

# Sustainability Report 2024

Commitment to a Responsible Future: Transparency, Innovation,  
and Value for People, the Environment, and the Territory

**See It Before it Happens**

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**Christian Grandi**

Chief Executive Officer  
Motor Power Company S.r.l.

Dear Stakeholders,

We are delighted to share with you our progress and ambitions for the future, which reflect Motor Power Company's deep commitment to an innovative, sustainable business model focused on creating value for all stakeholders. We are proud to present our first **Sustainability Report**, a document that represents not only an important milestone for our company, but also a fundamental step in our journey towards responsible business practices.

The Sustainability Report summarizes our environmental, social and economic efforts, offering a comprehensive overview of the actions we have taken to minimize the impact of our activities and maximize the benefits for the community. This document is the result of a shared commitment, involving all areas of the company and all our stakeholders, to build a more sustainable future.

Since 1989, our company has built solid foundations in the automation sector, combining tradition and innovation, and we are proud to say that today we continue to cultivate with dedication the founding values that have accompanied us since the beginning.

Our focus on quality, the environment, safety and social responsibility is not only an ethical commitment, but a strategic component that

allows us to operate sustainably, facing the challenges of a constantly evolving world.

**Our commitment to sustainability** started long ago and is one of the fundamental pillars on which our long-term strategy is based. The goal, initially set for 2025, of reducing our carbon footprint by 50% was achieved a year ahead of schedule, in 2024, confirming the effectiveness of the actions taken and our concrete commitment to sustainability.

We are constantly striving to minimize our environmental impact by reducing waste, adopting energy-saving solutions and promoting sustainable practices throughout our value chain.

In addition, we continue to promote **a culture of safety and prevention**, involving all staff and our partners in a process of continuous improvement. Safety at work is a priority, and we are constantly committed to ensuring a healthy and safe environment for everyone who works with us.

At the same time, we place a strong emphasis on **social responsibility**. We want to be an inclusive, fair company that values every individual. We firmly believe that our human capital is a strategic resource, and we are committed to ensuring that the rights of our employees are respected and promoting their professional and personal development.

The beginning of 2025 marked the start of Motor Power Company's move to its new headquarters in Reggio Emilia, a state-of-the-art space designed to ensure efficiency, sustainability, and better working conditions. This move represents a fundamental step for our company, allowing us to implement more efficient production processes, reduce energy consumption, and improve our capacity for innovation. The new headquarters is designed to be a "second home," a place to live and share, to support our mission of technological and sustainable development, offering a safe and modern working environment in line with the values that have always guided us.

**Looking to the future, we aim to continue doing business according to our motto "See it before it happens," with the awareness that only by operating responsibly and with passion we can guarantee a competitive advantage for our customers and a positive impact on the community in which we operate.**

We thank you for the trust you have placed in us so far. We are convinced that, together, we can successfully face future challenges, continuing to grow in a responsible and sustainable manner.

Best regards,  
Christian Grandi





## A factory that is also a home: the new headquarters of Motor Power Company

In 2024, the project for Motor Power Company's new headquarters took shape: an innovative industrial building, capable of transcending the classic canons of a production warehouse.

The beginning of 2025 marked the start of the company's transfer to Reggio Emilia, to a cutting-edge environment designed to convey harmony, beauty, sustainability, and improve working conditions. This transfer represents a fundamental step for the company, allowing the implementation of more efficient production processes, the reduction of energy consumption, and an enhancement of innovation capacity.

The new headquarters is not only a production site, but a second home for those who experience it every day. It is an environment where people's well-being is central and where the perfect synthesis between the culture of doing and the culture of being, which has always been at the heart of Grandi family's vision, is achieved.

The architectural design reinterprets the factory as an allegory of the city, integrating public spaces (squares, courtyards) and private spaces (offices, laboratories), connected by internal and external paths (streets and promenades), thus creating an urban system in which people, workers, and guests are the center of attention.

Elements such as the gym, lounges, theater, and a curated collection of contemporary art enrich everyday working life, demonstrating the universal value of art, well-being, and work.



3 GOOD HEALTH AND WELL-BEING



Well-being at the forefront

The new headquarters has been designed to improve the quality of working life, focusing on **well-being, safety,** and valuing people. Every space has been designed to promote comfort, collaboration, and growth. A healthy, innovative, and sustainable environment in which to work better.

Shared environments: the **lounges** are spaces where people can work outside the typical workplace or simply relax for a short break. Informal, aesthetically pleasing, and comfortable environments that stimulate dialogue and interaction between people.

The systems serving the entire building are of the latest generation and contribute significantly to **people's well-being**. In particular, underfloor heating in the production area ensures uniform heat distribution and constant comfort throughout all environments. The building has also been designed to provide excellent thermal and acoustic insulation, thus improving the overall livability of the spaces and the quality of the working experience.

Room brightness: in all spaces -offices, laboratories, and production areas- great importance has been given to **natural lighting**. The presence of sunlight in the workplace has proven positive effects: it improves mood, reduces stress, and stimulates the release of serotonin. It also helps reduce eye strain and promotes greater productivity.

**Fitness area:** we have created a spacious and bright fitness area designed to promote the well-being of our employees. During 2025, courses led by professional instructors have been planned with the aim of offering all employees the opportunity to keep fit and optimize their time, combining physical activity and work in a single space.

Continuing the investment plan launched several years ago, **new systems and equipment** have been introduced at the new site, which have had a positive impact on both worker safety and skills development.

**Ample space:** with the move to the new headquarters, space has doubled, allowing the creation of more comfortable, ergonomic, and bright workstations. The increase in operational space, particularly in the production department, also contributes to improving safety: a clearer separation between people, machinery, and equipment reduces the risk of collisions and accidents, while also facilitating evacuation procedures in the event of emergency.

There are large outdoor areas and a **large courtyard. Green spaces** for working, taking breaks, and sharing events.

Thanks to the use of **water-based resins and paints**, a drastic improvement in chemical risk and a healthier work environment is expected



7

AFFORDABLE AND  
CLEAN ENERGY

Efficiency that  
generates value

Energy efficiency has been one of the pillars of the new headquarters’ design, with technological solutions aimed at **reducing consumption and environmental impact**.  
Every plant engineering choice is geared towards sustainability, resource optimization, and performance improvement.  
A concrete investment towards an energetically responsible future.

<p>The entire facility, including production departments and offices, is equipped exclusively with <b>LED lighting</b>.</p>		<p>Installation of a <b>550kW photovoltaic system</b> covering a total of 2,500 square meters of panels. It will be fully operational in 2025.</p>	<p><b>Underfloor heating system</b> in production from which we expect a 15-20% improved energy efficiency compared to a traditional air system.</p>	
	<p>A <b>Building Management System</b> (BMS) has been installed and commissioned, enabling automated management of all building systems—lighting, heating and cooling, fire protection, and more—contributing significantly to reducing energy consumption.</p>	<p>Installation and commissioning of two <b>charging stations</b> for electric cars.</p>	<p>Heating and air conditioning system with <b>heat pump technology</b>.</p>	<p>Installation and commissioning of new-generation systems and machinery with improved <b>energy performance</b>.</p>
			<p>The presence of <b>large windows</b>, both in production areas and offices, allows natural light to be used for longer hours during the day, with a consequent positive impact on <b>reducing consumption</b> linked to artificial lighting.</p>	





Positive impact on the territory

The new headquarters represents a concrete step towards a more sustainable and responsible production model. Design and operational choices aim to reduce environmental impact, **enhance the territory**, and promote biodiversity. A tangible commitment to the planet and future generations.

The new headquarters was built on an urbanized but never activated plot of land, providing a positive contribution to the **regeneration** of the territory.

During 2024, we installed a 550kW photovoltaic system capable of contributing to most of the plant's energy needs. 2025 will be dedicated to its commissioning and optimization.

Based on the new production systems installed, we have adopted **100% water-based paints and resins**. This choice has a positive impact on controlling chemical risk, reducing emissions, and improving the management of process waste.

Great attention has been paid to green areas with a **significant planting effort** in both the public areas of the industrial complex and the internal areas and courtyards of the new facility. The entire garden has been designed to make a positive contribution to CO<sub>2</sub> absorption, territorial regeneration, and **biodiversity conservation**. Plants and shrubs that require little water and maintenance have been selected for a better environmental impact.

We have chosen to power all our production and service facilities exclusively with electricity, including the heating and air conditioning system based on heat pump technology. The complete elimination of methane gas results in **a reduction in CO<sub>2</sub>** emissions of up to 60% and a significant improvement in terms of safety.



# 1 Governance

## In this section

Identity, mission, and values

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Stakeholder mapping

Stakeholder interests and opinions

Double materiality analysis

Sustainability plan and improvement objectives





# Cutting-edge technology, deep humanity: the formula for our success

## Identity .....

We understand the needs of machines and fully grasp the requirements of very different markets, which are united by the fundamental goal of manufacturing products in an increasingly efficient, reliable, and sustainable manner.

We are the reference team for discussing and addressing innovative, **unconventional solutions**. Our extensive know-how in design, construction, and application derives from 35 years of active experience in the market and the rich specialized talent of the people who have joined the company over the years, eager to acquire transferable skills and draw on a broader knowledge base.

The human factor is a precious resource that we promote and use daily, striving to develop innovative thinking, understanding our customers' perspective, and foster genuine sharing. We know how to recognize their **real needs**, clearly define the metrics that are fundamental to their success, and provide solutions that make them more competitive in their reference market.

Our mission and vision reflect the company's innovative identity, its **strong technical expertise**, and the **important human dimension** that characterizes it. The combination of these elements creates a unique position in the market, where advanced technology is combined with a deep understanding of customer needs, transforming into a real competitive advantage for them.





Mission .....

Proactively **anticipating** customer needs by providing optimized motion control solutions that reduce machine complexity. Our innovations enable companies to achieve their **goals** with greater safety, intelligence, speed, flexibility, and reliability.

Vision .....

To be a leader in industrial automation with innovative solutions that improve productivity in a **sustainable**, **reliable**, and **efficient** way, combining technical expertise with in-depth market knowledge.



## People Power Company

“**People Power Company**” is much more than just a play on words. It is our way of affirming that the true strength of Motor Power Company lies not only in technology, but also in people, relationships, and the values that guide our every action.

We have chosen to encapsulate in these three words the initiatives and projects that we pursue with daily commitment in the three areas that are fundamental to us: **environment**, **people**, and **safety**. These areas are interconnected and represent the foundations on which we build sustainable, responsible, and shared growth.

### A valuable choice

#### Environment: acting today for tomorrow

#### People: growing together

#### Safety: a shared culture

With “People Power Company,” we wanted to give a clear name to what drives us every day: the **energy** that comes from respect for people and the planet.

An energy that fuels our way of innovating, designing, and producing. An energy that we want to continue generating, together.





**Commercial distribution  
network worldwide**

## **2** Company Locations



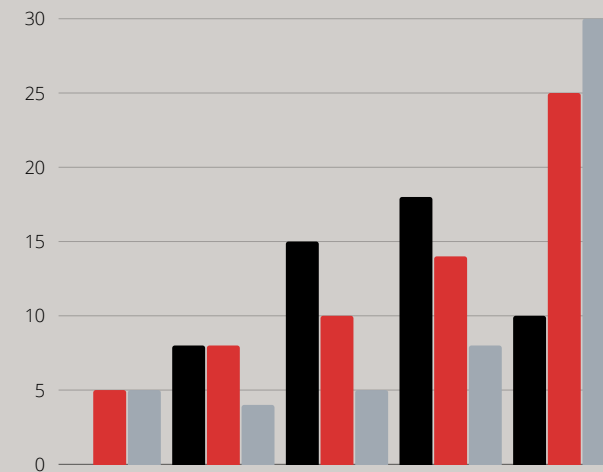
**Headquarters in Italy**

**Branch in Taicang - PRC**



# Group and Locations

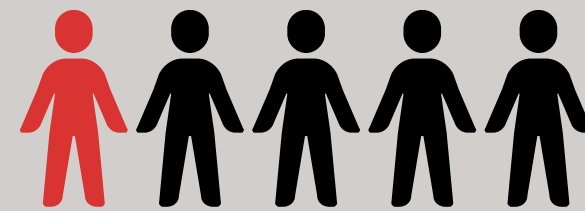
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**Turnover 2024  
€35Mln**

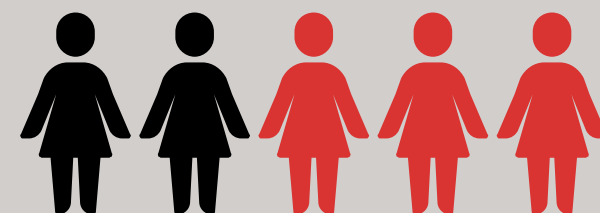


**Budget 2025  
€41Mln**

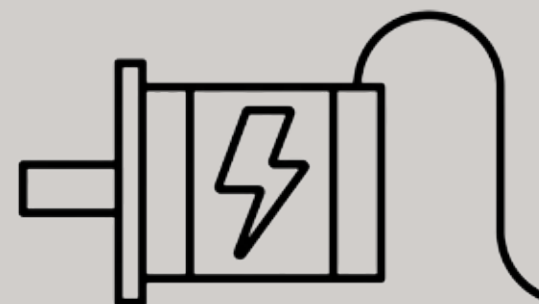


**200 employees**

**15% with engineering backgrounds**



**44% of employees are women  
47% of managerial positions are held  
by women**

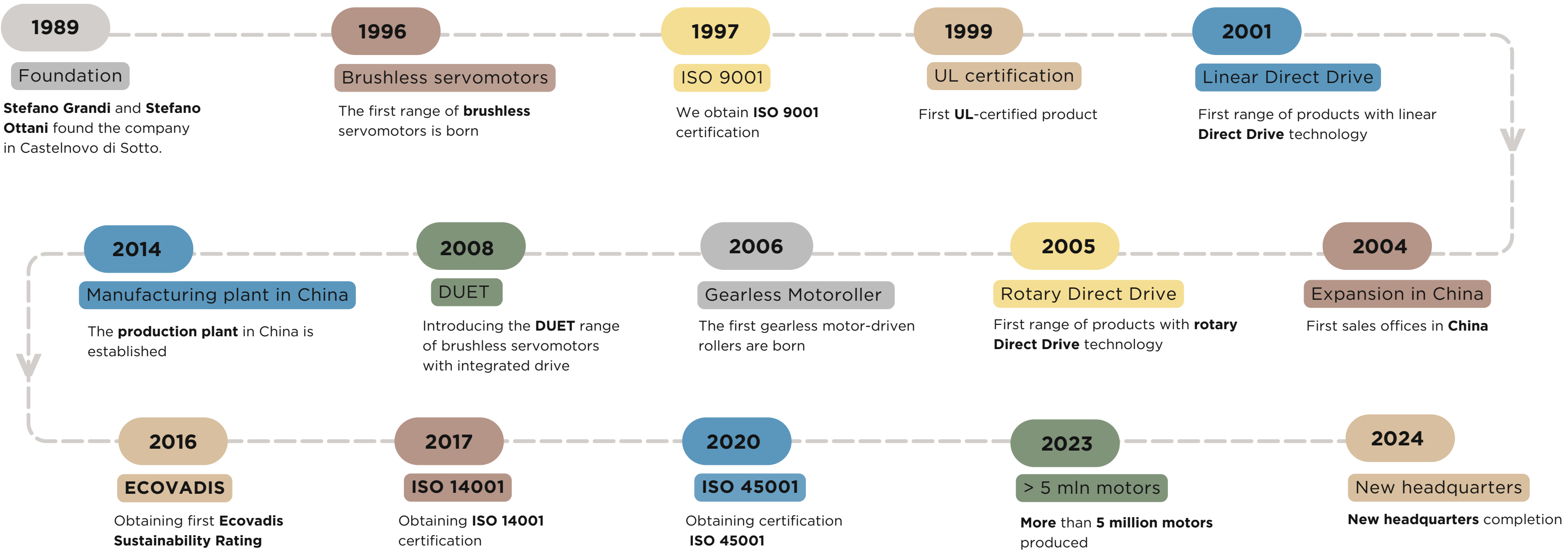


**5.2 million  
motors installed worldwide**





MOTOR POWER COMPANY: A STORY OF INNOVATION AND SUSTAINABILITY





# Administration, management and control bodies

Our governance includes rules, relationships, processes, and procedures to ensure ethical and transparent management of activities in full respect of stakeholders.

