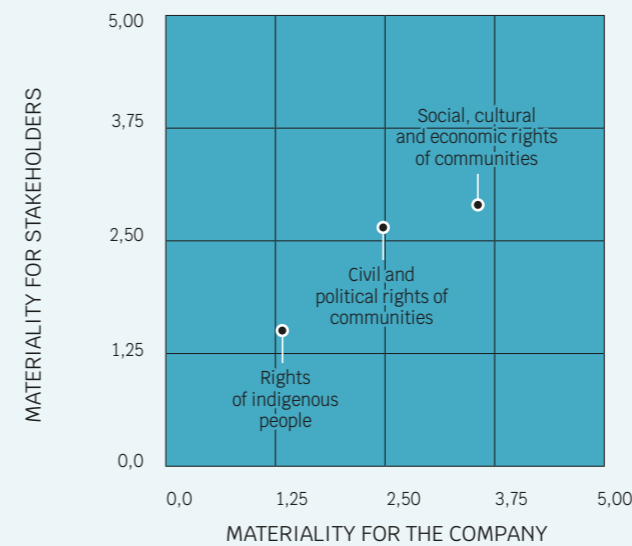
ESRS S1 – OWN WORKFORCE



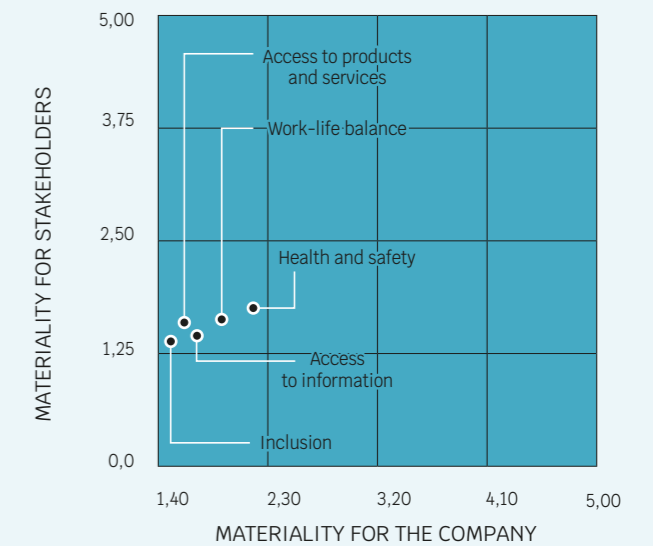
ESRS S2 – WORKERS IN THE VALUE CHAIN



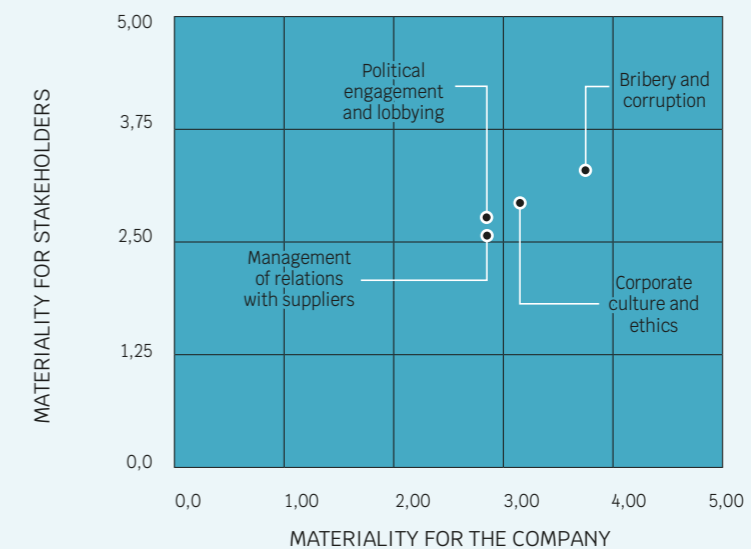
ESRS S3 – AFFECTED COMMUNITIES



ESRS S4 – CONSUMERS AND END-USERS



ESRS G1 – BUSINESS CONDUCT





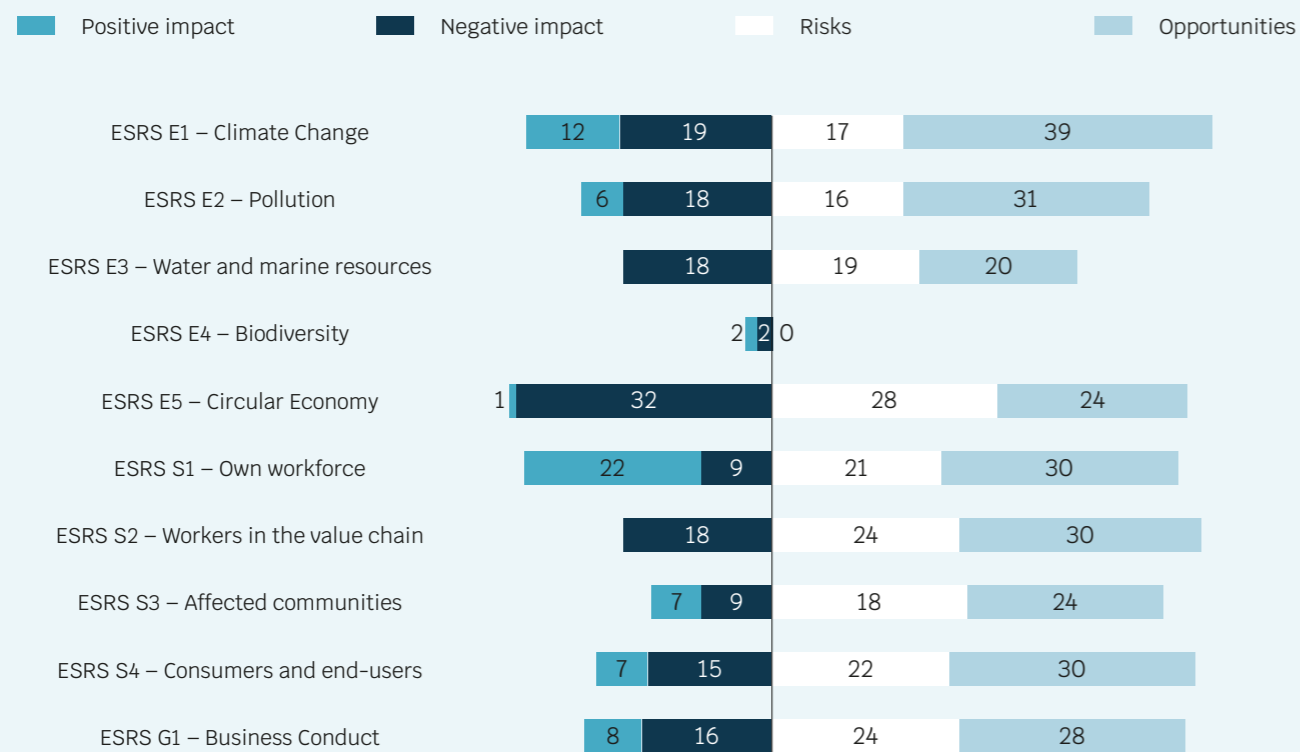
### 2.4.1 Double materiality histogram

The double materiality histogram given below shows the assessment results, reflecting the crossing of two different perspectives: impact materiality and financial materiality. This bifocal approach enables to assess sustainability topics from two different angles: one focuses on the effects that the organization's activities have on the environment and on society, while the other assesses how the same topics may influence the Company's financial performance and economic value. At Dulevo, this tool will guide strategic decisions, showing which sustainability areas require higher

attention and more resources, in terms of both mitigation of negative impacts and exploitation of financial opportunities. All the steps described below were carried out, overseen and approved by the Company's governance bodies and by its Chief Sustainability Officer, a role set up for organizational reasons and tasked by the highest governance body with proving support to sustainability reporting. (GRI 2-14) The collection of data and information involved crosswise all Dulevo's organizational structures, which take part in a permanent work group (Leadership team).



TABLE 6 DOUBLE MATERIALITY HISTOGRAM



Note: the reported scores are expressed on a scale from 1 to 81, in accordance with the developed method.

### 2.4.2 Impact materiality

#### Impact identification

At this step all the data and information collected through the above-described activities were put to use in order to fully understand the scopes in which the Company generates an impact (actual/potential, positive/negative) having regard to the different dimensions of sustainability (ESRS topics, sub-topics, sub-sub topics).

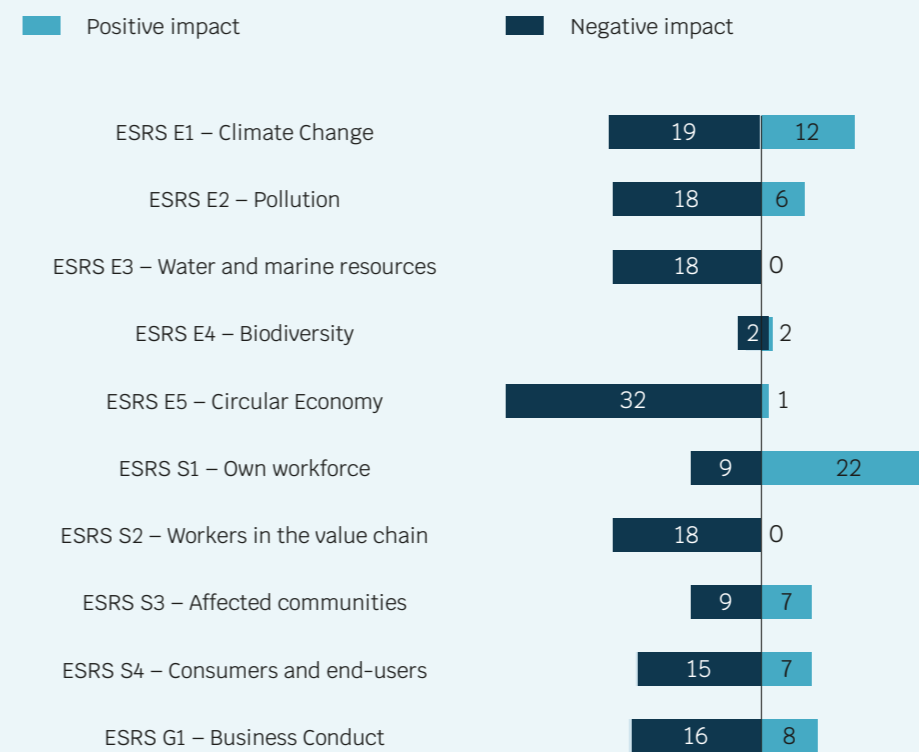
#### Impact Assessment and Prioritization

The identified impacts were then assessed as to their significance, in order to establish their materiality measuring the extent of actual negative impacts (impact severity), whe-

reas for potential negative impacts a matrix was used that puts into relation the probability of occurrence of the negative impact (unlikely, possible, certain) to its severity (acceptable, tolerable, undesirable, intolerable). Lastly, positive impacts (actual and potential) were assessed with a similar approach, i.e., taking their extent and probability of occurrence into account.

“ At this step all the data and information collected were put to use in order to fully understand the scopes in which the Company generates an impact.

TABLE 7 IMPACT MATERIALITY





### 2.4.3 Financial materiality

#### Choice of the material topics to be reported

The objective of this step is to fully understand the scopes in which the Company is exposed to risks and has opportunities in profit or loss-financial terms. To that end, at first material topics were identified, i.e. those that have a material impact on the Company in terms of risk (negative impacts) and give rise to opportunities, having regard to four main profit or loss-financial dimensions (performance, financial situation, cash flows, access to credit and cost of capital) and, afterwards, the results were systematized and validated by Dulevo's Management.

#### Impact assessment and prioritization

At this step, the materiality of the identified impacts was assessed, which involved the determination of the expected value of the profit or loss/financial impacts, considering the probability of occurrence of each impact, the extent of the impact and the degree of the Company's vulnerability to each identified impact. The expected value was calculated multiplying the impact probability of occurrence by the vulnerability coefficient. The vulnerability coefficient is

the level of the exposure of the Company to each identified impact, as estimated by the Company's executives. The probability of occurrence and the extent of impacts were assessed using the available information in the 2024 Global Risk Report, including the 37 macro-risks identified and the estimated probability of occurrence and severity of the impact.

“

At this step, the materiality of the identified impacts was assessed, which involved the determination of the expected value of the profit or loss/financial impacts, considering the probability of occurrence of each impact, the extent of the impact and the degree of the Company's vulnerability to each identified impact.



TABLE 8 FINANCIAL MATERIALITY













	Risks	Opportunities
ESRS E1 – Climate Change	17	39
ESRS E2 – Pollution	16	31
ESRS E3 – Water and marine resources	19	20
ESRS E4 – Biodiversity	0	0
ESRS E5 – Circular Economy	28	24
ESRS S1 – Own workforce	21	30
ESRS S2 – Workers in the value chain	24	30
ESRS S3 – Affected communities	18	24
ESRS S4 – Consumers and end-users	22	30
ESRS G1 – Business Conduct	24	28



## 2.5 Highlights









The summary table presented below gives the assessment highlights, as well as the relevant Sustainable Development Goals (SDG).

**TABLE 9 DOUBLE MATERIALITY HIGHLIGHTS**

Topic	Impact materiality		Financial materiality		SDGs
	Impact +	Impact -	Risks	Opportunities	
<b>ESRS E1 – Climate change</b>	Procurement from a short supply chain reducing emissions from transportation	Greenhouse gas emissions in Scope 3 during the product use phase	Technology (unfruitful investments, costs)	Investment acceleration to decarbonize the product	  13.2 7.2, 7.3
<b>ESRS E2 – Pollution</b>	Keeping local communities clean	Emissions of PM, NOX, SOX, etc. during the use of the machines	Costs to remedy pollution of air	Acceleration of investments for ecological transition at the product level	 3.9
<b>ESRS E3 – Water and marine resources</b>	Absent	Water consumption in machine cleaning processes	Policy and regulation (new legislation for higher protection of waters)	Development of products with lower water impact along the value chain	 6.3, 6.4, 6.b
<b>ESRS E4 – Biodiversity</b>	Land enhancement through forestation	Absent	Absent	Absent	 15.a
<b>ESRS E5 – Circular economy</b>	Absent	Impact of the lifecycle through waster generation and consumption of non-renewable resources	Depletion of stock	Sustainable use of natural resources	 12.2, 12.5
<b>ESRS S1 – Own workforce</b>	Improvement of working conditions and development of skills and talents	Turnover, work-related stress and accidents, due to operational inefficiency	Turnover and absenteeism	Increase in productivity	  5.5 8.2, 8.5, 8.8  9.4
<b>ESRS S2 – Workers in the value chain</b>	Absent	Loss of trust by stakeholders and selection of non-sustainable suppliers	The Company's reputation	Creation of an ethical and sustainable supply chain	  5.5 8.2, 8.5, 8.8  9.4

38

**TABLE 9 DOUBLE MATERIALITY HIGHLIGHTS**

Topic	Impact materiality		Financial materiality		SDGs
	Impact +	Impact -	Risks	Opportunities	
<b>ESRS S3 – Affected communities</b>	Promotion of social and solidarity projects to support the community	Imposition of equipment that reduce the need for manual action with consequent reduction in jobs	Health and safety of the community	Transition to more sustainable business operations	  10.3 11.6  12.2, 12.5
<b>ESRS S4 – Consumers and end-users</b>	Continuous monitoring and product recall via telematics implementation	Barriers to accessibility and exposure of operators to the risks associated with the use of the products	Complaints lodged by customers	Development of safe and sustainable products and services	  3.9 10.3  12.2, 12.5
<b>ESRS G1 – Business conduct</b>	Implementation of a sustainability culture	Imposition on the market and deterioration of the Company's reputation with consequent loss of trust by its stakeholders	Changes in stakeholders' expectations that influence corporate governance	Personnel engagement in the Company's objectives	 9.4  16.5, 16.7

39







area  
pedonale

disuasori  
mobili

TAXI

Max M

GIOC  
M

SOUVENIR  
POINT  
MILANO

ODStore

M

M



# Chapter

Who we are

# 3.





# Who we are

## 3.1 Our history



In the Italian manufacturing area, Dulevo stands put for innovation and quality in the sector of sweepers, scrubbers and street washers for commercial, industrial and urban cleaning. It was set up in 1976 in Parma and started on its journey into professional cleaning from a small garage. It marked the start of a company that is now the leading Italian manufacturer of professional sweepers and street scrubbers. Dulevo's evolution has featured constant search for innovation and commitment to quality thanks to which it now operates in over 80 countries. This growth trajectory gives evidence that passion and dedication can transform a small undertaking into a globally renowned brand; **indeed, Dulevo is the only sweeper brand with international operations in the world.**

Its acquisition by the Fayat Group, which took place in 2021, was a strategic turning point for Dulevo, as it gave it access to a wider scope of environmentally sustainable solutions. With its large resources and international footprint in 170 Countries, the Fayat Group has provided Dulevo with a strong platform on which it has been able to further expand its innovation and commitment to sustainability. Cooperating with the Group Dulevo has been able to benefit from larger research and development capacity, having access to new sustainable technologies and practices. The new implemented technologies have supported the Company in improving its

spare parts service, thus extending the lifecycle of its vehicles and reducing the need for early replacement. This approach aims at promoting a circular management of resources, giving evidence of Dulevo's constant commitment to environmental sustainability and to meeting people's needs and requirements.



This growth trajectory gives evidence that passion and dedication can transform a small undertaking into a globally renowned brand.

Constant attention to the environment and to people's needs and requirements is the driver that has always guided Dulevo in creating innovative solutions. These solutions are designed to reduce waste to a minimum, ensure easy and versatile use of the machines and cleaning effectiveness in any situation. Dulevo proposes innovative and sustainable solutions for industrial and urban cleaning. Dulevo products are state-of-the-art and ensure superior performances, reducing the impact on the environment and generating considerable saving in the long term.

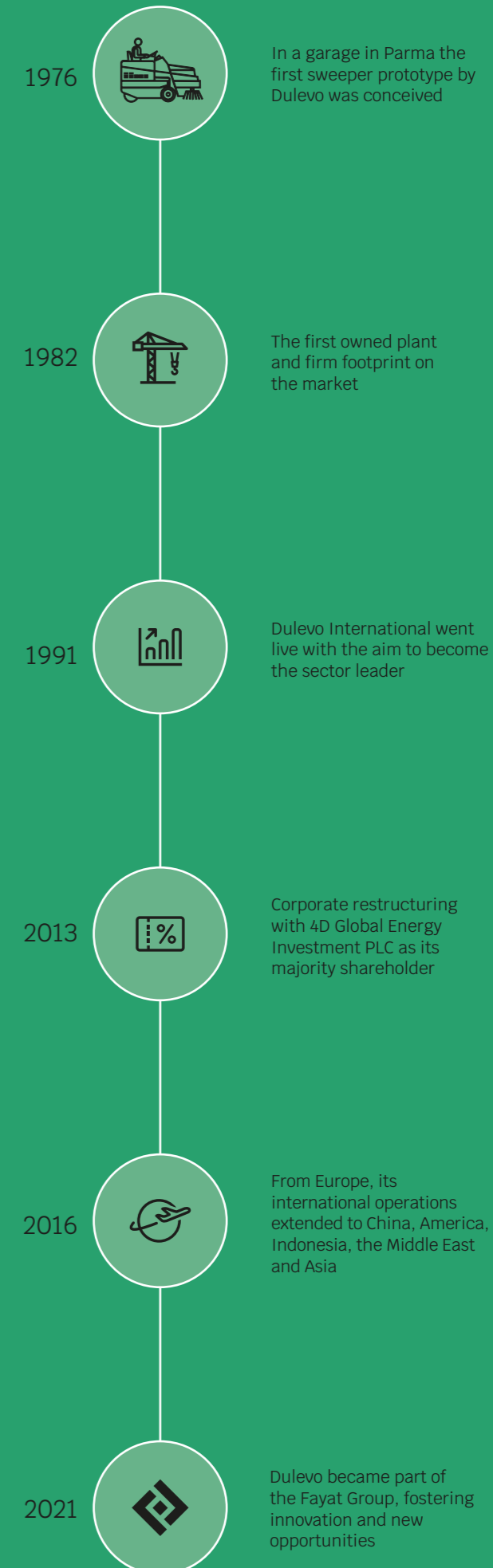
### DULEVO KEY FIGURES

80  
Countries

20.000  
Sm of production area

+200  
Employees

**FAYAT GROUP**  
The Fayat Group is France's leading independent construction and civil engineering group and a world leader in road equipment.





Dulevo's business model is based on a strong network of partners, including the dealers with and without authorized service centers, besides authorized service centers, which are the main channels for the distribution and servicing of its industrial and street sweepers both outdoor and indoor. Its products include a wide range of sweepers, designed to meet the needs of various sectors, including municipalities, manufacturing companies and HQ customers, such as companies managing the motorway network and multiutilities.

