No time to lose.

SUSTAINABILITY
REPORT 2021

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WTB

No
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lose.

SUSTAINABILITY REPORT 2021

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Message from the Chairman and CEO to Stakeholders.

(GRI 102-14) (GRI 102-16)

In two years of a pandemic Walter Tosto S.p.A. and Walter Tosto WTB have worked constantly returning to their Stakeholders the image of economic-financial solidity that the companies have always demonstrated, but have done so in a new way, through a profound rethinking of company values and priorities.

The second edition of the Sustainability Report "*No time to lose*" aims to demonstrate the commitment to integrate sustainability as a founding value of the Tosto Group, with a fully transparent approach to address the key existential challenges, from Covid to the climate. To confirm our commitment to all dimensions of sustainability, we have adhered to the principles of the Global Compact and the Sustainable Development Goals (SDGs) defined by the UN.

2021 was marked by worldwide events that affected the context in which we carry out our business: following the events from a chronological viewpoint, we saw how a ship that runs aground and blocks for days the Suez Canal can have serious repercussions on the security of supplies. 2021 was also the year that marked a watershed on the path towards the ecological transition and that saw the succession of international events starting from the **Environment, Climate and Energy G20** in Naples, to the first Youth4Climate in history, to arrive at the **G20 in Rome** where an agreement was found to contain overheating below 1.5 degrees with immediate actions and medium-term commitments.

At the end of this series of events, the United Nations Framework Conference on Climate Change,

also known as COP26, took place in Glasgow last November, one year late due to the pandemic. The conference ended with the approval, by the 197 participating countries, of the "**Glasgow Pact**" to accelerate the fight against climate change and lay the foundations for its financing. The document commits governments to the goal of decarbonisation by 2030, forecasting a 45% cut in CO2 emissions compared to 2010, with the aim of reaching zero net emissions by the middle of the century, and accelerating efforts to gradually reduce the use of coal and its subsidies to fossil sources.

Certainly, it is not possible to achieve the collective objectives set without investments: the adoption of the National Recovery and Resilience Plan, which has its main pillar in the ecological transition, gives hope for a change of pace essential to face the global climate emergency.

This is exactly where Walter Tosto S.p.A. and Walter Tosto WTB are placed, in a panorama also characterised by a strong increase in energy prices and increasing geopolitical tensions in the heart of Europe: we are working to play a role as protagonists of change. We cannot witness the cry of alarm that comes from several fronts without rolling up our sleeves: for over sixty years we have been producing industrial components for the oil & gas market, we cannot help but continue to do so with the forward-looking and concrete approach that distinguishes us. We are aware that we can contribute to the great challenge of the fight against climate change, which is also our material theme, to support the territory in which we operate and the country that we are honoured to represent in the most authoritative international contexts of the sector.

> We are working to play a leading role in change. We cannot witness the cry of alarm coming from many fronts without rolling up our sleeves.

The high energy prices and the need to phase out fossil fuels make us believe that in order to achieve the Climate Goals and to meet the need for energy production, it is imperative to use an energy mix from reliable and stable sources including nuclear power with the "green label". Our strategy, in the short term, focuses towards fission nuclear power and, in the coming decades, towards fusion nuclear power, a continuous source with no CO2 emissions and therefore a viable alternative to coal. According to the latest report of the International Energy Agency (IEA), we should double the production of nuclear energy by 2050 to reach the emission targets we have set ourselves and at the same time ensure the energy security and independence needed by nations.

In parallel, we are developing initiatives in H2 to start the production of ultra-high pressure hydrogen storage devices. We are building a new line of business for which we have allocated a large amount of investment for a plant with large production capacities, equipped with innovative machinery such as furnaces capable of consuming hydrogen in mixture with methane.

No time to lose, therefore, because we can no longer waste time: "we are living through the roaring twenties of climate action", as Ursula von der Leyen said, we must use our experience and our skills to continue the energy and ecological transition. This is not only an environmental issue, but also an economic and social one. It is about the future of our children, our grandchildren and generations to come.

WALTER AND LUCA TOSTO







Letter from the C.F.O.

(GRI 102-14) (GRI 102-16)

In its second edition, this Sustainability Report is part of a path that aims at the progressive integration of ESG issues in corporate business through an evolution of policies in favour of people and the environment.

The United Nations Climate Change Conference (COP 26) in Glasgow in November 2021, hosted the Glasgow Financial Alliance for Net Zero (GFANZ) which brought together financial giants for a statement of commitment for a future with zero net greenhouse gas emissions. In line with the Race to Zero campaign, with which the United Nations involves the private sector in the ambitious mission to decarbonise the economic system, GFANZ members have promised to adopt scientific guidelines to achieve zero emissions, direct and indirect, by 2050, in addition to intermediate targets for 2030. To confirm this intent, GFANZ has committed itself to transform the world economic system by providing 100 trillion dollars that are estimated to be needed to exit fossil fuels by the middle of the century and limit global warming to +1.5°C. The sign that is hidden behind the numbers is that international finance is officially and concretely putting itself at the service of the fight against climate change. In fact, more and more international asset managers are responding to the appeal.

Just as the financial services sector is an important “enabler” to support the ecological transition, CFOs are also increasingly playing a leading role towards the creation of sustainable value through business finance that respects the ESG principles, such as to attract

investments towards effective solutions for Sustainable Development Goals.

Therefore, integrating sustainability at the heart of the company's business is not only a fundamental action for the planet and future generations, but also convenient for Companies. In practice, economic value and sustainable value are two sides of the same coin.
The links between ESG performance and economic performance have a concrete manifestation in the growth of the main economic indicators: the EBITDA value of Walter Tosto S.p.A. and Walter Tosto WTB Srl in 2021 recorded an overall increase of +18% compared to 2020.

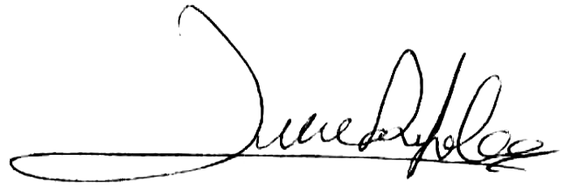
The pursuit of a sustainable development model also consists in obtaining increasingly important requirements for access to credit. Specifically, we have established relationships with numerous banks that have joined the United Nations "Net-Zero Banking Alliance" program that mobilises banks worldwide in the commitment to align their credit and investment portfolio with the zero emissions target by 2050. The Alliance, therefore, recognises the key role of banks in supporting the global transition of the real economy towards the common zero emissions target, including both own emissions (energy consumption) and funded emissions, including Scope 3 emissions.

To comply with these very stringent parameters, banks also evaluate companies under the ESG profile: during 2021 Walter Tosto S.p.A. underwent two ESG valuation ratings, recording a medium-high score, in line with expectations.
Similar to the banking world, the global insurance and reinsurance sector also launched the objectives of the Net-Zero Insurance Alliance in 2021. It is an alliance committed to zero net greenhouse gas emissions from insurance portfolios by 2050.

The evolution of Walter Tosto S.p.A. and Walter Tosto WTB Srl from a company focused on the production of critical components for the Oil & Gas sector to a leading company in the energy transition, has now started and consolidates from year to year. The success of new businesses in achieving the common goal of zero emissions is based on our assets, our people and the continuous exchange with all our stakeholders.

> Integrating sustainability into the heart of the corporate business is not only a fundamental action for the planet and future generations, but also convenient for companies[...] economic value and sustainable value represent two sides of the same coin.

LUCA PIERFELICE





Values, Vision, Mission.

(GRI 102-16)

Transparency

We strive to create a streamlined internal structure to ensure an “open book” approach through direct contact at all operational levels, to reach rapid decision making.

Quality

We do not compromise: quality is our passion.

Innovation and tradition

Innovation and tradition are not two antithetical concepts: the constant search for new technological solutions makes us an innovative company that continues, maintains and renews a tradition of excellence.

Flexibility

We are open and have the ability to adapt quickly to new market needs. We are highly motivated and train people to adapt quickly and efficiently to different demands.

Values

Our shared values are the guiding principles of our business

Vision

Be the “first choice” for end users, licensees and major contractors in the world. Constantly exceed the expectations of our customers through innovative ideas, new technologies and value-added solutions, inspired by the vocation for research and sustainability.

Our goal is to strengthen and further develop our results generating a positive impact on the environment and on people.



Mission

Our daily motivation is supported and guided by the history of the Group, consolidated processes, know-how, continuous growth through investments, past experiences and ongoing projects.

Highlights 2021.

(102-7) (102-8) (102-9) (201-1) (302-1) (305-1) (305-2) (305-3) (305-4) (306-1) (404-1) (405-1)

ECONOMIC HIGHLIGHTS

ANTI-CORRUPTION

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Total revenues (k€)	124.488,25
Net profit (k€)	4.322,67
EBITDA (k€)	15.702,68
Value distributed to stakeholders (k€)	26.313,87
Investment in R&D (k€)	1.591,45

SOCIAL HIGHLIGHTS

LABOUR

HUMAN RIGHTS

4 QUALITY EDUCATION

8 DECENT WORK AND ECONOMIC GROWTH

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

No. of employees	677
No. hours worked	1.163.485
No. hours Training	10.855
% employees with an open-ended contract	87%
% staff aged between 30 and 50	49%
Cultural and social donations (k€)	186
No. suppliers	1.404
Value of goods and services purchased (k€)	88.516,63
% Procurement from domestic suppliers	49%

ENVIRONMENTAL HIGHLIGHTS

ENVIRONMENT

7 AFFORDABLE AND CLEAN ENERGY

13 CLIMATE ACTION

Energy consumption (GJ)	103.620
Production of electricity from photovoltaic plants (MWh)	1.646
CO2 emissions (t) Scope 1 and Scope 2	6.919
CO2 emissions (t) Scope 3 (Business Travels)	104
KG CO2-Eq / Ton net weight	604
Waste (t)	6.600



Main events 2021.



Nitrogen + Syngas 2021

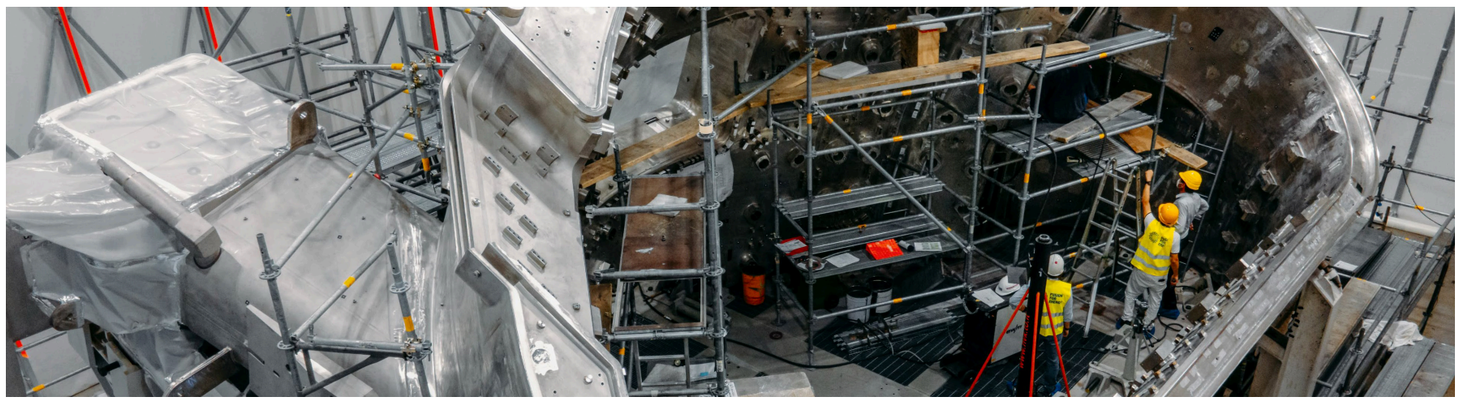
1-3 March 2021
Virtual Exhibition

From 1 to 3 March 2021 Walter Tosto S.p.A. participated in the virtual fair Nitrogen + Syngas. For over 34 years, Nitrogen + Syngas has been providing an ideal network platform for companies and professionals in the nitrogen and syngas industries.

"Electron Beam Machine" (EBM) Inauguration

8 March 2021
Chieti

"With the Electron Beam project we brought a technology to Abruzzo that was previously only available abroad. This was possible thanks to an important investment supported also by the Abruzzo region with regard to the Research and Development part" explained Luca Tosto, CEO of Walter Tosto S.p.A.



Conference "Synergy School - Company: the future of vocational education"

9 october 2021 Pescara

On the occasion of the celebrations of the centenary of the Ipsias' Di Marzio - Michetti 'State Professional Institute of Pescara, Luca Tosto, CEO of Walter Tosto S.p.A. was invited to take part in the conference on the theme "School - Company Synergy: the future of professional education". In his speech, Luca Tosto recounted the company's experience in numerous training projects in collaboration with the schools of the territories of Chieti and Pescara, highlighting the success stories of many students of the Di Marzio Michetti institute who, after having carried out a school-work alternation path, have become part of the company staff. The C.E.O. Walter Tosto also renewed his willingness to continue to develop and expand the scope of the training courses in synergy with the Institute.

Downstream Central Asia

9-10 November 2021
Tashkent

Walter Tosto participated in Downstream Central Asia, the most important event for the downstream sector in Central Asia, attending with his own stand in the exhibition area.

Nuclear power decisive for energy transition

15 December 2021
Rome

Massimiliano Tacconelli, VP Nuclear Business Unit of Walter Tosto S.p.A., took part as speaker in the event "Nuclear power decisive for energy transition". The workshop was organised by the Italian Nuclear Association (AIN) and was attended by the Undersecretary to the Presidency of the Council of Ministers with responsibility for European affairs, Vincenzo Amendola, as well as other important figures from Italian institutions and companies in the nuclear industry.

AOC Static Equipment

17 December 2021
On-line

Walter Tosto S.p.A. was invited by Aramco, an important and esteemed customer, to participate in the "Workshop of the inspectors of AOC Static Equipment". The aim of the event was to discuss developments in the sector with qualified inspectors, share information and knowledge learned in recent years and disseminate the extensive experience of Aramco gained during the various inspections in the execution of projects.

identity

“

The best prophet of the future is the past

”

Lord George Gordon Noel Byron

An all-Italian industrial history.

(GRI 102-5) (GRI 102-7) (GRI 102-10)

That of **Walter Tosto S.p.A.** is a story that tells of the energy of a man who threw himself into an entrepreneurial adventure

with enthusiasm, determination and a little bit of healthy recklessness. In just a few years, he went from being a young provincial blacksmith to becoming president of an important company that is recognised worldwide as technological excellence in the manufacture of top-quality pressure equipment.

The company was founded in Pescara in 1960 by Walter Tosto and its first activity was related to the production of tanks for local wineries and mills. In the 1970s, the activity evolved first in the manufacture of LPG/fuel pressure tanks and later in the production of critical components for the international Oil & Gas, Petrochemical and Energy markets (1994).

Walter Tosto's first years of work began as an ironworking artisan. Then, with the transition from carpentry to the production of tanks, Walter Tosto embarked on the right path and his entrepreneurial progress started, with the purchase of the two thousand square meters covered facility in Via Erasmo Piaggio, in Chieti Scalo, where he would build the first tank for LPG, continuing with the expansion of the business in the factory of Ortona thanks to the insight of his son Luca. And Luca, who took over the management of the company's activities with the support of his sisters Catia and Emanuela, was the promoter of the important acquisition of a historical factory in Bucharest, extending the Group's industrial area abroad. The state company Fecne, now **Walter Tosto WTB,** was a strategic factory for the Romanian government, known above all for having built the components of the two nuclear power plants of Cernavoda. Following privatisation, after a few years of activity the company underwent a crisis and closed permanently.

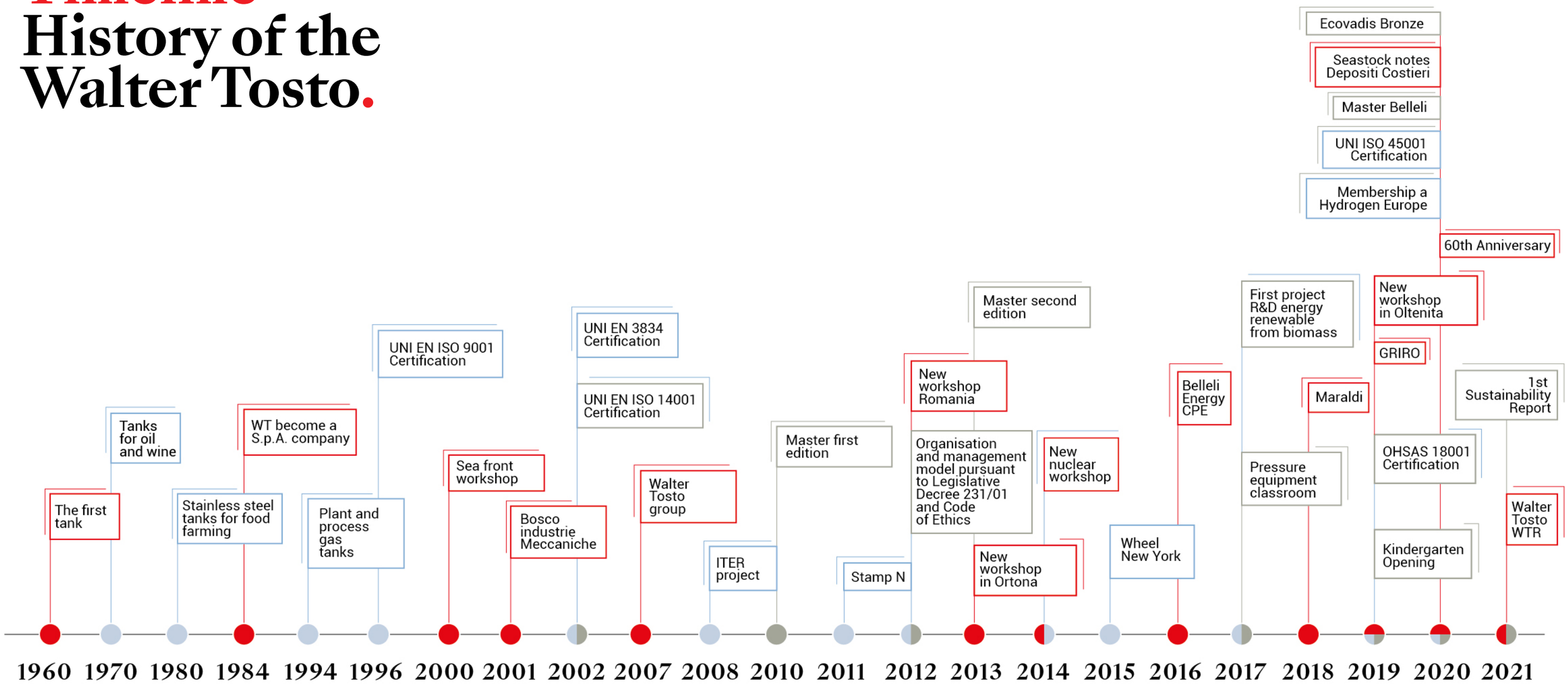
In July 2012, in light of the enormous potential of the structure, located in a strategic position and characterised by very large spaces, Walter Tosto S.p.A. acquires the company, which will then be reorganised and renewed with improvements in energy efficiency, new equipment, machinery and modern facilities for employees.

Today, Walter Tosto WTB has reached high levels of production with over 200 employees and two plants located in Bucharest and Oltenita, the latter in the immediate vicinity of the Danube River, which covers a total area of over 130,000 square meters.

The two companies often work together in a synergistic way, as it is proper to do within the CORPORATE GROUPS.

The Tosto Group, composed of ten companies with offices in Italy and abroad, generates a consolidated turnover of approximately €180 million and employs over 1300 employees. Today the Group is directed by Luca Tosto, son of Walter Tosto, with the support of his sisters Catia and Emanuela.

Timeline
History of the Walter Tosto.



BUSINESS STAGES

HISTORICAL STAGES

SUSTAINABILITY STEPS

“

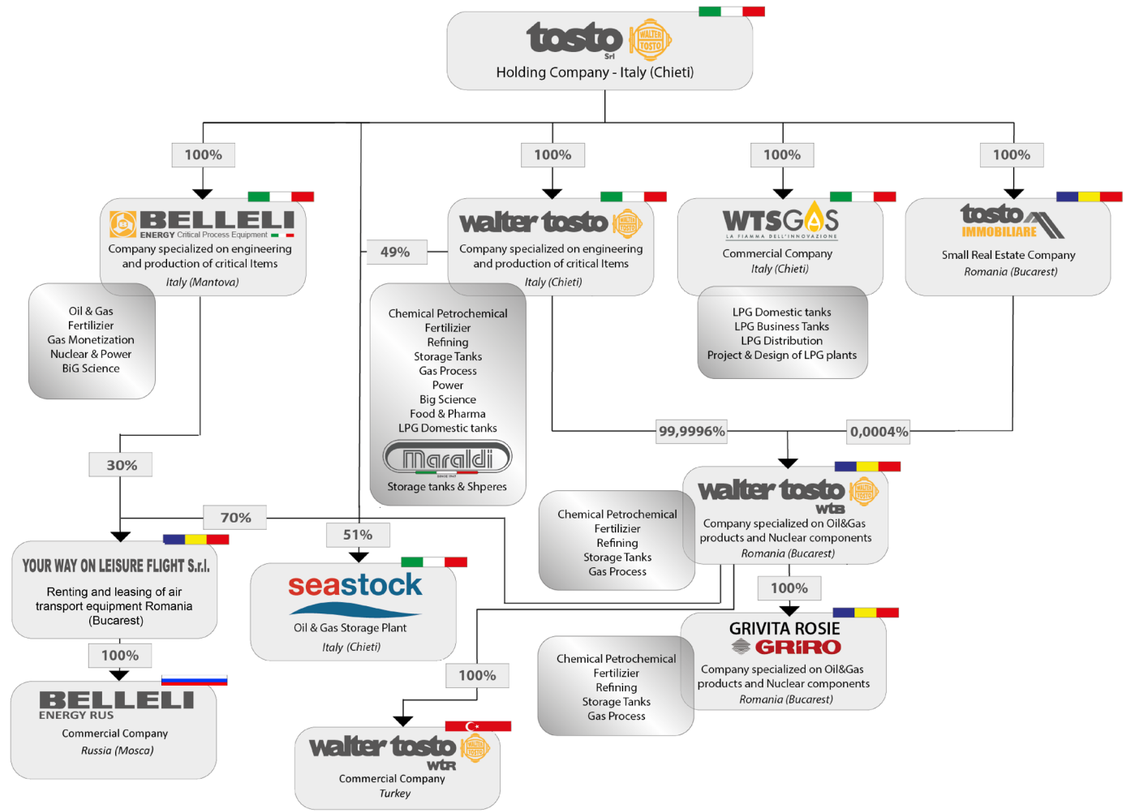
I don’t create companies for the sake of creating companies, but to get things done

”

Elon Musk

The Tosto Group is composed as follows:

All companies share the same corporate philosophy of socially sustainable development, based on quality, innovation, transparency and flexibility.