The control and governance bodies are represented by:

**Shareholders' Meeting;**

**Board of Directors;**

**Sole Auditor:** the Sole Auditor in office is Dr. Mario Borelli.

**Statutory Auditor:** the statutory audit is entrusted to Dr. Annarita Succi.

**Board of Directors**

The current Board of Directors, appointed on February 18, 2010, is composed as follows:

**Grandi Stefano** – Chairman of the Board of Directors

**Grandi Christian** – Chief Executive Officer

**Felici Lorenzo** – Director

The Chairman of the Board of Directors and the Chief Executive Officer have all the powers of ordinary and extraordinary administration, with the exception of those reserved by law and the Articles of Association to the Board of Directors.

The appointed Board of Directors consists of three male members, one of whom is between 30 and 50 years of age (33%) and two of whom are over 50 years of age (67%). The Board of Directors is responsible for defining, directing, and developing the mission and strategy for value creation. The current governance increasingly attributes importance to the sustainability theme, both in terms of shared objectives and concrete management actions aimed at raising awareness among stakeholders and defining an increasingly structured management system in terms of ESG profiles.



Stefano Grandi

Chairman of the Board of Directors



Christian Grandi

Chief Executive Officer



Lorenzo Felici

Director

## ESG Committee

To strengthen our sustainability strategy and improve decision-making processes, we established an ESG Committee in 2024. This committee, composed of six members including the **CEO**, **CFO**, **HR** manager, **Communications** manager, and **HSE** manager, is dedicated to guiding our initiatives toward a more sustainable future.

- The **objectives** of the ESG Committee are:
- to review and update the materiality matrix annually;
  - to propose medium- to long-term sustainability objectives and related targets and submit them to the Board of Directors for approval;
  - to engage with internal and external stakeholders, acting as a spokesperson for their requests to ensure that their priorities are heard and integrated into Motor Power Company's sustainability priorities.

The ESG Committee is also responsible for consolidating our sustainability governance system and is designing risk management and internal control systems for future sustainability reporting. Together with the ESG Committee, we have involved a number of external stakeholders necessary to ensure relevant and complete reporting with accurate data.

At Motor Power Company, sustainability is integrated into the processes and bodies that define and execute corporate strategy at the Board of Directors and management levels.



Christian Grandi

Chief Executive Officer



Michela D'Arelli

Chief Financial Officer



Jagjivan Kaur

Sustainability Reporting Specialist



Giampaolo Grandi

HR Manager



Margherita Balzano

Communication



Alessandra Monguidi

HSE Manager



# Model pursuant to Legislative Decree 231/2001

We have voluntarily adopted the **Organization, Management, and Control Model** (MOG) - [available here](#) - pursuant to Legislative Decree 231/01 in order to ensure the highest levels of transparency in governance. This model was submitted for approval by the Board of Directors on September 6, 2018, and subsequently revised and approved on March 21, 2023.

In compliance with the provisions of Legislative Decree 231/2001, we have set up a Supervisory and Control Body (ODV) with specific tasks of supervising compliance with and the functioning of the Organization, Management and Control Model (Model 231 or MOG 231).

At the end of 2023, we adapted to the provisions of Legislative Decree 24/2023 by structuring a management framework described in the new **"Whistleblowing Procedure,"** which involved the adoption of a specific IT platform for receiving and processing reports, which stakeholders can access from Motor Power Company website, in the "policy" section of the organization, management, and control model "reporting of illegal activities."







# Code of Ethics

Our Code of Ethics, [available here](#), was approved by the Board of Directors on September 6, 2018, and collects out the ethical principles and fundamental rules of conduct in which we recognize ourselves, also governing company information and external relations and focusing on the management of IT activities and accounting and financial management. The document was reviewed and subsequently approved by the Board of Directors on March 21, 2023, and further revised on December 16, 2024.

The purpose is to declare and disseminate the values and rules to which we intend to refer constantly in the exercise of our business activities. In addition, we want to ensure that the behavior of the recipients is always inspired by criteria of fairness, collaboration, loyalty, transparency, and mutual respect, in order to avoid conduct that is inappropriate in any way. The recipients are the corporate bodies, employees (who are provided with the code upon hiring and who always have access to it and related updates on the internal TEAMS communication channel and on the physical notice board), consultants, and suppliers of goods and services, including professional services, as well as anyone who performs activities for Motor Power Company without representation.

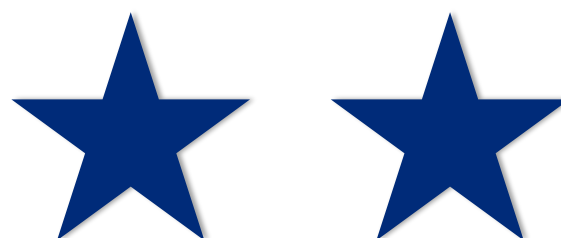
The Model supports the company in identifying the operating procedures to be implemented in order to prevent the occurrence of illegal acts and crimes, and its adoption is a **voluntary choice of responsibility** that underlines the determination to operate ethically, including controls relating to environmental and social crimes, such as failure to respect human rights and performance of active and passive corruption acts.

The Company conducts its business activities in full compliance with the law and its Code of Ethics.





# Legality Rating



The legality rating is a synthetic indicator of compliance with high standards of legality, awarded by the **Italian Competition and Market Authority (AGCM)** to companies that request it, renewable every two years. It is a tool introduced in 2012, aimed at promoting and introducing principles of ethical behavior in the corporate sphere, through the assignment of a "recognition" - from one to three stars - indicative of compliance with legality by companies that have requested it and, more generally, of the degree of attention paid to the proper management of their business. The rating system associates advantages in the granting of public funding and facilities for access to bank credit to the awarding of the rating.

With great satisfaction we have obtained a **score of 2 stars** from the Italian Competition and Market Authority's legality rating system.







# ECOVADIS

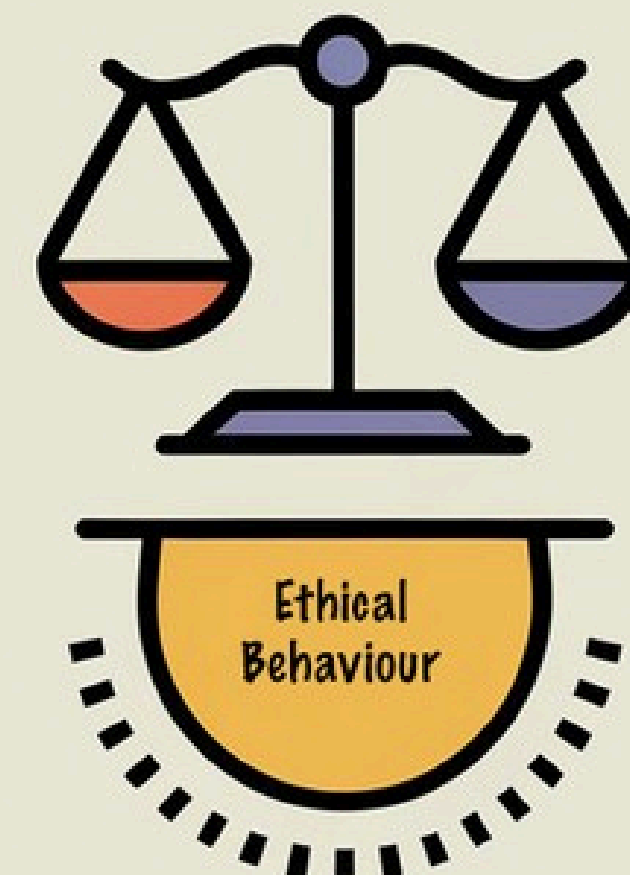
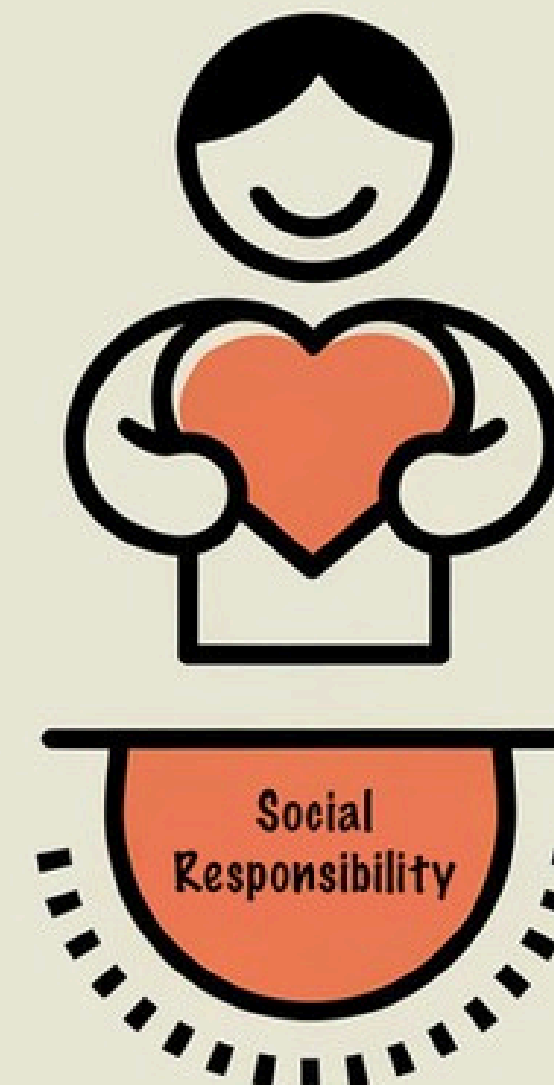
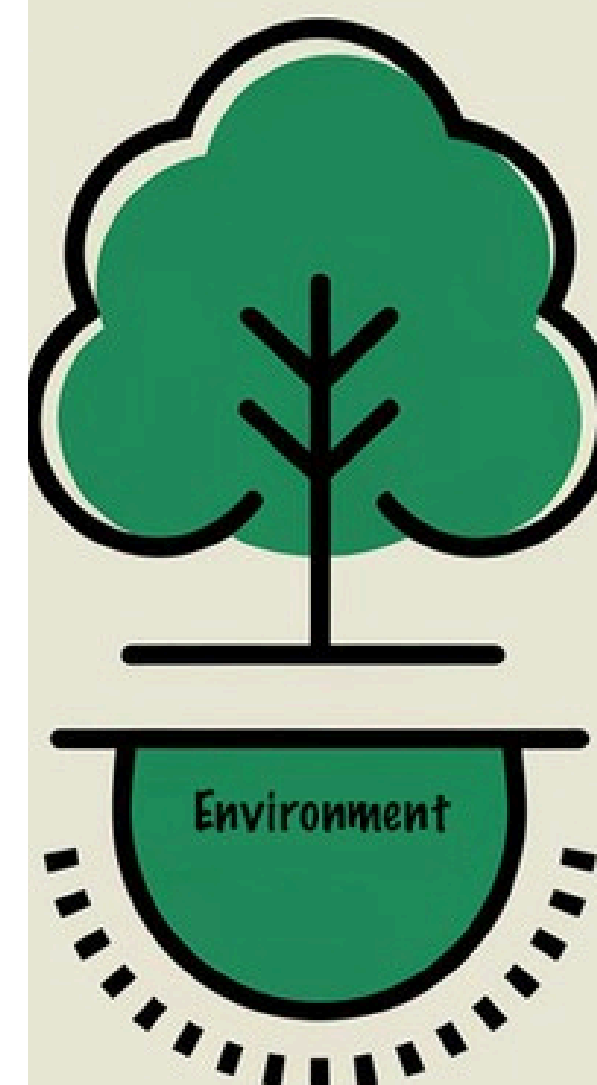


In our continuous commitment to sustainability, we adopt ECOVADIS, a platform that allows us to monitor our own sustainability performance and that of our suppliers through an assessment based on environmental, social, and ethical criteria. It therefore provides reliable and **globally recognized sustainability assessments**. The overall Ecovadis rating reflects the quality of a company's sustainability management system at the time of assessment and provides useful suggestions for a process of continuous growth and improvement. The sustainability management system assessment examines 21 sustainability criteria grouped into 4 themes:

- **environment:** assesses the company's commitment to managing natural resources and reducing environmental impact. Environmental themes cover the impacts throughout the entire product life cycle: impacts from production processes, product use, and end of life.
- **labor practices and human rights:** examines company practices regarding respect for workers' rights and the promotion of a fair and safe working environment
- **ethics:** focuses on the company's practices of transparency, anti-corruption, and ethical behavior
- **sustainable procurement:** assesses how the company manages sustainability in its supply chain.

Motor Power Company has been adopting Ecovadis platform since 2020, and we measure and verify our performance annually to confirm our commitment to ESG objectives and recalculate our rating.

In 2023, we were awarded the Silver medal in recognition of our achievements, a rating renewal that we will complete in 2025 with the final move to our new headquarters and transfer of our registered office.







# Diversity, Equity & Inclusion (DE&I)

At the end of 2024, we began the process for gender equality certification based on the UNI/PdR 125:2022 standard. The UNI/PdR 125:2022 standard requires the adoption of specific indicators, Key Performance Indicators (KPIs), in relation to 6 areas of assessment for the different variables that characterize an inclusive and gender-equal organization.

As a basis for this process, we have established a **Diversity, Equity & Inclusion Policy (DE&I Policy)** - [available here](#) - with the aim of creating a work environment in which all people feel respected, valued, and have equal opportunities for growth and development. This policy aims to promote diversity in all its forms, combat discrimination, and ensure fair treatment for all staff with the goal of creating an inclusive climate in which different ideas and perspectives are valued and encouraged to stimulate innovation and creativity.

Diversity and inclusion are in fact closely related and interdependent concepts: the former as an expression of the characteristics that define people, the latter as a corporate choice to take them into account and value them appropriately.

Below is the definition of the two concepts developed by the D&I Observatory of UN Global Compact Network Italy (the Italian network of the United Nations Global Compact):

*a. "Diversity in a general sense refers to all differences between groups and individuals and defines people as distinct identities from one another. In this sense, the definition of diversity includes everything that makes us unique and incomparable, including ethnicity, age, style, gender, personality, religious and political beliefs, experiences, sexual and emotional orientation, psychological, cognitive, physical, and social differences specific to each individual, and much more."*

*b. "Inclusion means recognizing, understanding, and valuing diversity as a strength, and actively leveraging it to build an equitable and welcoming environment—both physical and social. When intentional, this approach turns diversity into a real driver of value."*

We have also established a Diversity, Equity & Inclusion (DE&I) committee composed of the following members: **Alessandra Monguidi, Michela D'Arelli, and Giampaolo Grandi**. The main tasks of this committee are to work actively to create and support the conditions necessary for a working environment that is as inclusive as possible and to provide references that people can turn to in order to discuss any difficulties related to their uniqueness. The D&I Committee is also at the forefront of developing and implementing the principles of Diversity, Inclusion, and Gender Equality, interfacing with all parties involved.