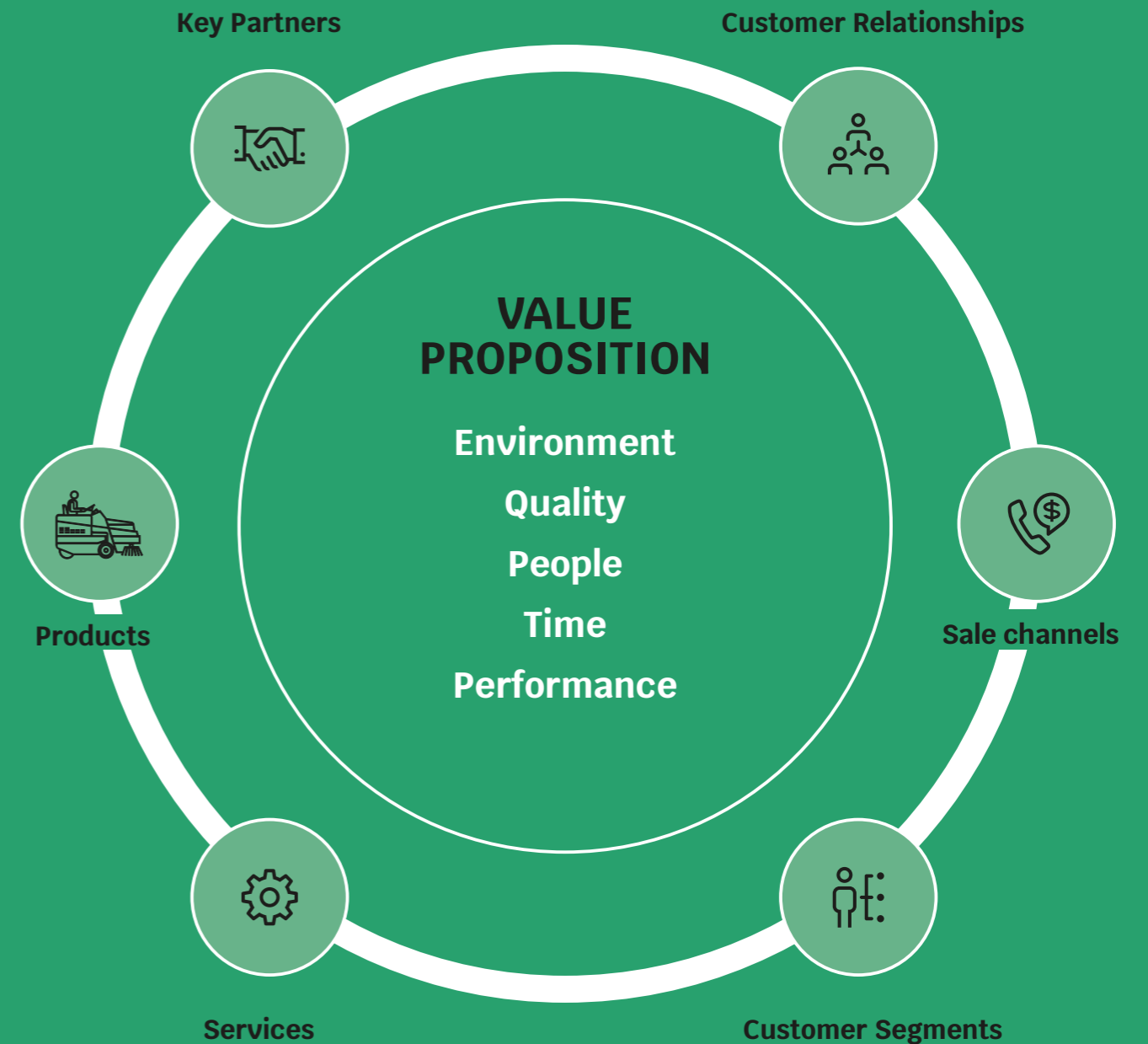
Dulevo stands out for its innovative and sustainable solutions that ensure superior performances, reducing the impact on the environment and generating considerable savings in the long term. The business model provides for a direct relationship with some HQ customers, whereas, for the other segments, Municipality and Industry, the relationship is handled through dealers and authorized service centers. Furthermore,

Dulevo provides a full range of services, including customer assistance, servicing and supply of spare parts, ensuring constant pre-

sence and reliable support to its customers. Having regard to sale channels, Dulevo uses Area Managers to handle its business relationships on a global scale, together with local dealers and online lead generation. Thanks to this approach, Dulevo can reach a wide customer base and can adapt to the different market requirements. Ultimately, Dulevo's business model stands out for its flexibility in customer service, its commitment to the environment and its ability to provide cleaning solutions that are high-quality, efficient and good value for a wide range of sectors and customers.

“

Dulevo stands out for its innovative and sustainable solutions that ensure superior performances, reducing the impact on the environment and generating considerable savings in the long term.



**TIMELESS QUALITY THROUGH PASSION**





### 3.2 Our value chain

Dulevo's value chain gives a detailed overview on how the organization processes inbound materials into finished products through a series of well-coordinated phases. Starting from sending specifications, the Company sets the basic requirements with its supplies, making sure that each acquired component meets the quality standards requested at the very beginning of the process. The unit responsible for receiving components and the unit responsible for verifying the quality of the received items implement strict controls in order to ensure that only conforming materials enter the production phase, thus mitigating the risk of defects or delays in the following phases. The true manufacturing phase is the operating heart of the business, where the components are assembled into functioning products through efficient and technological advanced processes. Testing ensures that each product complies with the set quality standards before going on with the body finishing phases, where the product acquires its final aesthetic features. Lastly, the finished product logistics closes the production cycle and consists of the preparation

and shipment of the products to customers, ensuring that the products arrive in excellent conditions and in compliance with the set delivery date. Not only does this value chain optimize each step in the production process to maximize efficiency and quality, but it also lays the foundations for effective management of relations with suppliers and customers, which are crucial factors for the Company's continuous success in today's competitive market.

“

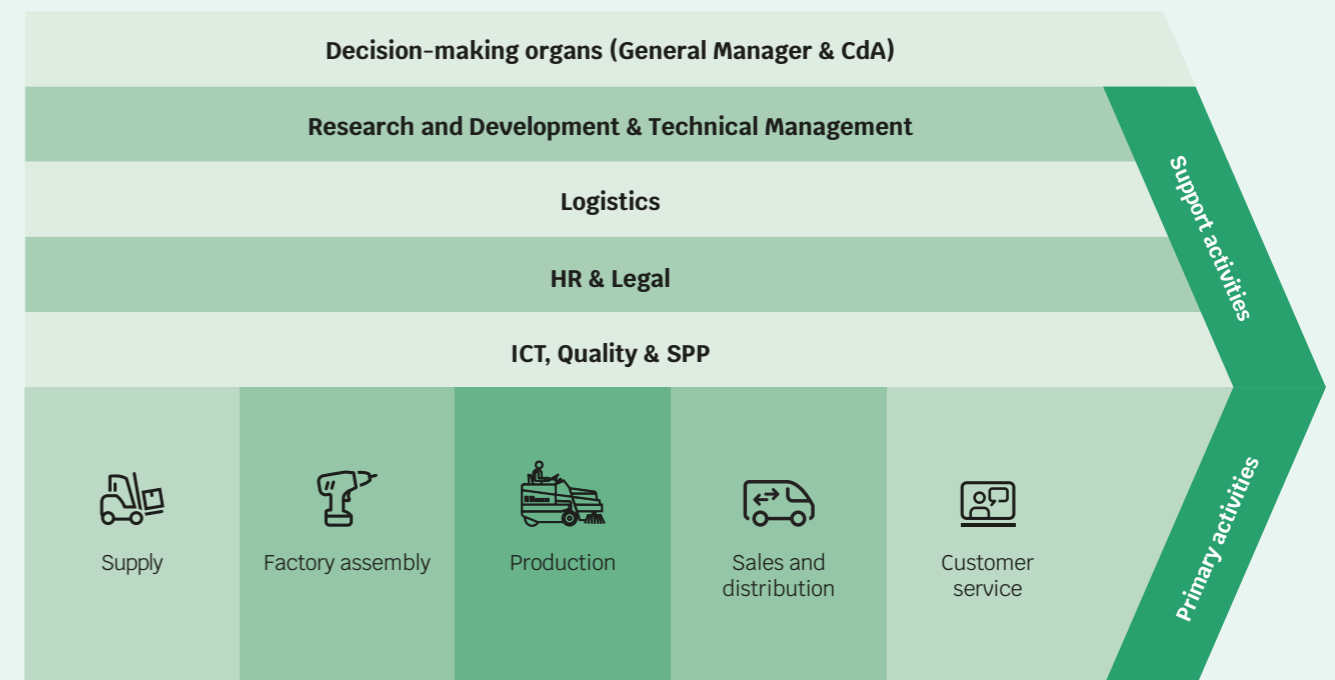
Dulevo's value chain gives a detailed overview on how the organization processes inbound materials into finished products through a series of well-coordinated phases.

Furthermore, the Company has adopted a lean approach to production, aimed at eliminating waste and at continuously optimizing the processes in order to improve efficiency and reduce the costs, thus ensuring a leaner workflow and higher customer satisfaction. The "pull" approach adopted by Dulevo in production management optimizes the delivery of the fleet, improving efficiency and customer satisfaction. Thanks to on-time delivery (OTD), Dulevo adjusts its production to the actual market demand, ensuring on-time and reliable deliveries. This approach is based on production scheduling that is directly driven by the delivery date requested by the customer, defining the production line "takt time". In other words, Dulevo synchronizes its production pace with the customer's requirements, thus ensuring not only that delivery dates are always met, but also that the use is fostered of machines that are better performing and more suitable to the specific operational re-

quirements. As it is highly responsive and flexible, this system ensures that each unit is completed at the right time, thus improving our customers' operational efficiency and competitiveness on the market.

The takt time is a crucial element in this production model, as it establishes the necessary time to complete a product in order to comply with the agreed delivery schedule. This production pace is calculated in order to ensure that each step in the production process is perfectly aligned with the delivery timeframe, thus ensuring efficiency and timely delivery. Adopting this strategy, Dulevo meets its customers' specific requirements more effectively, improving its internal operations, reducing costs and increasing customer satisfaction. Therefore, this approach proves advantageous for both the Company and for consumers, promoting a more dynamic and responsive production environment.

#### VALUE CHAIN





### 3.3 Products and Services

From their development stage, Dulevo products are conceived to have a long useful life, using high quality materials.



Thanks to their robustness, our products are easy to maintain and require fewer repairs and downtime at the shop;



Telematics enables to optimize their use and preventive maintenance;



Dulevo has large inventories of spare parts, which ensure the long useful life of our machines, also of over 20 years.



Dulevo can supply a large variety of engines, including natural gas-powered and electric vehicles. In 2023 65% of the industrial sweepers sold consisted of battery-powered machines.



The products and services delivered by Dulevo represent excellence in the sector of urban, industrial and commercial cleaning solutions. Dulevo's very wide range is designed to meet the specific requirements of customers, with strong commitment to innovation and sustainability. Dulevo-technology sweepers are ideal for efficient removal of debris and waste, ensuring clean and safe streets and industrial premises. Dulevo stands out thanks not only to the quality of its products, but also for the wide range of after-sale services it provides, which include maintenance,

supply of spare parts and technical support, thus ensuring the utmost operational efficiency and a long useful life of the machines. Dulevo's customers range from municipalities, which need to keep town streets and sidewalks clean, to large manufacturers and shopping malls, which require effective solutions to clean indoor and outdoor areas. Furthermore, race circuits and critical infrastructures rely on Dulevo to ensure high hygiene and safety standards.

Completing its range of products, Dulevo manufactures yet other vehicles for outdoor sanitization, such as historical centres, squares, outdoor market areas, car parks, cycle lanes, as well as for indoor sanitization, such as large manufacturing premises, points of sale (e.g. large retailers) and covered car parks. Yet another market segment consists of scrubbers, which are the ideal solution to clean and sanitize industrial premises, such as warehouses and airports, and for professional cleaning and sanitization for example of offices, hospitals, supermarkets and schools.

This wide range of customers gives evidence of the versatility and effectiveness of Dulevo products, which are suitable for different applications and operational contexts, with constant focus on their environmental impact and consumption of resources. Dulevo's integrated approach, which combines high-quality products with high-end customer assistance, gives evidence of the Company's commitment to not only meeting but exceeding customers' expectations. Thanks to continuous research and development of cutting-edge technologies, Dulevo is a reliable partner for all those seeking sustainable, effective and long-lived cleaning solutions. Within its mission to design innovative vehicles, the Company is actively com-

**INDUSTRIAL SWEEPERS**

**Setting the abatement of dust in the environment as a priority, Dulevo is the only manufacturer that uses the same ultrafine filtering method in all its vehicles, simply adapting the size to the model.**

**STREET SWEEPERS**

**Dulevo street sweepers are fit to ensure excellent cleaning of all outdoor areas, as they combine high cleaning efficiency and a minimal environmental impact, also in terms of dust emissions.**



mitment to adopting sustainable materials from suppliers that share the same business sustainability principles. That commitment is key to ensure that its vehicles be made in full respect of the environment and of its social responsibility values.

Furthermore, Dulevo provides a rent service that perfectly adapts to any temporary or permanent requirements of each customer, with bespoke plans for short, medium or long periods. Not only does this approach ensure continuous access to forefront technology in terms of cleaning, but it also promotes environmental sustainability: renting reduces the total number of machines made, thus decreasing the use of raw materials and the energy required to manufacture new ones. Furthermore, it is ensured that each vehicle is fully up to Dulevo's high efficiency and performance standards, thanks to regular maintenance and continuous technological updates.

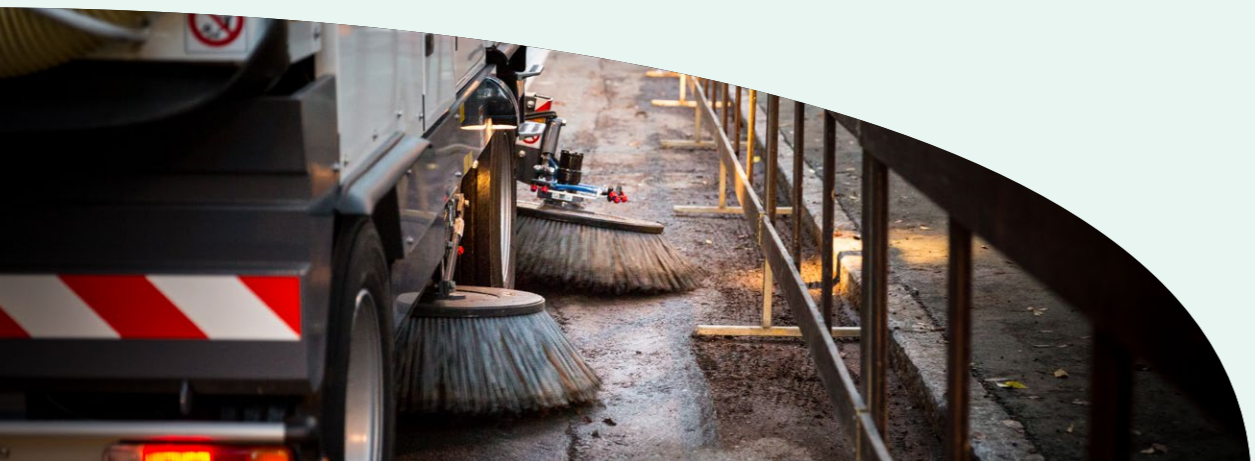
### Dulevo second-hand machines: the second life of our products

Getting a Dulevo second-hand machine is not only advantageous in terms of price, but also an excellent example of sustainable practices in the manufacturing sector. Each vehicle entering the second life programme is thoroughly checked and serviced by expert mechanics, using Dulevo original spare parts to ensure that its performances and quality remain the same. This process significantly contributes to reducing waste

of resources and the impact on the environment, as it extends the useful life of our machines thus reducing the need to manufacture new ones. The possibility to extend the warranty and to access assistance services that are typical in case of purchase of new machines further increases the sustainability value of our second-hand solutions, ensuring that every machine retains its optimal operating conditions for a longer time. With Dulevo certification, it is warranted that each second-hand vehicle not only meets high quality standards but also contributes to promoting a more responsible and environmentally respectful consumption model. Choosing a Dulevo second-hand machine, customers invest in a more sustainable future, actively supporting the reduction in the ecological footprint through mindful practices aimed at the preservation of resources.

“

Getting a Dulevo second-hand machine is not only advantageous in terms of price, but also an excellent example of sustainable practices in the manufacturing sector.



## MECHANICAL-SUCTION-FILTERING SWEEPING SYSTEM



Thanks to its high versatility, Dulevo technology is fit to meet all sweeping requirements as it adapts to the actual needs of each environment and to the type of material to be swept with its new Adaptive Sweeping Technology system.



Dulevo products (such as model D6) have savings and efficiency as their core features: sweepers that are easy and intuitive to use, ergonomic, customizable in accordance with the operator's needs, user-friendly, always connected and with reduce noisiness. They are designed to be used in both urban and road areas, city centers, heavy and light industry, yards and loading and unloading areas, storage and transit, and can be used also on racetracks.



Dirt is collected mechanically through side brushes that convey debris to the centre of the machine where the cylindrical central brush then sends it at a high speed onto a vertical conveyor. The debris is loaded through the upper part in the waste container, thus optimizing the machine's loading capacity. The dust raised by the cylindrical central brush is sucked and kept in the refuse container thanks to the depression in the container created by the high-range and high-prevalence suction system. The



very effective fabric filtering system retains even the thinnest particulates and completes the sweeping cycle, guaranteeing the reintroduction in the environment of filtered air only.

Thanks to the advantages of the mechanical-suction system, Dulevo sweepers are ideal for tackling the most diverse urban applications in terms of type and seasonal conditions:

- street sweeping in summer in the presence of sand and dust;
- street sweeping on autumn accumulations of leaves and pine needles;
- waste collection after local markets;
- winter sweeping at particularly cold temperatures thanks to the possibility of not using water.

In fact, only the side brooms (being positioned outside the suction zone) require a modest sprinkling of nebulization water for dust control.

## OUR MACHINES' SOUND PROOFING



In a Dulevo mechanical-suction sweeper, the collection system is very efficient and productive even at low engine power levels. Moreover, the ECO mode reduces noise emissions, creating a more comfortable working environment without disturbing the tranquillity of the city center. Dulevo mechanical-suction sweepers are specially designed to create a more comfortable

workplace for the operator. The cabin is built with special materials and insulation that provide ideal noise reduction even during prolonged periods of work. Quiet operation is not only an advantage for the people around the sweeper, but also for the operator, who can thus work in a comfortable, clean and quiet manner.



### 3.4 Corporate culture and values

At the core of Dulevo's philosophy there is profound respect for individuals, both inside the organization and in relationships with customers. This approach results in an exceptional customer service that the Company is engaged in providing, through a capillary and attentive sales and assistance network. Customer orientation and attention to details are the core pillars that guide each and every business decision, giving evidence of Dulevo's commitment to keeping high quality and reliability standards. At Dulevo, the protection of the environment is a very important topic; indeed, for the Company town cleaning shall go hand in hand with the protection of the planet and this is the reason why it is committed to developing innovative solutions that reduce the environmental impact to a minimum. Electric and hybrid vehicles are the cutting-edge eco-sustainable technology solutions. They have exceptional performances, drastically reducing greenhouse gas and atmospheric pollutant emissions. Furthermore, they reduce water consumption and sound pollution, contributing to creating a safer and more liveable environment for all.

Continuous care for the environment and attention to people's needs are the driving force that has always urged Dulevo to develop unparalleled new solutions aimed at reducing waste and consumption of resources, at ensuring easy and flexible use and effectiveness in each and every situation. Not only do these principles inform the Company's identity, but also guide its decisions and strategies, ensuring that each and every action undertaken supports its commitment to excellence, innovation and sustainability. The key values presented below are the backbone of Dulevo's corporate

culture and guide its constant commitment to its customers, partners and to the environment:

- **Reduction of time and costs:** strategies aimed at operational optimization, such as the use of mechanical suction technologies and advanced filtering systems, for significant savings in terms of time and operating costs, ensuring added value in the medium and long term;
- **Quality and reliability:** Dulevo's products are designed to withstand time and use, ensuring constant performances and lower maintenance required thanks to their robust construction and high-quality material;
- **Performances and productivity:** implementation of advanced technologies to optimize sweeping efficiency, ensuring effective cleaning in each and every situation, with specific focus on reducing the



At the core of Dulevo's philosophy there is profound respect for individuals, both inside the organization and in relationships with customers.



consumption of resources and on maximizing the operational output;

- **Respect for the environment:** innovation aimed at sustainability, with machines that reduce fine dust emissions and water consumption to a minimum, promoting eco-compatible practices in line with its philosophy of respect for the environment.
- **People at the centre:** skills, expertise and professionalism, ability to listen to customers, service and assistance. All these aspects can be summarized with the words "passion" and "flexibility", which are both distinctive features of Dulevo people.
- **Customer care:** bespoke solutions that are fit to meet the customers' different requirements, from renting to certified second-hand vehicles, along with assistance and training services, for a service that goes well beyond a simple purchase.