Presence in Italy and Romania.

(GRI 102-3) (GRI 102-4)

The companies operate in nine factories

seven of which are located in Italy, more precisely six in Chieti and one within the port of Ortona that allows direct shipping of components, with no weight and size limits. Two further factories are located in Romania (Walter Tosto WTB), the first in Bucharest and the second in Oltenita, where the company has a private port on the Danube River for carrying out all logistical operations for shipment by river/sea.



Active participation in associations.

(GRI 102-12) (GRI 102-13)

In support of the business development activities, the companies actively participate in various national and international associations, stimulating, with the other associates, a propulsive and systemic action in the reference economic sector, in the research and development and in the promotion of the interests of the different stakeholders.

Trade Associations

Aipe:

Aipe is an association born from the intention to face the main problems that affect the category of boiler producers in a simple, efficient and quick way, not only at local level but according to a broader, international perspective. The acronym A.I.P.E. (Associazione Italiana Pressure Equipment) recalls its dual purpose, enclosing both the Italian character of the association and terms in English (Pressure Equipment), which indeed evoke a worldwide opening.
In 2021 AIPE became part of H2IT, the Italian Association for Hydrogen and Fuel Cells, established in order to give a voice to the Italian industry and research centres involved in the hydrogen supply chain. The primary objective of the association is to promote technological progress and the development of the Italian market related to the production, storage and use of hydrogen.

Asociația Română echipamente sub presiune:

“Asociația Română echipamente sub presiune”, established in Bucharest in January 2018, is a non-profit organisation that brings together the main Romanian companies operating in the pressure equipment sector.
Based on cooperation between industry, scientific institutions and universities (national and international), the Association aims at stimulating the economic and technological development of its members through the active participation and organisation of meetings, events and training programmes through the sharing of resources and information.

Assocostieri:

ASSOCOSTIERI: is the leading association in the energy logistics sector.
Founded in 1983, it represents companies active in maritime bunkering, holders of coastal, customs and fiscal deposits of mineral oils, chemicals and LPG, biodiesel, deposits and LNG regasification terminals.
It has been protecting the interests of operators for over 35 years, carrying out continuous and proactive work to accredit its members and their issues of interest to the relevant stakeholders. The experience and specialisation gained over their years of activity in the management of authorisation issues for the construction and operation of logistics infrastructures, in state-owned concessions, in tax and customs aspects and in environmental and safety procedures, allows ASSOCOSTIERI to assist its associates in all phases of company life, facilitating information and consensus-building activities around the construction of new infrastructures in the territory.
A constant presence alongside its associates, the activities of the association are carried out through the participation, in Italy and abroad, in working groups and consultation tables, established by the Public Administration and technical bodies, to share and resolve the problems of the industrial sectors represented.

CONFIMI Industria:

Confimi Industria represents approximately 40 thousand companies with 495 thousand employees and an aggregate turnover of almost €80 billion, and has the different product categories represented within it. Confimi Industria is a signatory of national collective labour agreements, it is the usual interlocutor recognized by politics at the government and parliamentary level; it is audited in the Budget Law and in the main hearings relating to the SME sector. Furthermore, Confimi Industria attends tables and engages in concrete dialogue with ABI (Italian Banking Association), the Italian Revenue Agency and the Customs Agency, and has signed protocols with organisations such as SACE, ICE, SIMEST, members of the government's Internationalisation Steering Committee.

La Camera di Commercio Italiana per la Romania:

The Italian Chamber of Commerce for Romania (CCIpR) was established in 1994, as an association under Romanian law, by 40 founding members including the largest Italian companies present in Romania. Since 2005, the CCIpR has been officially recognised by the Italian Government. The CCIpR, which has more than 200 members, devotes great attention to the promotion of the principles of European integration, transparency and best practices and has among its primary objectives the promotion of bilateral exchanges between Italy and Romania and the support of the collective interests of its members.

Sustainable development

Global Compact:

The United Nations Global Compact is the world's largest strategic corporate citizenship initiative. It stems from the desire to promote a sustainable global economy: respectful of human rights and labour, the protection of the environment and the fight against corruption.

Alternative energy

Hydrogen Europe:

Hydrogen Europe is the European association of hydrogen and fuel cells representing more than 220 companies in the sector and 26 national associations. Hydrogen Europe collaborates with the European Commission in the Fuel Cells and Hydrogen Joint Undertaking (FCH JU) innovation programme. It promotes hydrogen as an enabling factor of a zero-emission society.

AIN:

AIN represents the Italian nuclear system in the European Nuclear Society (ENS) and the European Atomic Forum (FORATOM), a body established on 12 July 1960 and with consultative status with the UN-IAEA, the European Commission and the European Parliament. AIN also appoints a representative of the national nuclear system to the American Nuclear Society (ANS). AIN is expressly constituted as a non-commercial and non-profit cultural body; it is free, non-partisan and non-sectarian and aims, in the interest and for the civil progress of the country, at constituting a point of meeting, discussion and union between those - entities, institutions, companies and individuals - who are interested in development peaceful applications of nuclear energy and technology in harmony with international and national safety standards and the EURATOM Treaty. The Association aims in particular at elaborating and representing, nationally and internationally, qualified positions and opinions concerning nuclear initiatives and problems, as well as at maintaining relations with national, international and supranational bodies in the nuclear sector and with similar organisations existing in other countries.

Forum Atomic Roman:

The Forum Atomic Roman – ROMATOM is a non-governmental, non-profit, apolitical, independent association with national representation. The members of the organisation of ROMATOM are the following: Romanian and/or foreign organisations, aiming at the generation of electricity and heat through nuclear processes; suppliers of goods and services for the Romanian nuclear industry; legal organisations aiming at research in the field of electricity and nuclear energy in general, and in the field of nuclear energy-related activities such as research in atomic and nuclear physics in particular; professional, technical and scientific associations. The main purpose of ROMATOM is the peaceful use of nuclear energy in Romania and the support of the national nuclear programme, as well as the coordination of actions and the promotion of the interests of the members of the Association and their activities.

Technological innovations

The Welding Institute:

The Welding Institute (TWI Ltd) is one of the world's leading independent research and technology organisations, with experience in joining materials and engineering processes applied in the industry. TWI specialises in innovation, knowledge transfer and problem solving in all aspects of production, manufacturing and life-long integrity management.

Established in Cambridge in 1946, the organisation has earned a first-class reputation for service thanks to its teams of respected consultants, scientists, engineers and support staff. With approximately 800 employees, it works with over 1800 Industrial Member companies in over 70 countries.

Environmental protection

CONAI:

CONAI, the National Packaging Consortium, is a private consortium that operates on a non-profit basis and is a system that constitutes the response of private companies to a problem of collective interest, such as the environmental one, in compliance with the guidelines and objectives set by the political system. The Consortium has about 760,000 companies producing and using packaging. Established on the basis of the Ronchi Decree of 1997, the Consortium has marked the transition from a management system based on landfill to an integrated system, which is based on the prevention, recovery and recycling of the six packaging materials: steel, aluminum, paper, wood, plastic, bioplastic and glass.

ACEPER:

ACEPER (Association of consumers and producers of renewable energy) was founded in December 2014 by a group of entrepreneurs who have invested in renewable sources. ACEPER carries out its action by increasing the knowledge and dissemination of the benefits of the use of renewable energies and the protection of their production, also pursuing the development of the technologies related to it. It protects the interests of producers and participates in the process of defining legislation in the energy sector. It also guarantees entrepreneurs a clear, specific and comprehensible information service on all issues relating to the renewable energy sector.

Awards and recognitions.

(GRI 102-12) (GRI 102-13)

Among the awards and recognitions obtained by the company we mention:

“Imprese Vincenti” Award

November 2021 - Walter Tosto S.p.A. was recognised among the Winning Companies of 2021, the Intesa Sanpaolo programme that values entrepreneurial excellence as a model for the relaunch of the Italian economy.
Walter Tosto spa was awarded in the stage dedicated to “People and Human Capital”

Topul National al Firmelor 2021, ediția a XXVIII-a

November 2021 - The brilliant economic results obtained during 2020 have allowed the WTB to win the coveted Topul Național award at Firmelor. In fact, the latest edition was characterised by the performance of Romanian companies that continued to keep the engine of the economy running despite all the difficulties caused by the pandemic.

“Fedeltá al lavoro e progresso economico” award

October 2021 - Walter Tosto Spa has been awarded the “Loyalty to Work and Economic Progress” Award established by the Chieti Pescara Chamber of Commerce, an award that rewards workers and companies in the area that have made significant contributions to economic and social development.
The event for the awarding of prizes, a medal of the chamber of commerce of fine workmanship and a diploma of merit, took place at the Teatro Marrucino in Chieti.

100 Ambasciatori Nazionali

January 2020 - A recognition obtained for having conferred value on Italian heritage, for having contributed to the growth of the territory and for having implemented actions aimed at socio-economic development.

“Campioni del Sud”Award

June 2019 - A prize for excellence in Southern Italy, awarded to the best companies selected on the basis of turnover, between 20 and 500 million Euros, as well as on the basis of a series of indicators relating to the financial statements of the last six years that measure growth, profitability, financial soundness, innovation capacity and that have a rating defined as “excellent” by the specialised agencies.

Recognition by the Maestri del Lavoro of Pescara

July 2018 - The delegates of the Provincial Consulate of Pescara of the Federazione Maestri del Lavoro (Federation of Italian Masters of Labour) have delivered a plaque to the Chief Executive Officer of Walter Tosto S.p.A., Luca Tosto, in recognition of the commitment made in the context of the “School of Work and Safety” project – school year 2017/2018.

“Di Padre in Figlio” Award

December 2017 – From Father to Son Award, promoted by Cerif (Center for Research on Family Enterprises) within the Università Cattolica del Sacro Cuore, is aimed at entrepreneurs who have had the ability, dedication and passion to continue and enhance the work of their parents by taking over the operational and strategic leadership of the company, guaranteeing its success and continuity. The C.E.O. Luca Tosto qualified as a finalist in the “Young Entrepreneur” category.

Aipe Award for Internationalisation

July 2017 - Intended for companies with a strong presence in several foreign markets, characterised by an increase in export turnover, whose exported products have a high level of quality and innovation. They have also adopted an exemplary organisational and economic model for the international development of the Italian company and represent a reference model in the sectoral field.

“Faro D’Abruzzo” Award

March 2016 – recognition for Abruzzo personalities who have distinguished themselves particularly in the economic, cultural and social sectors

Diploma of Excellence from the Polytechnic University of Bucharest

|July 2014 - Walter Tosto received a Diploma of Excellence from the Polytechnic University of Bucharest, as a “Sign of recognition and appreciation for the vision and development dynamics of industrial processes and equipment, and for participation in the training of human resources”.

“Imprese per l’innovazione” Award

July 2012 – official recognition to companies producing goods and services that have distinguished themselves to spread the culture of innovation and excellence.

Premio Nazionale per l’innovazione

June 2009 - delivered by the President of the Republic Giorgio Napolitano for the capacity for innovation and structural change that have brought the company to international markets quickly and successfully.

Books.

Ricomincio da 60. In viaggio tra reattori, nucleare e serbatoi della discordia Editor Il Sole 24 Ore - 2020



An unusual ability - that of Walter Tosto - to look ahead in the name of sacrifice, foresight, tenacity. Without ever letting himself be knocked down by reversals of fortune, which have accompanied him in some difficult years, without giving in to the fear of surrender. Also because the many sacrifices made have shaped him and made him more grounded. If anything, he was able to take advantage of the experience that, day after day, he had accumulated over time. Recovering, when all the work done seemed to be about to crumble, in the name of innovation and diversification. Riding the globalisation wave, however, and with this in mind, aiming with foresight at foreign markets. His fighting character is the ally that led him to propose himself as an example to be followed for the new generations. He, who is so attached to family values, even though there is something that pains him:

that he partially sacrificed his affections - and he apologises for this - for the sake of the company. He who, having crossed the goal of the eighty years old, always remains at the forefront to control the operation of his "creature". That company born from nothing which, along the way, has shown itself to be – thanks to the complicity of the second generation - as a world excellence in its sector.



Il saldatore di idee. Walter Tosto. Un imprenditore contro

Editor Il Sole 24 Ore - 2010

A beautiful history of the province. That of a young blacksmith who was able to ride the captivating waves of the roaring 1960s to become the chairman after facing many difficulties. A story half a century long, that of Walter Tosto and its founder, who in the last decade - after having experienced the Italian leadership in the field of underground tanks for LPG, and having paid the price - has been able to diversify taking from number one, in the not easy sector of heavy boiler-making, the streets of the world. An entrepreneurial adventure, characterised by varied changes of course, told simply and frankly, avoiding the screen of unnecessary lies and subterfuge; a business and life path that has fed on false steps, mishaps, bumps in the road, not to mention the many battles won. Although in life success often ends up coming at a high price. Especially if you tread on certain toes. Walter Tosto certainly never gave up. Because this is how he is: a hard man with a tender heart, who believes he is always right and therefore suffers from the mere thought of having to admit that he was wrong. In short, a far-sighted protagonist of the Abruzzo economy who had the courage to give substance to the generational change, (and God knows how much this cost him) delegating the reins to his son Luca, who is supported by his sisters Catia and Emanuela.

Socials.

FB Followers 15.035

Followers Linkedin 19.128

On the Facebook pages of Walter Tosto S.p.A. and Walter Tosto WTB, a total of 70 posts were created during 2021, of which 57 with images, 7 with videos and the remaining posts with links to profiles or external sites.
Classifying posts according to topics covered, we find **19** posts related to results achieved, such as the completion of orders or the start of new projects, **31** of the posts concern short stories related to the daily life of the company (employees, kindergarten, training activities, participation in events, production activities, etc.), **14** posts fall within the institutional communication (interviews, collaborations, projects in support of the territory, etc.) while the remaining **6** posts are related to various communications such as announcements for the search for personnel and selections for internal courses.

On the LinkedIn pages of Walter Tosto and Walter Tosto WTB, 53 posts were published during the year, of which 43 with text and images and 10 with videos, with an average of 15,600 views per post and a total of 70,260 interactions (comments, reactions, shares, clicks).
Of the **53** posts, **16** are related to results achieved, such as the completion of orders or the start of new projects, **8** posts are part of the institutional communication (interviews, collaborations, projects in support of the territory, etc.), **21** posts are storytelling of company life, **8** are announcements for the search for personnel and internal training courses.
Lastly, in June 2020 an Instagram profile was created in order to reach even a younger audience, followed by a total of 523 followers.

Business Activity

“The strength lies in the quality”

Friedrich Nietzsche

The brands.

The companies considered in the following report sell their products under the following brands, which are synonymous with quality rewarded by customer loyalty and the growth of market shares.

The acquisition of Bosco Industrie Meccaniche in 2001 helped strengthen the company's know-how in the design and production of heat transfer equipment. Walter Tosto S.p.A. also owns the brand.

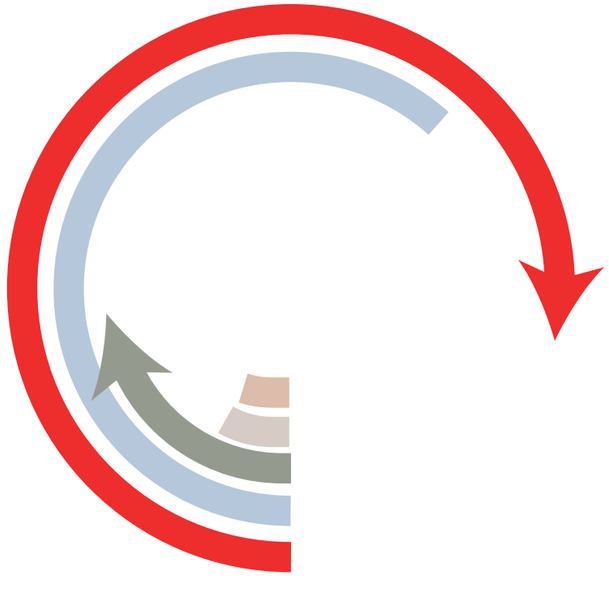
2019 also saw the finalisation of the acquisition of one of the most renowned Made in Italy brands, that of Officine Maraldi, recognised by the major players in the petrochemical industry for its ability to operate on high volumes, precision and the quality of the products manufactured.

Core products and new business.

(GRI 102-2)

The companies design and manufacture critical process and storage equipment for the Petrochemical, Oil & Gas, Power, Food & Pharma and LPG & Fuels sectors.

Since we are faced with the need and urgency of long-term strategic choices, the Group has planned to expand its offer towards products that embrace unavoidable complexities such as the environmental, ethical and social dimension.



77% OIL & GAS, PETROCHEMICAL AND CHEMICAL

15% POWER AREA

5% LPG & FUELS AREA

3% FOOD & PHARMA AREA

NEW BUSINESSES: HYDROGEN, CARBON CAPTURE, CONTRIBUTION TO CIRCULAR ECONOMY

Oil & Gas and Petrochemical Area

The high skills in the design and construction of critical components at high pressure and high temperatures for hydrocracking, hydrotreating, desulphurisation, gas treatment and polymerisation, reactors for the synthesis of ammonia and methanol make Walter Tosto S.p.A. an expert and qualified supplier for refineries and chemical and petrochemical industries. The company is able to produce components using the most innovative and advanced materials in the sector (low alloy chromium-molybdenum-vanadium steels, nickel, titanium alloys, stainless steels, etc.) in accordance with the main international codes established for design and production.

Power Area

Walter Tosto S.p.A. manufactures components and equipment for nuclear islands such as steam generators and related components for the heat transfer of the primary circuit. For secondary circuits, the company is able to manufacture equipment such as feedwater HP/LP preheaters, HP heat exchangers, condensers and degassers. Currently the company is working on the ITER project (International Thermonuclear Experimental Reactor) with the European consortium AMW for the supply of seven sectors of the vacuum vessel.
Taking into account the fact that fission power (and small modular reactors) and, in the coming decades, fusion, represent a continuous source practically free of CO2 emissions, the Tosto Group believes that this area is destined to grow in the short and medium long term in order to achieve the objectives of the Green Deal by 2050.

Food & Pharma Area

The high skills in the processing of stainless steel and special alloys have allowed the creation of the Food & Pharma division, which has been completely dedicated to the creation of tanks for the containment of food and beverages (juices, soft drinks, wine, oil) as well as products of the cosmetics, chemical and pharmaceutical industries.
Founded in 2000, Food & Pharma is a division of the Tosto Group considered, to date, one of the best partners for the most important companies operating in the food & beverage and chemical and pharmaceutical industries. Its activity is based on the manufacture of products for health-related sectors, with specific process needs and particular hygiene and cleaning requirements. These needs in these areas require the construction of tanks and reservoirs with specific production characteristics and very high standard. The deep experience in these fields and the use of advanced technologies allow to design and build high quality tanks with specific solutions for mixing, heat exchange, surface finishing and cleaning.



LPG & Fuels Area

The company Walter Tosto S.p.A. also produces small pressure products for private use as a side-activity.





Walter Tosto deems essential not only the high quality of the products, but also the offer of related services:

- Transport to the installation site;
- After-sales assistance;
- Consultancy and intervention in the event of anomalies or malfunctions of the products supplied;
- Supervision during installation;
- Training of its customers' personnel in the use and maintenance of the products supplied;
- Supply of spare parts.

New Business:

HYDROGEN, CARBON CAPTURE, CONTRIBUTION TO CIRCULAR ECONOMY

Walter Tosto S.p.A. and Walter Tosto WTB can play a leading role in the process of Transition towards a Low Carbon Economy, in Italy, in Europe and worldwide. The company invests in R&D for the implementation of projects aimed at combating climate change through the responsible use of resources, their integration, in a circular economy logic, with other sources and with waste. This evolution of the business allows to pursue the SDGs defined by the United Nations Global Compact to which the Tosto Group adheres.
Thanks to the R&D and innovation activities, the objective for the coming years is to propose innovative and competitive components for the production of fuels based on green hydrogen, such as **green methanol** and **green ammonia.** Walter Tosto S.p.A. and Walter Tosto WTB Srl will be involved in all technical aspects for the scale-up of emerging technologies for the production and **storage of gaseous hydrogen** and for the **storage of liquid hydrogen.** Furthermore, the two companies have the ambition to carry out the design and manufacture of equipment in circular processes, such as gasification, pyrolysis, etc.

Customers.

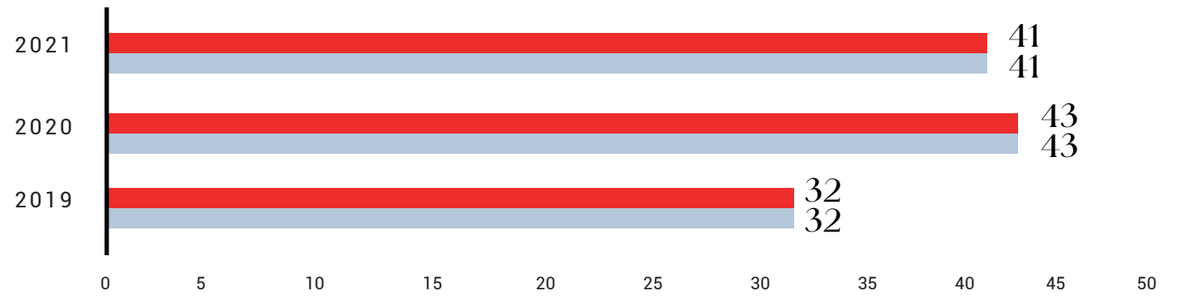


Qualification Process

The Qualification Process is a proper examination that companies in the Walter Tosto (Supplier) sector must undergo in order to be “admitted” to the List of Suppliers of the large groups in the Oil & Gas, Chemical, Petrochemical and Nuclear sector (End User/ Main Contractor/Licensor). The scope of action of the sector’s players is the focus of attention of governments and environmental organisations, as they directly impact issues such as Health and Safety; therefore, a careful evaluation of the technical requirements, quality and compliance with the regulations in force of the devices produced becomes essential. The Qualification Process has two main objectives:
- verify, evaluate and monitor the technical, organisational and management skills, compliance with HSEQ requirements, ethical and reputational reliability, economic and financial soundness of a potential supplier, in compliance with the standards defined both by the End User and by current regulations;
- select the best Suppliers on the market.