# Strategy, business model, and value chain



Stefano and Christian Grandi

Founded in 1989 in a region legendary worldwide for its **culture and mechanical tradition**. From this territory, we have learned to be practical and solid, but also creative and forward-thinking, and in these places we continue to cultivate our roots. Today, Motor Power Company plays a prestigious and leading role in the **industrial automation and motion control** market, offering one of the widest ranges of products on the market in diversified and high-tech application segments.

Thanks to continuous investment in product and process innovation, and extensive technical and application expertise, Motor Power Company is able to support its customers with flexible and highly customized solutions, guaranteeing added value and a long-term relationship.

Among the main markets, Motor Power Company products are used by **OEMs and leading international companies** operating in sectors such as medical, packaging, pharmaceutical, material handling, CNC machines, etc.

We operate from our headquarters in Reggio Emilia (Italy), where the R&D and production center is located, and from our Taicang (China) facility, which is wholly owned by Motor Power Company and produces for the local and Asian markets.



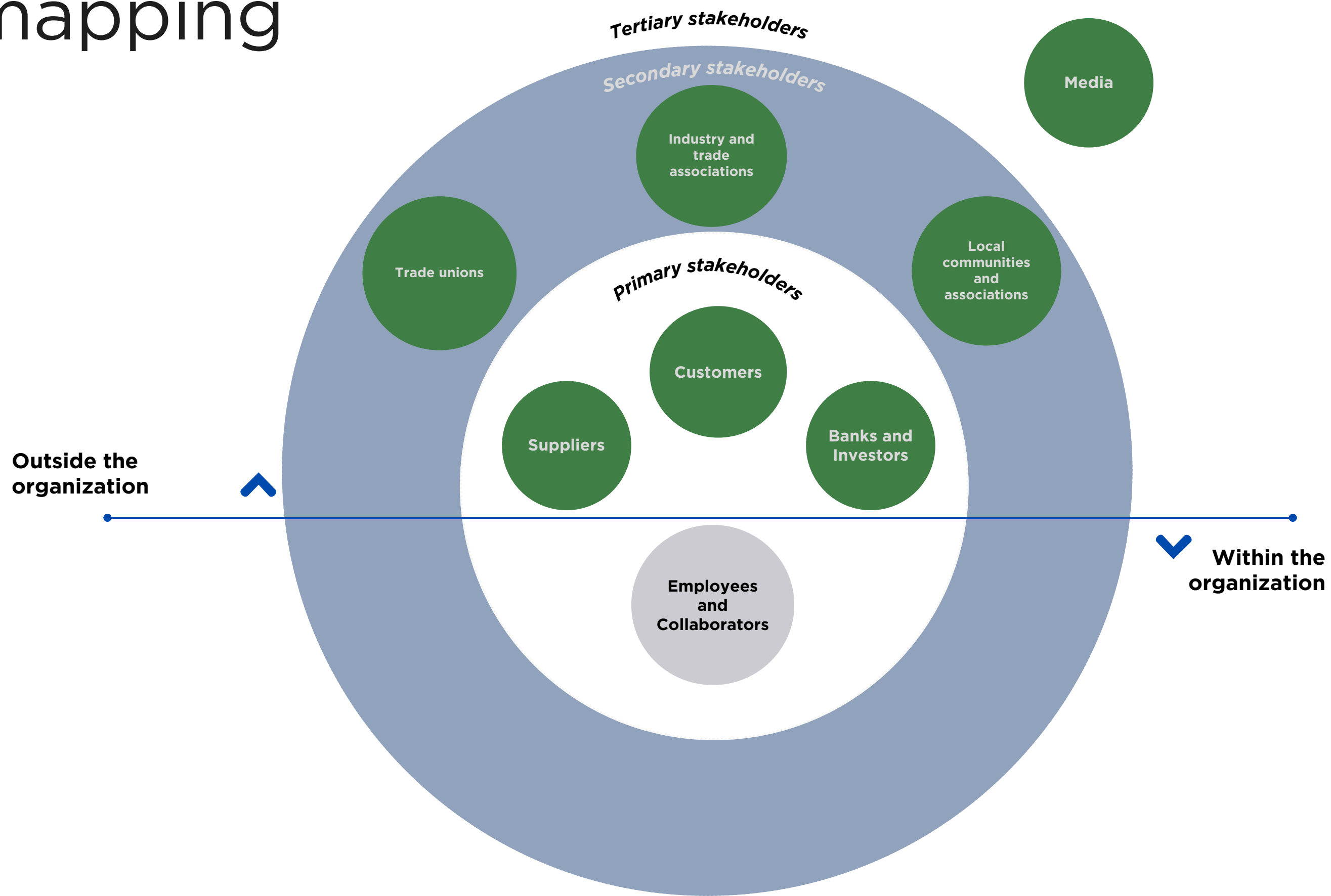
Giampaolo and Christian Grandi

# Stakeholder mapping

In our daily activities and in the conduct of our business, we give crucial importance to our relationships with our stakeholders. Maintaining constant and constructive dialogue is fundamental to achieving our objectives and mission. For this reason, we have mapped our stakeholders.

Stakeholder engagement allows us not only to understand their needs, expectations, and assessments, but also to better define our business strategies and objectives, taking into account impacts, risks, and opportunities.

These are constantly evolving methods of engagement, with a view to continuously improving the dialogue process. In general, our system of relations with stakeholders provides for differentiated tools and channels of dialogue, commensurate with the different categories of stakeholders, consistent with their level of interdependence and influence, and such as to ensure constant engagement. No particular critical issues emerged from exchanges with stakeholders during the period in question.





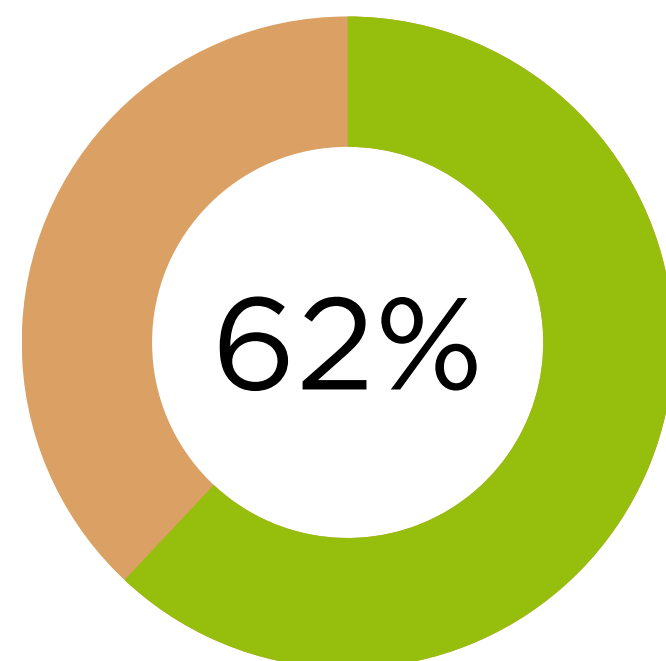
# Stakeholder interests and opinions

In 2024, we began an initial process of engaging stakeholders on sustainability issues, particularly for the following subjects:

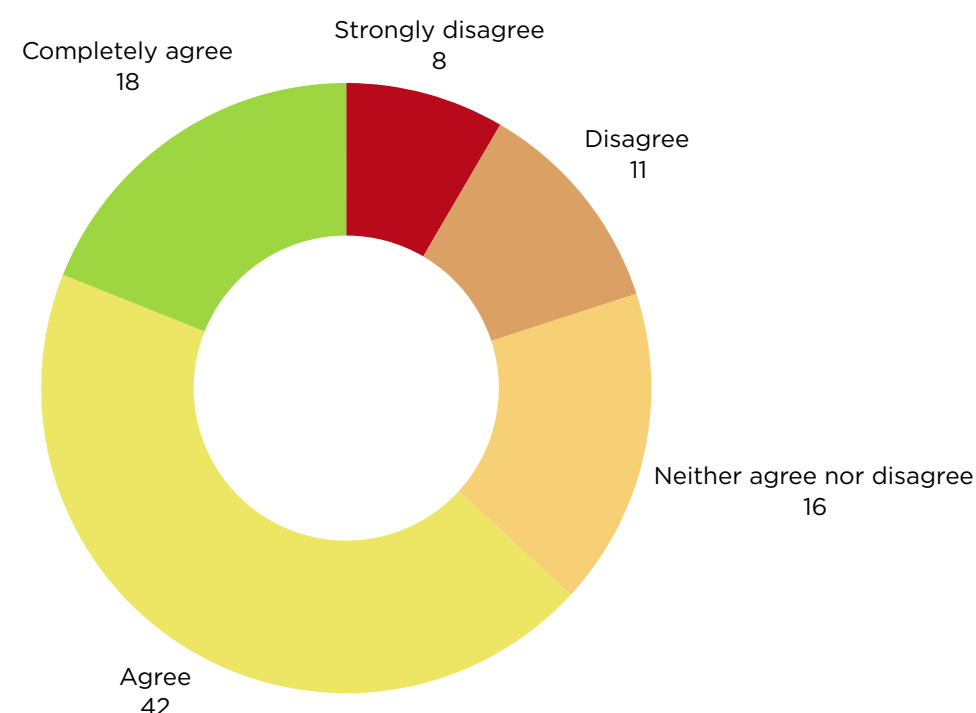
- **Employees:** we conducted an anonymous survey to detect employee satisfaction and highlight the strengths and weaknesses of the entire organization.
- **Suppliers:** we sent out an initial information questionnaire to assess and guide our suppliers toward more sustainable decisions. The questionnaire was submitted to a sample of the most significant suppliers with the aim of verifying their sustainability (see page 39).
- **Community:** in addition to donations, we undertook corporate volunteering activities with the purpose of dedicating part of our time to others and to the needs of disadvantaged people.

## Some responses from the anonymous questionnaire submitted to employees

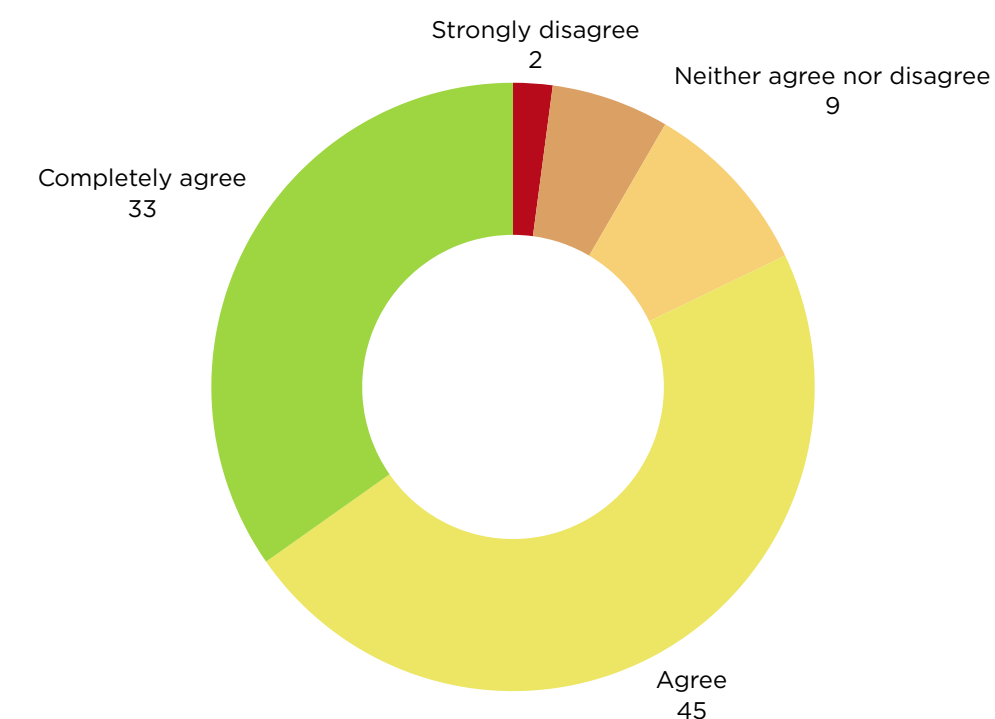
### 62% of employees respond to the questionnaire



### I am pleased with the opportunities for growth within the company



### I am treated with respect by the people I work with

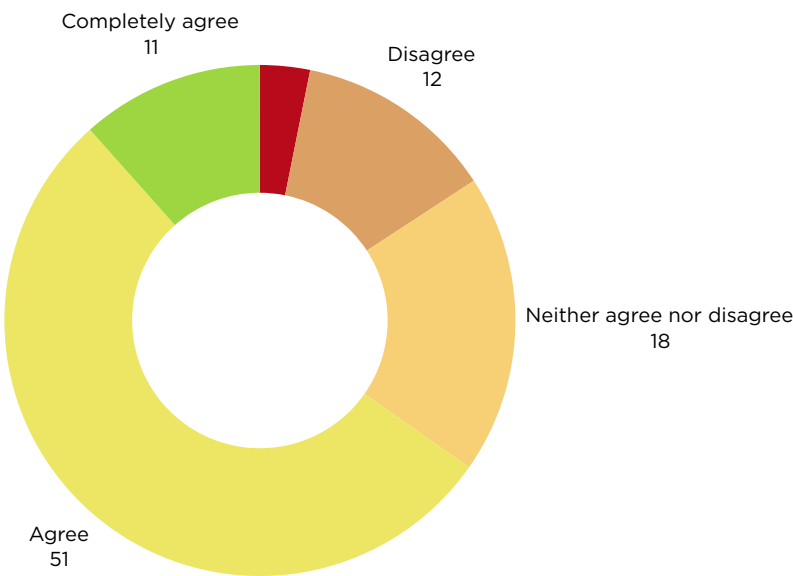




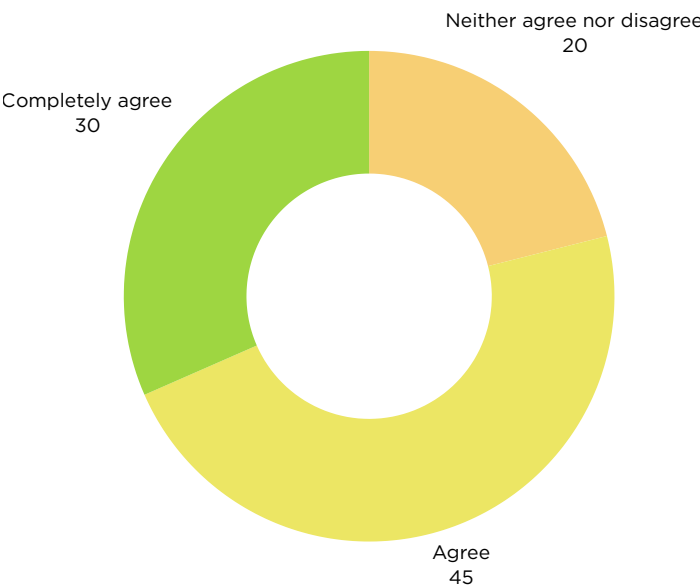
# Stakeholder interests and opinions

Some responses from the anonymous questionnaire submitted to employees

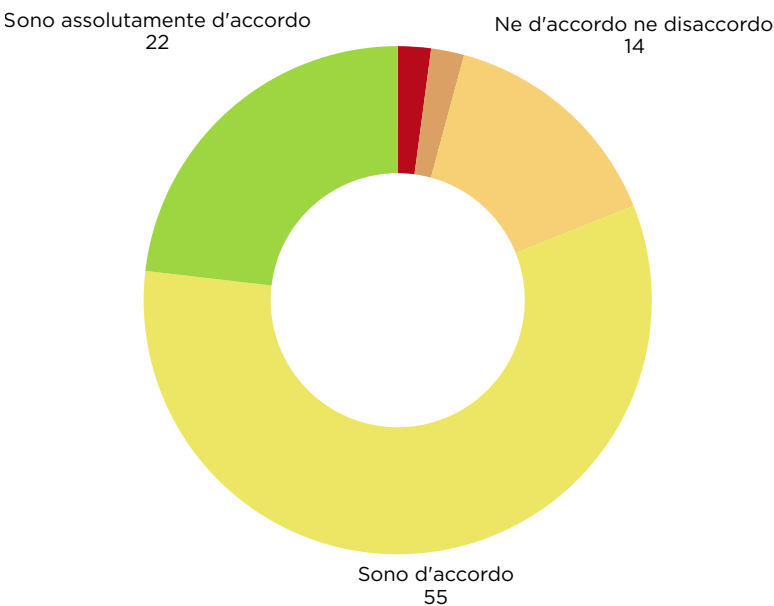
My job gives me a sense of personal fulfillment