#### ERGONOMICS AND QUALITY

Dulevo has always been attentive to the needs of the operator and to market innovations in terms of space, ergonomics and air quality inside the cabin. Dulevo vehicles can be equipped, like Dulevo D6, with a certified cabin featuring a pressurization-filtering system that keeps dust out.

Dulevo is committed to creating machines that are comfortable and easy to use. Thanks to the introduction of Adaptive Sweeping Technology (A.S.T.), introduced with the D6 and D3 vehicles, the machines are simple and intuitive to use: the operator has to simply sit down, start the vehicle and begin working. In fact, with the A.S.T. system, the machine only needs to be configured once, making it easy to select the working mode with a single button (eco, standard, boost).







# Chapter

## Approach to sustainability

# 4.





# Approach to sustainability

## 4.1 Sustainability strategy



Continuous care for the environment and attention to people's needs are the driving force that has always urged Dulevo to develop new solutions aimed at reducing waste and consumption of resources, at ensuring easy and flexible use and operational effectiveness in each and every situation.

Dulevo's sustainability strategy is intrinsically linked to its history and core values. Incorporated in 1976, the Company has constantly innovated in its field ever since, creating prototypes and models that prove its relentless commitment to reducing its environmental impact, as substantiated also by the efficiency of its vehicles in terms of **CO2 emissions and water consumption**. The Company's integration into the Fayat Group in 2021 was yet another step forward in this direction, as it opened new frontiers for innovation and sustainable development.

Dulevo substantiates its orientation to sustainability using of cutting-edge technologies and designing vehicles that ensure superior cleaning and hygiene standards minimizing the impact on the environment. This can be seen especially in Dulevo's endeavour to supply machines with a more and more effective capacity of filtering fine particulate matter, to improve the qua-

lity of air and life in the urban areas where they are used.

Consistently with the strategic plan of the Fayat Group, which operates in 170 Countries providing innovative and sustainable solutions in various scopes, Dulevo aspires to keep its ranking as the top Italian manufacturer of sweepers, proposing a wide range of products equipped with an innovative mechanical suction system. Not only does the cooperation with the Fayat Group strengthen Dulevo's leading position in the sector of industrial and urban cleaning machines, but it also extends its impact in terms of sustainability at a global level.



### GROUP FAYAT

The Fayat Group is the no.1 French self-standing group in the construction and civil engineering sector and is the global leader in road equipment. Since 2022 the Fayat Group has been running a **programme to decarbonize** its business operations **led by Louise Durand**, the Group Decarbonization Strategy Director, which has **three watchwords: count to know, know to act, and act to reduce**. The aim is to join the path to reduction initiated by the Paris Climate Agreement. This programme consists not only of a transition plan and an annual carbon assessment, but also a drive to enable the Group's personnel to develop greater awareness of climate change, through tools such as the creation of their own Carbon Challenge project.



## 4.2 Dulevo Telematic

Dulevo has started on a path in the after-sale service scope, setting up a specialist team engaged in developing telematics, in order to improve its service level and to support customers and dealers. Remote control implementation required active participation of all operational departments of Dulevo, giving evidence of collective commitment to innovation and safety, thanks to the telematic system that was developed with the Tierra on-board device. Dulevo Telematic Tierra provides a wide range of operating parameters, extending well beyond mere geolocalization as it includes also powerful remote diagnostic and strategic data tracking functions wherever the sweepers are.

Thanks to this system, which managed through access by authorized operators to the Web app, Dulevo can provide support in real time, facilitating the identification and solution of any troubles using error codes. An advanced data management system offering a full set of functions that have been designed to increase operational efficiency, improve safety at work and promote sustainable practices in street cleaning.

### MAIN FUNCTIONS OF TELEMATICS

The core factor of Dulevo Telematic is its ability to provide, in real time, accurate data and exhaustive analyses regarding the performances of sweepers. This enables fleet managers and operators to foresee and promptly solve any problems, thus preventing negative impacts on day-to-day operations and extending the machines' useful life. For Dulevo these data give an important opportunity to improve the environmental performances of its vehicles. The Company intends to enhance the information flows in order to achieve higher and higher integration of metrics supporting the sustainability assessments on the ecosystem and on Dulevo products.

- Geolocalization: real-time monitoring of the location and conditions of the machines.
- Performance data: collection and analysis of key data, such as worked hours, consumption and productivity.
- Safety: alarm monitoring.
- Reports and analyses: production of bespoke reports for improved fleet management and useful for personnel training.





### 4.3 Commitment to quality

In pursuing the utmost satisfaction of customers and all stakeholders, Dulevo is committed to clearly outline the core principles of its Quality Policy, acknowledging the importance of integrating all its corporate functions in order to ensure the highest possible quality of the products it makes. The adopted operational approach gives evidence of the interaction between the various operating areas with the Dealers, the Service Area and the Quality Department as a whole at the centre:



62

#### DEALERS

- The dealer network is the first point of contact to collect requests from customers, ensuring a precise configuration of the requests and identifying the required spare parts.

At the heart of this process the PDCA (Plan-Do-Check-Act) cycle has been implemented, which is managed by an interfunctional team led by the Quality Department. This iterative model emphasizes planning, implementation, control and action for the continuous improvement of products and processes. The Company has the responsibility to provide all necessary resources and ensures that the set objectives are consistent with the operational context, the strategic directions and the resources involved. This ensures clear and consistent guidance to operational excellence.

#### SERVICE

- Dealer Service plays a key role, seeing to the inspections before delivery, safety and warranty of our products. This ensures that each Dulevo machine meets the highest quality and safety standards before being delivered to our customers.

A risk-based approach is also used to identify and address any potential threats, while the Company tries to seize the opportunities that arise. Furthermore, the Company promotes a corporate culture that fosters awareness of and responsibility for risks at all levels in the organization.

Dulevo places its customers and stakeholders at the centre of its attention. This means not only thoroughly understanding their needs and requirements, but also planning and implementing the activities in order to fully meet them. The Company is also committed to complying with the requests and requirements of its

#### QUALITY

- The backbone of our commitment to excellence is the Quality Department, which, through statistical analysis and priority selection, develops product improvement plans. Thanks to this methodical approach, we can continuously fine-tune our products responding to the feedback from customers and market surveys.

target market, besides with the applicable legislation and regulations in the Countries where it operates.

The constant search for improvement is the core pillar of Dulevo's corporate philosophy. Using a wide range of tools and procedures, including risk assessment and the review of the followed directions, any areas where improvement is possible are identified and addressed, implementing targeted corrective actions.

### 4.4 A glance to the future

Fayat Cleantech is part of the Fayat Road Equipment Division and focuses on environmental and social responsibility, on innovation and on excellence. Dulevo, which is part of this division, is acknowledged as the Italian leading manufacturer of mechanical sweepers, scrubbers and street washers for commercial, industrial and urban cleaning and operates in over 80 Countries worldwide. Fayat Cleantech, which includes other entities of the Group such as MATHIEU S.A.S., RAVO and SCARAB, is actively committed to achieving the sustainability goals set out in specific policies and guidelines. This approach ensures that environmental and social responsibility is integrated in all global operations, promoting sustainable practices through its business portfolio.

With a legacy of tradition, passion and technology, led by the Fayat Group, Dulevo undertakes to pursue higher and higher sustainability goals, making sure that each and every innovation reflects its commitment to a greener and more sustainable future.

For this first reporting period, Dulevo defined a **first experimental set of goals** that are consistent with the strategic direction lines of its business plan. That definition shall undergo further assessment and shall be updated based on the monitoring and analyses of Dulevo's ESG performances in accordance with the principles of continuous improvement that have always characterized Dulevo's way of doing business.

63

#### OUR CERTIFICATIONS

Dulevo has obtained renowned certifications, including the quality management certification in accordance with the ISO 9001:2015 standard and the environmental management certification in accordance with the ISO 14001:2015 standard. Furthermore, the process is underway to obtain the occupational health and safety certification in accordance with the ISO 45001:2018 standard. These certifications give evidence of high production quality, customer satisfaction and the commitment of Dulevo to integrating sustainability in its day-to-day operations.



#### WE HAVE JOINED THE UN GLOBAL COMPACT

Within its commitment to sustainable and responsible business practices, Dulevo has included the Ten Principles of the UN Global Compact in its strategies and operations, and has undertaken to respect human and labour rights, to protect the environment and to combat corruption in all its forms. Gone live in 2000, the UN Global Compact is the world's largest corporate sustainability and corporate social responsibility initiative, with more than 15,000 corporate participants and 3,000 non-business signatories based in over 160 countries, and over 70 Local Networks.

#### FUTURE PIONEERS AWARD


In November 2023, Dulevo signed a Memorandum of Understanding with the Beeah Group for the Future Pioneers Award. In doing so, Dulevo has asserted the shared commitment to sustainability, to the protection of the environment and to promoting sustainable practices.

The Future Pioneers Award is an international initiative of Beeah Education aimed at acknowledging and rewarding innovative ideas and projects that could shape the future of sustainability. Through this partnership Dulevo asserts the importance of incentivizing innovation and action for a sustainable future.





TRANSVERSAL GOALS

Topic	Goals	Actions	KPIs	SDGs
Across the board	Increasing the awareness and skills on sustainability topics by 2027.	Implementing actions to raise the awareness of employees, customers and suppliers about sustainability.	Number of training events or number of trained employees	 8.2, 8.5, 8.8
	Communicating the health and safety of Dulevo products to consumers by 2026.	Preparing a communication document for the commercial network available on the Company's website.	Preparation of the document.	
	Implementing sustainability in telematics by 2025.	Feasibility assessment to implement specific reporting on sustainability metrics in telematics.	Feasibility analysis processing.	
	Understanding the environmental impacts of Dulevo products via Life Cycle Assessment (LCA) by 2026	Conducting 2 product LCAs.	Processing of Life Cycle Assessment studies.	







64



4.4.1 Protection of the environment

Dulevo's mission is to thrive while protecting and preserving the planet for future generations, by operating in an ecologically responsible manner. The Company has undertaken to reduce its carbon footprint, to minimize its energy consumption and to promote sustainable practices, with a strong commitment to reducing its impact on ecosystems. The division's strategy also includes operating in an eco-sustainable manner to improve air quality and reduce atmospheric pollution, preventing harmful emissions and other forms of pollution associated with its operations throughout its value chain.

ENVIRONMENTAL GOALS

Topic	Goals	Actions	KPIs	SDGs
ESRS E1 – Climate change	20% reduction in our greenhouse gas emissions by 2028 vs. 2022.	Annual measurement of our carbon footprint and implementation of the appropriate mitigation actions.	tCO2eq (Scope 1 and Scope 2)	 13.2   7.2, 7.3
	50% of consumed energy from renewable sources by the end of 2026 vs. the 2022 consumption.	Green energy procurement from the grid and/or installation of photovoltaic panels.	kWh of green energy installed and/or purchased.	
	10% reduction in total energy consumption by 2026 vs. 2022.	Implementing energy efficiency measures at the Company's premises and raising employees' awareness	Ratio of energy intensity to revenue	
	Supporting and promoting car pooling schemes for commuting.	Implementing a car pooling platform and providing training or mobility bonuses.	Number of implemented activities.	
ESRS E2 – Pollution	Zero breaches of the limits laid down by law in the authorization scope (constant compliance)	Monitoring pollutant emissions.	Number of events of noncompliance with mandatory rules	 3.9
ESRS E3 – Water and marine resources	20% reduction in water withdrawals by 2030 vs. 2022.	Consumption monitoring and water recovery implementation.	ML of water withdrawn, discharged and consumed.	 6.3, 6.4, 6.b
ESRS E4 – Biodiversity	Increasing biodiversity in the green areas at the Company's premises	Planting 900 trees at the production site by the end of 2025	Number of trees planted.	 15.a
	Commitment to educating on biodiversity	Organization of initiatives and open days on this topic	Events and initiatives organized/attended	
ESRS E5 – Circular economy	5% reduction (as a percentage of total production) in consumption of raw materials by 2030 vs. 2022.	Implementing a supplier monitoring and selection system.	Tons acquired categorized by type. Number of qualified suppliers	 12.2, 12.5
	Increasing the rate of recovery of our waste from 0% to 2% by 2026.	Production cycle assessment from a circularity perspective.	% rate of internal recovery.	
	Applying ecodesign by 2026.	Design assessment from an ecodesign perspective.	% of ecodesigned products.	

65






### 4.4.2 Social commitment












Dulevo promotes a safe and healthy work environment, going beyond the related legal requirements and setting health and safety as essential principles. The Company is committed to the professional development of its employees, promoting upskilling and equal opportunities. Social dialogue is enhanced as the basis of Dulevo's corporate culture, supporting open and constructive communication. Lastly, diversity, inclusion and fairness are core pillars aimed at creating a work environment that is respectful and inclusive for all.

“  
Dulevo promotes a safe and healthy work environment, going beyond the related legal requirements and setting health and safety as essential principles.”

#### SOCIAL GOALS

Topic	Goals	Actions	KPIs	SDGs
ESRS S1 – Own workforce	Promoting the participation and representation of employees	Training provided to the Health and Safety Committee and regular meetings for continuous improvement.	Number of the Committee meetings held annually.	 5.5  8.2, 8.5, 8.8  9.4
	Increasing the employees' awareness about safety procedures and the use of PPE.	Training on and awareness-raising sessions on safety culture.	Number of employees trained/year.	
	Healthy and safe work environment for employees.	Implementing periodic audits to assess and improve a "health and safety" programme	Alignment and upgrading subsequent to the audits. Audit frequency. Number of improvements implemented.	
	Onboarding of new hires.	Implementation of bespoke onboarding programmes for new hires.	Regular feedback at the end of the probationary period. Rate of retention of new hires. Percentage of new hires with positive onboarding experience.	
	Promoting professional growth with internal mobility.	Giving preference to internal promotion to fill vacancies, enhancing employees that qualify. Mentorship and coaching programmes for selected employees.	Percentage of internal promotions vs. total new hires. Number of vacancies filled internally.	
	Support to employees' professional development.	Continuous training for the development of personal and professional skills. Diversification of personal skills.	Number of training hours per employee/year. Percentage of employees participating in training programmes.	

#### SOCIAL GOALS

Topic	Goals	Actions	KPIs	SDGs
ESRS S1 – Own workforce	Business continuity for future responsibilities vested in employees.	Development of succession plans for key positions.	Number of key positions with successful succession plans.	 5.5  8.2, 8.5, 8.8  9.4
	Strengthening social dialogue acknowledging the role of workers' representatives and trade unions.	Setting up formal communication channels for regular exchanges. Setting up dialogue committees. Regular meetings on common interest topics. Periodic assessments of the social dialogue structure.	Number of meetings held per year with the representatives. Number of matters solved or initiatives adopted subsequent to the committee meetings. Assessment frequency.	
	Fostering collective bargaining.	Good faith negotiation practices. Formal mechanisms for alternative dispute resolution (mediation – arbitration).	Number of agreements reached with collective bargaining. Percentage of solved disputes.	
	Improving communication and reciprocal understanding between workers and the Management.	Implementation of specific training programmes for workers' representatives and senior management members.	Number of participants in training programmes. Assessment of the improvement in social dialogue skills.	
	Diversity and Inclusion as priorities in selecting candidates and ensuring equal opportunity to all employees.	Recruiting procedures that reflect the principles of fairness, transparency and non-discrimination. All decisions (training, promotion) shall be made in a fair and unbiased manner.	Workforce diversity percentage. Feedback from candidates on the selection process. Rate of participation in training. After-training feedback.	
ESRS S2 – Workers in the value chain	Making sure that partners and suppliers share values of ethics and respect human rights, ruling out any all forced labour and child labour.	Criteria for the selection of suppliers. Specific contractual clauses. Cooperation with partners to mitigate risks for human rights.	Reviews and audits on suppliers. Number of suppliers audited for compliance. Number of collaborations for risk mitigation.	 5.5  8.2, 8.5, 8.8  9.4
ESRS S3 – Affected communities	Strengthening the commitment to local community and region engagement.	Strategic partnerships with organizations, schools and associations based in the regions.	Number of partnerships and projects started.	 10.3  11.6  12.2, 12.5
ESRS G1 – Business conduct	Integrating sustainability principles in all business operations.	Periodic assessments to measure the impact on human rights. Identification of opportunities for improvement.	Number of conducted assessments. Percentage improvement in annual ESG performances.	 9.4  16.5, 16.7





### 4.4.3 Sustainable procurement policy

Dulevo implements responsible procurement, promoting sustainable practices to minimize the environmental impact generated by its operations. Dulevo is committed to respecting the environment and to adopting ethical practices throughout its supply chain, ensuring fair working conditions and respect for fundamental human rights by means of a thorough selection and monitoring process.



Dulevo implements responsible procurement, promoting sustainable practices to minimize the environmental impact generated by its operations.

#### GOVERNANCE GOALS

Topic	Goals	Actions	KPIs	SDGs
ESRS G1 – Business conduct	Selecting suppliers that comply with rigorous environmental standards. Ensuring that suppliers respect human rights and adopt ethical labour practices.	Implementing selection processes that give priority to sustainable and ethical suppliers. Regularly assessing suppliers based on ethics and social criteria.	Percentage of assessed suppliers that comply with the sustainability criteria. Supplier assessment plan.	 9.4  16.5, 16.7.
	Minimizing waste in all phases of the supply chain. Progressively increasing the use of recycled material in products and packaging.	Working with supplier to deploy effective strategies aimed at reducing waste at source. Encouraging suppliers to use recycled material and to increase the percentage use of those material every year.	Percentage use of recycled materials year-over-year.	
	Increasing the purchase of products that are long-lasting, eco-designed and respectful of the environment.	Regular assessment of the materials used in the products.	Percentage of sustainable products purchased. Number of sustainability-certified suppliers.	







# Chapter

Our governance

# 5.





# Our governance



Since 31 May 2021, Dulevo has been part of the Fayat Group, a French conglomerate with over 23,500 employees and more than 230 branches in 170 different Countries. Specifically, Dulevo operates in the Group's Road Equipment division in the Fayat Cleantech Business Unit along with other manufacturing entities that are world leaders in the sector of sweeping solutions (Ravo, Scarab and Mathieu).

## CLÉMENT FAYAT FOUNDATION



The Clément Fayat Foundation substantiates the strong social commitment of the Fayat Group. Recognized as a public utility, the Foundation supports philanthropic projects in three societal areas:



### Health

Combating neurodegenerative diseases through contributions to research works, scholarships, design call for tenders and other initiatives;



### Heritage

Funding of projects for the rehabilitation and renovation of historical monuments;



### Education and training

To guide and integrate unemployed people, both young and older, and also to encourage more women to join the building trades.

Dulevo promotes corporate ethics and an organizational culture based on transparency, honesty, on the protection of the environment and on people's health and wellbeing. The Company respects these values by adopting specific plans, codes of conduct, standardized operating procedures and guidelines, in order to support and strengthen the best practices at all levels in its organization and with the other entities of the Fayat Group.



D6



D6 Blue



D3



DZero<sup>2</sup>



## INNOVATION

Dulevo and Fayat are synonymous with quality and innovation in the industrial and road machinery sector, with excellence and the adoption of cutting-edge technologies as their distinctive features.

With its own research and development center, Dulevo aggregates design activities, assembling activities and after-sale assistance activities. This enables the Company to rank as a global leader for commercial, industrial and urban cleaning systems, with products featuring innovative mechanical-suction filtering sweeping systems that ensure low environmental impact. The entire organization is committed to constantly improving its products, services and process innovation in order to provide its customers with effective and complete solutions.

Amongst the main objectives set in Dulevo's 2022-2024 three-year executive plan, worth mentioning is the manufacturing of 6 new products to be marketed:

- D6;
- D6 Blue;
- D3;
- DZero<sup>2</sup>.