Once the Qualification Process has started, a multidisciplinary team of experts will evaluate the Supplier by means of documentary analysis (Questionnaires and In-depth Documents) and, if necessary, also by means of a further verification in the field that will concern skills (Technical Assessment), capabilities, means of the supplier.
The outcome of the Qualification Process will be accompanied by an official communication from the End User/Main contractor/Licensor to the Supplier. If positive, by means of a real Certificate of Qualification or by an official Letter/email.
An improvement plan may sometimes be attached to this communication: this plan will contain guidelines for the topics and action areas for which specific improvement actions are requested from the supplier concerned.

QUALIFICATIONS, RENEWALS AND UPDATES



Relationship with customers

Walter Tosto has always valued long-term relationships with its customers. The loyalty of its customers is the basis of each and every company performance. A loyal customer is worth more than a thousand marketing campaigns and promotional strategies, especially in an industry where a good performance has a worldwide echo.
For this reason, the Company always places a lot



of emphasis on the aspects considered critical by our customers such as compliance with delivery times, a quality supply that complies with the contractual technical requirements and a proactive attitude aimed at jointly solving the problems that may arise during the implementation of the projects.
With this completely "Customer oriented" perspective, Walter Tosto has managed over the years to earn the trust and respect of many international customers by signing various strategic and long-term collaboration relationships in Egypt, Denmark, United States.
A high area of strategic interest for Walter Tosto, always with a view to a valuable relationship with its customers, is research and development. In fact, the Company is engaged in various co-design or value engineering activities with its main customers, with the aim of supporting them in their technical development activities by consolidating their loyalty.
An example of Walter Tosto's attention to its customers is represented by the exclusive Vespamorino: the unique iconic two-wheeler created by the special motorcycle division of Walter Tosto S.p.A. Vespa 300 Gts Sport is not for sale because it was a personalised business gift: the brand new Vespa 300 Gts Sport is the result of the company's creative work. a tribute to a customer in love with Italy and its inventiveness. The creation of Vespamorino involved, for about 1,600 hours of design and 1,600 hours of production, the motorcycle department of Walter Tosto S.p.A. and over 25 workers, including: designers, turners, body designers, including the professionals of the 6 partner companies that contributed to the custom scooter project.

Customer satisfaction

The attention paid to issues related to the quality of the product and related services is also confirmed this year by the results of the "customer satisfaction" surveys. Questionnaires are emailed to customers three times a year.
The Surveys concern the quality of the products and services offered, the management of the order, the delivery times, the relationships with the Walter Tosto staff who managed the order. As an alternative to the questionnaire, an Appreciation Letter is requested. The participation rate is on average 70% and the results were very positive (98%):

	no. of questionnaires sent	no. of questionnaires received
2021	10	6 + appreciation letter
2020	12	7 + appreciation letter
2019	12	9 + appreciation letter

Meeting sessions are also organised together with the Clients totally dedicated to the evaluation of the company's performance. Subsequently, the analysis of the results is carried out in dedicated internal meetings whose objective is to define specific countermeasures to mitigate the risk of repetition of "negative" events and to improve the aspects highlighted as "medium" or "to be developed".

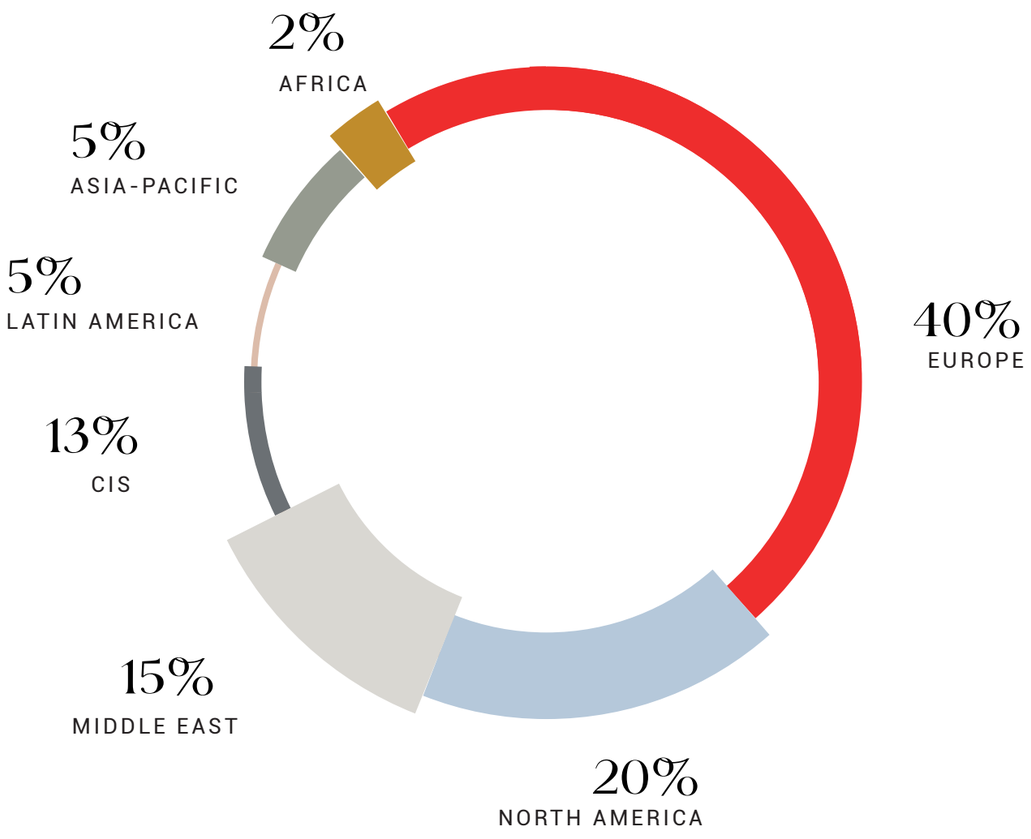


Among the various customer events, Walter Tosto is proud and honoured to have received an important award from the Fluor and Exxon Mobil customer companies, who thank us for “the excellence in execution and performance demonstrated on the Rotterdam Hydrocracker project in Botlek, the Netherlands”, as stated in the letter of appreciation received.

Internationality.

(GRI 102-6) (102-7)

Strongly present and recognised internationally, Walter Tosto and WTB are included in the “vendor list” of the most important customers worldwide. Although the market has been subject to an increasing presence of producers from low-cost countries, Walter Tosto has been able to maintain its position as market leader by focusing on quality, reliability, financial soundness and punctuality of delivery.
Walter Tosto exports 98% of its products abroad. Therefore, it has an international focus and is known and renowned in every part of the world.
The type of markets supplied (Oil & Gas, Petrochemical and Power) in fact pushes the Company to export its products and services wherever there is a need to build new plants or replace existing items.
Below, the outlet markets based on an average percentage of the last three years (2019, 2020, 2021):



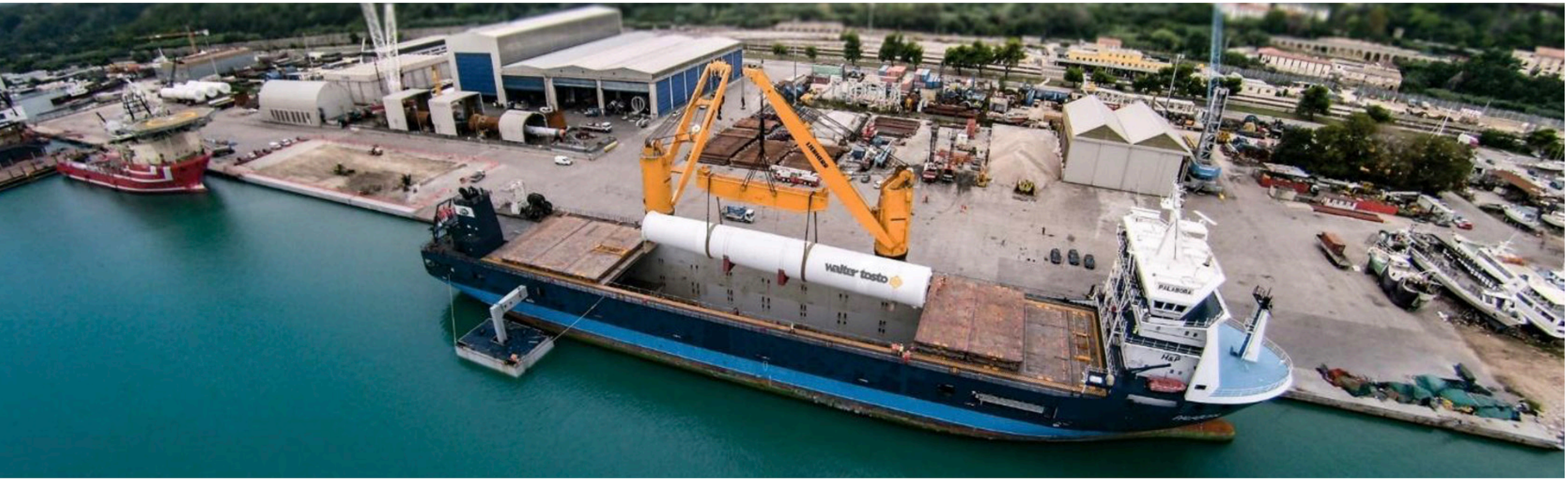
Logistics.

Not only high technological capabilities, but also punctuality in deliveries are a key factor for customer satisfaction and loyalty. Logistics is a process that consists of planning, implementing and controlling the actual flow of raw materials, processed products, finished products and related information, from the point of origin to the point of destination, in order to meet the production needs and requests of the customer. This whole process is carried out trying never to neglect the importance of the impact that the logistics has on the atmosphere: the optimisation of transports turns out to be the most effective instrument in helping to reduce the quantity of emissions of harmful substances in the atmosphere. The substantial flow of incoming and outgoing materials is managed in such a way as to reduce road travel as much as possible and promotes sea travel for the largest batches.

All this is possible thanks to the excellent logistics managed by Walter Tosto and Walter Tosto WTB which, having to respond to the needs of large capacity plants, over time has specialised in the delivery of reactors of increasingly larger dimensions and with superior performance compared to the past. The company's flexibility has made it possible, over the years, to adapt promptly to more stringent and demanding project requirements.

The majority of the items are delivered by sea, as they far exceed the dimensions of the packages considered standard. These are shipped directly from the seafront workshops on the Adriatic in Italy or on the Danube in Romania to the port of Constance.

It can, therefore, be said that the awareness of how the logistics process is decisive and essential for the success of each project, makes this aspect represent for Walter Tosto and Walter Tosto WTB a fundamental critical element able to differentiate them from the competition.



International exhibitions and events.

Walter Tosto S.p.A. participates annually in the most prestigious international fairs in the Oil & Gas, Chemical, Petrochemical, Nuclear, Food & Pharma sectors. Similar events also represent an opportunity for professional growth for the employees involved. Among the most important exhibition to which Walter Tosto has taken part during the various editions we point out:

– **Nitrogen + Syngas**, a platform that for over 30 years has allowed the creation of collaborations between companies and professionals in the nitrogen and synthetic gas industries;

– **Atomexpo**, one of the most important events in the world entirely dedicated to nuclear industry;

– **Neftegaz**, the event involving prestigious Oil & Gas industry companies from 25 countries around the world;

– **ADIPEC**, the main event dedicated to Oil & Gas in the Middle East;

– **KIOGE**, the Kazakh International Oil & Gas Fair and Conference;

– **OGT (Oil and Gas Turkmenistan):** one of the most significant events both at regional and international level that constitutes an important opportunity to have access to the latest trends and developments in the Oil & Gas sector;

– **Egyps**, the largest event in the Mediterranean dedicated to Oil & Gas;

– **Cibus Tec**, an International Exhibition dedicated to the new technologies of the highly specialised food industry, in which Walter Tosto participates with the Food & Pharma division.

– **ESOPE**, one of the most important international events dedicated to the pressure equipment industry

– **Downstream Central Asia** - Tashkent, Uzbekistan Walter Tosto participated in Downstream Central Asia, the most important event for the downstream sector in Central Asia, attending with his own corner in the exhibition area.



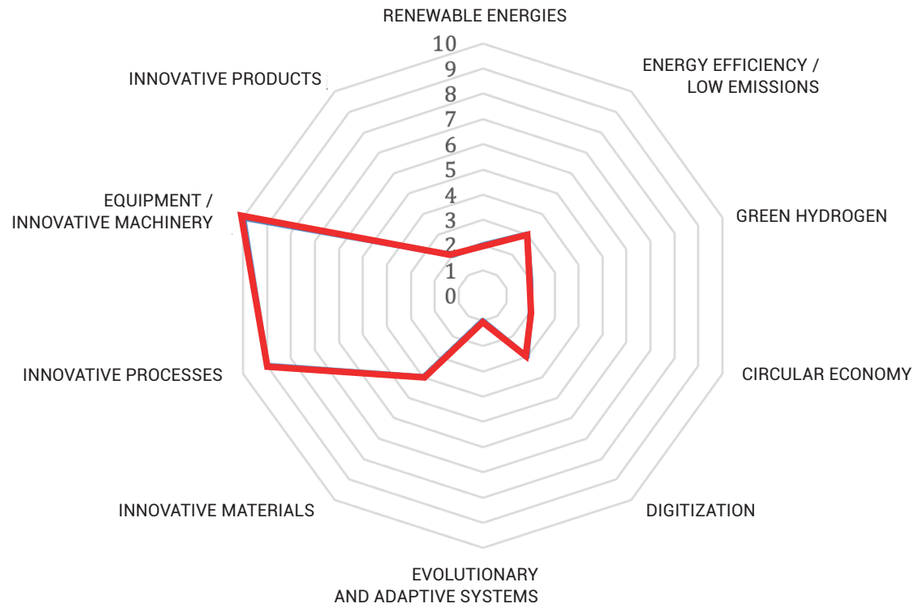
Innovation

“Innovation: the fuel of a company’s longevity”

Decision Process International Adv

	2019	2020	2021
SPENDING ON R&D	709.108,90 €	3.503.621,56 €	1.591.452,75 €
• *RENEWABLE ENERGY*	142.728,41 €	75.667,17 €	81.962,81 €
• *ENERGY EFFICIENCY / LOW CO2 EMISSIONS*	0	0	111.265,11 €
• *DIGITISATION*	119.355,45 €	49.331,29 €	136.134,24 €
• *EVOLUTIONARY AND ADAPTIVE SYSTEMS*	0	0	708.599,09 €
• *INNOVATIVE MATERIALS*	113.596,79 €	431.222,38 €	52.293,26 €
• *INNOVATIVE PROCESSES*	54.344,17 €	0	246.656,89 €
• *INNOVATIVE EQUIPMENT / MACHINERY*	279.084,07 €	2.947.400,72 €	254.541,35 €
APPLICATIONS FOR THE FIRST FILING OF PATENTS	1	0	0
EXISTING PATENTS	14	20	24
AVERAGE PATENT AGE	2,71	3,24	4,45
NUMBER OF PARTNERSHIPS IN R&D	7	4	5
OF WHICH WITH UNIVERSITIES AND RESEARCH CENTRES	5	4	4
EMPLOYEES ENGAGED IN R&D	51	54	101

SDGs



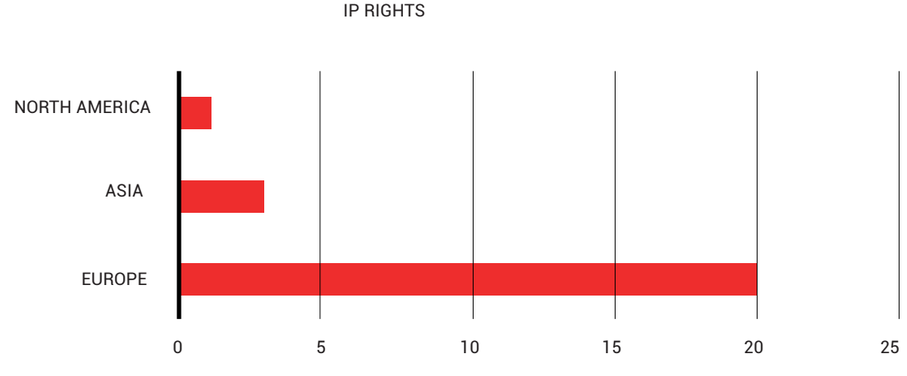
The Tosto Group firmly believes in the importance of R&D and innovation as contributions to the realisation of a new social, sustainable and inclusive economy.
In compliance with the definitions adopted by the Frascati Manual and the Oslo Manual prepared by the OECD, the company carries out applied research, experimental development and innovation, adding value to itself and its stakeholders.
Most R&D projects are linked to production needs and purposes and are based on technical engineering activities for the realisation of tests, prototypes and pilot plants.
The interactions of the R&D department with other company functions reduce risks, enhance resources and company knowledge, generating a “cultural environment” leading to change.

R&D Areas.

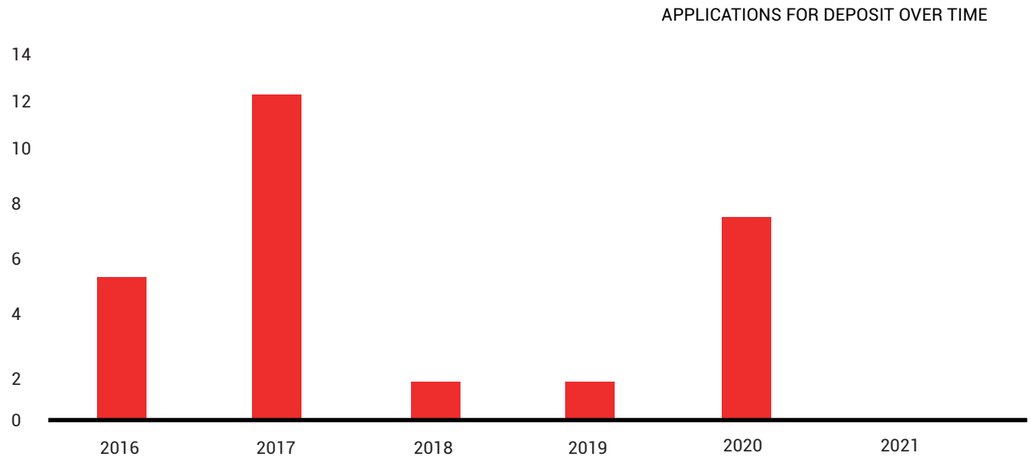
Over the last three years, the company has developed several projects in the following areas: evolutionary and adaptive production systems, renewable energy, energy efficiency, CO2 emission reduction, green hydrogen, circular economy, advanced materials, processing, innovative products and machinery, digitalisation.

Patents.

R&D activity is reflected in a continuous increase in patent filings in the countries in which the companies operate. The total IP rights portfolio has 24 deposits in 14 countries around the world.



During FY2021, the confirmations for a European patent of the company Walter Tosto S.p.A. were completed in five countries (Austria, Denmark, Finland, Turkey and Spain).



The year 2021 was useful to collect data and documentation to support the new applications that will be filed during the first months of 2022, all related to the production of **renewable energy, green hydrogen and circular economy.**

Intellectual capital.

On 17 December 2020 Walter Tosto S.p.a. signed a prior agreement with the Agenzia delle Entrate (Revenue Agency) - Abruzzo Regional Directorate (so-called "Patent Box Agreement") with which the parties have defined the methods and calculation criteria for determining the economic contribution ("subsidisable income") deriving from the use of intangible assets and specifically from the "Walter Tosto" trademark and know-how, linked by a complementarity

constraint and therefore constituting two sides of the same coin.

The **brand**, bearer of a message of credibility, reliability and quality as well as being a synonymous with technology and qualified specialisation in the manufacture of pressure equipment, represents a means through which the Company can disclose its values and convey customer loyalty.

The **know-how**, intended as a wealth of exclusive and non-disclosable knowledge and experience deriving from the knowledge and skills gained in more than fifty years in the specific boiler-making sector, includes both the information and strictly technical knowledge that allow the realisation of increasingly complex welds and the knowledge aimed at optimising specific business processes such as the design and implementation of a specific budgeting software designed to optimise the process of preparing estimates to be provided to its customers.

The agreement on the methodologies and calculation criteria for the determination of the eligible income was the result of a long preliminary investigation started in 2016, during which the Company presented full explanatory memoranda on the value of its intangible assets and the link between them. The agreed access of officials to the Company's facilities, allowing direct knowledge of the effective performance of research and development activities directly related to the development, maintenance and increase in value of the intangible assets identified by the Company and of the company's know-how, also gave a strong boost to the subsequent adversarial activities, resulting in an acceleration of the investigation phase that ended in 2020 with the acceptance by the Revenue Agency of the methods and calculation criteria proposed by the Company. With the formalisation of the Patent Box agreement, which took place on 17 December 2020, the Tax Authorities – Abruzzo Regional Directorate recognised to Walter Tosto, for the five-year

period 2016-2020, the system of facilitated taxation of income deriving from the use of intangible assets develops savings in terms of lower IRES and IRAP taxes.
The company Walter Tosto S.p.A. submitted its application for a five-year renewal of the new Patent Box to the relevant Regional Revenue Department of the Italian Revenue Agency in 2021.

Open Innovation.

Innovation is not just technology, but it reflects a cultural change that constitutes a new way of relating to the world.
Joseph Schumpeter, a development theorist, focused his monumental analysis on a single word: innovation. Starting from a company or an entrepreneur, a “swarm”, such as that of bees migrating to a new hive, comes together developing new initiatives and launching development. Open innovation represents the strategic company approach to create highly innovative projects thanks to a network of highly specialised partners able to bring added value to the know-how they possess.

CALEF is a non-profit research consortium established in 1998 by Enea (National Agency for New Technologies, Energy and Sustainable Economic Development), Calzoni SpA, Costamasnaga SpA, Ettore Zanon SpA and RoDr.iquez Cantieri Navali (RCN) SpA, to carry out research activities in the field of welding, cutting and surface treatment of metallic materials, for specific applications in the naval and railway sector, using laser and electronic beam (EB) technologies. Research activities and initiatives are also aimed at promoting and transferring the knowledge and skills acquired to the Italian industrial system, with particular attention to SMEs.