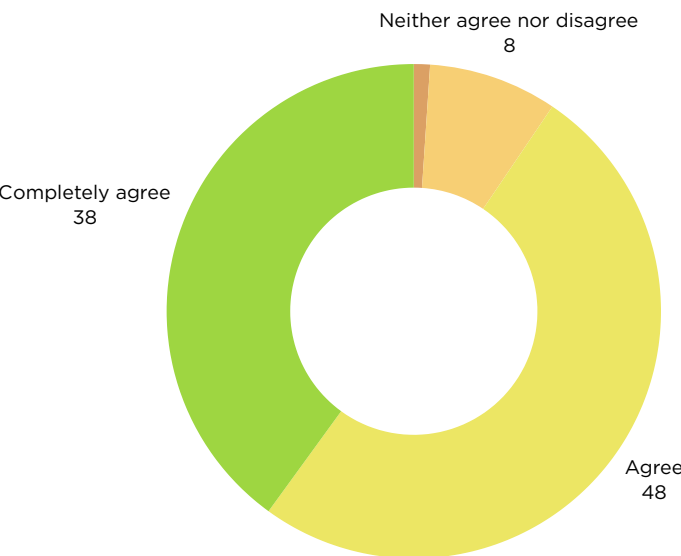
I am proud to say that I work at Motor Power Company



I can balance work and family well



The company is attentive to environmental and social issues.



# Double materiality analysis

The materiality matrix is a tool that allows you to identify the economic, environmental, and social issues that are relevant to an organization and its stakeholders.

The matrix is a very important management tool as it allows you to guide your sustainability strategy, increasingly integrating sustainability principles into the company's daily activities, and ensuring close alignment between stakeholder expectations and business decisions.

The European ESRS principles provide for a dual materiality approach, divided into the perspective of both so-called Impact materiality (impact relevance with an inside-out approach) and Financial materiality (impact relevance with an outside-in approach).

**In summary, double materiality considers: the material effects of the company on people and the environment, including positive and negative impacts, both current and potential.**

**The material risks and opportunities that can significantly influence the company's financial situation.**

Another key element of the ESRS approach to materiality is IRO (Impact-Risk-Opportunity), which refers to the financial risks and opportunities related to sustainability that the company must identify and manage in its reporting, through the assessment of financial materiality (or relevance).

The double materiality analysis therefore plays a fundamental role in guiding Motor Power Company in choosing the information to be presented in the Sustainability Report. The aim is to achieve an accurate and complete representation of the relevance of the impacts generated by Motor Power Company's activities, offering a clear and transparent view. According to the ESRS Standards, the identification of material topics is based on the analysis of the actual and potential impacts, both positive and negative, that an organization may have on the economy, the environment, and people's well-being, including respect for human rights and contribution to sustainable development.

Sustainability impacts are categorized using the following definitions:

- Actual or potential: an impact is considered actual when its effects have occurred or are currently occurring. Conversely, an impact is defined as potential when its effects could occur but have not yet occurred at the time of analysis;
- Positive or negative: impacts are considered positive when they contribute to the sustainable progress of people, communities, and the environment. Conversely, they become negative when they cause harm or disadvantage.

## A four-step process was adopted to carry out the 2024 double materiality analysis:



Understanding the company's operating context: the document analysis considered a variety of sources, both internal and external to the company, as well as an assessment of stakeholders. The process was structured into the following activities:

- analysis of company documents including, by way of example, the Financial Statements, Organization Chart, Organization, Management, and Control Model pursuant to Legislative Decree 231/2001, Code of Ethics, and internal procedures (Environmental Policy; Worker Health and Safety Policy; Quality Policy);
- analysis of external documents.



Identification of actual and potential impacts: actual impacts, which include impacts that have occurred or are currently occurring, and potential impacts, which include those that have not yet occurred but could occur in the future, have been mapped;



Assessment of impact significance: the degree of significance of each impact was assessed using an evaluation process developed in accordance with the criteria established by the Standard, details of which are provided below;



Prioritization of the most significant impacts for reporting: in the final phase, the material topics for reporting were established through a prioritization process. From a methodological point of view, the main impacts, both negative and positive, were prioritized and assessed based on their severity and likelihood of occurrence.



# Double materiality analysis

The significance of an actual impact is determined by its severity, while the significance of a potential impact is determined by both its severity and the the probability of occurrence.

With regard to the assessment of potential impacts, the estimate of the likelihood of occurrence took into account all the policies, procedures, and actions that the company has undertaken to prevent and mitigate the identified impact.

Another key element of ESRS is the analysis of risks and opportunities. This analysis is an essential pillar for building double materiality as it allows the Company to proactively assess and manage potential threats and benefits that may arise. The initial phase involves gathering and analyzing information to identify risks and opportunities, involving stakeholders. Once material issues have been identified, they are assessed to determine the likelihood of occurrence and the extent of the associated impact.

From an initial analysis of double materiality, we have identified four pillars that form the basis of Motor Power Company's current sustainability strategy:

- **valuing people and supporting communities;**
- **protecting and respecting the environment;**
- **product and process innovation;**
- **sustainability governance.**

This area focuses on enhancing the value of workers through training, health, safety, and well-being. It also includes support for non-profit organizations and associations, with the aim of generating a positive impact outside the company as well.

**People**

The focus here is on responsible energy and water management, waste reduction, and emissions reduction. The environmental commitment extends throughout the entire value chain, actively involving suppliers as well.

**Environment**

Product and process innovation are fundamental issues for promoting solutions that are sustainable from both an environmental and social perspective. Digitalization and continuous improvement are tools for reducing impact and offering advanced solutions to the market.

**Innovation**

The fourth pillar aims to continuously improve product quality by promoting transparent governance and responsible supply chain management.

**Governance**

# Double materiality analysis

By adopting the principle of double materiality, we have considered not only environmental and social impacts, but also how sustainability issues affect financial performance. The table below shows the 15 material issues that emerged from the analysis, which are associated with the four areas of action of the sustainability strategy and the Sustainable Development Goals to which the company has decided to actively contribute.

Pillar	Goals	Main impacts	UN Agenda - SDG
VALUING PEOPLE AND SUPPORTING COMMUNITIES	ECONOMIC PERFORMANCE	Employment	SDG 8 - Decent work and economic growth
		Employee satisfaction and well-being	SDG 3 - Good health and well-being
		Employee training and development	SDG 8 - Decent work and economic growth SDG 4 - Quality education
		Diversity and equal opportunities	SDG 5 - Gender equality
		Fair remuneration of staff	SDG 8 - Decent work and economic growth
	HEALTH AND SAFETY AT WORK	Accident monitoring	SDG 8 - Decent work and economic growth
	COMMUNITIES	Support for the local area	SDG 12 - Responsible consumption and production
PROTECTION AND RESPECT FOR THE ENVIRONMENT	WASTE MANAGEMENT	Waste	SDG 12 - Responsible consumption and production
	ENERGY CONSUMPTION AND EMISSIONS	Generation of direct and indirect energy-related GHG emissions (scope 1 and 2)	SDG 13 - Climate action
		Energy consumption	SDG 7 - Affordable and clean energy
	PACKAGING MANAGEMENT	Sustainable packaging	SDG 12 - Responsible consumption and production
PRODUCT AND PROCESS INNOVATION	R&D - TECHNOLOGICAL INNOVATION	R&D product and process innovation	SDG 9 - Industry, Innovation, and Infrastructure
SUSTAINABILITY GOVERNANCE	RESPONSIBLE SUPPLY CHAIN MANAGEMENT	Negative impacts of suppliers	SDG 12 - Responsible consumption and production
	TRANSPARENT GOVERNANCE	Ethics - Corporate culture	SDG 17 - Partnerships for the Goals
	ECONOMIC PERFORMANCE	Value creation	SDG 17 - Partnerships for the Goals



# Double materiality analysis

This section summarizes the **risks** related to the material pillars that emerged from the process of identifying and assessing double materiality.

## VALUING PEOPLE AND SUPPORTING COMMUNITIES

Risk associated with a shortage of professionals with specialist skills, which may lead to increased recruitment and training costs

Reputational and operational risk due to an increase in accidents and/or injuries to employees, resulting in reduced operational capacity and staff availability.

Risk arising from the loss of key personnel and the consequent loss of specialist know-how

## PROTECTION AND RESPECT FOR THE ENVIRONMENT

Risk associated with unexpected increases or shortages in the availability of energy sources necessary for business operations, which may result in higher operating costs.

Risks related to changes in climate change regulations, which may lead to increased compliance costs and the need for technological and organizational adjustments.

## PRODUCT AND PROCESS INNOVATION

Risk associated with a shortage of professionals with specialist skills, as well as reduced capacity for innovation

## SUSTAINABILITY GOVERNANCE

Risk related to procurement and supply chain from entities that do not comply with ESG parameters and do not respect social rights and environmental regulations





# Sustainability plan and improvement goals



In addition to our commitment to reporting on sustainability performance, we have decided to begin our journey by adopting an integrated strategy, a Sustainability Plan.

Based on the process that led to the definition of our list of impacts, and therefore the sustainability issues most relevant to Motor Power Company and our stakeholders, we have identified 15 initiatives that fall within the four pillars.

We then defined the timelines, priorities, responsibilities, and performance indicators needed to monitor them over time. The involvement of our main business functions from the early stages ensured that internal stakeholders were truly engaged, both in terms of planning and responsibility for implementing the initiatives.

The Plan was then submitted to and approved by the Motor Power Company Board of Directors, which analyzed its content and consistency with the company's strategy. We have set ourselves the goal of updating our Plan annually in order to report on the status of project implementation and set new objectives with a view to continuous improvement, aware that sustainability is not a point of arrival but a continuous journey. Our Plan aims to contribute to the achievement of the Sustainable Development Goals (SDGs) of the UN 2030 Agenda.

This framework, devised by the United Nations, was used as a strategic driver for the development of the Sustainability Plan in order to provide a clear, transparent, and easily interpretable communication framework for our strategy. Of the 17 SDGs identified by the United Nations, Motor Power Company contributes to the achievement of 10 goals, either directly or through the organizations with which it collaborates.

The strategic plan will lead to the identification of both new goals and new measurement KPIs.



# Sustainability Plan

1

## SOCIAL

- Health and Well-being
- Quality Education
- Gender Equality
- Decent Work and Economic Growth
- Make Cities and Human Settlements Inclusive, Safe, Resilient, and Sustainable

2

## ENVIRONMENT

- Clean and affordable energy
- Responsible consumption and production
- Fight against climate change

4

## GOVERNANCE

- Responsible consumption and manufacturing
- Partnerships for the goals

3

## INNOVATION



Innovation and Infrastructure Businesses











# Improvement goals

		Material topics	Short term goal (1 year)	Short term goal (2-5 year)
 <b>SDG 3</b> - Health and well-being	SOCIAL	Working conditions and employee welfare	<ul style="list-style-type: none"><li>• Annual renewal of the Survey Analysis of business climate</li><li>• Corporate welfare with in-house Functional Gymnastics and Pilates classes in the Fitness Area, organic fruit on the farm, convivial events for workers</li><li>• Setting up Vending Machines in the company with zero sugar</li><li>• Renewal of program "Workplaces that promote health" ER Region;</li><li>• Availability of more spaces aimed at sharing and relaxation (lounge, indoor courtyard) for all employees</li></ul>	<ul style="list-style-type: none"><li>• Maintaining status</li><li>• Expansion of group activity offerings for employee well-being in the company</li><li>• Promotion of sustainable travel with introduction of bicycles for employee use in the company</li></ul>
 <b>SDG 8</b> - Decent work and economic growth				
 <b>SDG 8</b> - Decent work and economic growth		Occupational health and safety	<ul style="list-style-type: none"><li>• Mandatory training plans for all employees on safe work practices and injury prevention</li><li>• Introduction of water-based resins and chemical risk reduction.</li><li>• Maintenance plan for production equipment, with regard to safety checks</li><li>• Large spaces in manufacturing area that reduce the risk of interference and collision between personnel and machines</li><li>• Ample natural light in work environments with positive impact on eye fatigue and stress</li><li>• New toolings and equipment in the new plant with positive impact on worker safety</li></ul>	<ul style="list-style-type: none"><li>• Maintaining the status and continually updating employee training</li></ul>
 <b>SDG 5</b> - Gender equality		Equal Opportunity, Diversity and Social Inclusion.	<ul style="list-style-type: none"><li>• Obtaining UNI/PDR 125:2022 gender parity certification.</li><li>• Develop and implement corporate policies that promote diversity and inclusion, through a dedicated Strategic Plan</li></ul>	<ul style="list-style-type: none"><li>• Renewal and maintenance of gender equality certification UNI/PDR 125:2022</li><li>• Develop and implement corporate policies that promote diversity and inclusion, through a dedicated Strategic Plan</li></ul>
 SDG 8 - Decent work and economic growth		Employee training and development	<ul style="list-style-type: none"><li>• Expansion of training offerings in the area of vocational training and enhancement of skills and competencies</li><li>• Training to the entire corporate population on issues of equal opportunity, inclusion, and diversity</li><li>• Leadership training for management figures including topics dealing with equal opportunity</li></ul>	<ul style="list-style-type: none"><li>• Creation of a dedicated training plan by office, including soft skills</li><li>• Mantenteinance of status</li></ul>
 SDG 4 - Quality education				
 <b>SDG 3</b> - Health and well-being		Additional special leave for the care of children, family members and Parenting support	<ul style="list-style-type: none"><li>• Expansion of offerings by permit type and involvement of a wider population</li></ul>	<ul style="list-style-type: none"><li>• Maintenance of status and possible expansion</li></ul>