## 5.1 The corporate governance model

With its Articles of Association, Dulevo has adopted the governance system known as “traditional”, which comprises a control body, the Board of Auditors, a management body, the Board of Directors, and the General Meeting of Shareholders, vested with deliberative functions. Dulevo’s governance can be broken down as follows:

### The General Meeting of Shareholders

consisting of Fayat Italia SRL as the majority shareholder (99.98%) and Stefano Benini for the remaining minority interest. The General Meeting of Shareholders is responsible for approving the annual report and financial statements, appointing and dismissing the Directors, appointing the members of the Board of Auditors and the independent auditor of the accounts. Furthermore, it determines the remuneration and resolves on the responsibilities to be vested in the Directors and members of the Board of Auditors.

### The Board of Directors

is the Company’s highest governance body, consisted of 3 members in 2023 and as of 2024 consists of 4 members (the Chairman and three Directors). The Directors’ term of office is of three years and ends upon the approval of the annual report and financial statements of the last year in their term of office; the Directors may be re-elected.

The Board of Directors is responsible for managing continuing operations and extraordinary transactions and for pursuing and achieving the Company’s corporate purpose. At present, all the Board members are men.

### The Chairman of the Board of Directors

has a central role in managing the Company as he is vested with the responsibility and power to represent it in all its interactions with both public authorities and private entities. The Chairman is authorized to appoint or dismiss special attorneys, has the power to sign agreements and contracts of various kinds, with no spending limit, has the power to hire and dismiss employees and to oversee the quality of the Company’s products and services, ensuring full compliance with the applicable legislation and regulations, including those on the environment and quality. Furthermore, the Chairman does not hold any other senior manager position in the Company.

### The Attorneys

who have been vested, by means of a notarized deed, with specific powers in accordance with their different roles within the organization.

### The General Manager

is vested with operational responsibilities and plays a key role in ensuring that day-to-day operations are aligned with the Company’s long-term business strategy, promoting internal cooperation and monitoring the objectives actually achieved vs. the budget. The General Manager represents the Company in all its interactions with political, social and trade union entities, being vested with all the relevant powers, including that of appointing and dismissing the legal representatives of the Company. The General Manager is responsible for full compliance with the applicable legislation and regulations on the environment, for pollution prevention and for safe mana-

gement of emergencies. The General Manager has the power to hire or dismiss employees, to manage the Company’s funds and taxes within pre-determined limits and is entitled to delegate specific operating responsibilities, reporting to the management body on a regular basis.

### The Board of Auditors

supervises compliance with the law and with the Articles of Association, proper corporate management and the effectiveness and adequacy of Dulevo’s organizational structure. The members of the Board of Auditors, three standing auditors and two alternate auditors, are appointed by the General Meeting of Shareholders, meet the requirement of being independent of the Company and are on the Italian Register of Statutory Auditors.

### The Organismo di Vigilanza

consisting of 3 members appointed by the Board of Directors, which is responsible for supervising:

- The effectiveness and adequacy of the Organization, Management and Control Model in relation to the Company’s structure and actual ability to prevent the perpetration of the offences;
- Compliance with the Model provisions;
- On the appropriateness of updating the Model.

### The Statutory Auditor of the accounts

responsible for the Company’s financial statements the accounts and verifying their compliance with the applicable Italian and international legislation and regulations.

## 5.2 Operating structure and organizational chart

Dulevo’s operating structure shall ensure that business operations are managed in accordance with effectiveness, efficiency, cost effectiveness and transparency, with balanced allocation of resources.



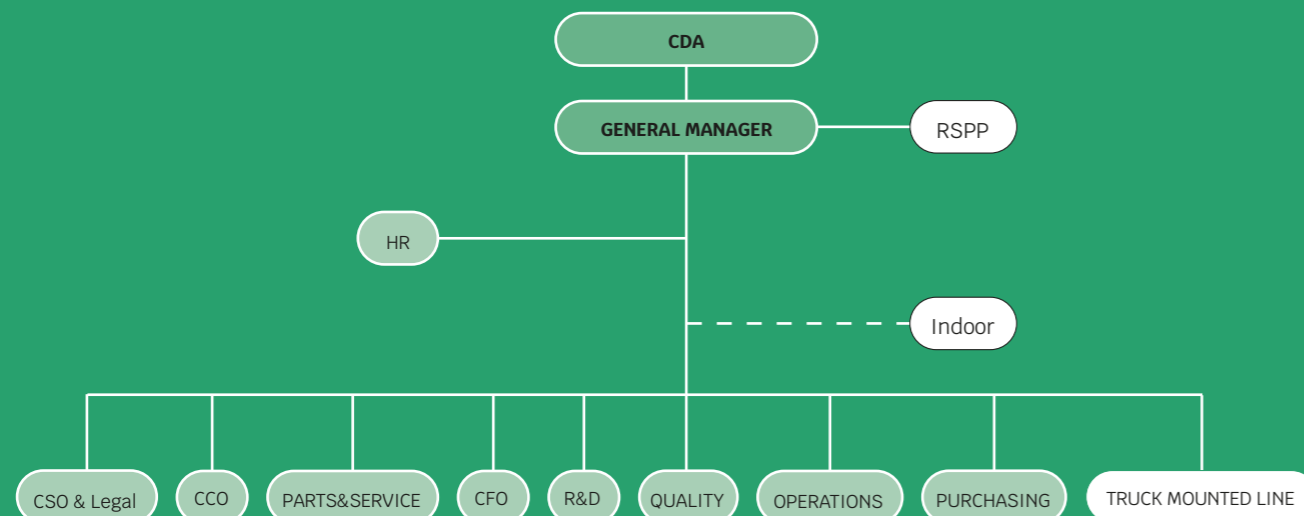


OPERATING STRUCTURE

The 9 operating areas comprised in Dulevo's organizational structure are:

<b>1. Finance-IT Area</b>	It includes the treasury, administration and management control. It is managed by the CFO. It is responsible for financial reporting, manages the finance dimension and ensures that processes are compliant with the applicable legislation and regulations. It is also responsible for assessing project and sale margins.
<b>2. HR Area</b>	It is responsible for personnel management and development.
<b>3. Sales&amp;Marketing Area</b>	It is managed by the CCO. It is responsible for global sale strategies, marketing strategies, Customer Care and product marketing.
<b>4. Operations Area</b>	It is responsible for production, manufacturing and production engineering processes, for logistics and plant maintenance.
<b>5. Engineering Area</b>	It is responsible for research and development, product design, product validation and type approval.
<b>6. Parts&amp;Service Area</b>	It manages the supply of spare parts and the after-sale and technical assistance service.
<b>7. Purchasing Area</b>	It is responsible for the procurement of the goods and services necessary for operations.
<b>8. Quality Area</b>	It is responsible for ensuring that all products and processes fully meet the set quality and safety standards. Quality control of machine components.
<b>9. Sustainability / Legal / General Services Area</b>	The following roles are part of this Area: Chief Sustainability Officer, Legal and General Services.

INFOGRAPHIC ORGANIZATIONAL CHART



5.3 Integrated risk management

5.3.1 Organization, Management and Control Model 231

Aiming at prevention, determent and control, Dulevo has adopted an Organization, Management and Control Model pursuant to Italian Legislative Decree 231 of 2001. The Model identifies operating procedures aimed at reducing the risk that individuals at the top of the organization and subordinates perpetrate offences to the advantage or in the interest of the Company.

The Model is constantly kept up to date to ensure compliance of the corporate practices with the applicable legislation, encouraging proper behaviours and laying down penalties for any infringements. Furthermore, it emphasizes the responsibility lying with all organizational levels for maintaining an ethical and compliant corporate environment, integrating prevention and response controls to effectively manage the risk of offence perpetration.

To assess and keep the Management and Control Model always aligned with the applicable standards, the Board of Directors has implemented a risk assessment and risk management process, in accordance with the Decree and with the Gui-

delines issued by the relevant Trade Associations. This includes the identification and mapping of the corporate areas and business activities that are at risk of offence perpetration, the analysis and updating of the protocols in force and the definition of principles of ethics and training plans. Furthermore, an appropriate system of penalties has been defined and the Organismo di Vigilanza has been set up and tasked with monitoring the Model's effectiveness, ensuring consistent reporting flows between it and the governance bodies.

“  
The Model is constantly kept up to date to ensure compliance of the corporate practices with the applicable legislation, encouraging proper behaviours and laying down penalties for any infringements.

5.3.2 The Code of Ethics: principles of ethics and transparency

Dulevo's Code of Ethics has the purpose of ensuring that each and every business and corporate action, activity and relationship is informed by the principles of integrity, honesty and transparency. The Code applies with no exception whatsoever to all employees, to the members of the BoD and to the members of the Board of Auditors and its application extends to all those that operate to achieve the Company's objectives,

as it lays down the core principles of conduct, responsibility and accountability to the Company and to the environment, while ensuring a workplace that is safe, respectful and free from discriminations.

Dulevo's Code of Ethics also defines the methods to manage accounting transparency, privacy protection and proper use of IT resources.



PRINCIPLES OF ETHICS

<b>1. Honesty</b>	Dulevo is committed to sincerity and transparency in all its activities, communicating openly with customers, partners and employees.
<b>2. Integrity</b>	The company adopts ethical conduct and integrity in every aspect of its business, ensuring consistency between its values and actions.
<b>3. Transparency</b>	Dulevo is dedicated to maintaining open and honest communication, providing clear and complete information on its operations and performance.
<b>4. Equality Impartiality</b>	The company is committed to treating all those with whom it interacts, including employees, customers and suppliers, fairly, without discrimination or favouritism.
<b>5. Loyalty, fairness</b>	Dulevo always operates with loyalty and good faith, maintaining high standards of fairness in business and professional relationships.
<b>6. Compliance with the provisions laws and regulations</b>	The company is committed to complying with all laws and regulations of the countries in which it operates, always acting in accordance with local and international regulations.
<b>7. Observance of behavioural rules with the Public Administration</b>	Dulevo ensures respect for institutional functions and the strictest ethical rules in its relations with public bodies and administrations, promoting transparency and integrity in interactions.
<b>8. Clarity</b>	The company is committed to providing comprehensible and accessible information, ensuring that all communications are clear and direct.
<b>9. Respect for individuals</b>	Dulevo values the dignity and rights of every individual, promoting a respectful and inclusive working environment.
<b>10. Environmental protection and safety</b>	The company adopts sustainable and responsible practices and is committed to protecting the environment and the safety of its workplaces to ensure the well-being of the communities in which it operates and its employees.

**Whistleblowing**

Dulevo has implemented its whistleblowing system to manage the reporting of any potential infringements of principles of ethics or of the law, always ensuring confidentiality to whistleblowers and protecting them from any retaliation. Whistleblowing facilitates the creation of a transparent and principled corporate environment, providing a safe and confidential channel to report any illicit behaviours. The Company proves committed to legality and ethics, actively discouraging any unfair and illegal conducts. In accordance with the specific circumstances, any reported items may be managed through special and protected internal channels or referred to external authorities, such as the Italian National Anti-Corruption Authority (ANAC). Any and all reported items are analyzed to verify their grounds and to decide on any actions. In case of ascertained infringements, disciplinary penalties shall apply that are consistent with the severity of the infringement. Whistleblowers are protected from any and all forms of retaliation or discrimination and can report the information they have with no fear of any negative consequences. Keeping the Board of Directors constantly up to date with any whistleblowing items and on the actions resulting therefrom strengthens the governance role at the Company and ensures a high level of responsibility, accountability and commitment at all organizational levels.

**Anti-corruption Code of Conduct**

Dulevo has a zero tolerance approach to corruption and abuse of power and, in this perspective, the Anti-corruption Code of Conduct has been adopted and, with exhaustive rules for the intended recipients, is intended to constantly ensure integrity in business activities.

Thanks to the adoption of this Code and compliance therewith, Dulevo obtains significant advantages that have effects both on internal and external management and operations, improving and strengthening the Company's identity on a core principle of ethics. Furthermore, compliance with the Code ensures that stronger and longer-lasting relationships can be established with customers, strategic suppliers and the Public Administration. In 2023 Dulevo had no cases of corruption and no corruption-related court trials that started against the Company or its employees in previous years came to an end.

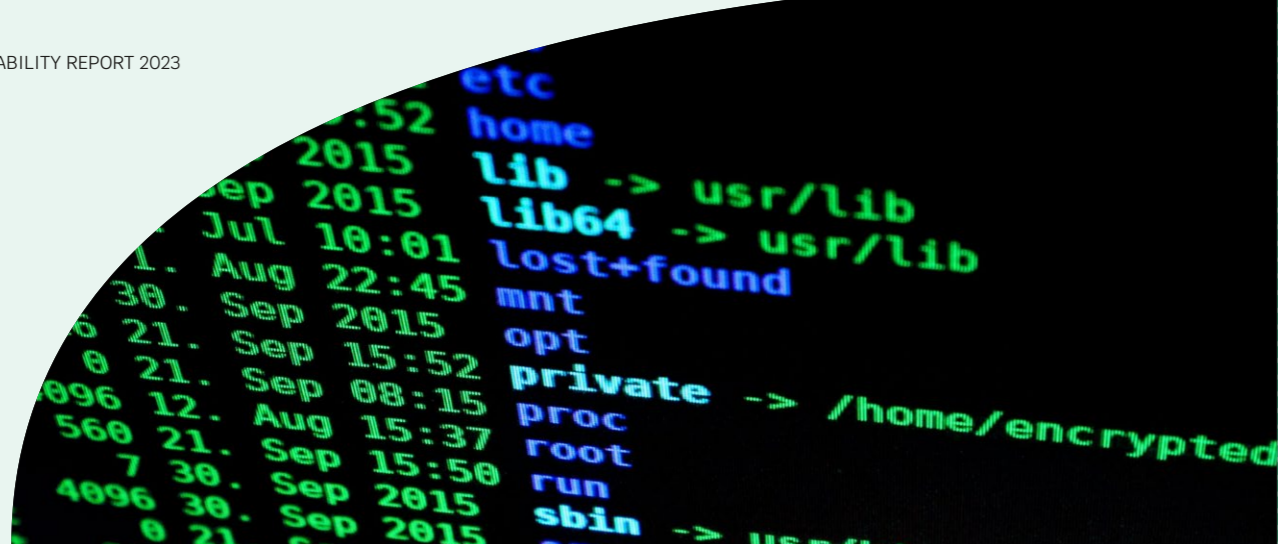
**Code of Conduct with the Public Administration**

With its Code of Conduct in interactions with the Public Administration, Dulevo has laid down the key behaviours fit to prevent any illicit conducts in the relations between the Company and the public authorities, in compliance with its Organization, Management and Control Model.

The Code of Conduct with the Public Administration serves various purposes:

- It helps to prevent any illicit conduct by all the stakeholders thus mitigating the risk of penalties.
- It improves the Company's reputation with the Public Administration.
- It reduces conflicts of interest setting clear guidance that helps to prevent any dangerous situations.
- It promotes an ethical work environment strengthening the corporate culture and the values contained in the Code of Ethics.
- It facilitates compliance with the applicable legislation through its integration in the Model 231.





## 5.4 Data and privacy protection

Dulevo is committed to protecting its employees' and contract workers' privacy in full compliance with the applicable legislation. The Company has adopted standards that set specific rules applying to personal data processing, ensuring that information be managed in order to respect the privacy of the individuals concerned. Dulevo protects the personal data or its employees and of third parties, preventing any improper uses of the Company's and personal data. In 2023, the Company received no proved reports of any breaches of its customers' and personnel's privacy.

Furthermore, the Company prohibits any investigations on the private sphere of its employees and contract workers regarding their opinions, preferences, personal tastes and, in general, their private life.

Having regard to the use of IT resources, these resources shall be used exclusively for business purposes. Dulevo ensures that IT equipment and tools be used in compliance with the applicable legislation on personal data protection and on the prevention of cybercrime. The relevant corporate policy provides for the monitoring of IT resources aimed at preventing any violations of the applicable legislation and regulations.

“

The Company has adopted standards that set specific rules applying to personal data processing, ensuring that information be managed in order to respect the privacy of the individuals concerned.







# Chapter

Creation of  
shared value

# 6.

87





# Creation of shared value



Dulevo assessed the value it generates, reflecting its constant commitment to balancing economic growth and social responsibility.

The goal is to provide a clear and transparent representation of its business performances, giving evidence of how its operations contribute to collective wellbeing and to the creation of a sustainable future.

This section of the Report shows the various dimensions of the value generated by Dulevo, representing its direct contributions to the economy and society.



Dulevo assessed the value it generates, reflecting its constant commitment to balancing economic growth and social responsibility.



## 6.1 Economic value generated and distributed

The Statement of economic value generated and distributed is an essential tool to analyze and communicate in a transparent manner how the economic resources generated by Dulevo's operating activities are distributed amongst stakeholders and how much of them is reinvested in the organization to ensure its future growth and sustainability.

This tool gives a clear and understandable picture of the economic value flow, enabling to view the revenue sources and how the generated value is distributed to the stakeholders.

The economic value is identified and reclassified based on three main components:

- The economic value generated through the sale of goods and the provision of services;
- The economic value distributed within the multi-stakeholder ecosystem;
- The economic value retained, which is calculated as the difference between the other two components.

### ECONOMIC VALUE GENERATED

(values expressed in thousands of €)	2023	Δ%	2022	Δ%	2021
<b>ECONOMIC VALUE GENERATED</b>	<b>95.889</b>	4,0%	<b>92.230</b>	81,1%	<b>50.930</b>
Revenues from sales and services	93.875	3,3%	90.916	81,0%	50.229
Other revenues	2.014	53,3%	1.313	87,5%	701
<b>ECONOMIC VALUE DISTRIBUTED</b>	<b>93.086</b>	13,6%	<b>81.961</b>	48,6%	<b>55.173</b>
Suppliers	75.865	11,8%	67.870	46,3%	46.377
Personnel	12.876	7,6%	11.967	42,4%	8.401
Capital Suppliers	2.522	609,8%	355	-10,0%	395
Public Administration	1.823	3,1%	1.768	-	-
<b>ECONOMIC VALUE RETAINED</b>	<b>2.803</b>	-72,7%	<b>10.269</b>	-342,0%	<b>-4.243</b>



From 2022 to 2023, Dulevo posted significant growth in economic value both generated and distributed. The generated economic value increased by 3.99%, up from 92.23 Mln Euros to 95.89 Mln Euros, showing acceleration in the Company's business activities.

The distributed economic value increased by 13.58%, up from 81.96 Mln Euros in 2022 to 93.09 Mln Euros in 2023. Specifically, in 2023 Dulevo distributed over 97% of the generated economic value, giving evidence of its strong commitment to reinvesting resources in its network of suppliers, in its personnel and in the other stakeholders.

Analyzing the economic value distribution, it is evident that, in the multi-stakeholder system, suppliers received the highest economic value, with payments increasing by 11.79%, up from 67.87 Mln Euros in 2022 to 75.86 Mln Euros in 2023. The Company's personnel benefited from a considerable increase in pay, up from 11.97 Mln Euros to 12.88 Mln Euros (+7.57%). Furthermore, worth noting is an extraordinary increase in the value distributed to suppliers of capital, up from 355 thousand Euros to 2.52 Mln Euro, i.e. up by 610.07%.

Lastly, payments to the public administration slightly increased by 0.73%, proving rather stable as regards tax obligations. The significant reduction in retained economic value (down by -72.76%) gives evidence of Dulevo's increasing commitment to redistributing value in the ecosystem where it operates, contributing to the development and wellbeing of the community.

“

From 2022 to 2023, Dulevo posted significant growth in economic value both generated and distributed.

## 6.2 The positive economic impacts generated by Dulevo

In the economic scope, Dulevo acts as a catalyst of growth and development, providing essential financial resources for continuous training and refresher programmes to be provided to workers.

This direct investment in employees' skills and abilities translates into a tangible increase in productivity and operational efficiency of the businesses that are part of the supply chain. Thanks to targeted training any gaps in skills can be filled, thus optimizing production processes and improving the quality of the products and services provided.

Dulevo's action reflects also in the creation of shared value. Through the sale of green vehicles made of sustainable materials, Dulevo contributes to generating a positive economic impact both for businesses and for workers, increasing job stability and improving employees' career prospects.

In short, the economic impact generated by Dulevo benefits the local region thanks to its proximity supply chain. This action contributes to bo-

osting the Italian economy as a whole, generating value that is shared amongst several businesses. Going on this path, Dulevo provides support to the enterprises and workers in the value chain assisting them on their way to a more prosperous and competitive future.a

“

The economic impact generated by Dulevo benefits the local region thanks to its proximity supply chain. This action contributes to boosting the Italian economy as a whole, generating value that is shared amongst several businesses.









# Chapter

## Our Supply Chain

# 7.

95





# Our supply chain

## 7.1 A proximity chain

It is worth noting that the majority of the suppliers in Dulevo's supply chain are based within a 250 km radius. That strategic choice was driven by historical considerations regarding the Parma industrial district, as well as by decisions aimed at ensuring the best possible logistical management and optimal delivery time. This geographical proximity gives a significant competitive advantage, especially in terms of business resilience and precision in deliveries.