Over the years, the activities of the Consortium have extended to the more general field of advanced materials and the engineering of industrial production processes and methods for application in the transport sector. This was possible as a result of the changes in the consortium structure which, after the historical partners(Calzoni, Costamasnaga, Zanon and RCN) left, welcomed new partners with knowledge and skills in multiple specialist fields ranging from basic research. high education and professional training (Enea, Polytechnic of Bari, University of Calabria, University of Salerno, Italian Institute of Welding-Moral Institution) to the development of industrial laser equipment (El.En. SpA, Lasit SpA, Bystronic SpA) and industrial production in the aeronautical sector (Alenia Aermacchi SpA, APR Srl), and the automobile sector (FCA Italy SpA, Fiat Research Centre SpA) as well as advanced energy systems (Research and Development Services-SRS Srl) and special plant and components for various industrial sectors. (Walter Tosto S.p.A., ECOR International S.p.A.). The research and development activities of the Consortium are carried out in the laboratories of the offices of the different partners.

Walter Tosto S.p.A. is also one of the industrial members of **Hydrogen Europe**. Technological trends and the hydrogen strategy in Europe are being followed through various task forces. Walter Tosto is involved in the identification and follow-up of future projects that will be proposed by Hydrogen Europe members.

Collaborations with Universities and Research Centres

(GRI 102-12) (GRI 102-13)

The field of R&D saw the development of numerous collaborations with prestigious universities and research centres:

ENTITY	PURPOSE OF THE RESEARCH OR COLLABORATION	REGISTERED OFFICE
STUDIECENTRUM VOOR KERNENERGIE	European projects	Belgium
KOREA ATOMIC ENERGY RESEARCH INSTITUTE	European projects	South Korea
AALTO-KORKEAKOULUSAATIO	European projects	Finland
COMMISSARIAT À L 'ÉNERGIE ATOMIQUE ET AUX ÉNERGIES	European projects	France
CENTRE NATIONAL DE LA RECHERCHE SCIENTIFIQUE	European projects	France
UNIVERSITE DE TECHNOLOGIES DE BELFORT - MONTBELIARD	European projects	France
KARLSRUHER INSTITUT FUER TECHNOLOGIE	European projects	Germany
UNIVERSITY OF STUDIES IN L'AQUILA	European and national projects	Italy
CIRDER	National projects	Italy
UNIVERSITY OF TUSCIA	National projects	Italy
ENEA	European projects	Italy
TURIN POLYTECHNIC	European projects	Italy
UNIVERSITY OF STUDIES IN ROME LA SAPIENZA	European projects	Italy
CERTIMAC	European projects	Italy
UNIVERSITY OF STUDIES GUGLIELMO MARCONI - TELEMATICS	European projects	Italy
UNIVERSITY OF STUDIES GABRIELE D'ANNUNZIO – CHIETI/PESCARA	PhD	Italy
NATIONAL RESEARCH COUNCIL	European projects	Italy
ITALIAN INSTITUTE OF TECHNOLOGY FOUNDATION	European projects	Italy
POLYTECHNIC OF MILAN	European projects	Italy
UNIVERSITY OF TRENTO	European projects	Italy
NATIONAL INSTITUTE OF NUCLEAR PHYSICS	Collaborations for Big Science projects	Italy
NARODOWE CENTRUM BADAN JADROWYCH	European projects	Poland
CENTRUM VYZKUMU REZ S.R.O.	European projects	Czech Republic
AUTONOMOUS DIRECTION TEHNOLOGII PENTRU ENERGIA NUCLEARA	European projects	Romania
UNIVERSITY OF BURGOS	European projects	Spain
CENTRE FOR ENERGY, ENVIRONMENTAL AND TECHNOLOGICAL RESEARCH	European projects	Spain
ROYAL INSTITUTE OF TECHNOLOGY	European projects	Sweden
KUNGLIGA TEKNISKA HOEGSKOLAN	European projects	Sweden
ECOLE POLYTECHNIQUE FÉDÉRAL DE LAUSANNE	European projects	Switzerland
THE CHANCELLOR, MASTERS AND SCHOLARS OF THE UNIVERSITY OF OXFORD	European projects	UK
UNITED KINGDOM ATOMIC ENERGY AUTHORITY	European projects	UK
UNIVERSITY OF NOTTINGHAM	European projects	UK
PRINCETON UNIVERSITY	Collaborations for Big Science projects	USA
EINDHOVEN UNIVERSITY OF TECHNOLOGY	European projects	Netherlands
JAPAN IQS	Collaborations for Big Science projects	Japan
UNIVERSITY OF PADUA	Collaborations for Big Science projects	Italy
UNIVERSITY TOR VERGATA	Collaborations for Big Science projects	Italy
FUSENET THE EUROPEAN FUSION EDUCATION NETWORK	Collaborations for Big Science projects	EU

Publications.

Various publications have been made in the field of applied industrial research in collaboration with universities, research bodies and other companies. The following are Walter Tosto's most significant publications:

– How to fabricate reactors for severe service. Many critical factors are involved in the design and welding of Hydrocracking reactors
Quintiliani D., Fossataro G., De Colellis M. - Walter Tosto SpA, Chieti, Italy
Published in Hydrocarbon Processing - February 2011, Vol. 90 No. 2, Ed: Gulf Publishing Co. (USA).

– A proper design and sophisticated numerical analysis may extend the life of Coke Drums
Di Lillo P., 2012, Ed: Gulf Publishing Company (USA).

– Manufacturing preparations for the European vacuum vessel sector for ITER
Lawrence Jones, Jean François Arbogast, Angel Bayon, Aldo Bianchi, Joan Caixas, Aldo Facca, Gianbattista Fachin, José Fernández, Benoit Giraud, Marcello Losasso, Thorsten Löwer, Gonzalo Micó, Jose Miguel Pacheco, Roberto Paoletti, Gian Paolo Sanguinetti, Vassilis Stamos, Massimiliano Tacconelli, Alexandru Trentea, Yuri Utind
Published in Fusion Engineering and Design - Volume 87, Issues 5–6, August 2012, Pages 700-705

– Technical aspects and manufacturing methods for JT-60SA toroidal field coil casings
P. Rossi, A.Cucchiaro, G.Brolatti, V.Cocilovo, G.Ginoulhiac, G.Polli, M.Gabriele, F.Di Muzio, G.Philips, V.Tomarchio
Published in Fusion Engineering and Design, Volume 89, Issues 7–8, October 2014, Pages 965-969

– Use of Laser Measurement Systems for Out-of-Roundness Check of ASME BVP Section VIII Div.1 Pressure Vessels
Barry Millet, Patrizio Di Lillo, Richard Whipple, Kenneth Kirkpatrick and George Miller
From: ASME 2014 Pressure Vessels and Piping Conference - Volume

6A: Materials and Manufacturing
Anaheim, California, USA, July 20–24, 2014

– A comparative creep and creep fatigue analysis of an austenitic steam superheater
Luca Gaetani, Lorenzo Germoni, Alessandro Masia, Patrizio Di Lillo
Published in Proceedings of the ASME Symposium on Elevated Temperature Application of Materials for Fossil, Nuclear, and Petrochemical Industries March 25-27, 2014

– Cladding of pressure equipment; case studies and the choice of various types of application
M. Del Prete, L. Saturno, D. Quintiliani
Published in Journal Welding International - Volume 28, 2014 - Issue 8

– Manufacturing of the Casing Components for the JT-60SA Toroidal Field Coils
P. Rossi, A. Cucchiaro, G. M. Polli, M. Tacconelli, M. Gabriele, M. Marchesani, E. Di Pietro, V. Tomarchio, S. Davis
Published in: IEEE Transactions on Applied Superconductivity - Volume: 26, Issue: 4, June 2016

– Status of casing manufacturing for JT-60SA toroidal field coils
Paolo Rossi, Antonio Cucchiaro, Gianmario Polli, Mariantonietta Gabriele, Massimiliano Tacconelli, Valerio Tomarchio, Sam Davis
Published in Fusion Engineering and Design - Volume 124, November 2017, Pages 127-130

– Use of morphing techniques within weld distortion analysis to simulate the size customization of parts during assembly and welding of the vacuum vessel PS3 outer shell
Eduardo Rodríguez, Javier Ordieres, Angel Bayón, Joan Caixas, Andrea Barbensi, Francesco Di Muzio
Published in Fusion Engineering and Design, Volume 146, Part A, September 2019, Pages 761-764

– Completion of ENEA's casing procurement for JT-60SA toroidal field coils
Paolo Rossia, Antonio Cucchiaroa, Gian Mario Pollia, Mariantonietta Gabrieleb, Guido. Cipolloneb, Massimiliano Tacconellib, Enrico Di Pietroc, Valerio Tomarchioc, Sam Davisc
Volume 136, Part B, November 2018, Pages 1359-1364

– Cold model testing of an innovative dual bubbling fluidized bed steam gasifier, accepted for publication at Chemical Engineering Journal
A. Di Carlo, M.Moroni, E.Savuto, V.Pallozzi, E.Bocci, P. Di Lillo - Elsevier, 2019

– Il progetto Nextower: tecnologia innovativa per torri solari a concentrazione
G. Barbieri,a A. Rinaldia, A. Tincanib, E. Kosykhc, M.Pedemonted, P. Sakalove , D.V. itale Di Maiof and C. Testanig - 2019

– Welding technologies applied on casings for JT-60SA toroidal field magnet
Paolo Rossi, Antonio Cucchiaro, Gian Mario Polli, Mariantonietta Gabriele, Guido Cipollone, Massimiliano Tacconelli, Valerio Tomarchio
Published in Fusion Engineering and Design - Volume 146, Part A, September 2019, Pages 946-949

– Manufacturing the SOLEAD main vessel: the choice of the Weld Overlay Cladding process
E. Kosykh, T. Di Berardino, D. Quintiliani
978-1-7281-7455-6/20/$31.00 ©2020 IEEE

– Sviluppo di un sistema di rivestimenti multistrato innovativo, compatibile con il piombo liquido ad elevata temperatura, per sistemi di accumulo e scambio termico in impianti ad energia solare nel progetto NexTower
A. Rinaldi, G. Barbieri, T. di Giamberardino, D. Quintiliani, C.Testani, published in Proceedings of the conference National Welding Days – GNS 11 Genoa - Italy- 2/3 December 2021.

Access to incentives and facilitated financing for R&D.

Walter Tosto S.p.A. makes use of the tax credit for companies that invest in research and development activities, and the provisions on Patent Box. Walter Tosto also successfully promotes applications for funding for its activities, confirming the quality of its research. These projects are also useful to consolidate relationships with partners and suppliers able to identify and develop the cutting-edge technology in the fields of greatest interest to the company. R&D projects financed by public funds and ongoing in 2021 are the following:

Biomass Low cost Advanced Zero Emission small-to-medium scale integrated gasifier-fuel cell combined heat and power plant

HORIZON 2020 LC-SC3-2018-2019-2020 – Developing solutions to reduce the cost and increase performance of renewable technologies - GA No. 815284
BLAZE aims to develop advanced, zero-emission, cogeneration (CHP) production technology in the small (25-100 kWe) to medium (0.1-5 MWe) segment, using low-cost, short-chain biomass.

The project is coordinated by the University of Guglielmo Marconi – Telematics and involves the participation of ENEA. Ruolo Walter Tosto consists of the design and modelling of the entire plant, integration of the units, installation of the plant and performance of tests on the site, market analysis and evaluation of project results to analyse social and environmental impacts, use of project results, dissemination and communication of project results. The project started in 2019.
The conclusion of the Project is scheduled for 2023.

www.blazeproject.eu



Advanced materials solutions for next generation high efficiency concentrated solar power (CSP) tower systems

HORIZON 2020 - NMBP Nanotechn. Adv, Materials, Adv Manufacturing and Processing, and Biotech - GA N. 721045
The project aims at introducing a range of innovative materials in order to increase the performance of atmospheric tower solar concentration systems (CSPs), to make them commercially competitive in the energy market after 2020. The project is coordinated by the National Agency for New Technologies, Energy and Sustainable Economic Development (ENEA). Ruolo Walter Tosto S.p.A. : Support for the design and modelling of prototypes, development and qualification of the special processes necessary for the manufacture of prototypes, in particular the welding of experimental materials, purchase of materials, manufacture and assembly of prototypes, testing and testing of prototypes in the workshop, support for the installation of prototypes and the performance of tests on the site, support on market analysis and impact of project results in the thermal storage and high-temperature steel industry, support for the standardisation and use of project results, support for the dissemination and communication of project results.
The project started in 2017. The conclusion was extended until June 2021.

https://www.h2020-nextower.eu/



Sisal - SisAl Slag Valorization

Horizon Europe - Partnership Agreement PA2021/EIT/EIT RAW MATERIALS, GA2021 EIT RM, KIC raw materials. Project number: 20255.
The primary objective of the Project is to create a prototype (called SisAl) of an innovative Si and Al recovery system based on “calcium looping technology for metallurgical applications”, with an initial focus on the co-production of alumina and waste calciners.
The conclusion of the Project is scheduled for 2024.

https://sisalslag.eu/





Workshop Overseas Learn Fabrication

Fund for Sustainable Growth - “Smart Factory” Facility F/190164/01/X44

Horizon Europe - Partnership Agreement PA2021/EIT/EIT RAW MATERIALS, GA2021 EIT RM, KIC raw materials. Project number: 20255.
The primary objective of the Project is to create a prototype (called SisAl) of an innovative Si and Al recovery system based on “calcium looping technology for metallurgical applications”, with an initial focus on the co-production of alumina and waste calciners. The conclusion of the Project is scheduled for 2024.



R&D Objectives.

To meet the changing needs of our society, Walter Tosto needs to adapt its long-term strategies and incorporate environmental and social aspects into its product offerings and decision-making. Organisational capabilities and sustainability performance suggest possible directions for future research.
In the short term, the company will continue to take the necessary actions to be part of national and international research and development projects by taking active roles and improving knowledge. These initiatives will help to reach a sufficient number and level of people specialised in R&D and to understand the obstacles and challenges of innovative actions.
By increasing the number of dedicated personnel, the work culture and building the necessary structure, Walter Tosto will continue to offer innovative manufacturing methods, cost-effective products, sustainable alternative solutions to the equipment manufacturing industry. Together with the “technology holders” and the other key players, which are hydrogen, circular economy, renewable energies and biofuels, Walter Tosto will propose high-value equipment as part of the development of technologies in these sectors.
Walter Tosto’s long-term objectives are to play a leading role in the

development of innovative diamonded the process industry and to offer sustainable products to the market through collaboration at both national and international level. Thanks to the know-how and experience gained over many years, the company will be part of the technology in the industrial production sectors.
The desire to make production processes more efficient is the heart of all new R&D initiatives aimed at the implementation of new equipment. The difficult availability of suitable equipment and the increasingly demanding market have led the company to develop equipment and devices of high design and construction complexity, thus requiring the need to increasingly specialise in the sector and to seek innovative solutions in order to meet customers' demands and to be able to access projects characterised by particularly stringent requirements. The development of dedicated machines and production support equipment guarantees benefits both in terms of optimisation of the production cycle and also the ergonomic well-being of workers thanks to an increasingly pushing automation of processes.
The efficiency of the production processes also guarantees a reduction in working times with a consequent **reduction in plant consumption.**
In addition to the construction of new equipment, there is also the modernisation of those already present in the company. These activities allow, if necessary, to make competitive machines already present in the company park through functional improvements in order to avoid the obsolescence (and, therefore, the decommissioning) of the already available equipment and thus to prolong the life cycle in a circular economy perspective.
The objective is, therefore, to increase the operational efficiency and eliminate the waste of the production plants, through an improvement of the performance of the equipment and the application of an intelligent production technology.
With regard to research topics, in line with global strategies (e.g. IEA - International Energy Agency) Walter Tosto and Walter Tosto WTB follow the action of innovation and market reform in the direction of the **Energy and Ecological Transition.** In this context, **renewable sources, green hydrogen, the circular economy, low-carbon solutions, the use of CO2 and energy efficiency solutions** can be listed as topics of attention.
Thanks to the R&D and innovation activities, the objective for the coming years is to propose innovative and competitive components for the production of fuels based on green hydrogen, such as **green methanol** and **green ammonia.**
Walter Tosto S.p.A. and Walter Tosto WTB Srl will be involved in all technical aspects for the scale-up of emerging technologies for the **production** and **storage of gaseous hydrogen** and for the storage of liquid hydrogen. Furthermore, the two companies have the ambition to carry out the design and manufacture of equipment in circular processes, such as gasification, pyrolysis, etc.
Considering the presence of companies in some European ports, one of the objectives is to be part of projects focused on the energy transition through storage and use of hydrogen, storage of green energy carriers, biofuels, renewable fuels and low-carbon for marine use.
With regard to the nuclear area, Walter Tosto pursues the objective of expanding the number of customers for fission plants - which represent a continuous source practically free of CO2 emissions - and small modular reactors (SMR). In the long term, however, the Company intends to continue working on fusion machinery, thanks also to the important contribution it has made, since 2010, to the global research project ITER (International Thermonuclear Experimental Reactor).
Walter Tosto WTB follows the same strategy as Walter Tosto and will also play a proactive role for local growth through the redevelopment of nuclear plants such as the Cernavoda plant for which the company has obtained authorisation from the CNCAN.

ESG Governance and Culture

> “Great companies are internally driven, externally aware”
>
> Jim Collins

“

Our planet is on fire and we have to deal with it

”

Borge Brende - President of World Economic Forum

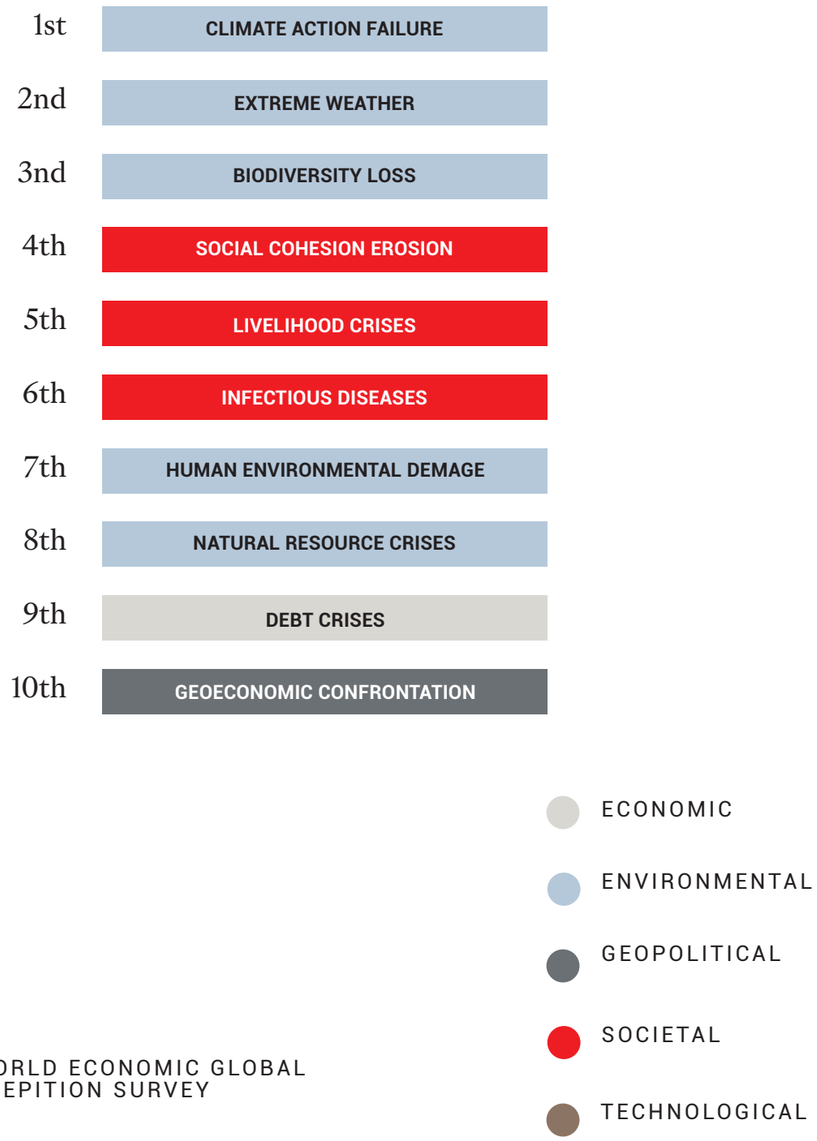
Megatrends in the 2030 scenario.

Megatrends are disruptive forces capable of transforming the economy, the way of doing business and society.
Identifying megatrends is an essential activity for companies, as it allows us to understand the context within which we operate to better anticipate or manage the threats and risks involved. Examining the key points of the main Reports is crucial for corporate risk management and economic, social and governance (ESG) strategy in 2022.

One of the Reports highlighting the risks of the near future is the Global Risk Report published annually by the World Economic Forum: the 17th edition offers a rich perspective on the main threats that could impact global prosperity over the course of 2022 and the next decade.

In 2021, the crisis caused by COVID-19 is still looming and its fractures at the environmental, social and economic levels continue to be felt.

"Identify the most severe risks on a Global scale over the next 10 years"



SOURCE: WORLD ECONOMIC GLOBAL RISKS PERCEPITION SURVEY 2021-2022

Also for 2021, environmental risks are confirmed as those potentially most serious for the next decade. Climate action failure, extreme weather events and biodiversity loss have been identified as the three global risks that are expected to have the most damaging effect over the next ten years. Their expected predicted flow effects are wide-ranging and include intensified rates of involuntary migration, natural resource crises, pollution damage to health, geopolitical resources dispute, social security collapse, and livelihood and debt crises.

The pandemic and its collateral impacts on health, both physical and mental, have significantly accentuated the erosion of social cohesion by widening health inequalities in countries and penalizing long-term economic growth. Income inequalities are getting stronger and those who are most affected are young people, women and less skilled workers.

The debt crisis over the next five years will reach a tipping point. Goals such as income protection, job maintenance and business aid appear increasingly difficult to achieve due to too high a burden on governments.
The pandemic and its economic consequences have once again demonstrated that global, do not respect any political boundaries. The only way to address new threats is to implement a coordinated global response.
Another Report, which annually explores what are the long-term sustainable trends and their influence on business, suggesting responses to the private sector with the aim of advancing the sustainable development agenda, is the one prepared by the SustainAbility Institute by ERM.