# Improvement goals

			Material topics	Short term goal (1 year)	Short term goal (2-5 year)
	<b>SDG 13</b> - Fighting Climate Change	ENVIRONMENT	GHG emissions	<ul style="list-style-type: none"><li>Continued improvement in reducing CO<sub>2</sub> emissions.</li><li>Installation of electric car charging stations</li><li>Commissioning of heat pump heating/air conditioning system</li></ul>	<ul style="list-style-type: none"><li>Replacement of obsolete machinery with more efficient and energy-efficient models</li><li>Gradual replacement of the most polluting vehicles in the corporate fleet with higher-performance energy class vehicles.</li></ul>
	<b>SDG 7</b> –Clean and affordable energy		Energy efficiency	<ul style="list-style-type: none"><li>Commissioning of 550kW photovoltaic system</li><li>Building management system (BMS) commissioning and optimization.</li><li>Use of only LED lighting in the new plant</li><li>Commissioning of more efficient plants and equipment and their consumption monitoring</li></ul>	<ul style="list-style-type: none"><li>Identification and replacement of obsolete electronic equipment and machinery with more modern, energy-efficient versions.</li></ul>
	<b>SDG 12</b> – Responsible consumption and production		Waste Management	<ul style="list-style-type: none"><li>Initiate internal audits to identify the business processes of greatest waste generation</li><li>Raise employee awareness of waste management practices and promotion of responsible sorting behaviors ,with ongoing training by HSE Manager</li></ul>	<ul style="list-style-type: none"><li>Implementation of solutions to reduce the consumption of hazardous and nonhazardous waste</li></ul>
			Sustainable packaging	<ul style="list-style-type: none"><li>Assessment of the type of packaging used</li></ul>	<ul style="list-style-type: none"><li>Development of a sustainable packaging project to reduce the use of unnecessary and more polluting materials and packaging</li></ul>
	<b>SDG 9</b> – Enterprise Innovation and Infrastructure	INNOVATION	Technological innovation	<ul style="list-style-type: none"><li>Investment in R&amp;D for ESG-conscious product and process innovation</li><li>Use of water-based resins and paints thanks to new equipments adoption</li></ul>	<ul style="list-style-type: none"><li>Investment in R&amp;D for ESG-conscious product and process innovation</li></ul>

# Improvement goals

		Material topics	Short term goal (1 year)	Short term goal (2-5 year)
<div><div>17</div><div>PARTNERSHIPS FOR THE GOALS</div></div> <div>SDG 17 - Partnership for goals</div>	GOVERNANCE	Ethics and integrity	<ul style="list-style-type: none"><li>Updating company policies on ethics and integrity issues (Code of Ethics)</li><li>Adoption of a DE&amp;I Policy; establishment of a DE&amp;I committee.</li></ul>	<ul style="list-style-type: none"><li>Updating corporate policies on ethics and integrity issues</li></ul>
		Corporate transparency and reporting	<ul style="list-style-type: none"><li>Create and distribute a corporate transparency policy that outlines the company's commitments to open communication and accurate reporting</li><li>Publish annual sustainability reports covering the company's environmental, social and governance (ESG) performance</li></ul>	<ul style="list-style-type: none"><li>Develop and implement a reporting system that ensures transparency in business operations and communication with stakeholders</li><li>Publish annual sustainability reports covering the company's environmental, social and governance (ESG) performance</li></ul>
<div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div> <div>SDG 12 - Responsible consumption and production</div>		Supply chain	<ul style="list-style-type: none"><li>Supply chain assessment to identify the sustainability of key suppliers</li><li>Ongoing engagement and awareness-raising among suppliers on ESG issues</li></ul>	<ul style="list-style-type: none"><li>Assessment of the entire supply chain to identify supplier sustainability</li><li>Implementation of a supplier code of conduct</li></ul>
<div><div>11</div><div>SUSTAINABLE CITIES AND COMMUNITIES</div></div> <div>SDG 11 - Making cities and human settlements inclusive, safe, durable and sustainable</div>		<ul style="list-style-type: none"><li>Development and implementation of corporate volunteer activities and projects toward the community.</li><li>Promote listening and awareness on sustainability issues to customers and local communities</li></ul>	<ul style="list-style-type: none"><li>Expansion of offerings for corporate volunteer activities and projects toward the community</li><li>Promote listening and awareness on sustainability issues to customers and local communities</li></ul>	<ul style="list-style-type: none"><li>Development and implementation of corporate volunteer activities and projects toward the community</li><li>Promote listening and awareness on sustainability issues to customers and local communities</li><li>Involve more and more people in the company and increase volunteer hours</li></ul>



## 2 Economic Value Creation

### **In this section**

**The economic value generated and distributed**

**The value chain**

**Supplier relationships**

**Innovation and digitalization**

**Packaging**



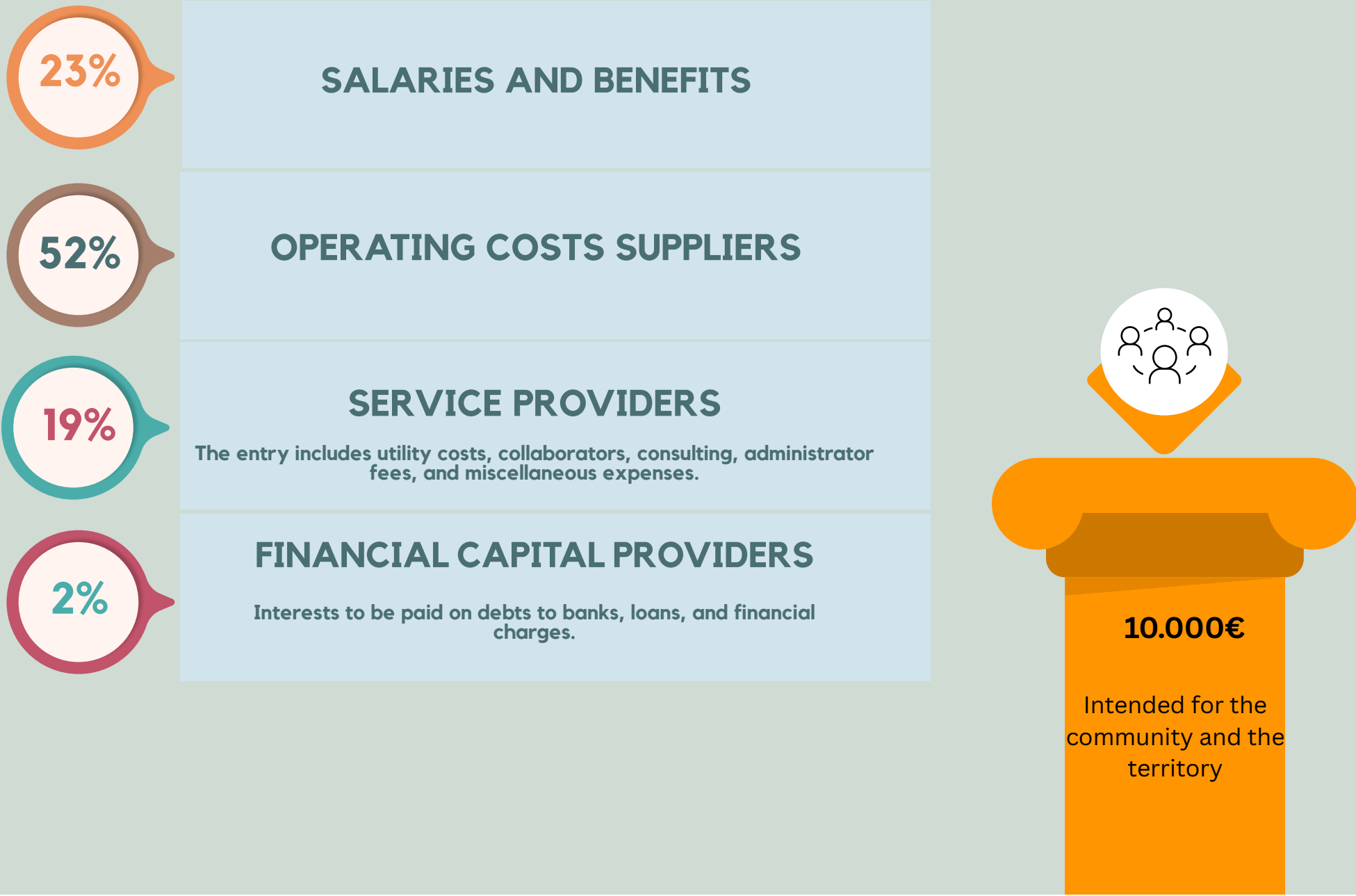
# The economic value generated and distributed

The economic value generated and distributed reflects the wealth created by the company and how it is distributed to the stakeholders who have directly or indirectly contributed to its creation. The analysis of the economic value generated and distributed, according to the ESRS principles, defines the dimensions of the economic value generated (revenues) and the dimensions of the economic value distributed (operating costs, wages and benefits, remuneration of capital and service providers, remuneration of public administration, community investments).

In 2024, we generated an economic value equivalent to €30,145k, composed of revenues and income derived from core operations, financial operations, and ancillary activities.

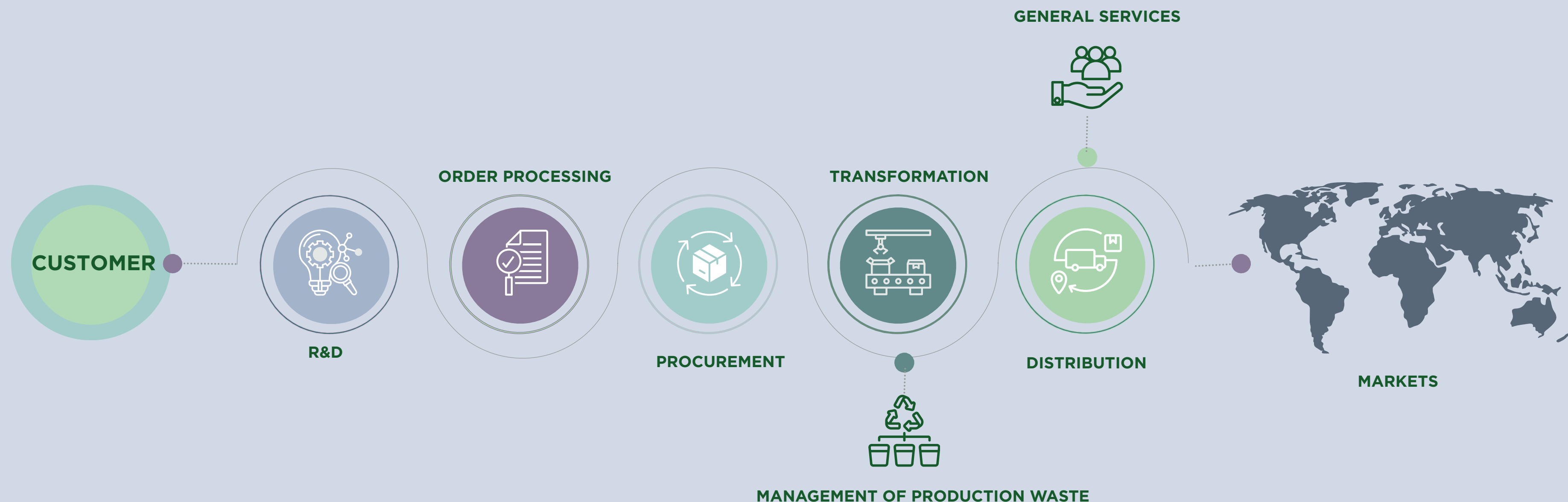
Economic Value Generated and Distributed	2024
A. Direct economic generated value	30.145.155€
Revenues	27.467.949 €
Other revenues	1.099.520€
Income from participation	1.546.261€
Financial income	31.425€
B. Economic value distributed by the company	28.858.097€
Human Resources	6.908.536€
Suppliers by operating costs	15.661.473€
Service providers	5.650.644€
Public Administration	75.733€
Community	10.005€
Credit capital	551.707€
(A-B) Economic value retained	1.287.058€

The economic value generated was distributed 96% among the stakeholders with whom we maintained significant economic relationships and who provided resources such as labor, investments, services, and raw materials, thereby effectively contributing to the generation of the company's wealth. Specifically, the distributed economic value amounts to Euro 28,858k and is allocated as follows:





# The value chain: innovation, efficiency, sustainability





# The value chain: innovation, efficiency, sustainability

At Motor Power Company, every process starts from a relationship: the one with the **customer**. Active listening to their needs is the starting point for generating real value. If necessary, our customer's need becomes the driving force behind a **research and development** activity aimed at designing tailored, innovative, reliable, and sustainable technological solutions.

Once the solution is defined, the entire value chain is activated, which unfolds in an integrated and fluid path. **Order management**, made more efficient by the digitization of processes, ensures quick turnaround times, traceability, and reduced resource usage. At the same time, the **procurement** phase is based on responsibility criteria: we select suppliers who share our commitment to sustainability and quality, building a virtuous and transparent supply chain. **Transformation** takes shape in our production department, where each component is crafted and assembled with care, optimizing resource use and minimizing waste.

The completed and inspected product is finally distributed, returning to the **market** as a concrete response to a specific need and, at the same time, as a shared and replicable resource. This is how an individual need gives rise to a collective value proposition, capable of generating a positive impact along the entire supply chain.

Ensuring consistency and quality throughout the entire value chain is an integrated management system built on solid foundations: **ISO 9001** certification for quality, **ISO 14001** for environmental management, and **ISO 45001** for health and safety at work. These standards allow us to analyze risks and opportunities, reduce waste, control costs, improve productivity, and ensure customer satisfaction.

A model that leads towards continuous improvement and the creation of value for all stakeholders.







# Relationships with suppliers



Maintaining a sustainable relationship with suppliers is essential to ensure ethical sourcing, minimize environmental impact, and promote long-term business resilience. By prioritizing **sustainable practices and open communication with suppliers**, companies can improve supply chain transparency, reduce risks, and contribute to the sustainability goals of the entire industry.

Aware of the importance of this aspect, we are committed to responsibly monitoring and managing our relationship with suppliers, favoring partners who promote sustainable business models.

Supplier management is the direct responsibility of the Purchasing and Quality Office during the accreditation, monitoring, and management of administrative aspects. The accreditation phase for new suppliers involves **verifying the possession of reputational, quality, and compliance requirements** concerning health and safety regulations for workers in line with our Code of Ethics and our MOG 231.