At the core of Dulevo's sustainability strategy there is the innovative concept of the "milk run", i.e. a timely collection system whereby carrier trucks will be sent by Dulevo to collect the product components directly from its suppliers. This approach, which is in its implementation phase, aims at reducing the total number of vehicles in circulation, optimizing the logistical processes and consequently reducing greenhouse gas emissions and the environmental impact. Therefore, the "milk run" is an effective strategy to optimize resources and promote environmental sustainability, while consolidating transportation and reducing waste from unnecessary travelling. Besides reducing the environmental impact, this practice will also foster cooperation and active engagement of suppliers in the Company's sustainability strategy.

“

At the core of Dulevo's sustainability strategy there is the innovative concept of the "milk run", i.e. a timely collection system whereby carrier trucks will be sent by Dulevo to collect the product components directly from its suppliers.

## 7.2 Qualification of suppliers

Dulevo's commitment to quality is a dynamic factor, based on high service standards and on production waste reduction. Dulevo aims at objectivizing those criteria also in terms of sustainability, paying more and more attention to the proximity of its suppliers and to the adoption by them of recycling and environmental sustainability practices. A project is currently underway to qualify suppliers also based on these metrics, in order to further strengthen and improve the supply chain.

In the process to audit the supplies received, targeted controls have been implemented to ensure compliance with the set contractual obligations on quality. This strict control process has been designed to ensure the conformity of procured materials and services with the high standards set by Dulevo.



## 7.3 The value of allied economic activities

With supply expenditure hitting 62 million Euros, up by 3.33% vs. the previous year, it goes without saying that the selection of suppliers and the management of the relationships with them are key factors for the Company's success. Over a total of 300 suppliers, as many as 295 of them are local, accounting for approximately 98% of the total. This figure gives evidence not only of the importance of cooperation with local suppliers, but also of Dulevo's commitment to contributing to allied economic activities in the region and community where it operates.

It is not only a matter of ensuring the availability of the necessary raw materials and components, but also of creating positive synergies with suppliers in order to optimize quality, timeliness of deliveries and sustainability of operations. Thanks to its strong and advantageous cooperation with local suppliers, Dulevo undertakes to support the economic and social development of the surrounding communities, giving a material contribution to the region's growth. In this way, the Company achieves its business objectives and is also a positive agent in the social and economic context where it operates.







# Chapter

## People at Dulevo

# 8.

101





# People at Dulevo

D

ulevo believes that it owes its success to its people, who are essential in order to achieve its business objectives. The industry constantly requires new skills and motivation to address the challenges in contributing to a more sustainable future. Fully aware of that, the Company invests in its employees, promoting their professional development and giving them opportunities for growth. This is the reason why Dulevo is committed to building a collaborative and stimulating work environment, ensuring the safety of, respect for and the wellbeing of all workers.

“

Dulevo is committed to building a collaborative and stimulating work environment, ensuring the safety of, respect for and the wellbeing of all workers.



## 8.1 Policies related to own workforce

In its corporate policies related to its own workforce, Dulevo has adopted strategies aimed at promoting a safe, inclusive and sustainable work environment. The Company actively undertakes to combat forced labour and child labour, proving its strong commitment to respect for human rights and compliance with the applicable international legislation. Dulevo stands out for its corporate culture centered on inclusion and integration, promoting a work environment that enhances diversity and complies with its principles of ethics.

Through policies on occupational accident prevention and a rigorous

code of ethics, the Company is committed to ensuring the wellbeing and safety of its employees. Transparency and open communication are core factors of the Company's business operations, with evidence given by the quarterly meetings at which the resolved actions and plans to manage the impacts on its workforce are presented. Furthermore, Dulevo is committed to improving its work practices through continuous assessment of the effectiveness of the adopted policies and actions, in order to enhance its positive impacts and to ensure that the work environment is more and more welcoming and gratifying for all its employees.

## 8.2 Workforce engagement processes

In the processes for the engagement of employees and workers' representatives on the generated impacts, Dulevo has adopted specific strategies fit to ensure effective engagement and thorough understanding by its employees of the positive impacts on works. The Company has adopted an approach that promotes active engagement of its employees workers' representatives through the organization of targeted corporate events. Although no specific measures have been implemented on prospects of workers that are vulnerable to impacts, such as women or persons with disabilities, Dulevo intends to adopt said measures in the short term, giving evidence of its tangible commitment to inclusive participation and understanding of the various needs of its employees.

Furthermore, Dulevo is taking important steps to ensure a safe and welcoming work environment for all its employees. In a context of atten-

tion to the workforce management and its impacts, Dulevo has adopted a set of measures aimed at improving both the wellbeing and productivity of its employees. These actions are an integral part of a wider strategy aimed at creating an inclusive and sustainable work environment. Structured processes have been implemented to identify and manage actual or potential negative impacts on its workforce, supported by monthly operational planning meetings, at which market data, industry trends and employees' needs are analyzed in order to define targeted actions. In describing the actions it has undertaken, the Company is committed to provide an exhaustive picture of the initiatives adopted to prevent or mitigate any material negative impacts. These actions may include training programmes, wellbeing initiatives for employees, work-life balance policies and other actions aimed at improving the workers' satisfaction and productivity.



### 8.3 The personnel

**TABLE 10 GRI 2-7 E 2-8: TOTAL EMPLOYEES**

In 2023, Dulevo had a total of 221 people on staff, of whom 199 employees and 22 contract workers. The total number of workers slightly decreased by 0.45% vs. the previous two years. The workforce consists mainly of men: about 85% of the workers are men, while women account for the remaining 15%.

Workers	2023	2022	2021	Last two-year period Δ	First two-year period Δ	Three-year period Δ
Employees	199	201	184	-1,01%	8,46%	7,54%
Contract workers	22	21	17	4,55%	19,05%	22,73%
<b>TOTAL</b>	<b>221</b>	<b>222</b>	<b>201</b>	<b>-0,45%</b>	<b>9,46%</b>	<b>9,05%</b>

**TABLE 11 GRI 2-7: EMPLOYEES BY TYPE OF CONTRACT AND GENDER**

98% of Dulevo's employees have an open-ended employment contract and about 96% of them have a full-time employment contract. The total number of employees with an open-ended contract is 197, of whom 28 women (accounting for about 14%) and 169 men (accounting for about 86%). In 2023, two men have a fixed-term contract.

	2023			2022			2021			Last two-year period Δ		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Open-ended contract	28	169	197	27	172	199	24	157	181	3,57%	-1,78%	-1,02%
o/w, apprenticeship	0	0	0	0	0	0	0	0	0	0,00%	0,00%	0,00%
Fixed-term contract	0	2	2	0	2	2	1	2	3	0,00%	0,00%	0,00%
<b>Total</b>	<b>28</b>	<b>171</b>	<b>199</b>	<b>27</b>	<b>174</b>	<b>201</b>	<b>25</b>	<b>159</b>	<b>184</b>	<b>3,57%</b>	<b>-1,75%</b>	<b>-1,01%</b>

**TABLE 12 GRI 2-7: EMPLOYEES BY JOB CATEGORY AND GENDER**

Over last year, some changes occurred in the number of employees by job category and gender. Between 2021 and 2023 the number of employees increased by 8.15%. Versus the previous two-year period, when there were no women in senior management positions, in 2023 one senior manager was a woman. The number of senior managers increased from 5 to 6 between 2022 and 2023, whereas the number of junior managers remained unchanged vs. 2022, most of whom were men. There were no material changes between 2022 and 2023 in the number of white-collar workers, which is the category with the highest percentage of women, who account for about 39% of the total number. The category of blue-collar workers consists entirely of men and, in 2023, the number of workers decreased vs. 2022 by approximately 5%. In the 2021-2023 three-year period, interns increased from 0 to 2, both men.

	2023			2022			2021			Last two-year period Δ		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Senior Managers	1	6	7	0	5	5	0	3	3	100,00%	16,67%	28,57%
Junior Managers	1	8	9	1	8	9	1	4	5	0,00%	0,00%	0,00%
White-collar workers	26	40	66	26	39	65	24	38	62	0,00%	2,50%	1,52%
Interns	0	2	2	0	1	1	0	0	0	0,00%	50,00%	50,00%
Blue-collar workers	0	115	115	0	121	121	0	114	114	0,00%	-5,22%	-5,22%
<b>Total</b>	<b>28</b>	<b>171</b>	<b>199</b>	<b>27</b>	<b>174</b>	<b>201</b>	<b>25</b>	<b>159</b>	<b>184</b>	<b>3,57%</b>	<b>-1,75%</b>	<b>-1,01%</b>





**TABLE 13 GRI 2-8: EMPLOYEES BY WORK CONTRACT AND GENDER**

Over the last three years, changes occurred in the number of contract workers by work contract and gender, with the trend slightly increasing due especially to the increase in temporary agency workers. Women agency workers increased in number, from 1 in 2021 to 5 in 2023, whereas the number of men agency workers remained unchanged at 14. Contract workers under coordinated and continuous collaboration contracts (quasi-employment atypical contracts, known as 'co.co.co.') remained unchanged as to their total number.

	2023			2022			2021			Last two-year period Δ		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Temporary agency workers	5	14	19	6	14	20	1	14	15	-20,00%	0,00%	-5,26%
Contract workers under coordinated and continuous collaboration contracts (quasi-employment atypical contracts, known as co.co.co.)	0	2	2	0	1	1	0	2	2	0,00%	50,00%	50,00%
Seconded employees	1	0	1	0	0	0	0	0	0	100,00%	0,00%	100,00%
Sole traders	0	0	0	0	0	0	0	0	0	0,00%	0,00%	0,00%
Other (specify)	0	0	0	0	0	0	0	0	0	0,00%	0,00%	0,00%
<b>Total</b>	<b>6</b>	<b>16</b>	<b>22</b>	<b>6</b>	<b>15</b>	<b>21</b>	<b>1</b>	<b>16</b>	<b>17</b>	<b>0,00%</b>	<b>6,25%</b>	<b>4,55%</b>

**TABLE 14 EDUCATIONAL QUALIFICATIONS OF EMPLOYEES (%)**

At Dulevo, the upper secondary school leaving certificate is the most frequent educational qualification of employees (45%) followed by the lower secondary school leaving certificate (24.4%) and by university graduation (14.9%). However, vs. 2022, the percentage of university graduates increased by approximately 4%. On the other hand, the percentage of employees with lower secondary school leaving certificate constantly decreased, down from 33.3% to 24.4% over the 2021-2023 three-year period.

Workers	2023	2022	2021
University graduation	14,9%	10,8%	12,4%
Upper secondary school leaving certificate	45,2%	47,7%	44,8%
Lower secondary school leaving certificate	24,4%	25,2%	33,3%
Elementary school certificate	0,0%	0,0%	0,0%
Other	5,4%	6,8%	1,0%

**TABLE 15 GRI: 401-1: NEW EMPLOYEE HIRES BY GENDER AND AGE (N.)**

In 2023, new hires were men by 83% and women by 17%, with the breakdown by age bracket as follows: 8.33% of men under 30 years old, 58.33% between 30 and 50 years old and 16.67% over 50 years old, while 4.17% of women are under 30 years old and 12.50% are between 30 and 50 years old.

New employee hires	2023			2022			2021			Last two-year period Δ		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Under 30 years old	1	2	3	0	6	6	0	4	4	100,00%	-200,00%	-100,00%
30-50 years old	3	14	17	2	12	14	1	4	5	33,33%	14,29%	17,65%
Over 50 years old	0	4	4	0	2	2	0	4	4	0,00%	50,00%	50,00%
<b>Total</b>	<b>4</b>	<b>20</b>	<b>24</b>	<b>2</b>	<b>20</b>	<b>22</b>	<b>1</b>	<b>12</b>	<b>13</b>	<b>50,00%</b>	<b>0,00%</b>	<b>8,33%</b>

**TABLE 16 GRI: 401-1: EMPLOYEE TURNOVER BY GENDER AND AGE (N.)**

In 2023, the total number of employees that left the Company increased by 24% vs. the previous year. Of the young employees that left the Company the number of men decreased, whereas the number of women remained stable. Of the employees between 30 and 50 years old that left the Company, the number of women increased, whereas the number of men decreased. Of the employees over 50 years old that left the Company, the number of men significantly increased from 8 in 2022 to 15 in 2023.

Employee turnover	2023			2022			2021			Last two-year period Δ		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Under 30 years old	0	2	2	0	1	1	0	1	1	0,00%	50,00%	50,00%
30-50 years old	3	5	8	1	9	10	2	7	9	66,67%	-80,00%	-25,00%
Over 50 years old	0	15	15	0	8	8	0	9	9	0,00%	46,67%	46,67%
<b>Total</b>	<b>3</b>	<b>22</b>	<b>25</b>	<b>1</b>	<b>18</b>	<b>19</b>	<b>2</b>	<b>17</b>	<b>19</b>	<b>66,67%</b>	<b>18,18%</b>	<b>24,00%</b>



**TABLE 17 GRI 401-1: TOTAL PERSONNEL TURNOVER**

Furthermore, the total turnover in the 30 to 50 age bracket, accounting for 13%, o/w 3% women and 10% men. It increased vs. the previous year, when total turnover stood at 20%. The majority of employees leaving the Company were among younger employee, the turnover came to 3%, whereas among employees over 50 years old, it came to 10%.

Total turnover*	2023			2022			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Under 30 years old	1%	2%	3%	0%	3%	3%	0%	3%	3%
30-50 years old	3%	10%	13%	1%	10%	12%	2%	6%	8%
Over 50 years old	0%	10%	10%	0%	5%	5%	0%	7%	7%
<b>Total</b>	<b>4%</b>	<b>21%</b>	<b>25%</b>	<b>1%</b>	<b>19%</b>	<b>20%</b>	<b>2%</b>	<b>16%</b>	<b>17%</b>

\*Note: total turnover is calculated taking into account the personnel leaving + the new hires over the total personnel. All employees leaving the Company are taken into account, including for retirement and resignation.

**TABLE 18 GRI 401-1: TOTAL PERSONNEL TURNOVER (NEGATIVE) (%)**

On the other hand, analyzing the turnover rate trend, it can be seen that it also posted a slight total increase in the last three-year period, which proved more significant among men.

Turnover	2023			2022			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Under 30 years old	0%	1%	1%	0%	1%	1%	0%	1%	1%
30-50 years old	2%	3%	4%	1%	5%	5%	1%	4%	5%
Over 50 years old	0%	8%	8%	0%	4%	4%	0%	5%	5%
<b>Total</b>	<b>2%</b>	<b>11%</b>	<b>13%</b>	<b>1%</b>	<b>9%</b>	<b>10%</b>	<b>1%</b>	<b>9%</b>	<b>10%</b>

In Dulevo's reporting, employees are broken down by the related contract, gender and age bracket in the three years considered. In the reporting year, senior managers were mostly men, especially in the over 50 years old age bracket. Junior managers are also men for the most part, with the over 50 years old age bracket accounting for the highest percentage. Conversely, white-collar workers are more balanced in terms of gender, which is an improvement vs. the previous year when men accounted for a slight majority. Most blue-collar workers are under 50 years old, and nearly all men.

it is essential to acknowledge gender diversity as a driver to improve the work environment and to stimulate innovation.

“ for Dulevo it is essential to acknowledge gender diversity as a driver to improve the work environment and to stimulate innovation.

It can be seen that men account for 86% of employees, with unbalance in terms of gender in the organization. This unbalance reflects the historical trends in the production industry, where a larger presence of men is frequent. However, for Dulevo





**TABLE 19 GRI 405-1: EMPLOYEE BY CONTRACT, GENDER AND AGE BRACKET (%)**

	2023			2022			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
<b>Senior Managers</b>									
Under 30 years old	0%	0%	0%	0%	0%	0%	0%	0%	0%
30-50 years old	1%	1%	1%	0%	0%	0%	0%	1%	1%
Over 50 years old	0%	3%	3%	0%	2%	2%	0%	1%	1%
<b>Total</b>	1%	3%	4%	0%	2%	2%	0%	2%	2%
<b>Junior Managers</b>									
Under 30 years old	0%	0%	0%	0%	0%	0%	0%	0%	0%
30-50 years old	1%	2%	2%	0%	2%	3%	1%	1%	2%
Over 50 years old	0%	3%	3%	0%	1%	1%	0%	1%	1%
<b>Total</b>	1%	4%	5%	0%	4%	4%	1%	2%	3%
<b>White-collar workers</b>									
Under 30 years old	1%	2%	3%	0%	1%	1%	0%	2%	2%
30-50 years old	6%	11%	17%	6%	8%	15%	6%	5%	11%
Over 50 years old	7%	7%	14%	6%	10%	16%	7%	14%	21%
<b>Total</b>	13%	20%	33%	13%	20%	33%	13%	21%	34%
<b>Interns</b>									
Under 30 years old	0%	0%	0%	0%	0%	0%	0%	0%	0%
30-50 years old	0%	0%	0%	0%	0%	0%	0%	0%	0%
Over 50 years old	0%	1%	1%	0%	0%	0%	0%	0%	0%
<b>Total</b>	0%	1%	1%	0%	0%	0%	0%	0%	0%
<b>Blue-collar workers</b>									
Under 30 years old	0%	5%	5%	0%	5%	5%	0%	2%	2%
30-50 years old	0%	29%	29%	0%	29%	29%	0%	34%	34%
Over 50 years old	0%	24%	24%	0%	26%	26%	0%	26%	26%
<b>Total</b>	0%	58%	58%	0%	60%	60%	0%	62%	62%
<b>TOTAL</b>									
	<b>Women</b>	<b>Men</b>	<b>Total</b>	<b>Women</b>	<b>Men</b>	<b>Total</b>	<b>Women</b>	<b>Men</b>	<b>Total</b>
	14%	86%	100%	13%	87%	100%	14%	86%	100%

In the three-year period, changes occurred in the employees breakdown: in the senior manager and junior manager job categories there was an increase in the number of men over 50 years old, and another increase in 2023. Conversely, in the white-collar worker job category, the number of men over 50 years old decreased in 2022, and further decreased in 2023.

**Labour-management relations**

In the relations between the Company's labour and management special attention is given to communicating the information on the effect of collective bargaining agreements on the employees' working conditions and on their involvement in the social dialogue. This is done through a series of quarterly corporate events, during which exhaustive information on collective bargaining agreements and on their implications on working conditions is given and discussed. Having regard to the total number of employees under collective bargaining agreements, at present all the Company's employees are under said agreements.

**VITA@DULEVO:  
ENGAGING AND INVOLVING**

Dulevo holds the sharing of values/principles, the engagement and motivation of people as essential for its organization. Since 2021 internal engagement has been kindled with quarterly meetings of all personnel in order to ensure appropriate information and constant engagement and responsibility-taking as regards the Company's strategies and objectives.





## 8.4 Training and Development

Dulevo is committed to the upskilling of its personnel through training programmes designed to meet its employees' professional development needs and to stay on top of any and all developments in the market. The training programmes aim at strengthening skills and at providing the essential tools to effectively respond to organizational challenges. The Company organizes training activities intended for its personnel as a whole and for specific teams, with the main purpose of upskilling its employees and work teams.

In 2023 2,604 hours of training were provided:

- On average an employee attends 13 hours of training;
- On average women attend 15 hours of training, while men attend almost 13 hours;
- 85% of training is administered via e-learning.

The white-collar worker job category is the one that attended the highest number of hours of training, for a total of 2,124.

An initiative that generated a strong positive impact was the Reverse Mentoring project implemented by Dulevo in 2023: the project aimed at facilitating the exchange of skills between workers of different generations. Thanks to this project, internal collaboration as well as intercompany collaboration with other organizations in the Fayat Group could be promoted.

“

The Company organizes training activities intended for its personnel as a whole and for specific teams, with the main purpose of upskilling its employees and work teams.

TRAINING PROVIDED TO EMPLOYEES BY CONTENT TYPE

Content Type	Hours
Institutional	1,3
Emergency – Urgency	6,3
Management systems	5,4
Managerial skills	9,2
Sustainability	14,2
Health and safety at work	14,6
Language skills	53

## 8.5 Wellbeing and management tools for people

Adopting advanced policies and tools for the management of human resources, Dulevo aims at running its work environment in an effective and sustainable manner. All these initiatives aim at promoting a positive environment for our employees, thus contributing to progress in social sustainability in the long term. One of the main actions that were promoted is the systemic adoption of smart working, which was widely opted for and managed both through individual agreements and through the second-level agreement. Not only does this flexible approach facilitate work-life balance, but it also improves efficiency and productivity at the workplace.