The latest edition analyses the outcome of the forecasts made over the past year especially whit regard to the employer-employee relationship, the adoption of net-zero objectives, the focus on nature to reduce climate change and an approach company aimed at managing diversity, equity and inclusion (DEI).

1. INTEGRATING ESG
2. VALUING HUMAN CAPITAL
3. RESPONDING TO CLIMATE CHANGE
4. SAFEGUARDING NATURAL SYSTEMS
5. BUILDING SUSTAINABLE AND RESILIENT SUPPLY CHAINS
6. ENABLING SUSTAINABLE CONSUMPTION AND PRODUCTION
7. APPLYING TECHNOLOGY TO SUSTAINABILITY
8. PROTECTING FUNDAMENTAL RIGHTS
9. SHAPING POLICY, REGULATIONS AND NORMS
10. MOVING TOWARDS STAKEHOLDER CAPITALISM

The new trends still revolve around the pandemic and its significant impacts on various fronts such as supply chain disruption, human rights and health in the workplace. Responsible companies will be able to focus their attention on the multiple challenges of sustainable development and cooperate for a better future.

All companies will need to constantly strengthen and review their risk mitigation strategies in order to improve their resilience to future crises.

Integrated management of sustainability risks.

The current macroeconomic context is showing an increasing focus on risk management, especially with reference to “non-financial” or “ESG” risks. According to the Global Risks Report, prepared by the World Economic Forum, over the last ten years the nature of risks has profoundly changed, evolving from the economic-financial field towards trend-topic related to the environment, in particular to climate change, and the social dimension.

The Tosto Group operates in sectors characterised by a high complexity of its activities that can also lead to significant risks, whose supervision is, therefore, essential to guarantee the continuity of the company. During 2021, an integration was achieved between business risks and specific sustainability risks in order to contribute to the sustainable success of the Companies and, therefore, of the Group.

Therefore, an integrated business strategy has been developed with ESG issues not only because today financial stakeholders show interest in companies that develop their business from a “sustainable” perspective but also because it is the mandatory way to achieve the 17 sustainable development goals in 2030, creating value for the community.

The analysis conducted on the Risk Universe has allowed the identification and highlighting of 24 ESG risks (Environmental, Social and Governance) whose management methods are described below and whose control will contribute to the achievement of long-term ethical sustainability.

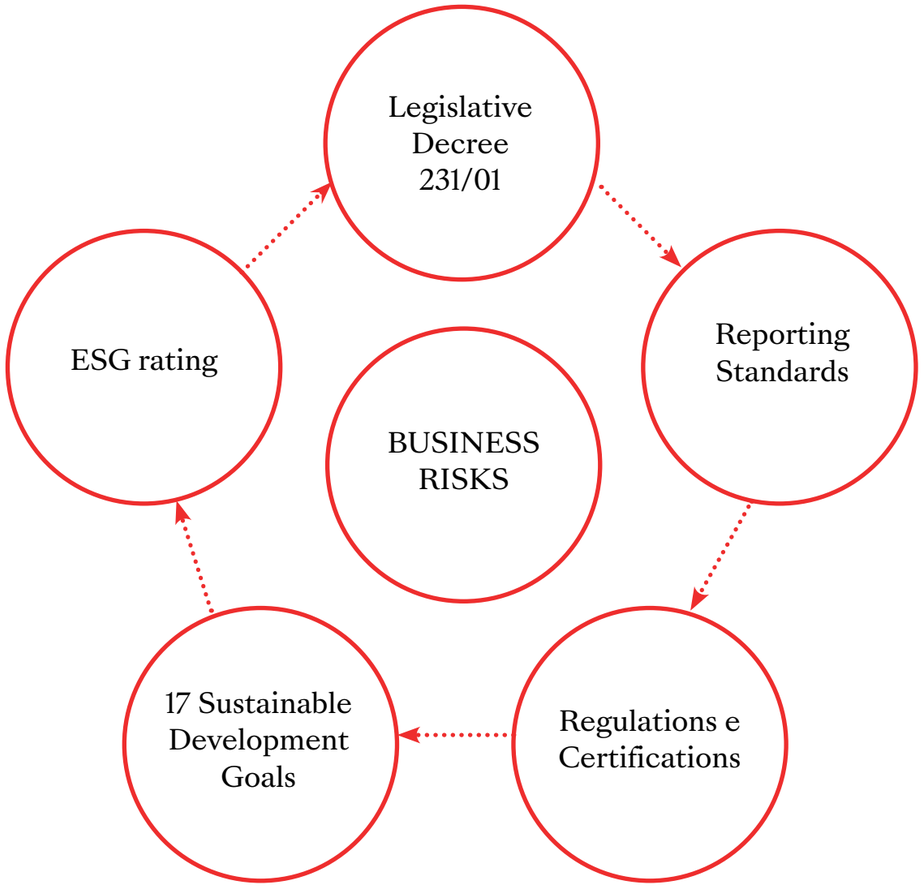
E-S-G	CATEGORY OF RISK	DESCRIPTION OF THE FACTOR OF RISK
G	RISKS OF NEW TECHNOLOGIES	The inability of the company to seize new development opportunities prevents the achievement of significant improvements in terms of products, processes, effectiveness and efficiency. This could have an impact on full achievement of short term corporate objectives and medium-long term, including possible repercussions in terms of time-to-market of new products/services, as well as access to emerging business segments.
G	COMPLIANCE RISKS	Failure to comply with laws and regulations entails administrative and judicial penalties, causing damage to productivity.
G	RISKS RELATED TO CORRUPTION	Taking conduct aimed at corruption damages the deep integrity of the company.
G	RISK OF ACTS OF UNFAIR COMPETITION	Infringement of the rules protecting competition not only undermines the proper functioning of the market, but also harms businesses and consumers, resulting in penalties against the company.
G	PRIVACY RISKS	The breach of the rules on the protection of sensitive data generates countless consequences: from reputational damage to criminal sanctions in the most serious cases.
G	RISK RELATED TO THE ESG VALUATION ISSUED BY RATING COMPANIES	The company is assigned a medium-term non-financial rating by external agencies. A possible reduction in the ESG merit could severely limit the possibility of access to funding sources with consequent negative effects on the business development prospects.
G	CUSTOMER SATISFACTION	Customer satisfaction is a fundamental part of company success. Understanding the needs of customers allows the company to generate value internally and externally but the incorrect identification of the same exposes the company to a loss of market share and competitiveness.
G	RISK OF FRAUD AND ILLEGAL ACTIVITY	Ethically incorrect or not fully compliant conduct by employees or third parties exposes the company to legal proceedings capable of producing any suspensions in the markets served.
G	RISK ASSOCIATED WITH INTELLECTUAL PROPERTY	The strategic advantage is also linked to the ability to protect the results arising from R&D projects through intellectual property such as patents and industrial secrecy. However, the leakage of data by employees or suppliers cannot be excluded, especially in highly competitive sectors.
S	RISKS CONNECTED TO THE MANAGEMENT OF HUMAN RESOURCES	Human resources if not valued in terms of motivation and training do not contribute to business success. Attracting young talents and retaining qualified staff allows significant advantages to be developed in the competitive arena. Diversity and equal opportunities must be guaranteed in all workplaces. Failure to achieve these objectives creates dissatisfaction among employees and consequently impacts on productivity.
S	OCCUPATIONAL HEALTH AND SAFETY RISKS	Health as a fundamental human right must be protected and guaranteed in every business environment. It is considered to be the result not only of biological processes but also of economic, social, political, cultural and environmental processes. Safety at the workplace, regardless of any contingent factor, must also ensure the safety of all employees. The commitment, aimed at zeroing accidents, aims at the management of health and safety risks and the application of an accurate system of procedures and standards for the protection of employees, suppliers and processes. The risk is minimised by spreading and strengthening the culture of safety, as an essential part of the activities, with the development of campaigns and projects that promote healthy and safe behaviours in every work environment.
S	RISKS CONNECTED TO THE VIOLATION OF HUMAN RIGHTS	Respect for human rights is based on the dignity of every human being and on the responsibility of companies to contribute to the well-being of individuals and local communities. This approach is rooted and diffused in the corporate culture. The commitment starts from relations with collaborators and extends to those with local communities, governments, suppliers and all business partners, as well as security activities and workers' rights. This commitment is based on the United Nations Universal Declaration of Human Rights and is reinforced by adherence to the 10 principles of the Global Compact.
S	RISKS CONNECTED TO LOCAL CONTENT	Local Content is of fundamental importance for the development of local communities: an effective strategy can create social and commercial advantages that stimulate economic growth and contribute to the sustainable development of companies and communities. On the contrary, if the company does not pay sufficient attention to the local communities, both in terms of impact and in terms of development projects, in addition to damaging them, it would incur significant reputational damage.
S	SUSTAINABLE SUPPLY CHAIN	A continuous audit of the supply chain will allow the company to select the most environmentally and socially virtuous suppliers. Failure to take advantage of this

E-S-G	CATEGORY OF RISK	DESCRIPTION OF THE FACTOR OF RISK
		opportunity would prevent the company from lowering costs, improving its image and creating sustainable innovative processes.
S	RISKS CONNECTED TO THE SKILLS GAP	The growing competition in the sectors served by the company requires a constant development of skills to generate products capable of generating value. A lack of specific capacities would jeopardise the achievement of company objectives.
S	PANDEMIC RISKS	The occurrence of a pandemic can undermine the health of people to the point of endangering the health and socio-economic systems of the countries involved.
E-S	PROCESS SAFETY AND ASSET INTEGRITY INCIDENTS	All systems must be well designed, built with suitable materials, well working and finally decommissioned, managing the residual risk in the best possible way, to guarantee maximum reliability and above all safety for people and the environment. The culture of asset integrity must be spread across the organisation.
E	ENVIRONMENTAL RISKS	Failure to comply with environmental laws, the incorrect understanding of phenomena related to climate change and the failure to activate internal control systems do not allow the company to fully exploit the opportunities for improvement both under the reputational and operational sphere.
E	RISKS OF NATURAL DISASTERS	An unexpected event can prevent the normal conduct of business activities causing a compression of profits.
E	RISKS OF LACK OF CARBON MANAGEMENT	A legislative and regulatory regime aimed at establishing a low-emissions economy could disrupt markets and cause more frequent shortages in supply chains, labour and production. Being ready for this change protects companies from a disruption of national and international activities. A solid and preventive net zero strategy minimises the impacts of the global transition.
TRANSVERSAL RISKS	CYBER IT RISK	The cyber risks associated with the growth of digitisation and the recent spread of remote working appear to be constantly growing. Cyber incidents, including in the supply chain, business interruption, spillage of personal data and loss of information, even of strategic importance, can compromise the company's business and image.
	DISASTER RISK (PANDEMIC)	The occurrence of a pandemic and the related variability of the risk factors associated with it makes it difficult to

E-S-G	CATEGORY OF RISK	DESCRIPTION OF THE FACTOR OF RISK
		carry out the normal activities of the company.
TRANSVERSAL RISKS	DISASTER RISK (WAR)	There are innumerable risks connected to a possible conflict: crisis of the logistics chains, interruption of consolidated economic and financial flows, separation from foreign branches, deprivation of a wide range of market up to a considerable loss of jobs.
	EXPENSIVE ENERGY RISK	The increase in energy costs can put serious difficulties in the production chains that use gas and electricity to the point of stopping for unsustainable costs. Continuing to invest in the production of renewable energy independently remains a priority.
	PROCUREMENT RISK	In globalised supply chains and complex factors such as those related to the pandemic and conflict can compromise supply, critically affecting the availability of production components.
	RISKS CONNECTED TO RELATIONSHIPS WITH STAKEHOLDERS	A continuous audit of the supply chain will allow the company to identify the most critical areas in order to increase their resilience.
	REPUTATION RISKS	Dialogue and the involvement of stakeholders are fundamental elements for the creation of sustainable value. Openness to mutual listening and exchange, the inclusion, understanding of stakeholder expectations as well as the sharing of choices serve to increase the trust, transparency and integrity of the business. Although connected to multiple intangible elements, they generate tangible impacts from an economic and financial point of view. Damage to the brand image causes innumerable consequences: from the loss of customers, following a lower strategic positioning compared to the competition, to the difficulty in finding sources of financing.

Main ESG risk mitigation tools.

The Sustainable Enterprise Risk Management (SERM) process is based on a series of different regulatory and regulatory provisions that allow the integration of the ordinary Enterprise Risk Management policies, with the analysis of non-financial risks.



Organisation and management model pursuant to Legislative Decree 231/01.

(GRI 102-11) (GRI 102-16) (GRI 103-1) (GRI 205-1)

An important piece of legislation in the context of the ESG risk assessment is represented by the regulations dictated by Italian Legislative Decree 231/2001 concerning the administrative liability regime of the company for unlawful acts constituting a crime and committed by the employees of the company. Over the years, legislation 231 has constantly evolved to include environmental crimes, crimes against the individual and other cases related to corruption, etc.

The internal control and risk management system pursuant to the organisational model 231 has been adopted by Walter Tosto S.p.A. since 2012 and, to ensure the introduction of all the types of recently inserted crimes, has been subject to an update by the Administrative Body in July 2021.

The Model opens with the General Part, which provides an overview of the reference legislation followed by an introductory part on the function of the Model and its operation within the Company; the disciplinary system and description of the role, composition, operation and tasks of the Supervisory Body are added.

The second part of the Model, entitled “special”, contains the formalisation of specific decision protocols for “sensitive

process" with respect to the individual crime families in which it is divided.
The Model pursuant to Legislative Decree 231/2001 is constantly monitored and periodically updated and is freely available on the website in the Downloads section:

https://www.waltertosto.it/download/

The Model closes with the Code of Ethics, as its integral part.

Code of Ethics.

(GRI 102-16)

The **Code of Ethics** of Walter Tosto S.p.A. and Walter Tosto WTB Srl regulates the behaviour of people and regulates all the relationships that the company undertakes with third parties, such as suppliers, customers and the Public Administration, which must necessarily be characterized by transparency, fairness, honesty, integrity, impartiality.
The Code of Conduct is intended to be consistent with these guidelines and aims at ensuring that all members of the workforce act with the highest level of integrity, comply with the laws and build a better future for the Company and the community in which it operates.
The integrity system includes the following sections:
• General **ethical principles** that identify the company's commitment to the pursuit of its values in business and personal conduct;
• **Basic rules** that must guide the daily behaviours of the recipients necessary to put the General Principles into practice;
• **Implementation and control mechanisms** for the correct application of the Code of Ethics.
The Code of Ethics, an integral part of the Organisation, Management and Control Model, has been approved by the Administrative Body and applies to members of corporate bodies, personnel and third parties.
The Supervisory Body is entrusted with the task of monitoring the implementation and compliance with the Code of Ethics.
Faced with a substantial violation of the Code of Ethics, directors, auditors, employees and all those who come into contact with the company are required to inform the Supervisory Bodies. Different penalties apply depending on the person involved.
The Code of Ethics includes policies that pay attention to the **health and safety** of employees.
The Code of Ethics is freely available on the website in the Downloads section:

https://www.waltertosto.it/download/

https://www.wtb.ro/company/#values

It was shared with the Board of Directors and all the staff.

Anti-corruption.

Walter Tosto and Walter Tosto WTB undertake to comply with the highest standards of integrity, honesty and fairness in all internal and external business and will not tolerate any type of corruption.
The value reference on the fight against corruption is constituted by the Code of Ethics and the tenth principle of the Global Compact that denies corruption “in all its forms, including extortion and bribes” and clearly outlines the permitted and prohibited conduct.
With specific reference to the prevention of crimes of corruption between private individuals and incitement to corruption between private individuals, the Recipients of this Model are prohibited, in particular, from:
– engage in conduct that is not characterised by honesty and respect for professional ethics;
– making cash donations to representatives (senior or subordinate) of other private companies aimed at obtaining any advantage for the Company;
– negotiating other advantages of any kind (promises of hiring, use of company assets, etc.) in favour of representatives of other private companies that may induce them to ensure any advantage for the Company;
– perform services or grant benefits of any kind in favour of business partners and/or consultants that are not adequately justified in the context of the relationship established with them;
– recognising remuneration or commissions in favour of consultants or external collaborators that do not find adequate justification or that are not adequately proportionate to the activity carried out, also in consideration of market conditions, the type of assignment to be carried out and current local practices;
– make cash donations or recognising other benefits in favour of their suppliers, which are not adequately justified in the context of the relationship established with them or which may lead to ensuring an undue advantage for the Company;
– establish relationships with third parties in the event that situations of conflicts of interest may arise;
– derogate from the principles and operating procedures adopted when entering into contracts with third parties;
– envisage and/or make exceptions to the standard economic and legal contractual conditions that are not adequately reflected in normal market conditions;
– make payments to numbered accounts or in cash (except for modest amounts and in compliance with the company’s cash management procedure) and in any case to parties other than the contractual counterpart;
– distribute or receive gifts outside of the provisions of the Code of Ethics and internal rules;
– receive advantages of any kind, exceeding normal business practices or courtesy, or in any case aimed at acquiring undue favourable treatment in the conduct of any business activity, in exchange for the payment of money or benefits of any kind.

Antitrust.

(GRI 206-1)

The Tosto Group recognises the fundamental importance of a competitive market and is committed to fully complying with the antitrust legislation in force in the countries where it operates. The value of competition is recognised when inspired by the principles of fairness, fair competition and transparency towards the operators on the market, undertaking not to unduly damage the image of competitors and their products. There are no legal actions for anti-competitive behaviour.

Whistleblowing.

In 2021, a completely new section was introduced that dictates the discipline in the field of Whistleblowing aimed at protecting the worker who reports illegalities and irregularities of which he has become aware in the context of the employment relationship.
In order to guarantee the protection of the confidentiality of the identity of the whistleblower, Walter Tosto S.p.A., in compliance with the relevant regulations, believes that the flow of management of the reports must involve the Supervisory Body pursuant to Italian Legislative Decree 231/2001. The whistleblower protection system, introduced by Italian Law 179/2017, is included in article 6 of Italian Legislative Decree 231/2001, indirectly entrusts the Supervisory Body with the task of receiving and managing reports regarding possible offences and breaches of the Model or the Code. Walter Tosto WTB Srl has instead introduced whistleblowing within its organisation by dedicating a chapter of the Code of Ethics to the same. The Companies have planned to establish two communication channels also in an anonymous form: one electronic via the e-mail address of the dedicated SB (organismodivigilanzawt@gmail.com) and one in writing to the following address: Supervisory Board, Walter Tosto S.p.A., Via Piaggio 62, Chieti Scalo; Board of Directors - Supervisory Body Walter Tosto WTB Srl, Soseaua Berceni nr. 104 Bucuresti

Legality Rating.

(GRI 102-16)

AGCM AUTORITÀ GARANTE DELLA CONCORRENZA E DEL MERCATO

RATING DELLA LEGALITÀ ★★++

The Legality Rating is an innovative tool developed by the Competition and Market Authority (AGCM) in agreement with the Ministries of the Interior and Justice, aimed at promoting and introducing principles of ethical behaviour in the corporate sphere.

The rating has a range between a minimum of one ‘star’ (the company complies with legal principles) to a maximum of three ‘stars’ (the company complies with further requirements beyond legal obligations); the Competition and Market Authority has the possibility to add to the traditional stars also a “+” sign (the attribution of three positive signs corresponds to the ex officio attribution of another star).

The attribution of the rating by the Authority is based on the declarations of the companies that are subsequently verified through cross-

checks with the data held by the public administrations concerned. The legality rating has a duration of two years from the issue and is renewable on request.
To the assignment of the rating, the legal system links advantages when granting public financing and facilities for access to bank credit. A further benefit is to increase the transparency and reputation of the company on the market.

Certifications and Regulations.

(GRI 102-11)

The Group operates in its sector not only with the aim of satisfying its customers but also undertakes the responsibility of producing pressure devices that are suitable for the purpose for which they are made. This means that the equipment produced must be manufactured in strict compliance with the applicable technical requirements and must be certified as compliant at the end of the production process.
From this point of view, it is essential that both the company and its processes in general, as well as its products, are certified by external organisations recognised at national and international level.
Therefore, quality certifications respond to the need for safety, standardisation and guarantee of products and manufacturing processes. Obtaining and maintaining these certifications certifies that the company's Quality System is such as to guarantee that the products manufactured will comply with all the requirements established by the different technical regulations, and will be adapted to operate safely for the purpose for which they were made.
Since 1995, Walter Tosto has been S.p.A. operating through a quality management system that complies with the standards established by the ISO 9001 certification. Walter Tosto has also obtained further certifications such as:

- ISO 3834 "Quality requirements for fusion welding of metallic materials", as well as the ASME U, U2, U3, S and R Stamps.

- The Quality functional area is specialised for obtaining international credits such as SELO certification, which allows to operate in CHINA, and GOST certification for Russian countries.

- The ISO 14001 certification formalises the intention to respect and protect the environment by respecting limits on atmospheric emissions.

- In 2011, obtained the ASME N and NPT Stamps relevant to the "Rules for the Construction of Nuclear Components".