# Relationships with suppliers

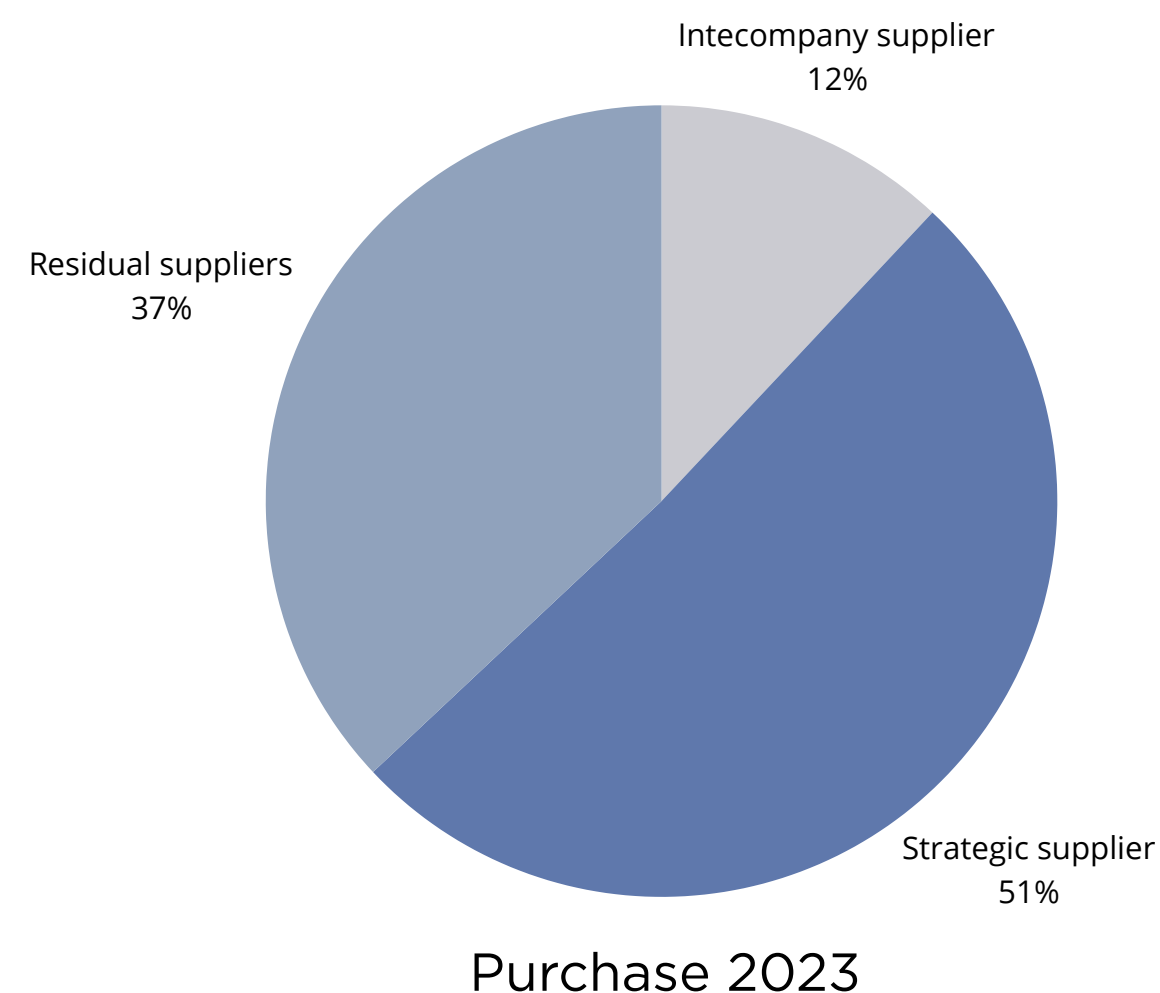
Motor Power Company believes in the importance of developing synergies, close collaboration, and long-term involvement with its suppliers, who not only ensure the reliability of production performance but also share the company's values and expectations in terms of ethical, environmental, and social standards. In the activities of choosing, selecting, and evaluating suppliers, impartiality and respect for all stakeholders must always be guaranteed, and especially in negotiations, the principles defined by the Motor Power Company Code of Ethics must always be observed.

In 2024, the first ESG analysis of Motor Power Company's supply chain was conducted, involving a sample of 16 strategic suppliers.

The selection of suppliers was based on the evaluation of potential risk from a financial, reputational, or sustainability perspective of the macro-categories of supply in which all active suppliers of Motor Power Company were cataloged as of December 31, 2023. Based on this initial analysis, the weights of each supply category were defined concerning the selection of the sample. Overall, 16 companies were selected, taking into account the weight in the macro-category based on the total purchased in 2023. These selected suppliers represent about 51% of the supplier expenditure in 2023.

The analysis was conducted by sending out a questionnaire consisting of 16 questions.

Thirteen out of the sixteen invited suppliers responded to the questionnaire, representing about 45% of the total supplier expenditure in 2023. The findings will be taken into account in the development of the process, for which the next steps will be defined in 2025.





# Innovation and digitalization

Innovation has been a **priority** that has distinguished us from the very beginning, a creative process that originates in the R&D department and takes shape in production. The **R&D** activities are integrated with the participation of other technical departments of the company. The co-engineering process with the client allows for a deep understanding of the needs in terms of motion and control on the machine axes. This leads to defining a project whose realization is first simulated, then tested on laboratory test benches, and subsequently on the machine itself. The **process** develops through a prototyping phase carried out entirely in-house, to initiate, after validation, the industrialization and series production phase. As a strategic choice, we want to maintain control over the winding and magnetization processes, which are the two most technologically significant points in the production of an electric servomotor. Around these two phases, all other fundamental steps related to mechanical, electrical, and electronic components, as well as the entire assembly, testing, and trial phases, are designed. The high specialization and expertise of the supply chain allow for sourcing and collaboration with top-level partners.

At the organizational level, our production is divided into the following departments, each equipped **with dedicated equipment and facilities**:

- goods receiving warehouse;
- incoming quality control;
- winding department;
- rotors and magnetic department;
- mechanical processing, prototypes, and special parts department;
- motor assembly department;
- gearboxes assembly department;
- shipping department.
- 

Every year, we invest in projects aimed at **product and process technological innovation**, pursuing sustainable development over time.

The innovative projects are mainly focused on several pillars:

- Improvement of motor efficiency;
- Improvement of power density;
- Digitization of processes and introduction of 5.0 logic;
- Research of new materials and electromagnetic configurations.

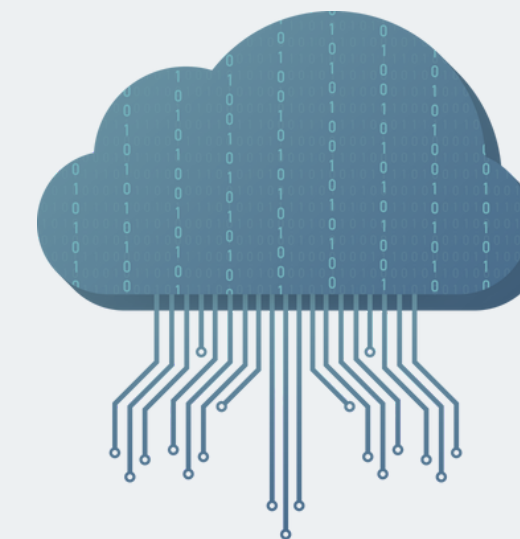
Research and Development expenses in recent years have consistently reached significant amounts, with figures around one million euros annually. Noteworthy are the continuous investments in digitalization, particularly the **Factory Data Analytics** project through the collection, exchange, and analysis of data from machines and plants along the internal production process in the factory, using dedicated software platforms and related sensors. The project aims to implement a cloud software platform to collect and analyze internal production process data from machines and plants, equipment and test benches, software, and IT infrastructure. The collection and availability of real-time data will provide important information for improving the company's market position and products. Additionally, improvements in environmental **sustainability** and a positive impact on the **skills** of production operators are expected.

**In 2023, we initiated and developed 6 R&D projects, including 2 product innovation projects and 3 process innovation projects, which continued in 2024.**

In summary, the goal is to collect and analyze the numerous data from our equipment, machines, and plants with the aim of improving production efficiency, our processes, and the product itself. Data, if well exploited and organized, are an essential source of knowledge, valuable information for continuous improvement that has a direct impact on:

- the quality of processes and products;
- people's skills;
- safety.

Research and development activity is a strategic pillar both from a competitive standpoint to respond to market evolution and from a sustainability perspective. Many of the projects already developed and underway target improvements in energy efficiency, reduction of raw material consumption used in the production process, and enhancement of product reliability and longevity while reducing environmental impacts.







# Packaging

Il packaging plays an important role in preserving the quality of products both in purchasing and selling, ensuring maximum safety for end users and environmental sustainability. We are aware that a correct environmental policy must also focus on packaging.

For this reason, in 2024 we initiated an **assessment process** of the packaging to attempt reducing the environmental impact of the materials used and, if possible, use recyclable materials.

We analyzed the packaging materials used to pack our products, which involved collecting data to understand the types of materials, with particular attention to plastic, paper, and other supports.

We then involved our suppliers by asking them for detailed information for each packaging code, in order to understand the origin of the materials used.

**In particular, we asked suppliers to provide us with information on the type of raw material used, the associated environmental certifications, and the percentage of recycled content. To support this analysis, we provided them with preferential guidelines aimed at steering choices towards more sustainable materials, divided into the following categories:**

Material	Recommended Requirements	Materials to Avoid
Cardboard	Min. 70-80% recycled, preferable FSC or > 80% post-consumer	—
Inks	Water-based or vegetable oils preferred	Inks with heavy metals or solvents
Plastics	PP, PE, PET preferred, > 50% post-consumer recycled, free of SVHC, BPA	PVC, EPS, EPF, black plastics or thermosets.

Our commitment involves the continuous search for innovative solutions, increasingly focusing on recycled or compostable materials and packaging techniques that minimize volume and weight. With local suppliers, we are also evaluating the possibility of using reusable packaging and containers to reduce waste and litter. Through these steps, we aim to significantly reduce our environmental impact and are committed to constantly monitoring our progress, updating our policies, and involving all our stakeholders in this important journey towards a greener, more responsible, and sustainable future.

# 3 Valuing people

## In this section

People

Diversity and equal opportunities

Training

Health and safety

Corporate welfare

Workers in the value chain







# People

**People are a strategic resource** for the success of Motor Power Company, and special attention and effort are dedicated to them to create a safe and positive work environment where everyone can have the opportunity to express their talents and feel motivated to always do better.

We consistently demonstrate our commitment to valuing our employees by offering them support in their professional development and ensuring the protection of health and safety. Throughout the year, there are many and varied opportunities for exchange and discussion that the company management organizes to engage with employees, keep them informed about company dynamics, and duly recognize everyone's work for the success of the business.

The Code of Ethics contains the principles and values that guide daily activities, particularly focusing on the commitment to respecting the people who work in the Company, protecting their physical and moral integrity, and recognizing the appreciation of merits and professional skills.

**We promote gender equality and fair treatment during the selection phase and throughout the work process, and—with reference to all diversities—we are committed to building a safe work environment free from discrimination, bullying, or harassment for our employees and external collaborators. To emphasize this commitment, we constantly work on new projects, initiatives, and mechanisms to enhance internal procedures.**

## Staff Selection

We are committed to ensuring a transparent, objective, and non-discriminatory selection process, aiming to identify the most suitable candidates for each role, based solely on the required skills, experiences, and aptitudes.

We value diversity in all its forms and believe that an inclusive work environment is key to innovation and growth. For this reason, our selection process is built on principles of fairness and inclusion: regardless of gender, age, origin, or any other personal characteristic.

To achieve this goal, we have adopted the following measures:

- **Clear definition of profiles:** each role is associated with a job description, with detailed and objective competencies, indicating the necessary knowledge, skills, and experiences.
- **Structured interviews:** interviews are conducted using structured and behavioral questions to ensure a fair assessment of all candidates.
- **Constructive feedback:** we provide timely and constructive feedback to all candidates, both selected and not selected.
- **Monitoring and improvement:** we constantly monitor the effectiveness of our selection process and make changes, if necessary, to ensure continuous improvement.

**By promoting an inclusive corporate culture that respects diversity, we aim to build a work environment where all employees feel valued, motivated, and secure.**





# Human Resources

98% of our workers are employed under an open-ended contract.

Characteristics of the company’s employees

Below, the Company presents key data about its workers:

Gender	Employees number	%
Male	87	57%
Female	65	43%
Total	152	100%

Number of workers by contract type/gender	2024		
	Female	Male	Total
Open-ended	64	85	149
Fixed term	1	2	3
Total	65	87	152



# Human Resources

Employees are classified by **working time schedule**.

Number of employees by contract type/gender	2024		
	Female	Male	Total
Full-time	48	79	127
Part-time	13	1	14
Totale	61	80	141

The table below shows data on **non-permanent employees** of Motor Power Company, in 2024 total 11 temporary workers.

Non-employee workers by contract type broken down by gender	2024		
	Female	Male	Total
Interns and trainees	0	0	0
Temporary workers	4	7	11
Self-employed workers	0	0	0
Total	4	7	11

As reported in the table below regarding employees by **occupational category**, as of December 31, 2024, workers are the most represented category, making up 57% of the company's population. Employees make up the second most represented category, with a percentage of 41%, followed by middle managers at 2%.

Number of employees by category and gender	2024			
	Female	Male	Total	%
Middle managers	1	2	3	2%
Office staff	27	31	58	41%
Workers	33	47	80	57%
Total	61	80	141	100%



# Human Resources

Each new hire, regardless of the type of job they will perform, represents an added value, and therefore we believe that the personnel selection process must be handled even more carefully. We have established a recruitment and selection procedure that defines the methods to be followed and the tools to be used for this purpose. The evaluation of the personnel to be hired is based on the match between candidates' profiles and the company's needs, respecting equal opportunities for all parties involved. The Human Resources Department is responsible for the implementation and compliance with this procedure and decides on the most appropriate recruitment channels, such as resume databases, archives of vocational schools and universities, online advertisements, or contracts with employment agencies. The tables below show the details of hires and terminations by gender and age group in the year 2024.

Regarding recruitment, there are 5 hires, of which 3 are women and 2 are men. There is a positive trend in attracting younger resources in the under 30 and 30-50 age groups.

Hiring	2024		
	Female	Male	Total
Up to 29 years old	1	0	1
From 30 to 50 years	1	1	2
Over 50 years	1	1	1
Total	3	2	5

As of 31.12.2024, there is a total of 4 terminations recorded, of which 2 are women and 2 are men.

Termination	2024		
	Female	Male	Total
Up to 29 years old	0	0	0
From 30 to 50 years	1	1	2
Over 50 years	1	1	2
Total	2	2	4

## Characteristics of Non-Employees in the Company's Workforce

The temporary staff consists of temporary workers and interns/trainees. In particular, in 2024, we employed 9 temporary workers.

## Coverage of Collective Bargaining and Social Dialogue

We comply with all legal regulations related to collective agreements that involve all our workers.

The table shows the turnover rate calculated for the year 2024, excluding temporary workers.

	< 30 age	30 - 50 age	> 50 age	Total
Negative turnover - terminations	0%	1,42%	1,42%	2,84%
Positive turnover - hiring	0,71%	1,42%	1,42%	3,55%
Overall turnover	0,71%	2,84%	2,84%	6,38%

Female	< 30 age	30 - 50 age	> 50 age	Total	Male	< 30 age	30 - 50 age	> 50 age	Total
Negative turnover-terminatios	0%	0,71%	0,71%	1,42%	Negative turnover-terminatios	0%	0,71%	0,71%	1,42%
Positive turnover - hiring	0,71%	0,71%	0,71%	2,13%	Positive turnover - hiring	0%	0,71%	0,71%	1,42%
Overall turnover	0,71%	1,42%	1,42%	3,55%	Overall turnover	0%	1,42%	1,42%	2,84%



# Diversity and equal opportunities

All people are treated with the same respect and dignity and are entitled to the same opportunities for professional and career development. We are committed to protecting the moral integrity of individuals, ensuring a healthy and safe work environment, in full compliance with current regulations. In line with the values expressed in the Code of Ethics, we reject and oppose any discrimination based on age, gender, sexual orientation, physical condition, health status, nationality, ethnic origins, color, political or union orientation, religion, ideology, or other personal beliefs of our interlocutors. We have adopted specific procedures for the prevention and counteraction of all forms of discrimination, which involve all personnel and those who collaborate with us in various capacities (suppliers, consultants, clients, etc.). The goal is to maintain a work environment and organization based on principles of fairness and loyalty, avoiding any behavior or action contrary to the Code of Ethics.