Having regard to parenthood, Dulevo also acknowledges the importance of supporting working mothers and is considering the adoption of formal policies also for fathers, thus proving its tangible commitment to a work environment that is inclusive and respectful of its employees' family requirements.

Besides these initiatives, Dulevo provides healthcare insurance as an additional benefit to its employees that have an open-ended and full time contract, thus promoting workers' health and wellbeing. Furthermore, parental leave is taken mainly by fathers, giving evidence of increasing attention to active fatherhood.

TABLE 20 GRI 401-3: PARENTAL LEAVE BY GENDER (NO.)

	2023			2022			2021			Last two-year period Δ		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Employees that took parental leave	1	3	4	2	1	3	1	0	1	-100,00%	66,67%	25,00%
Employees that were entitled to parental leave	1	3	4	2	1	3	1	0	1	-100,00%	66,67%	25,00%
Total number of employees that returned to work in the reporting period after parental leave ended	0	3	4	2	1	3	1	0	1	0,00%	66,67%	0,00%
Total number of employees that returned to work in the reporting period after parental leave ended	0	2	4	1	1	2	0	0	0	0,00%	50,00%	0,00%



It is worth noting that the rate of return to work after parental leave is 75%, giving evidence of effective support and proper planning of work reintegration. Dulevo believes it is essential to promote an inclusive work environment that can support the needs associated with its employees' parenthood.

“  
Dulevo believes it is essential to promote an inclusive work environment that can support the needs associated with its employees' parenthood.

**TABLE 21 RATE OF RETURN TO WORK AND RETENTION (%)**

	2023			2022			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Rate of return to work after parental leave	0%	100%	75%	100%	100%	100%	100%	0%	100%
Rate of job retention after parental leave	0%	200%	67%	100%	0%	200%	NA	NA	NA

In the reporting year, 9% of employees underwent periodic assessment of their performances in terms of professional development. In 2023, on a total of 18 employees assessed, nearly all assessments concerned men. The assessments mainly concerned senior managers and junior managers, giving evidence of some attention to periodic assessment, especially on top managers and roles entailing responsibilities.

## 8.6 Diversity and equal opportunity

Dulevo is actively committed to promoting equal opportunity at work, acknowledging that diversity is a precious resource that enriches the whole Company. Besides active promotion of an inclusive environment, Dulevo adopts policies and practices that ensure equal opportunity for all its employees. HR managers are required to use selection, hiring and promotion criteria that are based exclusively on merit and skills, with no discrimination whatsoever. This approach ensures that every individual has the opportunity to move forward within the Company based on his or her worthiness and skills, irrespective of personal characteristics, such as gender, ethnicity, religious beliefs, age, disability and sexual orientation. In 2023, there were no cases of discrimination, thanks to Dulevo's continuous commitment to promoting an inclusive and respectful work environment, where each employee is valued for his or her skills and contributions.

Furthermore, Dulevo ensure that the working conditions respect the individual dignity of each and every employee, creating a safe, respectful and inclusive environment where each member of the team can feel value, heard and supported in pursuing his or her professional goals. To ensure fair and competitive remuneration, the Company conducts a periodic salary review, in order to verify that its employees are appropriately remunerated based on their contribution and on the responsibilities vested in them. Furthermore, performance bonuses are given to acknowledge and reward the achievement of business and personal objectives, incentivizing engagement and performance. All selection, hiring and training procedures are strictly compliant with the applicable Italian national collective bargaining agreement, ensu-

ring that the employees' rights and opportunities are protected and respected in every step along their professional path.

### BREAKDOWN BY GENDER



At the Company, in 2023, women accounted for 14% of total employees and men for 86%. The breakdown by gender shows that men account for a very large portion of the personnel. In the three years taken into account, the total number of employees with disabilities or belonging to protected groups slightly decreased, from 8% in 2021 to 6% in 2023. Nonetheless, Dulevo is always attentive to the inclusion in the workplace of persons with disabilities or belonging to protected groups, although there is still room for further improvement, especially in higher responsibility roles.

“  
Dulevo is actively committed to promoting equal opportunity at work, acknowledging that diversity is a precious resource that enriches the whole Company



**TABLE 22 GRI 405-1: EMPLOYEES WITH DISABILITIES AND BELONGING TO PROTECTED GROUPS (%)**

	2023			2022			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Senior Managers	0%	0%	0%	0%	0%	0%	0%	0%	0%
Junior Managers	0%	0%	0%	0%	0%	0%	0%	0%	0%
White-collar workers	2%	1%	2%	1%	0%	2%	2%	1%	2%
Interns	0%	1%	1%	0%	0%	0%	0%	0%	0%
Blue-collar workers	0%	4%	4%	0%	4%	4%	0%	5%	5%
<b>Total</b>	<b>2%</b>	<b>5%</b>	<b>6%</b>	<b>1%</b>	<b>5%</b>	<b>7%</b>	<b>2%</b>	<b>6%</b>	<b>8%</b>

**TABLE 23 REPRESENTATION OF WOMEN EMPLOYEES (%)**

	2023	2022	2021
Women	14%	13%	14%
Men	86%	87%	86%

Having regard to women employees at the Company, an interesting pattern can be observed regarding the percentage of women on total employees in the different job positions. Having regard to senior managers, over last year the percentage of women considerably increased from 0% to 14%. This is evidence of the growing commitment to foster a higher number of women in leadership roles at the Company. Conversely, in the category of junior managers the percentage of women decreased in the last three years, showing a loss of

women in intermediate responsibility roles. In the category of white-collar workers the percentage of women proved stable, remaining constant at 39% in the three years taken into account.

It is important to point out that the number of women working in the manufacturing-industrial department is generally low; however, the Company is strongly committed to improving this situation through policies aimed at including women and giving them opportunities also in this scope.

**TABLE 24 WOMEN ON TOTAL EMPLOYEES BY JOB POSITION (%)**

	2023	2022	2021
Senior Managers	14%	0%	0%
Junior Managers	11%	11%	20%
White-collar workers	39%	39%	39%
Interns	0%	0%	0%
Blue-collar workers	0%	0%	0%

Furthermore, an interesting trend can be seen concerning the percentage of women broken down by job position. The percentage of women in senior management positions increased from 0% in 2021 to 4% in 2023, showing a slight increase in the number of women in leadership positions at the Company.

The percentage of women in junior management positions remained constant at 4% in the three years taken into account, giving evidence of some stability in the number of women in intermediate responsibility roles. At the Company, most women have a white-collar worker position, as shown in the breakdown below.

**TABLE 25 BREAKDOWN OF WOMEN BY JOB POSITION (%)**

	2023	2022	2021
Senior Managers	4%	0%	0%
Junior Managers	4%	4%	4%
White-collar workers	93%	96%	96%
Interns	0%	0%	0%
Blue-collar workers	0%	0%	0%



## 8.7 Salary and remuneration

The assessment of the basic salaries of women and men in the different employee categories shows a clear pay gap, which may be driven by social and cultural factors, considering the manufacturing industry in which Dulevo operates. In 2023, there were significant pay gaps between men and women in the various jobs within the Company.

Therefore, the pay gap between the two genders is material, although the situation is the opposite in the junior manager category. Furthermore, in the white-collar worker category, the pay gap between the two genders was still considerable, with the basic salary of women on average lower than that of men.

**TABLE 26 GRI 405-2: RATIO OF THE BASIC SALARY OF WOMEN TO MEN FOR EACH EMPLOYEE CATEGORY**

	2023	2022	2021
Senior Managers	62,79%	n.a.	n.a.
Junior Managers	102,25%	87,63%	134,30%
White-collar workers	79,74%	85,63%	69,75%

The ratio of remuneration of women to men by employee category confirms the trend described above also in case of additional benefits and bonuses on top of the basic salary.

**TABELLA 27 GRI 405-1: RATIO OF THE BASIC SALARY AND REMUNERATION OF WOMEN TO MEN FOR EACH EMPLOYEE CATEGORY**

	2023	2022	2021
Senior Managers	59,97%	n.a.	n.a.
Junior Managers	107,13%	89,87%	139,59%
White-collar workers	77,63%	84,37%	74,14%

These data show some gender gap, as they report that, besides a smaller number of women, there are also pay gaps. Dulevo has undertaken to close

these gaps by adopting fair pay policies and initiatives aimed at ensuring equal opportunity for career and pay to all its employees.

## 8.8 Our commitment to occupational health and safety

Dulevo is constantly committed to ensuring appropriate levels of Occupational Health and Safety throughout its production cycle, with specific projects, actions and investments aimed at continuous improvement of the wellbeing of its employees, as expressly stated in the "General Principles" of its Code of Ethics. In order to be true to its commitment, the Company is completing the procedure to certify its Occupational Health and Safety Management System in accordance with the ISO 45001:2018 standard. The certified System shall apply to all business processes and shall cover all the personnel of the Company. The person in charge of its implementation has the role of QHSE Manager and is the Owner of the Health and Safety System included in the Integrated Management System (which comprises the already certified Quality and Environmental Management Systems).

### The roles in charge of risk assessment and personnel engagement

The roles in charge of safety, which have been set up within the Organization in compliance with the applicable legislation and regulations, manage all the relevant matters and obligations on an ongoing basis; specifically, the Head of the Prevention and Protection Service (Italian Responsabile del Servizio di Prevenzione e Protezione or R.S.P.P.) and the Occupational Physician support the Employer in risk assessment following the relevant procedure and are in their turn supported by other expert roles where the risk assessment requires different specialist skills.

Furthermore, in accordance with the applicable rules, there is the Workers' Representative for Safety

(Italian Rappresentante dei Lavoratori per la Sicurezza or R.L.S.) who, in compliance with the responsibilities vested in him or her by Italian Legislative Decree 81/08, gives his or her contribution to risk assessment conveying other contributions collected from the workers.

All personnel are systematically involved in assessing safety risks through specific interviews, internal audits and especially through the "Prevention Journal" tool, whereby information and coaching contents are conveyed directly to the operative personnel, who can thus be always vigilant about the risks they are exposed to.

Although the channels and processes ordinarily used to collect the various contributions from Dulevo personnel are the ones described above, any employee may contact directly all the relevant internal function holders to report any Health and Safety issues. As a whole, those methods for crosswise and systematic engagement are very helpful in terms of continuous improvement.

The analysis of accidents and near-misses is yet another process that enables to promptly update the risk assessment and the related prevention and protection measures; indeed, after every incident, the relevant roles start an investigation to establish the causes of the incident, also in order to determine whether any corrective measures are needed.

The above-described framework also includes emergency management: indeed, after assessing all risks, the ones requiring specific emergency procedures to be in place (e.g. fire risk) are identified and



the persons in charge of coordinating and managing them are vested with the related tasks (e.g. people in charge of fire prevention). In this way, it is also ensured that the personnel are aware of how to immediately get away from any dangerous and hazardous situations. The “safe” behaviours to be adopted while performing work activities and, most of all, in case of danger or emergency, are put on display in all work areas, through images and contents that can be easily seen and consulted by the personnel.

### Medical surveillance and prevention of occupational diseases

Dulevo has organized all the appropriate activities and services to timely manage the medical surveillance for the protection of its personnel, appointing an Occupational Physician who meets all the requirements laid down by the applicable legislation and regulations. After taking part in the risk assessment, the Occupational Physician shall prepare the Company’s healthcare protocol, based on which he or she shall perform the preventive, periodical and extraordinary medical examinations. The medical tests provided for by the Protocol shall be supplemented, where appropriate, with additional medical checks in order to set up the individual medical chart and the fitness for the job clearance.

All workers can easily access the medical surveillance scheme and the utmost confidentiality of their personal information is ensured, so that in no case may that information be used to condition the employees’ job position.

### Training

Le attività di formazione in materia di Training on occupational health and safety is constantly monitored and overseen in order to comply with the statutory deadlines and to promptly identify any new training needs, for example regarding the emergence of new hazards. To that end, the Company prepares an annual Training Plan that covers all personnel concerned, with training to be attended only during working hours.

In 2023 over 100 hours of training on occupational health and safety were administered, increasing vs. the previous year; in 2024 total training hours are expected to increase even further, coming to 120.

The fitness of the trainers is verified beforehand, in order to ensure that they meet the appropriate requirements in terms of qualification and expertise on the specific subject-matters. Being aware of the importance of training in preventing harmful events, the persons in charge systematically verify the effectiveness of the training programmes administering tests, carrying out audits and interviews, as well as directly observing the workers’ behaviours during work activities.

**TABLE 28 TOTAL HOURS OF TRAINING ON OCCUPATIONAL HEALTH AND SAFETY**

2023	2022	2021
108	100	138

### Occupational injuries and diseases

In 2023, just one work-related injury occurred and was not a severe one; this figure reports a strong decrease vs. the two previous years; the data on occupational diseases are even better, considering that there were no occupational diseases in the entire three-year reference period.

This good performance is made even more significant by the fact that in 2023 worked hours increased vs. the two previous years, with evidence given by the strong decrease in the Injury Frequency Rate (IFR). The audits made after the work-related injuries to employees occurred showed that lack of attention and lack of instructions are the main causes of harmful events.

**TABLE 29 NUMBER OF WORK-RELATED INJURIES (EMPLOYEES)**

2023	2022	2021
1	9	6

**TABLE 30 TOTAL NUMBER OF HOURS WORKED (EMPLOYEES)**

2023	2022	2021
341.870	334.461	332.628

**TABLE 31 INJURY FREQUENCY RATE (EMPLOYEES)**

2023	2022	2021
2,92	26,91	18,04

\*Formula: (Number of work-related injuries /hours worked) x 1,000,000



Having regard to our suppliers' personnel, whose activities or place of work are under the Dulevo's control, no work-related injuries or occupational diseases are to be reported.

### Qualification and coordination of suppliers

The Health and Safety Management System requires that Dulevo's suppliers be qualified beforehand in order to verify that they meet the necessary requirements to perform the activities contracted out to them; only after that initial verification, which shall be carried out well before the start of the contracted activities, operational coordination shall be triggered in order to properly manage interference risks and, thus, protect all people present while the activities are being carried out.

The Company is well aware that the presence of external firms at its places of work requires constant vigilance and that it is necessary for the Organization to work only with suppliers it can establish a relationship based on trust and cooperation; this is the reason why all the processes governing the relationship

between Dulevo, as the Customer, and its Suppliers undergo careful analysis and improvement actions.

### Smart working: work-life conciliation

For a few years now, Dulevo has given the possibility to work from home to the employees that are interested and have a job that is compatible with smart working. Indeed, improved work-life balance for its personnel is a goal that the Company is pursuing, also from a sustainability standpoint, with special regard to its social dimension.

“

Improved work-life balance for its personnel is a goal that the Company is pursuing, also from a sustainability standpoint, with special regard to its social dimension.









# Chapter

## Dulevo's Commitment for the environment

# 9.

127





# Dulevo's Commitment for the environment

T

The chapter on the environment of this sustainability report refers exclusively to the production site in Fontanellato (PR). That geographical boundary ensures that the data, analyses and impacts described give a faithful representation of the operations carried out at that specific site, without considering the activities carried out at the site in Padua. The choice to circumscribe the analysis to Fontanellato enables to give a detailed and precise view of the Company's actual commitment for the environment at this production site, which is deemed the one generating the most significant environmental impacts, and to monitor and follow up the related actions and improvements.

Dulevo has set the goal of assessing and systematically improving the environmental impact of its pro-

ducts throughout their life cycle. This commitment translates into a continuous effort to analyze and optimize each step in the production process: from selecting the most sustainable raw materials, to designing eco-efficient products, all the way up to logistics and end-of-life options that are as respectful of the environment as possible. Carrying out future Life Cycle Assessments (LCA), Dulevo intends to identify the critical points for the environment in the short term and to deploy targeted actions. This assessment practice will enable to adopt solutions that reduce its ecological footprint and also contribute to improving the environmental performance of the products throughout their life cycle, consistently with the circular economy principles and in order to put more and more sustainable solutions on the market.

128

## 9.1 Commitment for the climate



### DULEVO D6 BLUE

Thanks to its mechanical-suction-filtering technology and its compressed natural gas-powered engine, Dulevo D6 Blue can sweep generating virtually no emissions. Thanks to the A.S.T. and Load Sensing systems, it runs on extremely low fuel consumption without affecting its sweeping efficiency.

### ZERO IMPACT VEHICLES

Dulevo has always been searching for the best possible way to reduce the environmental impact of its vehicles to a minimum, thanks to intense research and technological innovation work. Dulevo can offer a **wide range of street sweepers featuring total filtering and low or zero emissions**. Forty years ago, when Dulevo was taking its first steps in the street and industrial cleaning sector, the core idea was to create a sweeper with innovative features and technology, providing manufacturers and municipalities with a product having incomparable quality vs. any other sweeper then available on the market: this is how the mechanical-suction-filtering system, now a Dulevo's patent, was conceived. All the propulsion technologies used in Dulevo machines are compliant with the strictest standards laid down by the legislation and regulations on emissions in force in Europe and outside Europe. The exhaust gas post-treatment system the engines are equipped with uses clean air to increase as much as possible the combustion efficiency and to reduce particulate generation to a minimum. While their sweeping capacity has remained utterly unchanged, Dulevo has developed new natural gas-powered and electric engines for its vehicles: they have stemmed from Dulevo's true respect for the environment and attentive care for towns and their inhabitants.

129

Within its commitment to environmental sustainability, Dulevo has adopted a climate policy that is intended to operate in line with the global goals set by the Paris Agreements, aiming at limiting the rise in average global temperatures to 1.5 °C. With this vision, Dulevo has set its first goal of achieving a 20% reduction in its greenhouse gas emissions by 2028 vs. its 2022 emissions. To achieve this goal, the Company constantly assesses its carbon footprint, actively promoting the adoption of effective mitigation strategies.

The transition to renewable energy sources is a pillar of Dulevo's adaptation strategy. Through this process, the Company has undertaken to progressively modify its energy matrix, replacing traditional sources with sustainable alternative sources that reduce its environmental impact and actively contribute to combating climate change. Dulevo's goal is to achieve a 10% reduction in its total energy consumption by 2026, implementing energy efficiency measures and by raising the awareness of its employees and actively engaging them in initiatives that promote mindful and responsible use of energy resources. Furthermore, Dulevo aspires to cover 50% of its energy consumption with renewable sources by 2026.





OUR COMMITMENT FOR BIODIVERSITY

KILOMETROVERDEPARMA

Although the materiality analysis has not found biodiversity to be a priority topic in business operations, Dulevo has showed its commitment by joining the **KilometroVerdeParma** project as ordinary member. The project's goal is to create permanent forests and green areas in the city of Parma and its surrounding province.

This initiative was conceived in 2015 from the will of a group of people and the intuition to create a corridor of trees along the 11-kilometre section of the A1 Motorway running through Parma, to regenerating the environment along one of the sections of heaviest traffic in Europe. From here, the **KilometroVerdeParma** project has evolved and expanded becoming the big reforestation plan that is today.

Dulevo's active participation since its initial phases speaks for the company's dedication to protecting the environment and adopting sustainable practices. Thanks to this initiative, Dulevo not only mitigates the environmental impact of its operations, but actually promotes the creation of green infrastructures capable of yielding relevant benefits for society, the environment and the local community. 200 trees were planted as part of this ambitious project of reforestation and the goal is to develop a business-sponsored forest that will grow in the course of the years and re-naturalize the property area along A1 Motorway. Dulevo's pledge is to adopt a **"net positive"** model for biodiversity, implementing targeted strategies to protect and develop optimal habitats for local flora and fauna. This strategic approach not only promotes the maintenance and enhancement of biodiversity, but also contributes to improving health and resilience of the surrounding ecosystem.

OUR ELECTRICAL AND CNG RANGE



The global guidelines focusing on decarbonization have inspired Dulevo to invest and to develop full electric vehicles intended for urban cleaning. Dulevo's present electric range, to be developed in the future based on the market requirements, comprises two full electric models for street sweeping and washing. The goal of Dulevo full electric machines is to replace the endothermic propulsion ones, with a zero emission version, while ensuring that their operation and performances are not affected. The electric vehicles are equipped with a lithium battery and a very flexible recharging connection; indeed, it has been designed to be rechargeable at street recharging stations, through industrial power plugs or external chargers to ensure the maximum possible recharging speed. Thanks to a thorough study on the energy consumption of the operation phases, Dulevo has been able to develop machines that can perform a full work shift with no need for recharging, while also ensuring that the life of the machine and of the batteries is equivalent to that of the traditional ones. For Dulevo, the electric transition aims at CO2 reduction and zero harmful gases, as well as at reducing sound pollution.