Type of certificate	Description	Body that issued the Certificate	Issue Date	Expiration Date	Certified Site								SDGs
					WT1	WT2	WT3	WT4	WT5	WT6	WT7	WTB/WTO	
ISO 3834-2:2006	QUALITY REQUIREMENTS FOR FUSION WELDING IN METALLIC MATERIALS	RINA	07/05/02	15/10/23	●	●	●	●	●	●	●		
ISO 9001:2015	COMPLIANCE WITH ISO9001 FOR QUALITY MANAGEMENT SYSTEM	DNV	2/2/1996	1/12/2024	●	●	●	●	●	●	●	●	
ISO 14001:2015	COMPLIANCE WITH ISO14001 FOR ENVIRONMENTAL MANAGEMENT SYSTEM	DNV	08/03/02	04/03/23		●			●				
ISO 45001:2018	SAFETY AND HEALTH MANAGEMENT	LLOYD'S REGISTER	28/02/2021	28/02/2024						●			
PED MODULO H1	DESIGN, FABRICATION AND INSPECTION OF PRESSURE COMPONENTS ACCORDING TO PRESSURE EQUIPMENT DIRECTIVE (PED)	RINA	24/5/2002	23/5/2023	●		●						
SELO: PRESSURE VESSELS	SAFETY MANUFACTURING LICENSE FOR PRESSURE VESSELS	GENERAL ADMINISTRATION OF QUALITY SUPERVISION, INSPECTION AND QUARANTINE OF THE PEOPLE'S REPUBLIC OF CHINA	13/07/06	10/12/23		●		●	●	●	●	●	
SELO: BOILER	SAFETY MANUFACTURING LICENSE FOR BOILERS	GENERAL ADMINISTRATION OF QUALITY SUPERVISION, INSPECTION AND QUARANTINE OF THE PEOPLE'S REPUBLIC OF CHINA	13/07/206	12/7/2023		●		●	●	●	●		
CERTIFICATE OF AUTHORIZATION U	MANUFACTURE OF PRESSURE VESSELS AT SHOP AND/OR FIELD SITES	ASME	03/04/12	20/03/24				●		●	●	●	
CERTIFICATE OF AUTHORIZATION U2	MANUFACTURE OF PRESSURE VESSELS AT SHOP AND/OR FIELD SITES	ASME	03/04/12	20/03/24				●		●	●	●	
CERTIFICATE OF AUTHORIZATION N	DESIGN, FABRICATION AND INSPECTION OF PRESSURE COMPONENTS ACCORDING TO ASME CODE SECTION III (NUCLEAR)	ASME	09/12/11	09/12/23		●		●		●	●		
CERTIFICATE OF AUTHORIZATION U3	MANUFACTURE OF PRESSURE VESSELS AT SHOP AND/OR FIELD SITES	ASME	03/04/12	20/03/24							●		
CERTIFICATE OF AUTHORIZATION S	MANUFACTURE OF POWER BOILERS AT SHOP AND/OR FIELD SITES	ASME	03/04/12	20/03/24							●	●	
CERTIFICATE OF AUTHORIZATION R	AUTHORIZATION TO METALLIC REPAIRS AND ALTERATIONS IN SHOP AND/OR FIELD	THE NATIONAL BOARD	12/04/12	20/03/24				●					
"CERTIFICATE OF AUTHORIZATION NATIONAL BOARD"	AUTHORIZATION TO APPLY THE "NB" MARK AND REGISTER BOILERS, PRESSURE VESSELS OR OTHER PRESSURE RETAINING ITEMS WITH THE NATIONAL BOARD IN ACCORDANCE WITH ITS PROVISIONS	THE NATIONAL BOARD	29/05/12	20/03/24				●		●	●	●	
CERTIFICATE SAFETY AND HEALTH MANAGEMENT	ISO45001	LLOYD'S REGISTER	28/02/21	20/03/24						●			

Product safety.

(GRI 102-11)

Due to the nature of their business, Walter Tosto and WALTER TOSTO WTB must carry out an assessment to prevent the risks associated with pressure equipment in compliance with the PED 2014/68/EU directive, which is taken into account in the design phase and subsequently in the testing phase of the device, and Italian Legislative Decree 81/2008 in terms of prevention and analysis of risks.

Risk prevention analysis

low	EVENTS THAT MAY COMPROMISE THE INTEGRITY OF THE MAIN PARTS.
medium	EVENTS THAT MAY COMPROMISE THE INTEGRITY OF THE EQUIPMENT UNDER EXAMINATION AND THE EQUIPMENT CONNECTED TO IT.
high	EVENTS THAT MAY COMPROMISE THE INTEGRITY OF THE EQUIPMENT UNDER EXAMINATION AND THE SURROUNDING AREAS.

Concurrently, the frequency and possibility of occurrence of each event is examined. The risks associated with these events are therefore a function of these two variables (possibility and frequency).

Risk Assessment Matrix.

Dangerousness of the event (d) ↓ / Frequency and/or possibility of occurrence (f) →	LOW	MEDIUM	HIGH
LOW	L	M-L	M-H
MEDIUM	M-L	M	H
HIGH	H	H	H

The matrix shows the risk factor of the event, as a direct product of the probability with the danger associated with it, 5 risk classes are defined: Low (L); Medium-Low (M-L); Medium (M); Medium-High (MH); High (H). Highly hazardous events are classified as high-risk, regardless of the frequency of occurrence.

Risk analysis on pressure equipment

On the basis of the company's "know-how", gained from its experience in the construction of pressure equipment, and on the basis of the list of buyer's specifications, the list of hazard factors with the frequencies and the relative level of risk has been drawn up below.

1) Examination of geometric characteristics (f = L; d = L).

2) Examination of congruence between the design data and the chemical-physical properties of the contained materials and the climatic-environmental characteristics of the final destination site. (f = M; d = M).

3) Risks due to the fragility of the material of the pressure part. (f=M; d=M).

4) Resulting effects on the equipment given by the fluid that will be contained. (f = M; d = M).

5) Examination of the effects deriving from local loads on the equipment in operation. (f = M; d = M).

6) Assessment of natural loads (wind, earthquake, snow) (f = L; d = M).

7) Examination of accidental overloads. (f = L; d = L).

8) Risks due to excessive filling and/or an overpressure condition of the equipment. (f = L; d = L).

9) Risks due to the leakage of the fluid contained in the equipment. (f = L; d = H).

10) Examination of the overall stress of the appliance under hydraulic test conditions. (f = M; d = M).

11) Evaluation of any effects on the equipment related to the remediation phase. (f = L; d = L).

12) Evaluation of the effects related to stray electric currents. (f = N.A.; d = N.A.).

13) Study of transport procedures. (f = M; d = L).

14) Study of field assembly procedures. (f = M; d = L).

15) Assessment of the effects on the characteristics of the final place of destination. (f = L; d = L).

16) Effects of cyclic loading. (f = L d = L).

17) Description of the parameters to be evaluated during the periodic tests and frequency of the cyclic inspections. (f = H; d = M).

18) Studies on the scrapping procedure. (f = L d = L).

19) Modification of the service condition above the permissible pressure/temperature. (f = L; d = M).

20) Improper installation of equipment (f = L d = L).

21) Condition of low amount of fluid in the equipment (f = L; d = M).

General Data Protection Regulation.

(GRI 102-11) (GRI 418-1)

With reference to the subject of personal data protection, during the year 2021, the processing activities carried out by the companies of the Tosto Group Srl were monitored, in order to verify the correct adaptation to the requirements of Regulation (EU) 2016/679.
In the normal course of the activities of the Tosto S.r.l. Group, the individual companies process personal data relating to employees, suppliers and customers.
Therefore, in the connection between the various offices, the data in question are subjected to the analysis of the DPO, in order to verify its nature (particular data or by the municipalities) and prepare any appointments to internal and external agents for the management of the data themselves.
In particular, with reference to the provisions of art. 25, in the preliminary phase, the needs in terms of data protection are identified so that the different figures (provided for by the GDPR) and the related responsibilities can be clearly and unambiguously identified and the appropriate security measures proportionate to the risk are envisaged. Therefore, a prior analysis is carried out and, on the basis of this, the most appropriate measures are adopted to ensure the management of personal data in accordance with the European regulation. Preventive analysis that must necessarily start from the identification of the process to be carried out.
The aforementioned preliminary analysis consists of two aspects, the process analysis and the identification of the subjects involved in the process and their role in terms of GDPR.
a) Process analysis
The process is analysed and described, with the granularity appropriate to the type of act, in terms of objective, category of stakeholders, subjects involved, activities carried out by each subject, type of data processed.
b) Identification of the figures
This identification, on the other hand, is carried out in two phases depending on the definition of the objectives to be achieved.

Phase 1

Based on the description of the process, the data subjects and the subjects involved are analysed, in order to determine in what capacity the activities that make up the process are carried out by the different subjects; the types of data processed, the data subjects involved in the process are identified as categories of subjects and their assumed number. This is in order to determine whether or not this is a treatment that affects a large scale of people.

Phase 2

Once the different figures and their respective roles and responsibilities have been identified, the processing and types of data processed are identified.
In this way, an organisational model has been created that aims to achieve full compliance with all data protection regulations in force,

thus mitigating the risk of being subject to sanctions.
Like previous years, no complaints have been received for breaches of privacy, improper use or unauthorised processing of personal data entrusted to Group companies, either through the dedicated mailbox (gdpr@ waltertosto.it) or through other reporting or identification channels.



During FY 2021, to address the management of the health emergency related to COVID-19, the Companies have implemented a mechanism for detecting body temperature, in full compliance with current privacy legislation. Indeed, an adequate privacy policy has been drawn up, the processing register has been updated and the contracts for appointment as data processor have been signed in favour of the personnel in charge of managing the particular data.

Cyber security.

(GRI 102-11)

The risk of cyber security represents the possibility that cyber attacks may compromise the company's information systems (management and industrial), leading to the interruption of the services provided and the theft of sensitive information. This risk is a key factor in the development of the company's digital transformation strategy.
Regarding the problem of Cyber risk, the company has adopted the following mitigation measures:

1. Adoption of Next Generation Firewall (NGFW) perimeter firewalls. Specifically, a Paloalto PA800 firewall.

In addition to the classic features of traditional Firewalls, these are able to recognise Apps, abnormal behaviours, use of PeerToPeer.
Through the WildFire Malware Analysis feature, it is able to recognise Zero-Day attacks, using Statistical Analysis, Machine Learning and Bare Metal Analysis techniques. The combination of these techniques allows to detect threats and implement preventive actions against known and unknown malware and exploits with a very high effectiveness and almost zero false-positives.

2. Adoption of Endpoint Protection Paloalto Cortex XDR.
Cortex XDR is a detection, investigation and response solution that natively integrates data from the network, endpoints and cloud. Cortex XDR uncovers threats using behavioural analysis, accelerates investigation processes through automation, and blocks attacks before they cause damage through its deep integration with existing enforcement points.

3.Daily backup policies for the entire hypervisor environment. Specifically, the 3-2-1 backup rule was implemented. Which requires you to keep at least 3 copies of the data, on 2 different media, with 1 off-site copy.

4.Adoption of a Mail Gateway Protection capable of filtering viruses, spam and phishing.

In 2021, a programme was implemented to strengthen the corporate culture on the right behaviours to be adopted to deal with cyber risks, which included training, simulations, awareness-raising and communication aimed at the entire corporate population.

Supply chain due diligence.

In 2021 Walter Tosto S.p.A. began a verification operation of its supply chain by mapping the ESG impacts of its suppliers. It is not conceivable that the small company working in the large supply chain does not take up sustainability issues and does not include systemic, socio-economic risks and a commitment to decarbonising operations.
In 2022, the completion of the supply chain due diligence - through the Synesgy by Cribis platform - will strengthen the positive sentiment of stakeholders and, in particular, increase the interest of investors and lenders (see chapter *Objectives for a sustainable future*). Furthermore, the adoption of a shorter sourcing strategy can help reduce the company's carbon footprint by limiting the use of high-intensity processes such as air and maritime transport. In this regard, shortening the supply chain can be a prudent risk management strategy as investors' sensitivity to the longitudinal risks of climate change, biodiversity loss, labour exploitation and human rights violations in supply chains continues to intensify (see chapter *Supply chain*).

ESG ratings.

(GRI 102-12)

The growing importance of sustainability issues, for those who invest or for those who grant a loan, requires tools capable of measuring the performance of companies in relation to "non-financial" factors. In this regard, the **ESG** questionnaires were created to synthesise and compare the degree of sustainability of a company, in the three **environmental, social** and **governance** dimensions with the aim of expanding the available information, improving the assessments and, therefore, the choices. Although they present differentiated methodological approaches, the measurement of the impacts that are identified within the sustainability business ecosystem along the supply chain appears to be a transversal concept to most questionnaires.

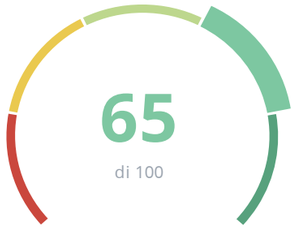
Specifically, during 2021 WT S.p.A. underwent the following questionnaires and assessments in order to provide relevant data for the financial community:

Cerved RATING AGENCY

Cerved Rating Agency generates a synthetic judgement that evaluates the solidity of an issuer, a fund or an economic subject from the point of view of environmental, social and governance performance. The **Sustainability Rating** supports companies in measuring ESG performance in order to carry out continuous monitoring and implement corrective actions in view of better positioning, commercial

advantages and reduction of regulatory and legal burdens, as well as reputational risk. The evaluation is annual and consists of 56 applications divided into 3 chapters.

ESG SCORE

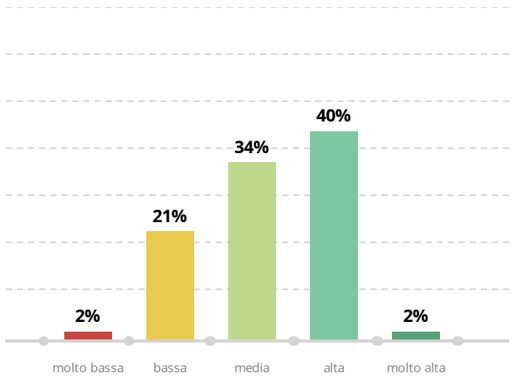


PERFORMANCE ALTA

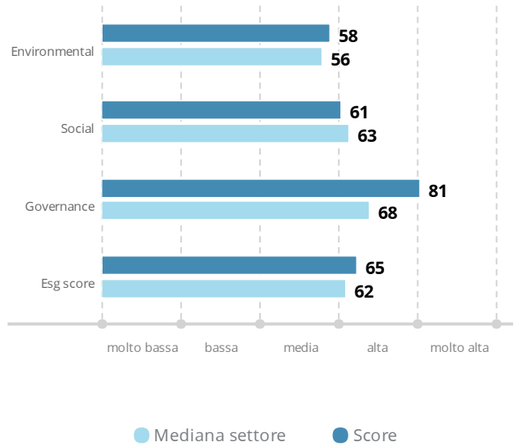
VALUTAZIONI PER SEZIONI

	SCORE	VALUTAZIONE
Environmental	58	
Social	61	
Governance	81	

DISTRIBUZIONE VALUTAZIONI ESG NEL SETTORE *



RIPARTIZIONE SCORE ESG PER SEZIONE *

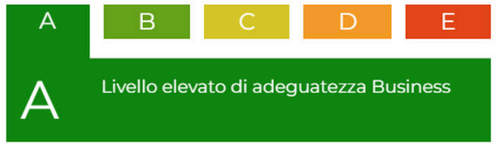


Synesgy is the digital platform developed by CRIF that allows companies to verify the degree of sustainability of their supply chain. It generates greater transparency in the impact assessment of production processes and an ESG Score useful to prevent operational risks and to better manage the supply chain. The evaluation is annual and consists of 90 applications divided into 13 chapters.

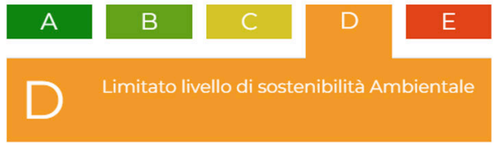
SCORE OVERALL



BUSINESS SCORE



ENVIRONMENTAL SCORE



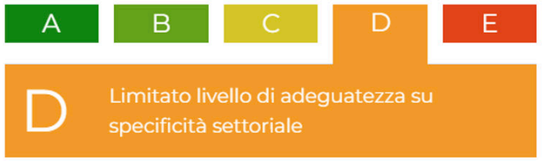
SOCIAL SCORE



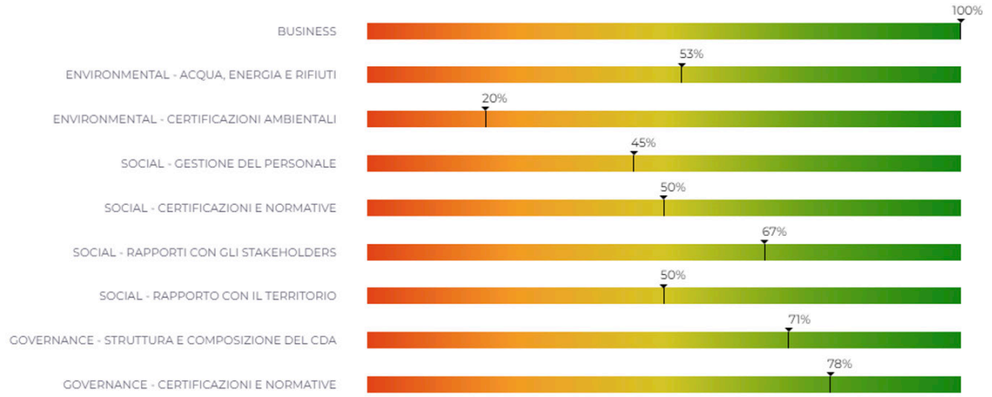
GOVERNANCE SCORE



SCORE SETTORIALE



Distribuzione su aree tematiche



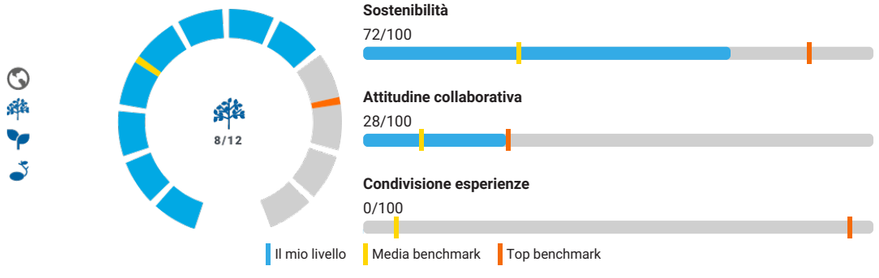
The Synesgy questionnaire was chosen as a means for mapping the value chain of the Walter Tosto company: starting in 2022, in fact, all Italian and foreign suppliers will be subjected to this ESG survey to allow the company to reconstruct not only Scope 3 emissions but also to have a clear idea on the state of sustainable development in order to implement joint improvement measures in the future.

Open-es is a digital platform that offers concrete support, focusing on sustainable development and improvement based on four pillars: **the principles of governance, economic prosperity, the planet and people**. The project was developed by Eni in collaboration with Boston Consulting Group and Google Cloud. The participation of the Italian energy company stems from its desire to provide the know-how that belongs to it at the service of the entire energy chain and other industrial sectors to promote the development of a virtuous ecosystem. The evaluation is annual and consists of 114 applications divided into 20 chapters.

WALTER TOSTO SPA

Open-es Report

Posizione	Settore	N° dipend.	Fatturato
8	Macchinari	429	87.690.050 €



Walter Tosto WTB S.r.l. underwent for the second time an assessment by EcoVadis, one of the most important providers of sustainability ratings in the world. The evaluation process included a detailed analysis by a team of experts regarding environmental performance, ethics and work-related issues, human rights referring to the year 2021.
The company scored 60/100, so the WTB was awarded the EcoVadis Silver Medal. This result places the WTB in 25% of the best performing companies in terms of sustainability in the boiler-making sector among those evaluated by EcoVadis.
This is an excellent recognition, which gives value to the various reporting activities, sustainable development projects and ethical initiatives and policies carried out in recent years. A result that confirms how the company is on the right track, encouraging it to continue in its commitment and to continuously improve.

Export Certificates.

AEO – This is the "Authorised Economic Operator FULL" certificate (AEO FULL) issued by the Customs Agency to operators who, upon request, comply with the quality requirements and are considered suitable for the acquisition of this certificate.
The AEO certificate is therefore a "status", a certified condition of the subject on its situation of reliability in relation to the customs authorities ensuring strict compliance with customs regulations and product safety.
Walter Tosto has obtained this status since

2014, by obtaining AEOF certification no.14 0915. (FULL Authorised Economic Operator) demonstrating the full reliability of its governance, compliance with customs requirements, an accounting and logistics system that allows adequate customs security controls, sound financial solvency, adequate requisites of security standards.

REX - The Registered Exporter System (REX) is used to certify the origin of goods under the Generalised System of Preferences (GSP) and under certain preferential trade agreements. It is based on the principle of self-certification by economic operators who directly issue so-called "certificates of origin". The certificate of origin on the invoice constitutes a very effective facilitation for exporters as it replaces the issue of EUR 1, EUR.MED and A.TR., all certificates suitable for obtaining the tariff concessions linked to the origin of the goods.
Walter Tosto S.p.A. in view of the principles of the Community Customs Code has obtained this registration under no. ITREXIT01914250681

Authorised Exporter: Authorisation No. IT/007/PE/21 - The status of authorised exporter is a facilitation, provided for by the European Community customs legislation, which guarantees facilitation in import and export with certain third-party countries on the basis of agreements between the EU and these countries. This status is granted by the customs authorities, which allow companies to certify the preferential origin of products exported directly on the invoice instead of by means of a Eur1 certificate.
Walter Tosto S.p.A. passed the customs audit demonstrating that its equipment meets the conditions of the Agreements between the EU and third countries such as Egypt and Switzerland.

Approved Location - In the sale of goods to third-party countries, companies must carry out the customs operations that can be carried out either by presenting the goods at customs or by presenting the goods in the "approved location" which is nothing more than a place identified at the establishment of an importer or an exporter, in order to be able to carry out the customs operations "in house". This procedure eliminates the risks of port/border/customs stops that generate costs, guarantees the traceability of customs declarations of Export and the real-time discharge and guarantees the immediate possession of the documentation.
Once this place has been identified at its establishment, it must be authorised by the Customs and Monopolies Agency, the customs office responsible for the place of the exporter/importer.
For the purposes of better logistics and in compliance with Union Customs legislation, Walter Tosto has been authorised by the competent customs to present its goods at its plant, WT4/5/7.

Mobility Management.

Starting from 2021, particular attention was also paid to interventions on the subject of sustainable mobility, giving rise to the first phase of a project that aims at mapping the paths that employees carry out to go from their place of residence to their workplaces.
At the end of this initial phase, in 2022, a sustainable mobility management model is envisaged that can affect the reduction of greenhouse gas (GHG) emissions, resulting in a change in established habits from a greener perspective and responding in Italy to Interministerial Decree 179 of 12 May 2021, art. 3, subsection 5.
The plan includes actions to encourage and organise a company car-pool aimed at providing and incentivising a sustainable alternative solution when travelling from home to work together, sharing the same car. The resulting advantages are economic, ecological but also from the viewpoint of human relations: by making the journey from home to work together and vice versa, colleagues can get to know each other better and cement the group spirit.
The needs determined by the epidemiological emergency have obviously led to the temporary suspension of this form of mobility.

Also with a view to the prevention and containment of COVID-19 infections, the activities that involved travel were blocked and/or reduced:
• preferring tele- or videoconference meetings;
• drastically limiting travel and business trips, except for those deemed strictly necessary.



Regardless of the situation created as a result of the pandemic emergency, it should be reiterated that the company's policy for work travel promotes the use of public transport whenever possible and does not entail excessive difficulties of movement, consequently limiting the use of cars. The companies, always with a view to reducing the movement of employees for work, are investing in increasingly high-performance technologies that improve the use of video and teleconferencing.