**Diversity Matrix**

The table below shows the number of workers divided by category and age group. In 2024, most of the workers at Motor Power Company are between 30 and 50 years old (52%), with 41% being employees and 59% being laborers.

Number of workers by category/age group	2024			
	< 30 age	30 - 50 age	> 50 age	Total
Executives	0	0	0	0
Middle managers	0	0	3	3
Office staff	8	32	17	57
Workers	6	47	39	92
Total	14	79	59	152

**Appropriate Salaries**

The company announces that all internally employed workers receive appropriate compensation in line with the Metalworking National Collective Labor Agreement.

**People with Disabilities**

We promote the inclusion of people with disabilities through hiring policies. As indicated in the table below, there are 10 people with disabilities, of which 4 are men and 6 are women.

Gender	Number of employees with disabilities
Male	4
Female	6
Total	10



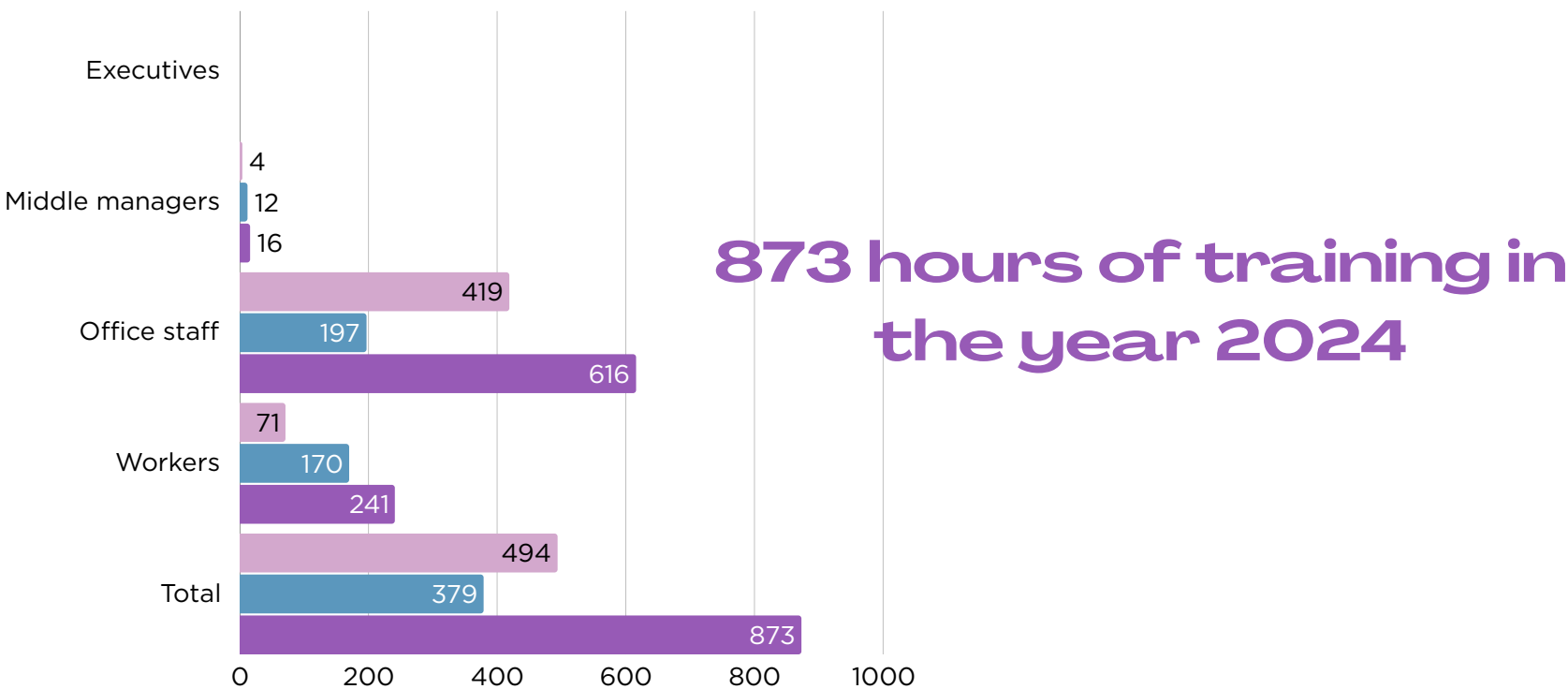
# Training



Employee training contributes to professional growth and the success of the company. Continuous training allows the acquisition of new skills, improvement in performance, and adaptation to technological and industry changes. Investing in training can help reducing turnover, as employees are more likely to stay with a company that invests in their professional development.

## Training and skill development metrics

We ensure that all personnel working in the company receive an adequate level of information, training, and education. The enhancement of merit and internal skills is therefore at the heart of training projects throughout 2024. Each employee is adequately trained to perform assigned tasks correctly, through the support and supervision of experienced internal staff. We believe that well-trained personnel are capable of facing challenges more effectively, improving work quality, and promoting innovation. Finally, a well-trained workforce can give the company a competitive advantage in the market, allowing it to keep pace with changes and exploit emerging opportunities.



In particular, the professional category most involved in training activities was that of employees (**616 average hours**), followed by workers (**241 average hours**), and middle managers (**16 average hours**). In general, the average training hours of female employees are higher compared to their male colleagues.



# Health and safety

Health and safety measures

Our health and safety objectives are defined for individual functions, taking into account significant occupational safety aspects, associated compliance obligations, and the elements that emerge from risk assessment. During the past years Motor Power Company has achieved UNI ISO 45001 certification, which attests to the presence of a specific management system for occupational health and safety.

We engage daily in activities to promote a culture of prevention and ensure the occupational safety of all employees. In the event that an accident occurs, the people in charge investigate how it happened, trying to retrace the causes that led to the accident to assess the adaptation of internal processes. Therefore, the cooperation of employees who, through special reports, can point out dangerous situations or provide insights for improvement is extremely valuable. With regard to specific training on the subject of health and safety in the company, we adopt a preventive approach, which is declined by providing workers with all the necessary information and training on occupational health and safety protection. Specifically, during 2024 our employees were **trained on Health and Safety topics for a total of 592 hours.**

Worker injury data	2024		
	Female	Male	Total
Number of work-related injuries	3	1	4
Hours worked	88.041	141.523	229.564
Frequency Index (No. Injuries * 1,000,000)/Hours Worked.	34,08	7,07	17,42







# Corporate wellness

## Measures for Work-Life Balance

Motor Power Company aims to generate benefits for its employees, with a specific commitment to creating a **positive, agile, and stimulating work environment** that values individual abilities and allows each person to grow both personally and professionally.

The initiatives in favor of the workers are among the most diversified, in particular we have chosen to distribute **organic fruit** once a week, entrusting the delivery to the Agricultural Cooperative La Lucerna, which represents an example of good economy in the area, located a few kilometers from the headquarters of Motor Power Company.



To positively respond to the personal and family needs of workers, the possibility of **flexible working hours** is provided, and the option of part-time work, which can also be reversible for particular needs, is available, even though the majority of workers (about 90%) have full-time contracts.



All workers have the opportunity to **use company vehicles**, outside of working hours, for their own moving or transporting bulky items. The use of the vehicles is regulated by some provisions that are shared on the company's intranet site.





# Corporate well-being

The excellence of Motor Power Company is the result of the skill of the people who work in our plant every day. To thank and show our deep appreciation to all the staff, over the years we have consistently invested in **welfare and benefit initiatives**.

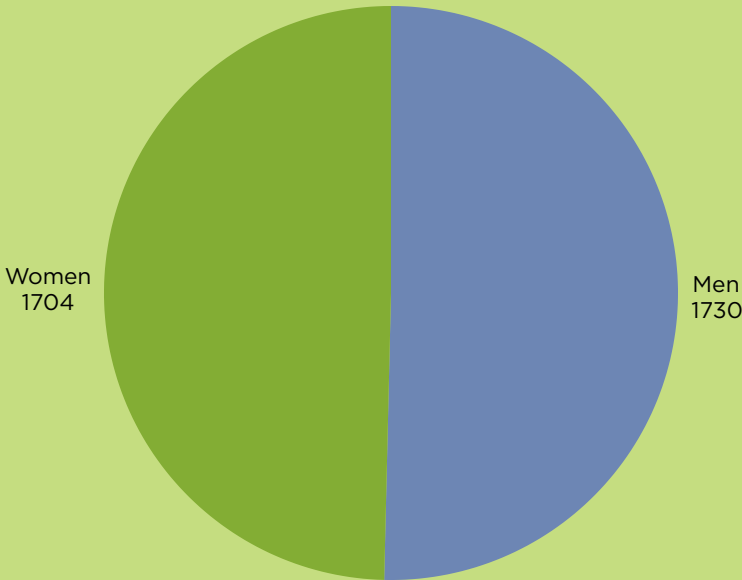
Remote working hours  
in 2024 have been 3,433,  
divided as follows:

Women: 1,704 hours

Men: 1,729 hours



We are constantly committed to meeting the needs of our collaborators, striving to ensure a balance between work and private life. This translates into the possibility of using **remote working**, according to criteria that can guarantee people’s well-being without compromising work continuity. This solution certainly allows for well-being and work-life balance, but also results in savings in terms of emissions and thus benefits the environment.



All our workers benefit from the "Welfare Hub" platform, a tool that allows easy and intuitive management of welfare credit for purchasing goods or services.

**Welfare credit** can be used for:

**Purchase of goods:** shopping vouchers, fuel, gift cards for a variety of commercial establishments.

**Services for personal and family well-being:** spa treatments, medical visits, dental treatments, babysitting services, coaching, and psychological support.

**Reimbursements:** expenses incurred for education, assistance, or transportation, both for themselves and their family members.

**On-demand vouchers:** use of credit at facilities or services not directly available on the platform.

This initiative offers workers the opportunity to access a wide range of customized solutions to meet personal and family needs, improving their well-being and quality of life.



# Corporate well-being

In **second-level corporate agreement** (also extended to temporary workers), we have granted additional benefits such as:

- Additional individual special leave for the care of **minor children**
- Additional individual special leave for the care of **parents over 65**.

Second level corporate agreement	2024		
	Women	Men	Total
Number of workers who used special leave (Sickness assistance for children up to 14 years old)	3	3	6
Number of workers who took special leave (Family sickness assistance over 65 years old)	6	5	11

The Company is committed to supporting employees at every stage of **parental leave**. The table below summarizes the data for 2024:

Parental leave	2024		
	Women	Men	Total
Number of workers who took parental leave	3	0	3
Number of workers returned to work during the reporting period after taking parental leave	2	0	2
Number of workers who returned to work after taking parental leave and are still employed in the 12 months after return	2	0	2



We have increased family leave days, over the national agreement.





# Corporate wellness

The company promotes moments of sharing among workers, such as joint volunteer activities for the benefit of the community and group sports activities.

In 2024, we distributed a survey to participate in Pilates and functional gymnastics classes within the company, and in 2025 we will start the activities.



Volunteering activities

Fitness activities





# Corporate well-being

## Compensation Metrics

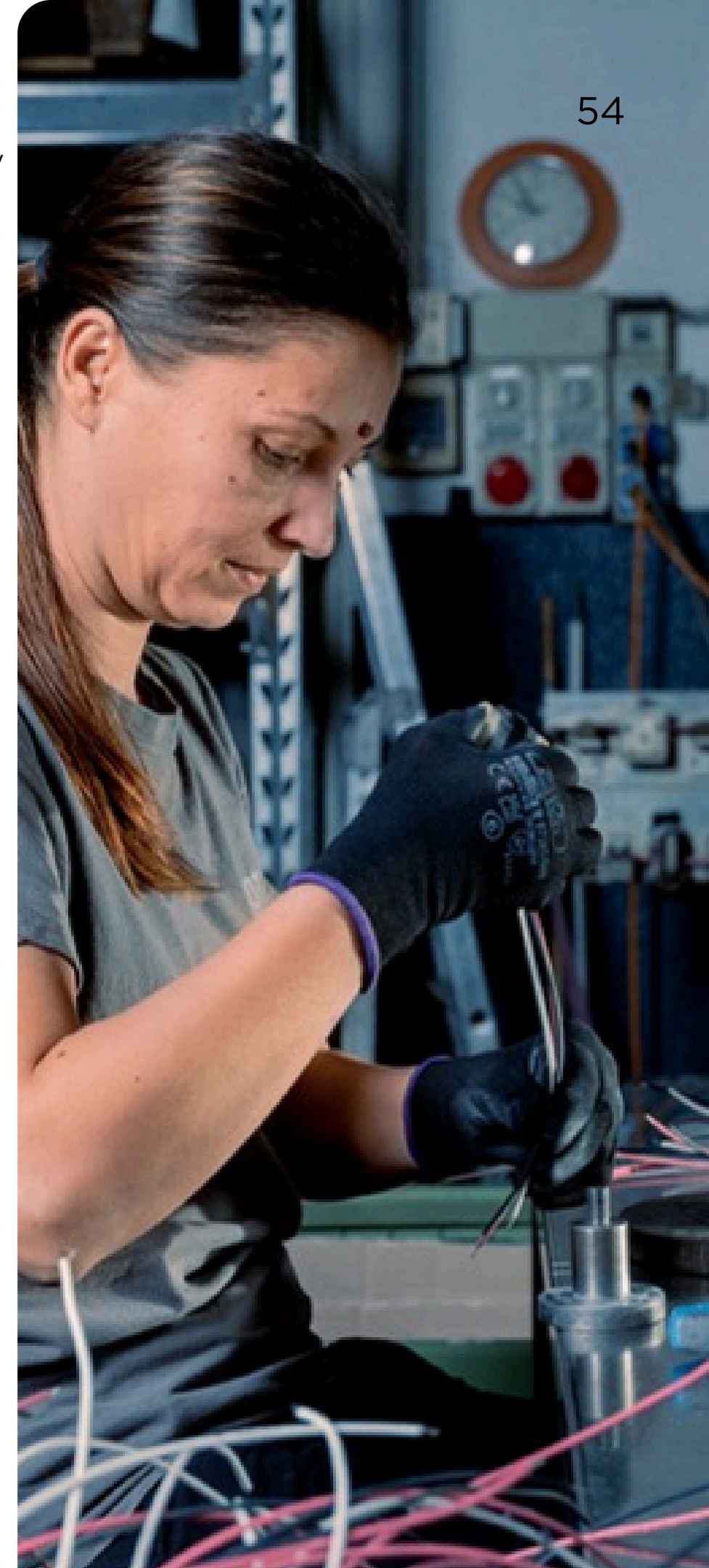
The adequacy of salaries directly affects employee satisfaction and motivation. A fairer and more competitive salary recognizes the value of the work performed and encourages staff to commit to the best of their abilities. Offering adequate salaries can help reduce turnover, as employees are more likely to stay with a company that acknowledges and rewards them. A fair salary improves the company's image and reputation, attracting qualified and motivated talent.

We are committed to **gender equality** and **pay equity** by promoting a fair, inclusive, and respectful work environment that upholds workers' fundamental rights. Gender equality ensures that men and women have the same opportunities for professional growth and access to leadership positions, leading to greater diversity and innovation in the workplace. Ensuring pay equity means eliminating any gender-based pay disparities, ensuring that men and women are paid fairly for work of equal value and equivalent skills.