In 2006, prompted by important European cities, Dulevo has the idea to develop a sweeper with an engine alternative to the diesel powered one. Dulevo choice was compressed natural gas (CNG), considering also the development of the refuelling infrastructures intended for it. CNG was and still is the most ecological solution and the one with the lowest gas emissions of harmful gases among combustion engines, without using additives and exhaust gas reduction systems. Dulevo has patented the layout and arrangement of the CNG tanks, making it the only one with them in the compact machines segment.

9.1.1 Our energy consumption

The analysis of the Company's energy consumption shows a marked and continuous decline, which came to a 17.73% drop between 2022 and 2023, adding to yet another considerable decrease of 10.21% between 2021 and 2022. This trend directly results from precise strategies and circumstances that had effects on the Company's operation. Spe-

cifically, the main cause of that reduction was a general production optimization, due partly to trends in the market and partly to internal decisions. Another cause may have been the temporary suspension of work under the wage guarantee fund in August 2023, which of course reduced the Company's energy requirement.

TABLE 32 GRI 302-1 ENERGY CONSUMPTION WITHIN THE ORGANIZATION

Direct energy consumption	UofM	2023	2022	2021	Δ 23-22	Δ 22-21
Total energy consumption in GJ	GJ	10.530,24	12.800,10	14.256,07	-17,73%	-10,21%
Total fuel consumption from non-renewable sources	GJ	9.521,08985	11.842,58516	13.096,87056	-19,60%	-9,58%
	%	90%	93%	92%		
Total fuel consumption from renewable sources	GJ	1.009,15200	957,51345	1.159,20393	5,39%	-17,40%
	%	10%	7%	8%		

The analysis of the data on fuel consumption over three years has shown interesting features concerning the use of energy sources by the Company. Specifically, consumption of fuel from non-renewable sources substantially decreased, down by 19.60% from 2022 to 2023, after another considerable decrease of 9.58% in the previous year.

Accordingly, total consumption of fuel from renewable sources increased by 5.39% in the same period: it is interesting to note that its weight over the three-year period increased by 2 percentage points. This is evidence that, despite the total decrease in energy consumption, the weight of green energy increased.



**TABLE 33 BREAKDOWN OF ENERGY CONSUMPTION**

	UofM	2023	2022	2021	Δ 23-22	Δ 22-21
Diesel fuel	GJ	1.494,65	1.702,98	1.915,85	-12,23%	-11,11%
Natural gas (methane gas)	GJ	6.731,59	8.498,01	9.631,80	-20,79%	-11,77%
Electricity purchased from utilities	GJ	2.304,00	2.599,11	2.708,42	-11,35%	-4,04%

**Dulevo's energy savings**

Of the various sustainability initiatives, worth mentioning is the implementation of the **"Energy saving" programme**. Under the programme, on Fridays employees work from home, which not only contributed to improving the employees' quality of life by removing the need to commute and thus reducing their carbon footprint, but it has also generated a significant decrease in energy consumption associated with management of the Company's premises. In addition, the adopted strategy included renewed focus on energy efficiency, specifically through the adoption of advanced lighting systems. The installation of timed so-

lutions and the replacement with low-energy-consumption technologies in the offices and production areas have yielded the quite considerable decrease in energy consumption. That optimization contributes to reducing operating costs, is in line with the Company's environmental sustainability goals and substantiates its commitment to ensure a greener future. The electricity purchased over the last few years comes from a national energy mix that is consistent with the average distribution of renewable and non-renewable sources in Italy. The reported data show a general decrease in electricity consumption of 11-35% in 2023 vs. 2022.

**TABLE 34 DIRECT ENERGY CONSUMPTION**

	UofM	2023	2022	2021	Δ 23-22	Δ 22-21
Electricity purchased from utilities	kWh	640.000,00	721.976,00	752.339,00	-11,35%	-4,04%
From non-renewable sources	GJ	1.294,85	1.641,60	1.549,22	-21,12%	5,96%
	kWh	359.680,00	456.000,04	430.337,91		
From renewable sources	GJ	1.009,15	957,51	1.159,20	5,39%	-17,40%
	kWh	280.320,00	265.975,96	322.001,09		

**TABLE 35 NATIONAL ENERGY MIX**

Source: Terna

	UofM	2023	2022	2021
Electricity from renewable sources purchased from utilities	%	43,80%	36,84%	42,80%
Electricity from non-renewable sources purchased from utilities	%	56,20%	63,16%	57,20%

**Dulevo's energy intensity**

In the last three-year period, the energy intensity trends give evidence that Dulevo has taken significant steps forward in reducing energy consumption as a ratio to its workforce and its revenue. This is a positive indicator in terms of sustainability because it proves the reduction of the environmental impacts generated by its operations.



**TABLE 36 GRI 302-3 ENERGY INTENSITY**

	UofM	2023	2022	2021	Δ 23-22	Δ 22-21
Ratio of energy intensity to the workforce	GJ/n.	102,24	136,17	163,86	-24,92%	-16,90%
Ratio of energy intensity to revenue	GJ/Euro	0,000112	0,000141	0,000284	-20,33%	-50,39%

\*The 2021 report covered only the first 9 months of the year, because of the acquisition by the Fayat Group.



**TABLE 37 CONVERSION FACTORS FOR GJ CALCULATION**

	UofM	Heating value*			Density (from litres to ton/from m3 to kg) **
		2023	2022	2021	
Diesel fuel	GJ/ton	42,73	42,60	42,60	0.000843327
Petrol	GJ/ton	43,18	43,62	43,62	0.000744679
Natural gas (methane gas)	GJ/ton	45,52	45,2	45,2	1.265822785

\* DEFRA guidelines 2021, 2022, 2023

\*\* DEFRA guidelines 2023

Source: Terna

	Electricity		
	2023	2022	2021
From kWh to GJ	0,0036		

### 9.1.2 Our carbon emissions

Although the intensity of its direct carbon emissions from production is modest, Dulevo has undertaken to determine to what extent the significant impact actually lies in indirect emissions mainly during the use of the products supplied to customers. The reported figures show a slight

decrease in total emissions year-over-year. These percentage changes show relative stability in the amount of Dulevo's total emissions, suggesting that the endeavours to reduce emissions are starting to give their results, although the pace is still gradual.

**TABLE 38 TOTAL GHG EMISSIONS**

	UofM	2023	2022	2021	Δ 23-22	Δ 22-21
Scope 1; Scope 2; Scope 3	t CO2e	306.283,80	315.981,48	243.550,44	-3,07%	29,74%

Furthermore, Dulevo has adopted a tool to assess the risks and opportunities associated also with the aspects related to climate change, as reported in the Paragraph on the impact materiality assessment.

**TABLE 39 GRI 305-1 DIRECT GHG EMISSIONS (SCOPE 1)**

#### Our direct emissions

	UofM	2023	2022	2021	Δ 23-22	Δ 22-21
Total direct emissions	t CO2e	489,20	506,46	674,35	-3,41%	-24,90%
Diesel fuel	t CO2e	110,32	126,68	133,52	-12,91%	-5,12%
Natural gas (methane gas)	t CO2e	378,87	379,78	540,83	-0,24%	-29,78%

#### Our indirect emissions

Dulevo's indirect emissions result from the purchase of electricity from utilities to be used in its production and operational processes. These emissions are quite significant because, although not generated directly by the Company, they reflect its choice of energy sources and its ef-

fects on the sustainability of the energy it uses. Being fully aware of this, Dulevo is committed to optimizing the use of energy and to increasing procurement from renewable sources, thus reducing the associated environmental impact and contributing to the achievement of the global decarbonization goals.

**TABLE 40 GRI 305-2 INDIRECT GHG EMISSIONS FROM ENERGY CONSUMPTION (SCOPE 2)**

	UofM	2023	2022	2021	Δ 23-22	Δ 22-21
Total indirect emissions (location based)	t CO2e	201,60	227,42	236,99	-11,35%	-4,04%
Total indirect emissions (market based)	t CO2e	292,58	329,63	345,00	-11,24%	-4,45%

**TABLE 41 LB AND MB EMISSION FACTORS**

Source: AIB

	UofM	2023	2022	2021
Location Based emission factor	tCO2/kWh	0,000315	0,000315	0,000315
Market Based emission factor	tCO2/kWh	0,00045715	0,000315	0,00045657



Dulevo's indirect emissions, especially those categorized as Scope 3, represent the most significant and challenging component of its GHG emission profile. These emissions include all the sources that are not in the Company's direct control, such as those associated with purchased materials, outsourced services and, especially, the use of its pro-

ducts by customers. Despite the difficulty in monitoring and managing these indirect emissions, Dulevo is proactively committed to working with its suppliers and customers to implement more sustainable practices throughout the value chain, from production to after-consumption, proving its commitment to a responsible energy transition.

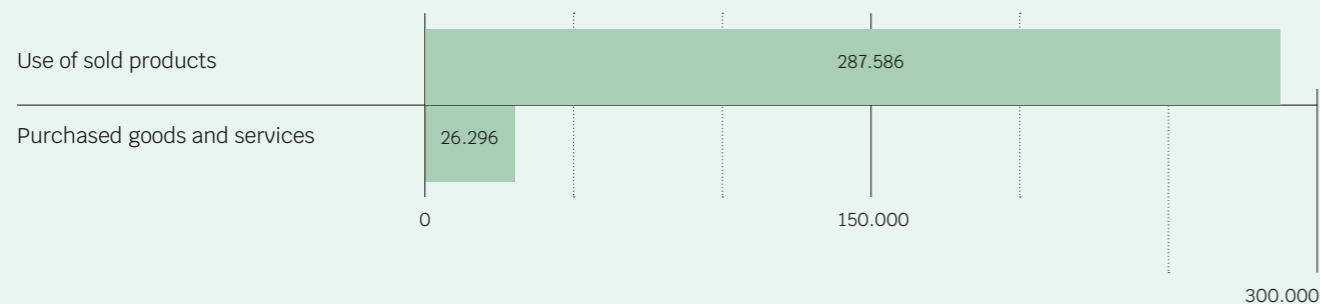
**TABLE 42 GRI 305-3 OTHER INDIRECT (SCOPE 3) GHG EMISSIONS**

	UofM	2023	2022	2021	Δ 23-22	Δ 22-21
Total other emissions (important categories)	t CO2e	305.593,00	315.247,60	242.639,10	-3,06%	29,92%

Categories "Purchased goods and services" and "Use of products sold", which account for 99.6% of Scope 3 emissions, showed no changes in emissions between the reference periods, remaining stable at

the value of 26,295.90 t CO2e and 287,586.00 t CO2e, respectively. This means that there were no significant changes in the purchasing policies or in the consumption of products sold impacting emissions.

**MAIN SCOPE 3 EMISSIONS (TCO2EQ) 2023**



The table below summarizes the emissions of CO2 equivalent (t CO2e), in accordance with the GHG Protocol, for the various impact categories analyzed. "Waste generated in operations" posted a significant 34.82% decrease in emissions

vs. the previous period, which followed a 50.15% increase in the period before the previous one. That change can be explained with a change in the allocation to waste categories made in the last reporting year.

**TABLE 43 BREAKDOWN OF SCOPE 3 EMISSIONS**

	UofM	2023	2022	2021	Δ 23-22	Δ 22-21
Goods and services purchased	t CO2e	64.160,20	26.295,90	34.538,20	143,99%	-23,86%
Activities linked to fuels and energy	t CO2e	91,80	109,60	124,80	-16,24%	-12,18%
Waste generated in operations	t CO2e	64,20	98,50	65,60	-34,82%	50,15%
Business travel	t CO2e	187,20	133,00	37,10	40,75%	258,49%
Employee commuting	t CO2e	365,90	281,70	338,30	29,89%	-16,73%
Downstream transport	t CO2e	525,10	742,80	468,30	-29,31%	58,62%
Use of products sold*	t CO2e	240.198,80	287.586,00	207.066,90	-16,48%	38,89%

\*The calculation of the use of products sold item taken into account a coverage rate of 73% in 2021, of 66% in 2022 and of 83% in 2023.

**Dulevo's emission intensity**

The calculation of emission intensity focused on Scope 1 and Scope 2 (LB) in order to keep direct control on these emissions. Eliminating external variables, which may cause fluctuation not depending on internal practices, makes the analysis more consistent

and immediately applicable. These metrics suggest that the organization succeeded in reducing its GHG emissions over its workforce and revenue, posting improvements in terms of environmental efficiency and sustainability in the reference period.

**TABLE 44 GRI 305-4 GHG EMISSION INTENSITY**

	UofM	2023	2022	2021	Δ 23-22	Δ 22-21
GHG emission intensity for employees	t CO2e/ n.	6,71	7,81	10,48	-14,10%	-25,47%
GHG emission intensity for revenue	t CO2e/ ton	0,000112	0,000008	0,000018	-8,84%	-55,51%



### 9.1.3 Climate risk management

In the present global scenario, climate risk management has become a core pillar to ensure long-term resilience and sustainability of businesses. Dulevo's strategic approach to climate risk management comprises an analysis aimed at enriching climate mindfulness in the decision-making processes and in the overall strategy. Climate risk management is a dynamic process, which requires continuous monitoring and periodic updates to keep on top of the changes in the climate scenario in scientific knowledge. Therefore, the Company is going to carry out other thorough assessments and updates, in order to constantly improve its ability to quantify and manage those risks.

#### Physical risks

The first risk assessment that was conducted found that the impacts generated by climate-related physical risks had low materiality, thanks to the deployment of effective mitigation and adaptation strategy. This enabled to significantly reduce the Company's vulnerability in terms of damage to its assets, service inter-

ruption, operational inefficiencies and availability of goods and services, ensuring high operational resilience and optimal business continuity as regards climate change.

“

In the present global scenario, climate risk management has become a core pillar to ensure long-term resilience and sustainability of businesses.

#### PHYSICAL RISKS

Category	Expected effects	Materiality
Temperatures (fires, heatwaves)	Performance	Low
Wind (cyclones, hurricanes, storms)		
Water (Water scarcity, floods)		
Soil (Degradation, landslides)		

#### Transition risks

For the Company, transition risks associated with climate change have medium materiality. Falling within the Policy and Regulation, Technology, Market, Reputation and Acceleration of Investments for Product Decarbonization scopes, these risks may have impacts on the Company's cash flows and financial situation,

but are identified and assessed as having medium materiality. This means that, although there are uncertainties and challenges to be addressed, Dulevo has effective strategies and actions plans in place to mitigate the impact of these risks and seize the related opportunities, showing good resilience and proactivity in its ecological transition.

#### TRANSITION RISKS

Category	Expected effects	Materiality
Policy and regulation (new obligations and disputes)	Financial situation	Medium
Technology (unfruitful investments, costs)	Cash flows	
Market (uncertainty, change in employees' behaviour)	Cash flows	
Reputation (stakeholders' concerns)	Cash flows	
Investment acceleration to decarbonize the product	Financial situation	





## 9.2 Other pollutant emissions

Having regard to the data discussed above on energy consumption, the improving trend is confirmed also as regards pollutant emissions, with significant reductions in the emissions of some of most harmful

pollutants, such as nitrogen oxides (NOx) and sulfur oxides (SOx), although with an increase in the emissions of fine particulate matter (PM10) and of non-methane volatile organic compounds (NMVOCs).

**TABLE 45 GRI 305-7 NITROGEN OXIDES (NOX), SULFUR OXIDES (SOX) AND OTHER SIGNIFICANT AIR EMISSIONS**

	UofM	2023	2022	2021	Δ 23-22	Δ 22-21
<b>Total emissions of pollutants</b>	<b>t</b>	<b>0,71</b>	<b>2,73</b>	<b>2,73</b>	<b>-73,83%</b>	<b>0,00%</b>
Particulate matter (PM10)	kg	15,66	14,90	14,90	5,10%	0,00%
Total organic Carbon (TOC) (expressed as total C or COD/3)	kg	32,62	28,50	28,50	14,46%	0,00%
Non-methane volatile organic compounds (NMVOCs)	kg	56,21	48,00	48,00	17,10%	0,00%
Nitrogen oxides (NOx/NO2)	kg	583,20	2.268,00	2.268,00	-74,29%	0,00%
Sulfur oxides (SOx/SO2)	kg	25,92	367,20	367,30	-92,94%	-0,03%

140



### OUR FILTERING SYSTEM

The quality of the micro-particle filtration process is one of the distinctive features of Dulevo vehicles. In the mechanical collection phase, the dust raised by the central broom of the sweeper is sucked up and held in the container thanks to the vacuum created by the suction system. The special fabric filtering system retains even the thinnest particulates and completes the sweeping cycle, guaranteeing the reintroduction in the environment of filtered air only. Therefore, all Dulevo road machines are EN15429-3 certified. Dulevo began its journey of innovation and improvement of its filter technology in Helsinki in 2006, thanks to scientific studies carried out on the road. In 2007 Dulevo International and the GORE® Group decided to establish a strategic and exclusive partnership. With the collaboration of the University of Pisa, the Studio Alfa was set up to carry out a test protocol on an urban circuit, therefore under real working conditions. The results certified by TÜV and DNV, show that the Dulevo filtering system retains dust of particle size fraction down to Pm1. The Dulevo filtering system is also considered the most performing by VDI (Association of German Engineers - Publication VDI2096). After more than 15 years of research, the combination of the two technologies has in fact revolutionized every parameter linked to the concept of fine particle filtering, bringing Dulevo vehicles to extremely high levels of filtration, exceeding the PM10 and PM5 regulatory standards to achieve PM1 filtration.

141

## 9.3 Towards a circularity approach

Having regard to the management and assessment of input materials, for the time being Dulevo does not have any detailed monitoring system enabling to accurately track the use of those resources. The Company acknowledges the importance of mindful and sustainable management of resources as core pillar to reduce its environmental impact and improve its operational efficiency. Therefore, it intends to start a continuous improvement process providing for the implementation of appropriate strategies and tools for accurate monitoring of input materials. Thanks to this, not only will consumption be optimized and waste reduced, but transparency towards stakeholders will be enhanced and the different operating practices will be further aligned with the set corporate sustainability goals. The main goal is to effectively use raw materials, in order to achieve a 5% reduction in consumption by 2030. That goal will be pursued through careful planning of resources and the adoption of cutting edge production processes focused on su-

stainability and circular economy by design. Furthermore, Dulevo intends to make its cooperation with its suppliers even closer in order to promote sustainable practices throughout the procurement chain. This includes joint efforts to minimize consumptions and emissions, as well as to implement initiatives aimed at more responsible procurement and lower environmental impact

“

Having regard to the management and assessment of input materials, for the time being Dulevo does not have any detailed monitoring system enabling to accurately track the use of those resources.



### 9.3.1 Waste generated

The analysis of waste generated over the last few years has shown that the Company's waste management profile has evolved, with significant implications also for our sustainability practices. In 2023, total waste generated came to 311,215 kg, up by 4.77% vs- 2022, in a scenario of constant growth vs. 2021.

**TABLE 46 GRI 306-3 WASTE GENERATED**

	UofM	2023	2022	2021	Δ 23-22	Δ 22-21
<b>Total waste generated</b>	<b>Kg</b>	<b>311.215,00</b>	<b>297.052,00</b>	<b>277.478,00</b>	<b>4,77%</b>	<b>7,05%</b>
Hazardous waste	Kg	8.945,00	4.816,00	35.888,00	85,74%	-86,58%
	%	3%	2%	13%		
Non-hazardous waste	kg	302.270,00	292.236,00	241.590,00	3,43%	20,96%
	%	97%	98%	87%		

Specifically, the management of hazardous waste has changed significantly, mainly due to the characterization of washing waste, which has been modified over the years.

**TABLE 47 HAZARDOUS WASTE BY DESTINATION**

	UofM	2023	2022	2021	Δ 23-22	Δ 22-21
<b>Total weight of hazardous waste</b>	<b>Kg</b>	<b>8.945,00</b>	<b>4.816,00</b>	<b>35.888,00</b>	<b>85,74%</b>	<b>-86,58%</b>
Recovery (R codes)	kg	8.545,00	4.563,00	7.548,00	87,27%	-39,55%
Disposal (D codes)	kg	400,00	253,00	28.340,00	58,10%	-99,11%

The increase in non-hazardous waste generated is consistent with the growth in operations, also showing the need to implement additional measures for their reduction at source and for improved efficiency in the lifecycle of materials. The higher rate of recovery of that waste

is encouraging and, therefore, Dulevo deems it essential to continue to work on initiatives aimed at reducing the environmental impact, such as the optimization of production processes and the adoption of circular economy practices.