Company Fleet

In the context of sustainable mobility, a plan for the gradual reduction of the most polluting light and heavy vehicles was prepared in 2021. Walter Tosto S.p.A. has 17 diesel-powered and 18 petrol-powered cars; in 2022, 5 cars and one van are expected to be replaced through the purchase of new LPG and/or methane-powered vehicles.
Also mentioned are 24 electric beams used for internal movements between plants and between the various production departments, located in all plants suitably equipped with charging bases.
There are also 36 forklifts, of which 3 are fuelled by LPG and the remaining by diesel. In 2024, an additional 3 self-propelled forklifts with reduced environmental impact are expected to be purchased.
Walter Tosto WTB S.r.l. has 15 vehicles powered by diesel and 6 by petrol, in addition to 7 electric beams, 11 forklifts, of which one electric and another powered by LPG.
Lastly, in 2021 Walter Tosto S.p.A. purchased electrical charging stations available to employees and for internal use, whose installation in Chieti is expected in 2022.

Governance Structure.

(GRI 102-18)

The governance system of the Companies is structured pursuant to current regulations and applicable to the sector, taking into account the principles contained in the respective Codes of Ethics, and complies with the ten global ethical principles in terms of human rights, environmental protection, workers' rights and the fight against corruption contained in the United Nations Global Compact, the most important international initiative in the field of sustainable development.

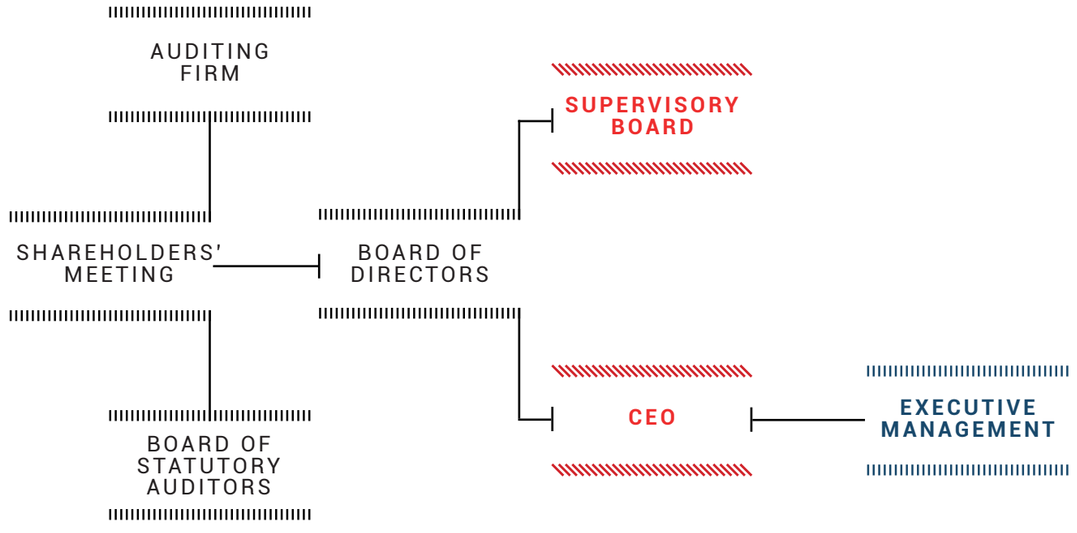
		WT	WTB
	NUMBER OF MEMBERS	3	3
	WOMEN	33%	0%
	AVERAGE AGE	60	42
	MEETINGS HELD IN 2021	5	4
	PARTICIPATION RATE*	100%	100%

* CALCULATED AS NUMBER OF ATTENDANCES/NUMBER OF CALLS

Corporate Governance Walter Tosto S.p.A.

Walter Tosto S.p.A. 's governance model is traditional and includes the presence of a Board of Directors, vested with all the powers for the ordinary and extraordinary administration of the Company (except those reserved by law or by the Articles of Association to the competence of the Shareholders' Meeting) and a Board of Statutory Auditors that supervises compliance with the rules of law, regulations and statutes, compliance with the principles of correct administration, adequacy of organisational and accounting structures, functionality of the overall internal control system. The Board of Directors meets at least once every three months and its members annually complete a questionnaire on conflict of interest.

WALTER TOSTO CORPORATE GOVERNANCE MODEL



On 13 July 2020, the Shareholders' Meeting appointed Mr. Walter Tosto (Chairman of the Board of Directors), Mr. Luca Tosto and Ms. Emanuela Tosto as Directors. The members of the **Board of Directors' Meeting** of Walter Tosto S.p.A. remain in office for 3 years and, therefore, their term of office will expire on the date of approval of the financial statements as at 31/12/2022.



Walter Tosto
CHAIRMAN OF THE BOARD OF DIRECTORS



Luca Tosto
DIRECTOR



Emanuela Tosto
DIRECTOR

On 9 July 2019, the Shareholders' Meeting appointed Mr. Massimo Centritto (Chairman of the **Board of Statutory Auditors**), Mr. Sandro Marcucci and Mr. Renato Marsili as members of Walter Tosto S.p.A.'s Board of Statutory Auditors. The members of the Board of Statutory Auditors of Walter Tosto S.p.A. remain in office for 3 years and, therefore, their term of office will expire on the date of approval of the financial statements as at 31/12/2021. Currently, on today's date, the mandate has already been renewed for a further three years. Walter Tosto S.p.A.'s Board of Directors' Meeting plays a primary role as it has the broadest powers for the achievement of the corporate purpose, without any limitation or distinction between acts of ordinary and extraordinary administration except as reserved by law for the exclusive competence of the Shareholders' Meeting. On 8 August 2020, the Board of Directors appointed Mr Walter Tosto and Mr Luca Tosto as **Managing Directors**.



The **General Manager**

Giacomo Fossataro

- as the person responsible for the overall management of Walter Tosto S.p.A.'s operational, management and production activities, pursues contractual objectives, including those related to quality standards of supply, costs, processes and products.

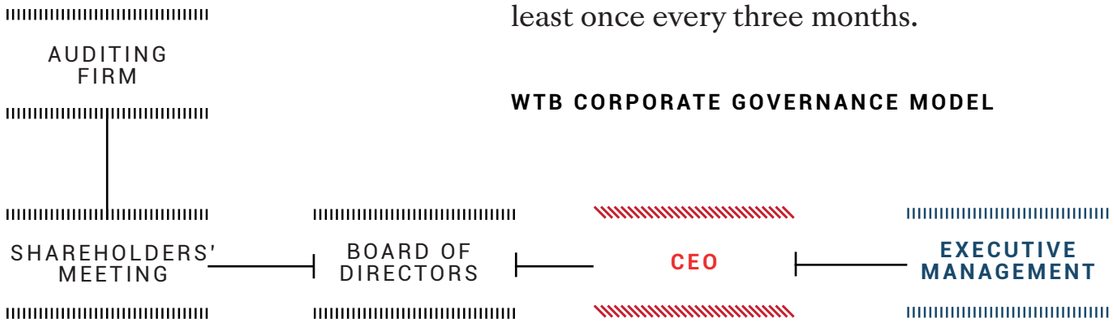
Auditing firm: PricewaterhouseCoopers S.p.A.

Supervisory Body (Model 231 pursuant to Legislative Decree no. 231/2001): Sandro Marcucci (Chairman), Mario Maresca, Ferdinando Bartolomeo.

Corporate Governance Walter Tosto WTB S.r.l.

Walter Tosto WTB S.r.l.'s governance model is traditional and includes the presence of a Board of Directors' Meeting, vested with all the powers for the ordinary and extraordinary administration of the Company (except those reserved by Law or the Company By-laws to the competence of the Shareholders' Meeting). The Board of Directors meets at least once every three months.

WTB CORPORATE GOVERNANCE MODEL



On 28 October 2020, the Shareholders' Meeting appointed Mr. Fabio Scipione (Chairman of the Board of Directors), Mr. Luca Tosto and Mr. Luca Pierfelice as Directors of WTB, the latter representing a group of stakeholders in the governing body as Chief Financial Officer of the Tosto Group.
The members of the Board of Directors' Meeting of WTB remain in office for 1 year and, therefore, their term of office will expire on 31/12/2021. The administrative body was renewed by resolution of 15/10/2021 for one year until 31/12/2022.



Fabio Scipione
BOARD OF DIRECTORS' MEETING



Luca Tosto
DIRECTOR



Luca Pierfelice
BOARD MEMBER

The **Board of Directors** of WTB plays a primary role as it has the broadest powers to achieve the corporate purpose.
On 16 November 2020, the Board of Directors conferred specific proxies and powers on each director:

- the Chairman of the Board of Directors' Meeting, Mr. Fabio Scipione, is vested with, in addition to the ordinary administration of the company, all the powers, competences, prerogatives, tasks and faculties in the field of occupational health and safety, accident prevention, social security and mandatory contributions and environmental matters;
- the Director, Mr. Luca Tosto, is given full powers and the right to separate signature in the negotiation, entering into and signing of sales contracts with the Company's Customers;
- the Board Member, Mr. Luca Pierfelice, is granted full powers and the right of separate signature in transactions with banks and insurance institutions.

Auditing firm: FINEXPERT - BOSCOLO AUDIT AND ADVISORY S.R.L. – Member of Crowe Global.

Sustainability Governance Structure.

(GRI 102-18)

A single Sustainability Governance, shared by all Group companies, is the starting point for creating paths aimed at fostering the culture of risks linked to the context of sustainability.

When the Board of Directors' Meeting and/or Senior Management become aware of the importance of positively orienting the company strategies towards the creation of long-term value, a cascading effect is created within the organisation as a whole.

In any case, a key role will increasingly be played by the stakeholders who can influence, even strongly, the entrepreneurial initiatives and the dissemination of sustainable culture. Their involvement in the decision-making process is the real challenge for the company that wants to call itself truly "sustainable".

Commitment

“It is the difference we have made to the lives of others that will determine the significance of the life we lead”

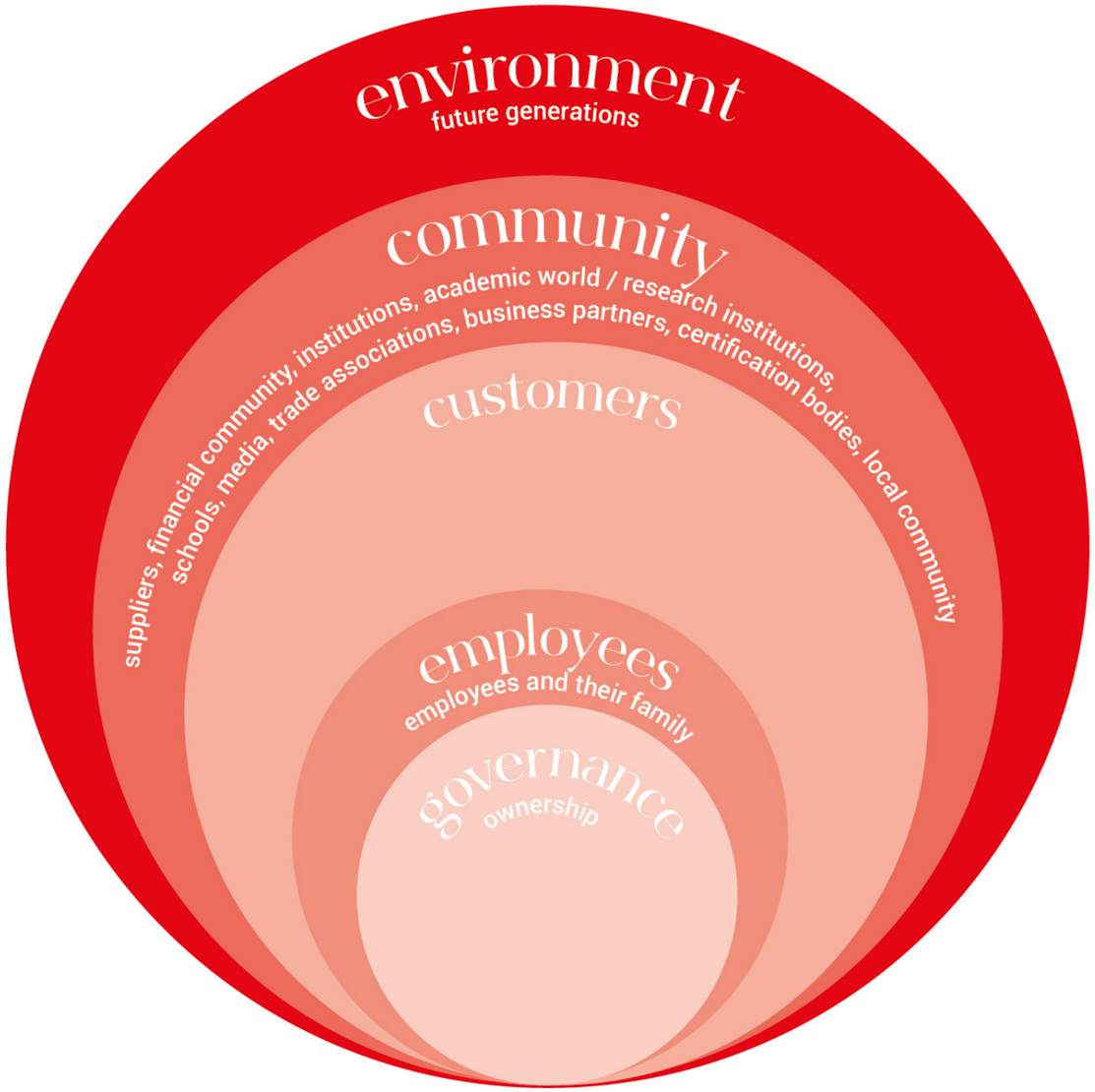
Nelson Mandela

The Stakeholders.

(GRI 102-40) (GRI 102-42)

The GRI Standards define stakeholders as those entities or individuals that can have a significant impact on the activities, products and services of an organisation and whose actions can affect the organisation's ability to successfully implement its strategies and achieve its objectives.

To find stakeholders, the company has involved senior management and the heads of internal functions (administrative and operational) who, based on the criteria of relevance, responsibility, dependence, influence and level of impact, have identified the groups of stakeholders.
As a starting point, the Company has carefully mapped the categories of stakeholders with whom it interacts in the course of carrying out its activities, identifying those stakeholders that can affect the achievement of the strategic objectives and those that can be significantly influenced. This mapping was carried out following the indications of the International Standard AA1000-Stakeholder Engagement Standard (SES) developed by Accountability to methodologically support stakeholder engagement. Stakeholders were divided into five categories:



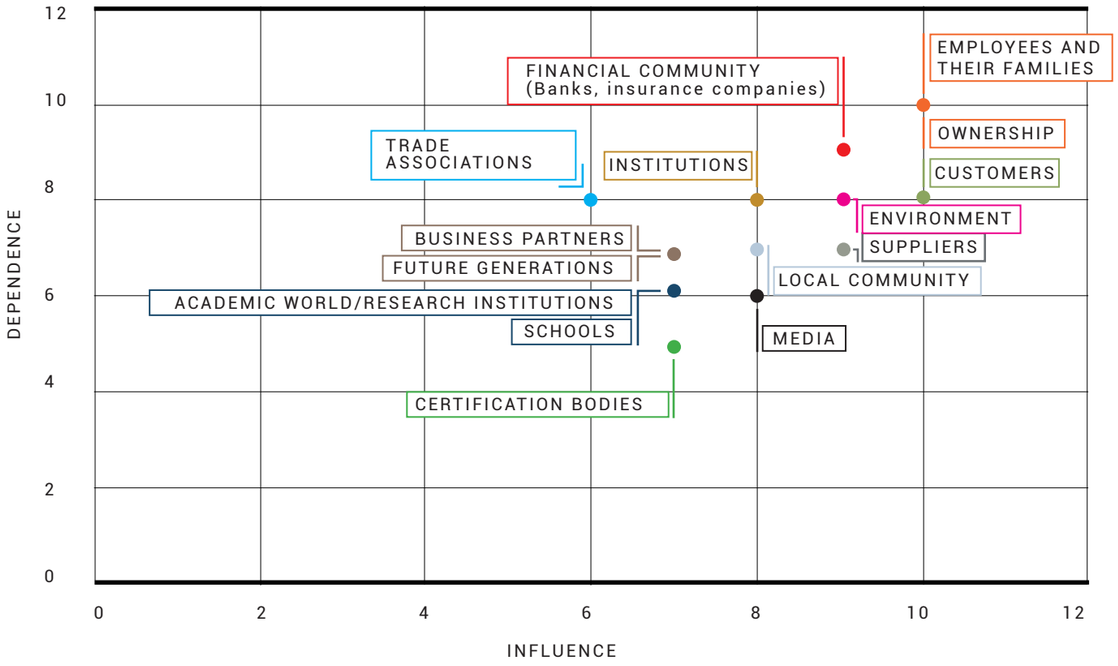
[1] In the drafting of the Model, the AA1000SES standard was considered in the 2015 version.

The next step was dictated by the awareness that not all stakeholders have the same relationship with Walter Tosto and, consequently, it was necessary to carry out a prioritisation process based on two parameters:
a) Dependence of the stakeholder on the company;

b) Stakeholder influence on the company;

An influence and dependency matrix has been thus defined:

STAKEHOLDER INFLUENCE AND DEPENDENCE MATRIX



As a result, the company prioritises dialogue with stakeholders that have a strong influence on corporate, social or environmental performance and the regulatory framework that governs its activities.
Walter Tosto and the WTB, applying a multi-stakeholder approach, also seeks exchange with all stakeholders who depend on its contributions and economic, social or environmental impacts.

Stakeholder Engagement.

(GRI 102-43) (GRI 102-44)

The GRI reporting principles require a materiality analysis based on a stakeholder engagement process as a strategic and necessary tool for identifying and understanding the needs and concerns of its interlocutors regarding sustainability.
All stakeholder involvement methods – from collaborations in the field of R&D to face-to-face meetings, from participation in international events to territorial development initiatives – enhance relationships with the social, economic and industrial context and generate new business opportunities.
With each of the stakeholders, companies have a different way of dialogue, in relation to the purpose of involvement:

CATEGORY	STAKEHOLDERS	METHOD OF ENGAGEMENT
Governance	Ownership	Corporate documents; Corporate meetings; events
Employees	Employees and their families	Direct relationship; Department meetings; Bulletin board communications; results sharing meetings; Website; social media; internal initiatives; performance evaluation
Customers	Customers	Business meetings; trade fairs; Customer satisfaction surveys; qualifications; Website; social media
Community	Suppliers	Meetings; Website; Contractual documents
	Financial community	Financial reports; meetings; Website
	Institutions	Official relations; monitoring and analysis of the legislative landscape
	Academic world/research institutions	Meetings, R&D projects; Website; social media; Partnerships and PhDs
	Schools	Training courses
	Media	Press releases; Website; social media; daily press review
	Trade Associations	Meetings, periodic meetings, events
	Business partners	Meetings, Partnership, website.
	Local community	Social responsibility initiatives; daily press review of the local press
	Certification bodies	Maintenance / renewal visits
Environment	Future generations Environment	Website; Collaborations

By taking care of the relationships with these categories, listening to the needs and giving them the correct feedback with concrete

THE SDGS AND THE TEN PRINCIPLES OF THE GLOBAL COMPACT IMPACTED THANKS TO THE ACTIVITIES CARRIED OUT FOR THE STAKEHOLDERS



actions, Walter Tosto and Walter Tosto WTB are also able to give their contribution to the Sustainable Development Goals (SDGs).

Materiality Matrix.

(GRI 102-46) (GRI 102-47)

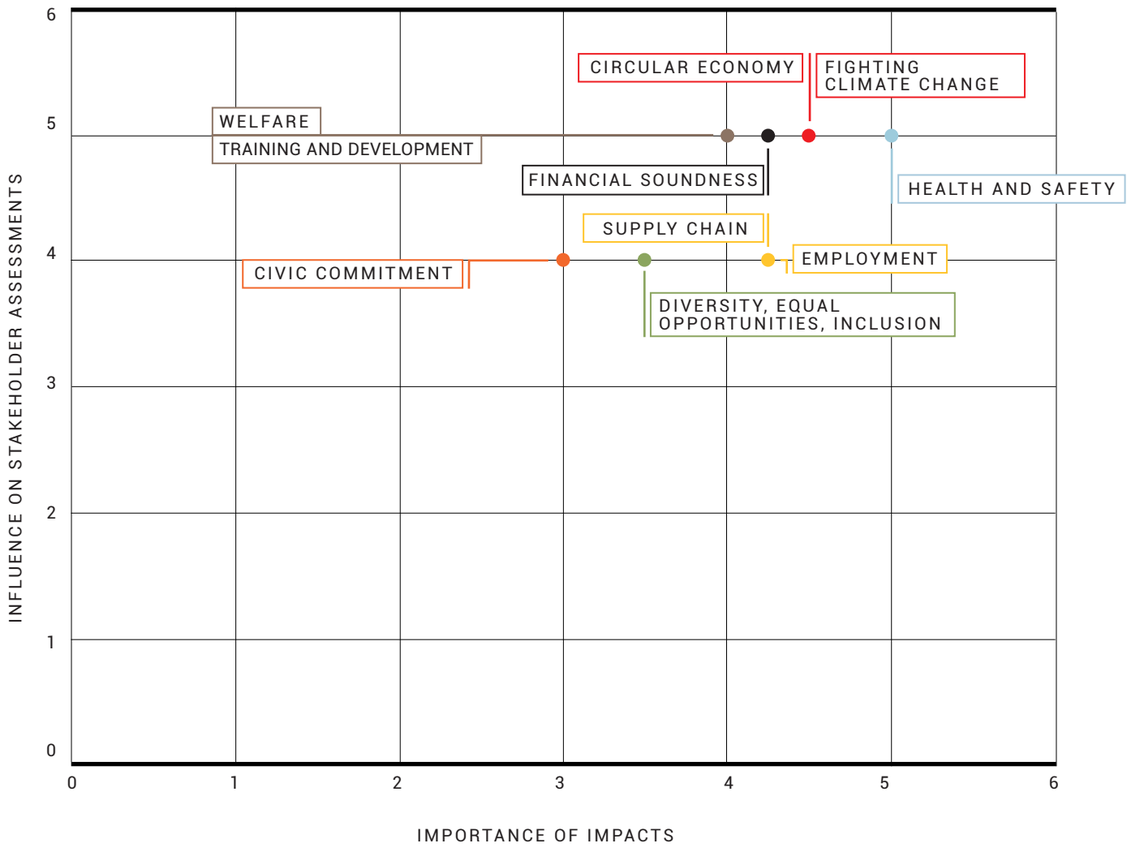
At the end of the stakeholder engagement process, the materiality analysis was carried out according to the GRI reporting principles, which provide a perspective that exceeds the internal point of view to fully project itself towards the expectations of its stakeholders and the responsibility generated by its impacts.