We have initiated a detailed analysis of the pay gap, which will continue in the coming years.

## Incidents, Complaints and Serious Impacts on Human Rights

During the fiscal year, we can note that **there were no cases of violation regarding human rights**, such as discrimination on the grounds of gender, ethnic origin, nationality, religion or belief, disability, age sexual orientation, forced labor or child labor. The issue of gender discrimination, in particular, was the subject of a training event open to all employees, with the intervention of the Equal Opportunities Councilor of the Emilia Romagna Region.





# Workers in the value chain

According to the European Sustainability Reporting Standards (ESRS), workers in the value chain include upstream and downstream workers who are significantly impacted by our company's activities. Therefore, we recognize that the protection of workers does not end within the organization but must extend throughout the entire value chain, including suppliers, business partners, and all parties involved in company activities.

We are committed to working exclusively with **suppliers and business partners who comply with national and international labor regulations.**

Among the essential criteria required and that will be confirmed by the companies we collaborate with are:

- Absolute prohibition of child and forced labor;
- Regular employment contracts, ensuring fair wage conditions, working hours in accordance with the law, and full transparency in contractual relationships;
- Equal treatment and non-discrimination;
- Respect for trade union rights, with the possibility for all workers to join trade unions without fear of retaliation.

We are committed, therefore, to building relationships with suppliers and partners who share our ethical and social values. Currently, we do not have a direct channel to collect opinions and general interests of workers along the value chain. To fully adhere to the ESRS, in the coming years, we will conduct a quantified analysis of the impact, risks, and opportunities.





# 4 Protection of the environment

## In this section

Atmospheric emissions

Water

Waste







# Environmental protection

The management of Motor Power Company, aware of its role and obligations to the environment in which it operates, has embarked on a path of improving its performance with a view to developing valuable and sustainable solutions, in compliance with regulations, and capable of meeting the demands and expectations of its Stakeholders.

We obtained in 2017 the certification of the environmental management system according to **UNI EN ISO 14001:2015** with the aim of achieving a positive conduct towards the environment, controlling the impact of activities, products and services.



The main objectives of the **Environmental Policy** can be summarized as follows:

- Compliance with current laws, standards, and regulations related to the sector and any additional requirements signed by the Company;
- Ensuring effectiveness, efficiency, and reliability by employing all necessary resources to guarantee adherence to principles of diligence and fairness;
- Involvement of personnel, ensuring a high level of professionalism, including in environmental sustainability topics;
- Choosing partners and suppliers who pursue their commitment to continuously improving their environmental performance;
- Operating by reducing waste production, preventing pollution, and disposing of waste in accordance with current regulations;
- Systematically renewing the vehicle fleet to maintain a low environmental impact of the vehicles used;
- Managing natural resources and energy sustainably within the company headquarters, reducing waste and ensuring monitoring and control of environmental aspects.

We have therefore defined the guidelines to achieve our environmental objectives, including:

- the continuous **reduction of energy consumption** through the optimization of machinery and production processes;
- the use of **remote working** for efficient management of office operations at company locations and for improving energy efficiency;
- reducing printer use, leading to lesser use of paper and energy;
- the use of **water-based paints and resins** in the production process.

In particular, the new company headquarters has been built in compliance with the latest energy efficiency standards. A 550kW photovoltaic system has been installed, covering a total of 2500 square meters of panels, which will be fully operational by 2025. Additionally, only heat pumps are used for heating and cooling, an innovative underfloor heating system has been installed in the production departments, and the initiatives are completed with LED lighting and the installation of a sophisticated BMS system for the smart management of installations and facilities.





# Atmospheric emissions

In 2020, we set the goal of reducing CO<sub>2</sub> emissions by 50% by 2025. For this reason, we implemented a series of measures and actions such as purchasing electricity from renewable sources, gradually replacing company cars with hybrid and electric vehicles, installing LED lights, more efficient boilers and air conditioning systems, and installing photovoltaic panels.

**Motor Power Company achieved its environmental sustainability goal a year in advance.**

- **50.6%** total reduction in emissions compared to 2020
- **31.5%** decrease in Scope 1 emissions (direct emissions from fuels)
- **100%** reduction in Scope 2 emissions (indirect emissions from electricity)

	2020	2024 with 100% EAC
Scope 1 (tons of CO2)	276	189,0
Scope 2 market based (tons of CO2)	78,5	0
Carbon intensity reduction (tCO2/€ of sales)		-50,6%

The energy used in business operations has a significant impact, so we manage energy resources carefully, monitoring consumption and studying new projects to implement supporting technologies. Energy consumption involves the energy used for the operation of equipment, production plants, and activities carried out at operational sites.

In 2025, the photovoltaic system on the roof of the new headquarters will become operational, increasing the share of self-produced electricity from renewable sources.

We have raised awareness among workers with the aim of improving conscious energy consumption, and technical interventions have been implemented, such as replacing bulbs with LED technology. Therefore, we have set some objectives such as:

- increasing employee awareness of the importance of reducing energy waste;
- improving energy efficiency by adopting technologies that allow for reduced energy consumption (more efficient equipment).



In particular, the energy-related advice we shared with the workers is as follows:

- Favor natural sunlight over artificial light;
- Turn off electronic devices when not in use for long periods and avoid leaving them on standby;
- Turn off lights when leaving work areas;
- Turn off copiers and printers at the end of the day;
- Maintain a temperature no higher than 20°C in winter and no lower than 25°C in summer, and monitor window openings.



In detail, CO<sub>2</sub> emissions are classified into:

- **Scope 1** emissions: greenhouse gas emissions generated directly by the organization (the source is owned or operationally controlled by it). This category includes emissions related to heating premises and those generated by the organization's own vehicles.
- **Scope 2** emissions: greenhouse gas emissions indirectly generated by the organization, stemming from the production of purchased energy.

Scope 2 emissions can be calculated using two different methodologies:

- Location-based: according to this method, greenhouse gas emissions are calculated by applying an average emission factor related to the set of primary energy sources used nationally for electricity production (the so-called energy mix).
- Market-based: this method requires calculating emissions using specific emission factors related to the suppliers from whom the purchased energy originates. For purchases of electricity from renewable sources, a zero emission factor is attributed.





# Water

## Our approach to water resources

At the moment, we are sharing a qualitative assessment that represents our current approach to water and marine resources. Given our business, our stakeholders might consider it unlikely that our processes have a significant impact on water and marine resources. If there are significant impacts, they are likely to be found upstream in the value chain. So far, we have not identified any significant downstream effects on water and marine resources resulting from the use or disposal of our products by customers. Unlike other ESRS topics, our customers generally do not consider water as a criterion that could exclude us as a supplier.

## Processes for identifying and assessing relevant impacts, risks, and opportunities related to water and marine resources

In our materiality matrix, "Water Resource Management" is a non-material aspect. The ESRS provides a standardized list of relevant aspects, from which companies must select those pertinent to their value chain. The ESRS distinguishes between water consumption, where water is used to create the final product, and water withdrawal, where water is used in processes, for example, for cleaning, but is then released again. As motor manufacturers, we consider our water consumption is minimal, so we focus on reporting water withdrawals. We do not collect data on water discharges and are not involved in the extraction and use of marine resources. However, as part of our commitment to environmental responsibility and cost awareness, we encourage the entire organization to reduce water consumption.

## Water and marine resource policies

Our commitment to efficient resource use, pollution prevention, and environmental management through the ISO 14001 standard considers water a resource to be managed responsibly. We have analyzed our operations, the location of our production facility, and the impact of water consumption in our production cycle and consider it is not necessary to adopt and define policies regarding water and marine resource usage.

## Actions and resources related to water and water resources

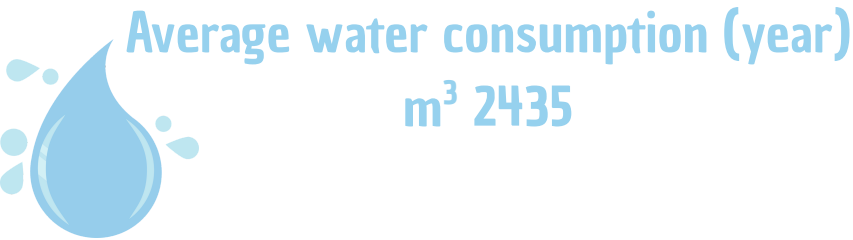
We have not set any water-related objectives to pursue. Currently, water is not among the significant aspects of our value chain.

## Objectives related to water and water resources

In the coming years, we will determine whether to conduct a water risk assessment in order to identify any categories in the supply chain that have a significant impact on water use.

## Water consumption

Water withdrawals are primarily related to sanitary and productive uses.





# Waste



Waste management is carried out according to internal procedures in compliance with current legal regulations.

**Hazardous and non-hazardous waste** is collected in production departments in initial collection containers and identified based on the type of material; they are periodically emptied by authorized personnel. The waste is stored in designated outdoor areas in suitable containers for disposal. Periodically, the temporary storage is emptied by delivering the waste to selected companies for their disposal and/or recovery.

Waste production is also controlled in offices and common areas. For years, we have been on a path to minimize the use of plastic by:

- providing each worker with a water bottle that can be refilled at various filtered and purified water distribution points
- in the beverage dispensers of the break areas, coffee cups and stirrers are made of fully recyclable material and are collected and delivered to a dedicated consortium for proper material reuse.

One of the main categories consists of paper and cardboard from offices and production packaging. We have shared useful waste management tips with our employees:

- carry out recycling using the appropriate containers for paper and plastic
- use recycled and regenerated products (paper and cartridges)
- reuse packaging if possible
- purchase products with environmental certifications such as Ecolabel, a European certification that attests to the product's reduced environmental impact.

2024	Quantity (ton)	Of which destined for disposal	Of which destined for recovery
Total waste produced	14.81	2.39	12.42
Hazardous waste by material type	3.91	1.38	2.54
Non-hazardous waste by material type	10.9	1.01	9.89



# 5 Our commitment to the territory and to the communities

## In this section

Community initiatives

Creating value for the community





# Initiatives for the community

Our commitment in relation to the territory is constant and aimed at maximizing positive effects that create well-being for the community; we do this by working responsibly to generate economic value and giving equal priority to promoting social progress and safeguarding environmental resources.

We responsibly take an active, supportive and collaborative role with the territory and communities of Castelnovo di Sotto and Reggio Emilia.

The company's commitment is realized through: **donations** aimed both at coping with temporary situations of difficulty and at supporting long-term **solidarity** interventions, **collaboration** with local schools and University Institutes, and corporate **volunteer** initiatives and programs.

Finally, we support Castelnovo di Sotto middle school students by **donating scholarships** to the most deserving in both teaching and behavior.







# Initiatives for the community

We believe that a positive relationship with the community is the foundation of a good corporate reputation among all stakeholders, as well as a key element for attracting and retaining the best human resources. We have ongoing collaborations with some universities and high schools, particularly the **University of Modena, Parma, and Bologna** for university curricular internships and school-to-work programs with several **high schools**. Additionally, we promote training activities at ITS Maker in the technical and HR fields. This is a higher technical institute aimed at young graduates who wish to pursue two-year technical courses in line with the needs of the job market and the country's industrial trends.

In 2024, we welcomed the following students:

	Students number	Of which women
UNIMORE	1	1
UNITO	1	1
ITS MAKER	2	
Istituto Superiore ITIS (Higher Technical Institute) Nobili Reggio Emilia	4	
Total	8	2







# Creating value for the community

In 2024, we launched a corporate volunteering project, actively involving our workers in projects to support local communities. The initiative saw collaboration with two important local entities: **Caritas Reggiana** and **Casa Betania**, organizations dedicated respectively to supporting people in need and assisting in the daily management of a community. Once the local associations were identified, we conducted an internal survey through the Teams platform, accessible to all employees, to gather participation and preferences. Based on the results, six groups were formed, involving both production staff and office workers. This organization not only facilitated participation but also helped strengthen the **sense of belonging** and **teamwork**, promoting the team-building objective within the company. We dedicated six half-days to these activities, between September and December, conducted during working hours and regularly paid. Participation was significant: six groups, totaling 27 workers, offered their time and commitment to those in need. We are proud of the sensitivity and sense of responsibility demonstrated by our collaborators who participated, making a concrete and valuable contribution to the community. Below we summarize the **total hours** related to the corporate volunteering project:

Category	Number of workers	Total hours of volunteer work
Women	18	72
Men	9	40
Total	27	112



Regarding future prospects, we are determined to continue and expand our commitment to volunteering. The goal is to include new associations in the area, encouraging increasingly widespread participation. Each employee will be given the opportunity to dedicate up to 8 hours annually to the project, thus confirming our long-term commitment to promoting a positive impact on the community.

Community initiatives 2024	Amount	%
Chernobyl Association	2.000 €	31%
Casa Betania	500 €	8%
Caritas Reggiana	500 €	8%
Scholarships for Middle School Students in Castelnovo	3.500 €	54%
Total charitable donations	6.500 €	100%

Simultaneously, we have chosen to support with a donation the two organizations where we have done volunteer work, along with the **Chernobyl Association**, which is active in supporting minors from areas affected by nuclear disasters, with whom we have been collaborating for years.

## Methodological note .....

The present document represents the first Sustainability Report of Motor Power Company Srl (hereinafter referred to as "MPC" or "Company"). Prepared on a voluntary basis and annually, this document aims to communicate to stakeholders the company's results, strategy, and commitments concerning environmental, social, and governance issues, as well as the achievements reached thanks to the principles and values guiding its operations. The Sustainability Report has been drafted in compliance with the ESRS standards.

It should be noted that Motor Power Company does not fall within the scope of the EU Directive 2022/2464, known as the Corporate Sustainability Reporting Directive (CSRD), which came into effect in Italy on 10.09.2024 with Legislative Decree 125/2024.

The selected performance indicators are those provided by the aforementioned adopted reporting standards, representative of the specific sustainability areas analyzed and consistent with the activity carried out and its impacts. The selection of these indicators was based on a relevance analysis, as described in the "Materiality Analysis" paragraph. Moreover, in the various sections of the Sustainability Report, quantitative information for which estimates were used is indicated. The reporting scope of the data and qualitative and quantitative information refers to December 31, 2024.

Any scope restrictions necessary in the reporting of qualitative and quantitative KPIs are appropriately indicated in specific notes within the document. This Sustainability Report was approved by the Board of Directors of Motor Power Company on May 30, 2025, and has not been audited by an independent auditor.

The Sustainability Report is published on the Company's official website at [www.motopowerco.com](http://www.motopowerco.com). For further information, you can contact: [sustainability@motorpowerco.it](mailto:sustainability@motorpowerco.it).



ESRS Content Index

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ESRS E1	Climate change	4
ESRS E2	Pollution	4
ESRS E3	Water and marine resources	4
ESRS E4	Biodiversity and ecosystems	n/a
ESRS E5	Circular economy	n/a
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ESRS S4	Consumers and end users	n/a
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# INNOVATION POWER

**MOTOR  
POWER**  
COMPANY

Not just a report, but the story of a shared commitment: for a company guided by solid values, powered by people, attentive to the community, responsible towards the environment, and focused on generating innovation and long-lasting value.

Motor Power Company s.r.l. | Sustainability report 2024

Via Fratelli Guerra, 23A  
42124 Reggio Emilia

 +39 0522 682710



motorpowerco.com



motor power company