**TABLE 48 NON-HAZARDOUS WASTE BY DESTINATION**

	UofM	2023	2022	2021	Δ 23-22	Δ 22-21
<b>Total weight of non-hazardous waste</b>	<b>Kg</b>	<b>302.270,00</b>	<b>292.236,00</b>	<b>241.590,00</b>	<b>3,43%</b>	<b>20,96%</b>
Recovery (R codes)	kg	254.330,00	237.776,00	237.170,00	6,96%	0,26%
Disposal (D codes)	kg	47.940,00	54.460,00	4.420,00	-11,97%	1132,13%

The attention to the life cycle of materials and their enhancement at the end of their useful life is substantiated by the data on waste directed to recovery, which increased over the last year. The amount of recycled or reused waste hit 262,875 kg, accounting for 84% of total waste generated, posting an improvement vs. the previous year.

This goal is consistent with the environmental responsibility stance taken and reflects continuous commitment to advanced operational sustainability. The goal is to further strengthen the recovery policies and extend waste treatment capacities, in order to increase the percentage of recovered and reused material. Dulevo undertakes to carefully assess the existing processes, explore new recovery technologies and methods, and work in close cooperation with its supply chain partners in order to optimize the life cycle of materials and to reach full environmental sustainability.

The non-linear trend reflects Dulevo's will to renew its efforts in order to understand and address the challenges that prevent that percentage to be kept or increased. The Company has undertaken to keep its waste recovery rate not lower than



TABLE 49 GRI 306-5 WASTE DIVERTED FROM DISPOSAL

Composition of waste (segmentation and type)	UofM	2023	2022	2021	Δ 23-22	Δ 22-21
Total weight of waste directed to recovery	Kg	262.875,00	242.339,00	244.718,00	8,47%	-0,97%
	%	84%	82%	88%		

TABLE 50 GRI 306-5 WASTE DIRECTED TO DISPOSAL

Composition of waste (segmentation and type)	UofM	2023	2022	2021	Δ 23-22	Δ 22-21
Total weight of waste directed to disposal	Kg	48.340,00	54.713,00	32.760,00	-11,65%	67,01%
	%	16%	18%	12%		

### 9.3.2 Responsible management of water

Dulevo has adopted mindful and responsible practices to ensure a sustainable use of water resources in its operations. The Company has implemented a management system providing for lower water withdrawal and minimization of wastewater discharge, moving towards more sustainable water procurement and reduction of wastewater discharge. Through constant monitoring of its water consumption, Du-

levo actively works to prevent and reduce water pollution caused by its operations. From a sustainable design standpoint, the Company is also committed to designing products and services that address the problems regarding water management, promoting innovative projects for the recovery and reuse of wastewater and rain water, aiming at a 20% reduction in water withdrawals by 2030.

TABLE 51 GRI 303-3 WATER WITHDRAWALS

Total water withdrawal	UofM	2023	2022	2021	Δ 23-22	Δ 22-21
Total volume of water withdrawn from municipality water procurement or other public or private water utilities	ML	5,7	6,4	6,8	-10,93%	-5,88%

TABLE 52 GRI 303-4 WATER DISCHARGE

Total water discharge	UofM	2023	2022	2021	Δ 23-22	Δ 22-21
Total volume of water discharged in public sewage systems	ML	5,7	6,4	6,8	-10,93%	-5,88%

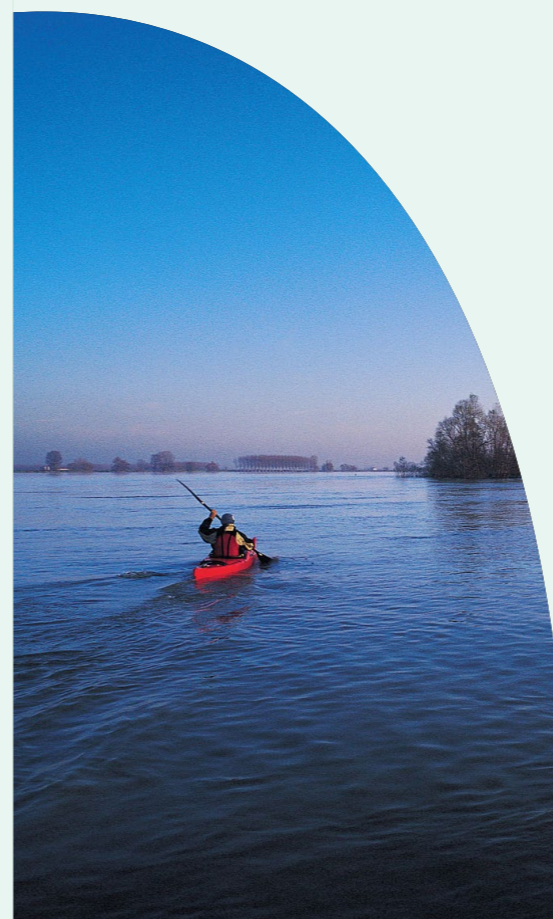
The periodic analyses made on water showed that there were not breaches of the limits laid down by the law in any one of the last three years.

TABLE 53 GRI 303-5 WATER CONSUMPTION

Total water consumption	UofM	2023	2022	2021
<b>Total water consumption in all areas</b>	<b>ML</b>	<b>0</b>	<b>0</b>	<b>0</b>
Total water withdrawal	ML	5,7	6,4	6,8
Total water discharge	ML	5,7	6,4	6,8

### OUR MACHINES' WATER MANAGEMENT

All Dulevo machines are **designed to reduce water use to a minimum**. This is very important from both an environmental and cost-effectiveness point of view. Thanks to the mechanical-suction filtering system, **Dulevo sweepers can work totally without water** using dust caps, or the operator can reduce and control the quantity of water used on side brushes. On the other hand, as regards the suction sweeping system, the use of water can be reduced thanks to the control and setting of the dust abatement system on side brushes and through the **water recycling system**.









# Chapter

## GRI Content Index

# 10.

149





# GRI Content Index

DULEVO has reported the information as per the GRI Content Index for the period from 1 January 2023 to 31 December 2023 with reference to the GRI Standards.

<b>GRI 1 used</b>	<b>GRI 1: Foundation 2021</b>
-------------------	-------------------------------

GRI Standard	Disclosure	Where in the report
<b>GRI 2: General disclosure 2021</b>	2-1 Organizational details	Chapter 1. Methodological note
	2-2 Entities included in the organization's sustainability reporting	Chapter 1. Methodological note
	2-3 Reporting period, frequency and contact point	Chapter 1. Methodological note
	2-6 Activities, value chain and other business relationships	Chapter 3. Who we are - Par. 3.2 our value chain
	2-7 Employees	Chapter 8. People at Dulevo - Par. 8.3 The personnel
	2-8 Workers who are not employees	Chapter 8. People at Dulevo - Par. 8.4 The personnel
	2-9 Governance structure and composition	Chapter 5 Our Governance - Par. 5.1 The Corporate Governance model Par. 5.2 Operating structure and organizational chart
	2-10 Nomination and selection of the highest governance body	Chapter 5 Our Governance - Par. 5.1 The Corporate Governance model
	2-11 Chair of the highest governance body	Chapter 5 Our Governance - Par. 5.1 The Corporate Governance model
	2-14 Role of the highest governance body in sustainability reporting	Chapter 1. Methodological Note - Par. 1.4 Review
	2-22 Statement on sustainable development strategy	Chapter 4. Approach to sustainability - Par. 4.1 Sustainability strategy; Par. 4.2 Dulevo Telematic
	2-23 Policy commitments	Chapter 4. Approach to sustainability
	2-26 Mechanisms for seeking advice and raising concerns	Chapter 5 Our Governance - Par. 5.3 Integrated risk management
	2-27 Compliance with laws and regulations	Chapter 5 Our Governance - Par. 5.3 Integrated risk management
	2-28 Membership associations	Chapter 2. Double materiality assessment - Par. 2.3 Stakeholder engagement and analysis
	2-29 Approach to stakeholder engagement	Chapter 2. Double materiality assessment - Par. 2.3 Stakeholder engagement and analysis
2-30 Collective bargaining agreements	Chapter 8. People at Dulevo - Par. 8.3 Labour-management relations	

150

<b>GRI 3: Material topics 2021</b>	3-1 Process to determine material topics	Chapter 1. Methodological note - 1.1 Process to determine and assess material topics
	3-2 List of material topics	Chapter 2. Double materiality assessment
	3-3 Management of material topics	Chapter 2. Double materiality assessment
<b>GRI 201: Economic performance 2016</b>	201-1 Direct economic value generated and distributed	Chapter 6. Creation of shared value - Par. 6.1. Economic value generated and distributed
	201-2 Financial implications and other risks and opportunities due to climate change	Chapter 2. Double materiality assessment
<b>GRI 205: Anti-corruption 2016</b>	205-1 Operations assessed for risks related to corruption	Chapter 5 Our Governance - Par. 5.3 Integrated risk management
	205-2 Communication and training about anti-corruption policies and procedures	Chapter 5 Our Governance - Par. 5.3 Integrated risk management
	205-3 Confirmed incidents of corruption and actions taken	Chapter 5 Our Governance - Par. 5.3 Integrated risk management
<b>GRI 206: Anti-competitive Behavior 2016</b>	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Chapter 5 Our Governance - Par. 5.3 Integrated risk management
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	Chapter 9. Dulevo's commitment for the environment - Par. 9.1 Commitment for the climate
	302-3 Energy intensity	Chapter 9. Dulevo's commitment for the environment - Par. 9.1 Commitment for the climate
<b>GRI 303: Water and Effluents 2018</b>	303-3 Water withdrawal	Chapter 9. Dulevo's commitment for the environment - Par. 9.3 Towards a circularity approach
	303-4 Water discharge	Chapter 9. Dulevo's commitment for the environment - Par. 9.3 Towards a circularity approach
	303-5 Water consumption	Chapter 9. Dulevo's commitment for the environment - Par. 9.3 Towards a circularity approach
<b>GRI 305: Emissions 2026</b>	305-1 Direct GHG emissions (Scope 1)	Chapter 9. Dulevo's commitment for the environment - Par. 9.1 Commitment for the climate
	305-2 Indirect GHG emissions from energy consumption (Scope 2)	Chapter 9. Dulevo's commitment for the environment - Par. 9.1 Commitment for the climate
	305-3 Other indirect (Scope 3) GHG emissions	Chapter 9. Dulevo's commitment for the environment - Par. 9.1 Commitment for the climate
	305-4 GHG emission intensity	Chapter 9. Dulevo's commitment for the environment - Par. 9.1 Commitment for the climate
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX) and other significant air emissions	Chapter 9. Dulevo's commitment for the environment - Par. Other pollutant emissions
<b>GRI 306: Waste 2020</b>	306-3 Waste generated	Chapter 9. Dulevo's commitment for the environment - Par. 9.3 Towards a circularity approach
	306-4 Waste diverted from disposal	Chapter 9. Dulevo's commitment for the environment - Par. 9.3 Towards a circularity approach
	306-5 Waste directed to disposal	Chapter 9. Dulevo's commitment for the environment - Par. 9.3 Towards a circularity approach

151



<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	Chapter 8. People at Dulevo - Par. 8.3 Training and Development
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Chapter 8. People at Dulevo - Par. 8.5 Wellbeing and management tools for people
	401-3 Parental leave	Chapter 8. People at Dulevo - Par. 8.5 Wellbeing and management tools for people
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	Chapter 8. People at Dulevo - 8.8 Our commitment to occupational health and safety
	403-2 Hazard identification, risk assessment, and incident investigation	Chapter 8. People at Dulevo - 8.8 Our commitment to occupational health and safety
	403-3 Occupational health services	Chapter 8. People at Dulevo - 8.8 Our commitment to occupational health and safety
	403-4 Worker participation, consultation, and communication on occupational health and safety	Chapter 8. People at Dulevo - 8.8 Our commitment to occupational health and safety
	403-5 Worker training on occupational health and safety	Chapter 8. People at Dulevo - 8.8 Our commitment to occupational health and safety
	403-8 Workers covered by an occupational health and safety management system	Chapter 8. People at Dulevo - 8.8 Our commitment to occupational health and safety
	403-9 Work-related injuries	Chapter 8. People at Dulevo - 8.8 Our commitment to occupational health and safety
	403-10 Work-related ill health	Chapter 8. People at Dulevo - 8.8 Our commitment to occupational health and safety
<b>GRI 404: Training and Education 2016</b>	404-1 Average hours of training per year per employee	Chapter 8. People at Dulevo - 8.4 Training and Development
	404-3 Percentage of employees receiving regular performance and career development reviews	Chapter 8. People at Dulevo - Par. 8.5 Wellbeing and management tools for people
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	Chapter 8. People at Dulevo - Par. 8.6 Diversity and equal opportunity
	405-2 Ratio of basic salary and remuneration of women to men	Chapter 8. People at Dulevo - Par. 8.6 Diversity and equal opportunity
<b>GRI 406: Non-discrimination 2016</b>	406-1 Incidents of discrimination and corrective actions taken	Chapter 8. People at Dulevo - Par. 8.6 Diversity and equal opportunity
<b>GRI 416: Customer Health and Safety 2016</b>	416-1 Assessment of the health and safety impacts of product and service categories	Chapter 3 Who we are - Par. 3.3 products and services; Chapter 5. Our Governance - Par. 5.2 Operating structure and organizational chart
<b>GRI 418 Customer Privacy 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Chapter 5. Our Governance - Par. 5.4. Data and privacy protection







# Chapter

Table Index

# 11.

157





# Table Index

Table 1 Risk matrix	19
Table 2 Effects of corporate processes on sustainability matters	26
Table 3 Priority matrix	27
Table 4 List of material topics	28
Table 5 Stakeholder analysis	30-31
Table 6 Double materiality histogram	34
Table 7 Impact materiality	35
Table 8 Financial materiality	37
158 Table 9 Double materiality highlights	38-39
Table 10 GRI 2-7 and 2-8: Total employees	104
Table 11 GRI 2-7: Employees by type of contract and gender	104
Table 12 GRI 2-7: Employees by job category and gender	105
Table 13 GRI 2-8: Employees by work contract and gender	106
Table 14 Educational qualifications of employees (%)	106
Table 15 GRI: 401-1: New employee hires by gender and age (n.)	107
Table 16 GRI: 401-1: Employee turnover by gender and age (n.)	107
Table 17 GRI 401-1: Total personnel turnover	108
Table 18 GRI 401-1: Total personnel turnover (negative) (%)	109
Table 19 GRI 405-1: Employee by contract, gender and age bracket (%)	110
Table 20 GRI 401-3: Parental leave by gender (no.)	113
Table 21 Rate of return to work and retention (%)	114
Table 22 GRI 405-1: Employees with disabilities and belonging to protected groups (%)	116
Table 23 Representation of women employees (%)	116
Table 24 Women on total employees by job position (%)	117
Table 25 Breakdown of women by job position (%)	117
Table 26 GRI 405-2: Ratio of the basic salary of women to men for each employee category	118
Table 27 GRI 405-1: Ratio of the basic salary and remuneration of women to men for each employee category	118
Table 28 Total hours of training on Occupational Health and Safety	121
Table 29 Number of work-related injuries	121
Table 30 Total number of hours worked	121
Table 31 Injury frequency rate	121
Table 32 GRI 302-1 Energy consumption within the organization	131

# Table Index

Table 33 Breakdown of energy consumption	132
Table 34 Direct energy consumption	132
Table 35 National energy mix	133
Table 36 GRI 302-3 Energy intensity	133
Table 37 Conversion factors for GJ calculation	134
Table 38 Total GHG emissions	134
Table 39 GRI 305-1 Direct GHG emissions (Scope 1)	135
Table 40 GRI 305-2 Indirect GHG emissions from energy consumption (Scope 2)	135
159 Table 41 LB and MB emission factors	135
Table 42 GRI 305-3 Other indirect (Scope 3) GHG emissions	136
Table 43 Breakdown of Scope 3 emissions	137
Table 44 GRI 305-4 GHG emission intensity	138
Table 45 GRI 305-7 Nitrogen oxides (NOX), sulfur oxides (SOX) and other significant air emissions	140
Table 46 GRI 306-3 Waste generated	142
Table 47 Hazardous waste by destination	142
Table 48 Non-hazardous waste by destination	143
Table 49 GRI 306-5 Waste diverted from disposal	144
Table 50 GRI 306-5 Waste directed to disposal	144
Table 51 GRI 303-3 Water withdrawals	144
Table 52 GRI 303-4 Water discharge	145
Table 53 GRI 303-5 Water consumption	145







# Chapter

## Sustainability Synthetic KPIs

# 12.

163





# Sustainability Synthetic KPIs

The table below reports the synthetic indicators used in this report, in order to give a full view of Dulevo's ESG performances in the reporting period.

164

Sustainability KPIs		Unit	2021	2022	2023
Financial	Economic value generated	€	50.930,00	92.230,00	95.889,00
	Economic value distributed	€	55.173,00	81.961,00	93.086,00
	Economic value retained	€	4.243,00	10.269,00	2.803,00
Supply chain	Total number of suppliers	Number	300	300	300
	Local suppliers	%	98%	98%	98%
	Suppliers that were screened using environmental criteria	%	0%	0%	0%
	Suppliers that were screened using social criteria	%	0%	0%	0%
Environment	Total energy consumption	GJ	14.256,07	12.800,10	10.530,24
	Consumption of energy from renewable sources	%	8%	7%	10%
	Electricity purchased from utilities	kWh	752.339,00	721.976,00	640.000,00
	Ratio of energy intensity to the workforce	GJ/n.	163,86	136,17	102,24
	Ratio of energy intensity to revenue	GJ/€	0,000284	0,000141	0,000112
	Scope 1 in tCO2eq	tCO2eq	674,35	506,46	489,20
	Scope 2 in tCO2eq (LB)	tCO2eq	236,99	227,42	201,60
	Scope 2 in tCO2eq (MB)	tCO2eq	345,00	329,63	292,58
	Scope 3 in tCO2eq	tCO2eq	242.639,10	315.247,60	305.593,00
	GHG emission intensity for revenue	tCO2eq/€	0,000018	0,000008	0,000007
	GHG emission intensity for employees	tCO2eq/n.	10,48	7,81	6,71
	PM10 emissions	kg	14,9	14,9	15,66
	Total Organic Carbon (TOC) emissions	kg	28,5	28,5	32,62
	Non-methane volatile organic compounds (NMVOCs)	kg	48	48	56,21
	Nitrogen oxide (Nox) emissions	kg	2.268	2.268	583,2
	Sulfur oxide (Sox) emissions	kg	367,3	367,2	25,92
	Total waste generated	kg	277.478,00	297.052,00	311.215,00
	Hazardous waste	%	13%	2%	3%
	Waste diverted from disposal	%	88%	82%	84%
	Total water withdrawal	ML	6,8	6,4	5,7
Total water consumption	ML	0,00	0,00	0,00	

165

Human Resources	Employees	Number	184	201	199
	Contract workers	Number	17	21	22
	Workers with open-ended contracts	Number	181	199	197
	New hires	Number	13	22	24
	Employee turnover	Number	19	19	25
	Total turnover	%	17%	20%	25%
	Negative turnover	%	10%	10%	13%
	Hours of training provided	Number	n.a.	n.a.	2.604
	Average training hours provided to female employees	Number	n.a.	n.a.	15
	Average training hours provided to male employees	Number	n.a.	n.a.	13
	Employees that are entitled to parental leave	%	100%	100%	100%
	Employees that took parental leave	Number	1	3	4
	Rate of return to work after parental leave	%	100%	100%	75%
	Rate of job retention after parental leave	%	n.a.	100%	100%
	Female employees	%	14%	13%	14%
	Female senior managers	%	0%	0%	14%
	Employees with disabilities and belonging to protected groups	%	8%	7%	6%
	Ratio of the basic salary of women to men (senior managers)	%	n.a.	n.a.	63%
	Ratio of the basic remuneration of women to men (senior managers)	%	n.a.	n.a.	60%
	Ratio of the basic salary of women to men (junior managers)	%	134%	88%	102%
Ratio of the basic remuneration of women to men (junior managers)	%	140%	90%	107%	
Ratio of the basic salary of women to men (white-collar workers)	%	70%	86%	80%	
Ratio of the basic remuneration of women to men (white-collar workers)	%	74%	84%	78%	
Hours of training provided on Occupational Health and Safety	Unit	138	100	108	
Number of work-related injuries	Unit	6	9	1	
Total number of hours worked (employees)	Unit	332.628	334.461	341.870	
Injury frequency rate	Unit	18,04	26,91	2,92	
Collective bargaining agreements applied	%	100%	100%	100%	
Policies	Independent directors	Number	n.a.	n.a.	n.a.
	Number of women on the Board	%	n.a.	n.a.	n.a.
	Hours of training on corruption prevention	Number	n.a.	n.a.	n.a.
	Number of significant incidents on non-compliance with laws and regulations	Number	0	0	0
	Significant fines and non-monetary sanctions for non-compliance with laws and/or regulations	€	0	0	0
	Number of employees that have received the code of conduct	%	100%	100%	100%