The themes emerged from the discussion with stakeholders:

	Financial soundness	Health and safety	Welfare	Training and development	Supply Chain	Fighting climate change	Circular Economy	Diversity, equal opportunities, inclusion	Employment	Civic commitment
Customers	●	●	●	●	●	●	●	●		
Suppliers	●					●	●			
Ownership	●	●								
Employees and their families	●	●	●	●				●	●	
Financial community	●									
Institutions						●	●	●		
Academic world/ research institutions				●		●	●			
Schools				●				●	●	
Future generations					●	●	●	●	●	
Media						●		●		●
Trade Associations					●	●	●			
Business partner	●					●				
Local community						●	●		●	●
Environment						●	●			
Certification bodies				●	●	●	●			

The analysis could not fail to take into account the impact of the Covid-19 pandemic on material issues in 2021:

MATERIALITY MATRIX



The validation of the themes and the entire materiality analysis process was carried out within the Companies, with the contribution of a Department dedicated to sustainability reporting and management.
The review phase is expected to be carried out as a preparatory activity for the next reporting cycle, also with the aim of subjecting the results of the analyses carried out, updated in the following year, to specific consultation activities and stakeholder involvement.
The materiality analysis is updated following the guidelines that transpose the GRI standards.

The contribution to the achievement of the SDGs and respect of principles UN Global Compact.

(GRI 102-47)

On 1 January 2016, the 17 SDGs[2] - Sustainable Development Goals of the 2030 Agenda - officially entered into force[3] , divided into 169 targets to be achieved by 2030 to end all forms of poverty, combat inequalities and address climate change, while ensuring that no one is left behind. These objectives are integrated and indivisible and follow a triple bottom line approach, including the three dimensions of sustainable development: the economic, social and environmental dimensions.
Since everyone is invited to participate in their achievement, companies with their own resources and skills are also called upon to contribute to the achievement of the global objectives.
The Tosto Group believes that the SDGs represent an opportunity and a way to direct the future development of Walter Tosto and Walter Tosto WTB and has identified the links between the priorities defined within the materiality matrix and their impact on the 17 objectives (SDGs).

[2] https://asvis.it/goal-e-target-obiettivi-e-traguardi-per-il-2030/#
[3] https://asvis.it/l-agenda-2030-dell-onu-per-lo-sviluppo-sostenibile/

MATERIAL TOPICS	SDGs	UNGC GOALS
EMPLOYMENT	5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 10 REDUCED INEQUALITIES	LABOUR; HUMAN RIGHTS
HEALTH AND SAFETY	3 GOOD HEALTH AND WELL-BEING; 8 DECENT WORK AND ECONOMIC GROWTH; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	HUMAN RIGHTS
SUPPLY CHAIN	1 NO POVERTY; 8 DECENT WORK AND ECONOMIC GROWTH; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION; 17 PARTNERSHIPS FOR THE GOALS	LABOUR; HUMAN RIGHTS
FIGHTING CLIMATE CHANGE	3 GOOD HEALTH AND WELL-BEING; 7 AFFORDABLE AND CLEAN ENERGY; 8 DECENT WORK AND ECONOMIC GROWTH; 11 SUSTAINABLE CITIES AND COMMUNITIES; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION; 14 LIFE BELOW WATER; 15 LIFE ON LAND	ANTI-CORRUPTION; ENVIRONMENT
CIRCULAR ECONOMY	3 GOOD HEALTH AND WELL-BEING; 6 CLEAN WATER AND SANITATION; 8 DECENT WORK AND ECONOMIC GROWTH; 11 SUSTAINABLE CITIES AND COMMUNITIES; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 14 LIFE BELOW WATER; 15 LIFE ON LAND	ENVIRONMENT
FINANCIAL SOUNDNESS	1 NO POVERTY; 8 DECENT WORK AND ECONOMIC GROWTH; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	ENVIRONMENT
WELFARE	3 GOOD HEALTH AND WELL-BEING; 5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH; 10 REDUCED INEQUALITIES	ANTI-CORRUPTION
TRAINING AND DEVELOPMENT	4 QUALITY EDUCATION; 5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH; 17 PARTNERSHIPS FOR THE GOALS	HUMAN RIGHTS; LABOUR
CIVIC COMMITMENT	2 ZERO HUNGER; 11 SUSTAINABLE CITIES AND COMMUNITIES; 17 PARTNERSHIPS FOR THE GOALS	ENVIRONMENT
DIVERSITY, EQUAL OPPORTUNITIES, INCLUSION	5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH; 10 REDUCED INEQUALITIES	HUMAN RIGHTS; LABOUR

As shown in the table, each theme also refers to several Global Objectives, demonstrating the numerous impacts the company's business manages with a view to responsible growth.

Below are some of the SDGs shared by Walter Tosto and Walter Tosto WTB and on which it is believed to be able to make a greater contribution because they are closer to the mission and business activities. On these six goals, the Companies have defined their short and long term objectives (see paragraph OBJECTIVES) with a view to continuous improvement.
Taking into account that 2021 was still marked by the pandemic emergency, Walter Tosto and Walter Tosto WTB have expanded the SDGs to which they also channel their commitment to SDG 3, which represents the global objective that unites the company initiatives.
Finally, transversal to the Priority Goals and indispensable for their achievement, is the "Goal 17 – Partnership for the Goals" – a tool to strengthen sustainable development programmes.
Since each of the 17 SDGs can be associated to one of the ESG components, it follows that the Group's attention is distributed as follows on the three components Environment, Social, Governance:

3 GOOD HEALTH AND WELL-BEING	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION
Ensure healthy lives and promote well-being for all at all ages	Ensure access to affordable, reliable, sustainable and modern energy for all	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Build resilient infrastructu-re, promote inclusive and sustainable industrializa-tion and foster innovation	Ensure sustainable consumption and production patterns	Take urgent action to combat climate change and its impacts
17 PARTNERSHIPS FOR THE GOALS					
Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development					

As evidence of the commitment made so far and the importance of increasing the integration of sustainability in the strategic choices of the company, the Tosto Group has joined the United Nations Global Compact, the largest global initiative for the sustainability of the business.
For this reason, the industrial strategy has accompanied the pursuit of the Sustainable Development Goals (SGDs), also the respect of the Ten principles of the United Nations Global Compact through political actions, business practices, social and civil behaviours in a path of growth and improvement in the name of sustainability.

COMMUNICATION ON PROGRESS

This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

Economic impacts

“

Capital as such is not evil, it is its wrong use that is evil. Capital in some form or other will always be needed

”

M.K. Gandhi

Results and performance.

MATERIAL TOPICS	GRI	SDGs	UNGC GOAL
Financial soundness	(103-1) (102-7) (201-1) (201-4)	1 NO POVERTY 8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	ANTI-CORRUPTION

Integrating economic choices with social and environmental choices is a key commitment to value creation in the long term. The creation of economic value is essential to ensure the safeguarding of the Group over time and, therefore, its sustainability.
Walter Tosto and Walter Tosto WTB carefully monitor the value production process and provide transparent, timely and comprehensive communication of this in their respective **2021 Annual Reports and Accounts**, to which reference should be made for any further details.

EURO	2019*	2020*	2021*	2021 VS 2020
REVENUE	85.732.666,17	107.415.954	116.248.993	+8,2%
VALUE OF PRODUCTION	137.914.898,74	131.138.311,94	124.488.251	-5,1%
EBITD	18.874.628,73	13.331.226	15.702.683	+17,8%
NET OPERATING RESULT	7.767.865,75	5.176.516	4.322.674	-30,9%
NET BORROWING	27.460.621,71	6.255.862	40.648.820	+93,1%
FOCF (Free Operating Cash Flow)	15.686.818,63	21.050.369	15.122.614	+13,2%
PAYABLES	105.373.861,64	13.354.492	102.243.521	-13,9%
SHAREHOLDERS' EQUITY	49.121.058,97	118.789.324	66.284.198	+5,5%
TOTAL CAPITALISATION	154.494.920,61	62.808.600	135.908.459	-45,9%
TOTAL ASSETS	301.463.341,49	368.107.791,21	363.464.643	-1,3%

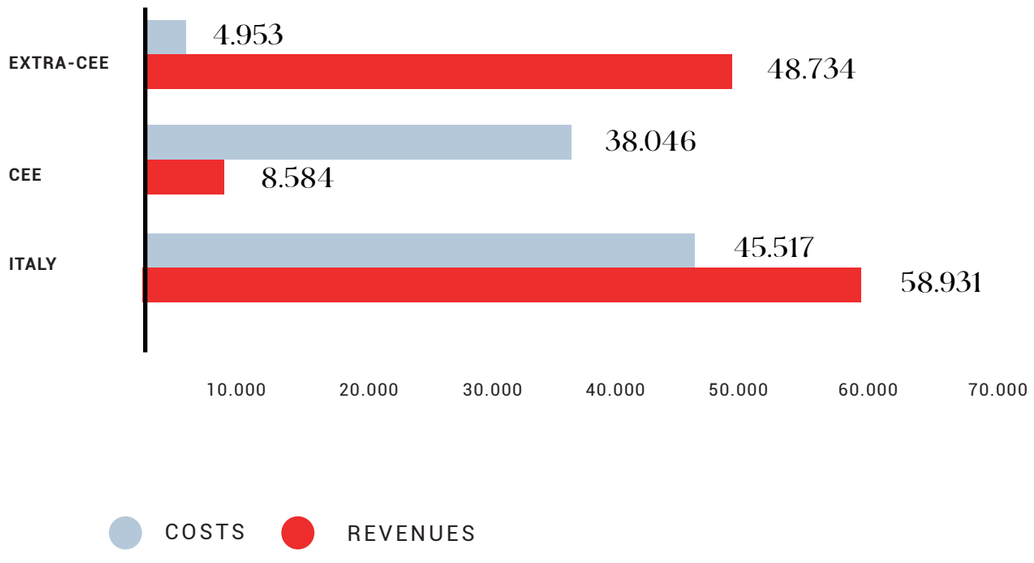
* Euro/Ron exchange rate

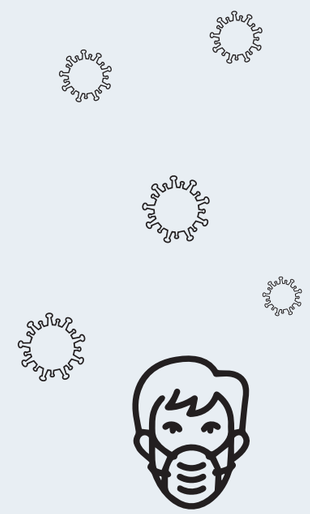
31-dic-19 4,7830

31-dic-20 4,8683

31-dic-21 4,9481

Costs and Revenues by geographical area - 2021 (k€)





The global spread of Covid-19 has put restrictions not only on private life but also on industrial activities, posing new challenges for the Group: in a short time everyone has been called upon to reorganise their activities, habits and daily life.

All company decisions were based on the protection of the health and safety of employees and partners, but also on the firm belief that we can continue to provide our customers with products and services on time.

The measures provided for by the Ministerial Decrees on health and safety have been implemented in all production departments, and, where possible, smart working has been activated or holidays have been encouraged.

Despite the difficult situation, the aforementioned measures ensured that all Group sites remained regularly operational with the usual professionalism. Employees have worked hard in every department of the company and are committed to ensuring the punctuality of supplies in the highest quality and in compliance with the wishes of customers.

It was possible to meet the contractually agreed delivery terms by relying on our usual workforce and transport.

In view of the above, the companies have neither used nor requested any measure put in place by the governments as an instrument of extraordinary finance or aid in the form generally known.

In this way, Walter Tosto and WTB have made their contribution in a delicate situation ensuring delivery and regular work for employees.

Distribution of Value Added.

The Values and Codes of Ethics of Walter Tosto and Walter Tosto WTB confirm the commitment of the Companies to work to guarantee a long-term responsible development, in the awareness of the links and interactions between the economic, social and environmental dimensions. This is to combine value creation, social progress, attention to Stakeholders, raising living standards and environmental quality.

The Value Added represents the wealth produced by Walter Tosto and Walter Tosto WTB which, in different forms, is distributed to the different stakeholders, thus expressing in monetary terms the relationships between the companies and the main stakeholders.

The Net Added Value generated by Walter Tosto and Walter Tosto WTB in 2021 amounts to a total of €26,313,870.32, therefore equal to 20% of the economic value generated.

The Net Added Value is broken down as follows among the various stakeholders: remuneration of human resources (direct remuneration consisting of salaries, wages, severance pay and indirect remuneration consisting of social security contributions), remuneration of financiers (interest expense), remuneration of shareholders (distributed dividends), remuneration of the Public Administration (all taxes paid), external donations and donations to the community. For both companies, most of this value is represented by the remuneration of human resources, followed by the remuneration of the Public Administration and financiers.
The total economic value withheld between the two companies in 2021 is €1,473,793.68.

EURO	2019*	2020*	2021*
NET REVENUES	85.732.666,17	107.415.954	116.248.993
RESULT OF EQUITY INVESTMENTS	0	0	0
FINANCIAL INCOME	210.180,22	169.068,23	185.329
OTHER INCOME	4.994.950,10	10.108.250,94	14.345.727
ECONOMIC VALUE GENERATED	**90.937.796,50**	**117.693.273,17**	**130.780.049**
OPERATING COSTS	(51.335.853)	(79.278.900)	(93.712.201)
AMORTISATIONS/DEPRECIATIONS, WRITE-DOWNS AND OTHER PROVISIONS	(5.756.321)	(6.954.678)	(9.280.184)
NET ADDED VALUE	**33.845.623**	**31.459.696**	**27.787.664**
EMPLOYEES	22.425.338,51	23.953.486	23.374.316,00
FINANCIAL BACKERS	553.254,00	523.736	415.156,00
SHAREHOLDERS	2.000.000	0	750.000,00
P.A. (taxes)	3.022.253,33	619.140,47	1.588.446,00
COMMUNITY	76.911,00	107.471,00	185.952,32
DISTRIBUTED ADDED VALUE	**28.077.756,83**	**25.203.833,47**	**26.313.870,32**
WITHHELD ECONOMIC VALUE	5.767.865,75	3.176.516	1.473.793,68

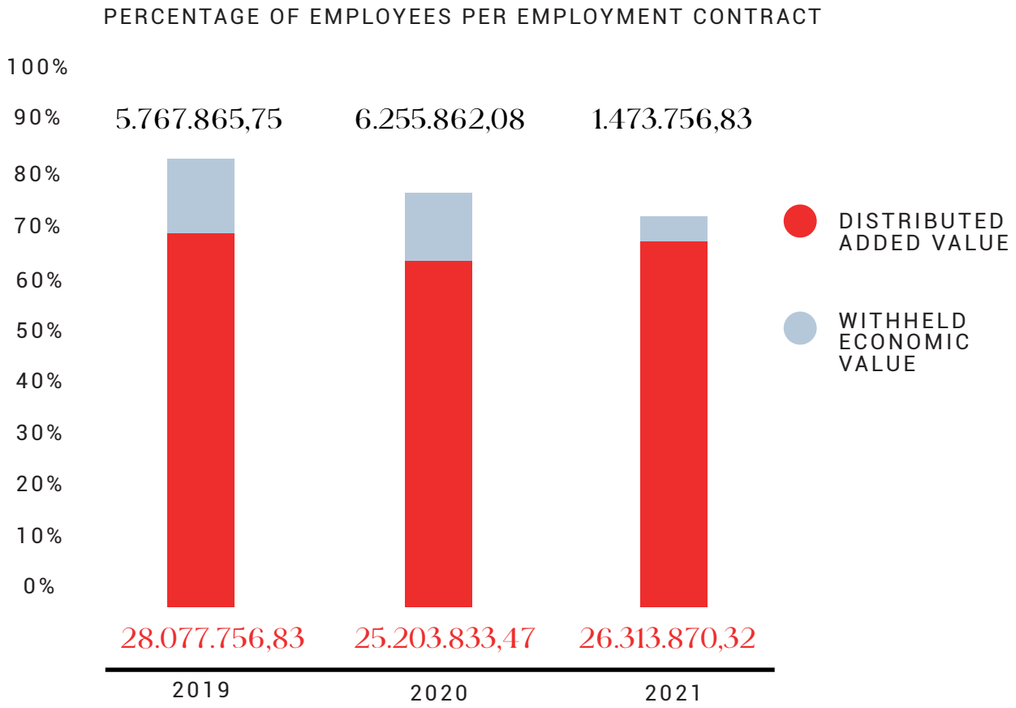
* Euro/Ron exchange rate

31-dic-19 4,7830

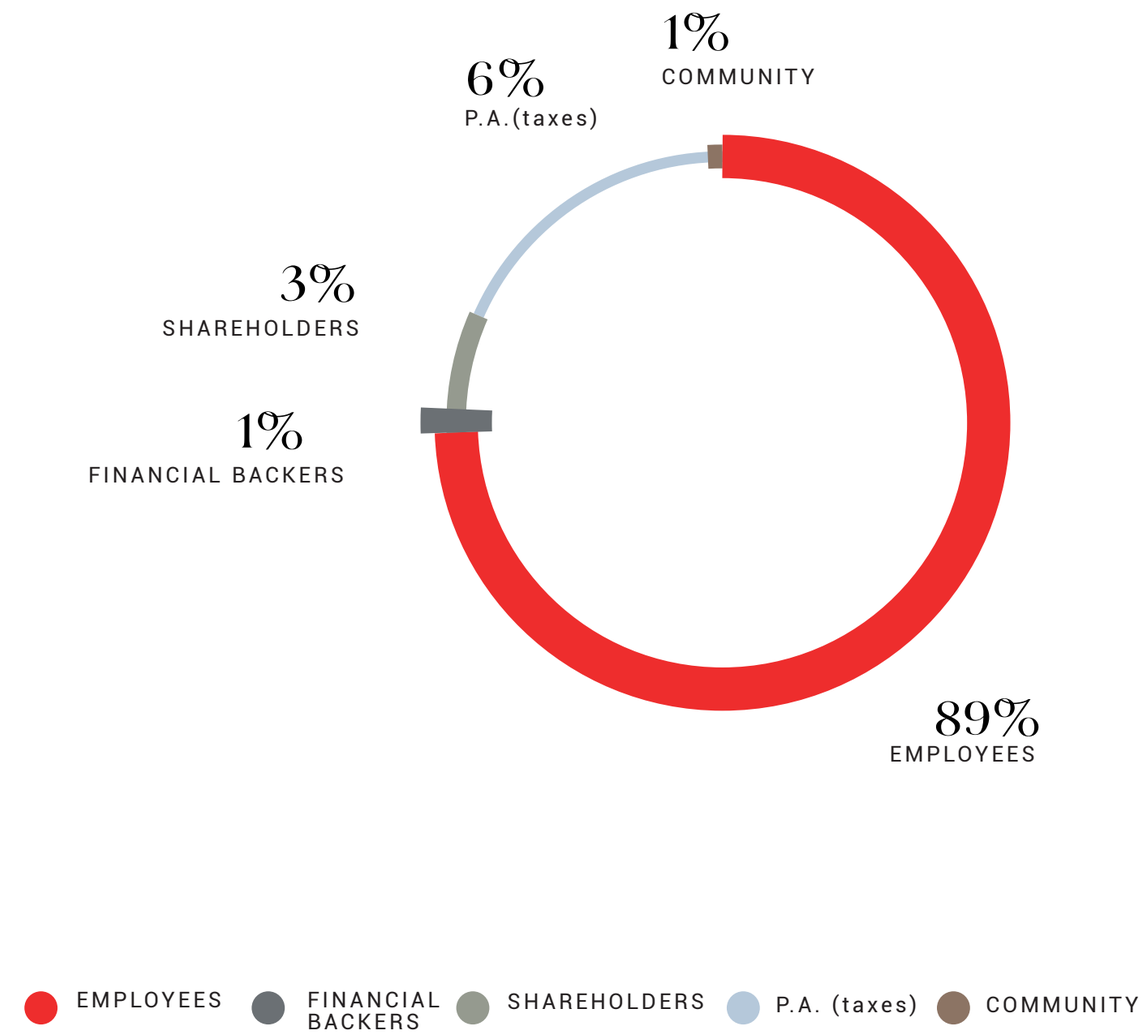
31-dic-20 4,8683

31-dic-21 4,9481

The added value (€)



Value added composition - 2021



Public contributions and tax concessions.

During 2021, Walter Tosto S.p.A. benefited from contributions from the Public Administration for €748,724.72. On the other hand, Walter Tosto WTB did not receive any government aid either in the form of a non-repayable grant or a tax concession.
Walter Tosto collected R&D contributions amounting to €688,000.00, against a project financed by the ROP Abruzzo 2014-2020 and concluded in 2020; the rest refers to export contributions.

CONTRIBUTIONS RECEIVED

	2019	2020	2021
NON-REPAYABLE R&D CONTRIBUTIONS	355.371,79 €	149.327,83 €	688.000 €
EXPORT SUBSIDIES	54.817,75 €	103.721,09 €	60.724,72 €
TOTAL	**410.189,54 €**	**253.048,92 €**	**748.724,72 €**

Among the tax benefits that Walter Tosto accrued in 2021 we mention the main ones:

- a 4.0 tax credit for an amount of €64,000.00;
- a tax credit for investments made in research and development activities during 2020, pursuant to Italian Law 190 of 23 December 2014, as amended, for a total amount of €185,971, 81;
- Patent Box 2016-2020: €1,811,476.00;
- Hyper amortisation: €546,628.00;
- Exemption on exercise duty (electricity, gas and power generation with fixed engines in industrial plants): €70,910, 94.

TAX CONCESSIONS

	2019	2020	2021
TAX EXEMPTIONS	127.333,72 €	149.249,21 €	2.489.889,94 €
TAX CREDIT	1.636.032,33 €	1.408.852,00 €	281.788,81 €
TOTAL	**1.763.366,05 €**	**1.558.101,21 €**	**2.771.678,75 €**

Social impacts

“

Everyone has the right to a standard of living adeguate for the health and well-being of himself and of his family

”

Article 25 of the Universal Declaration of Human Rights

Personnel.

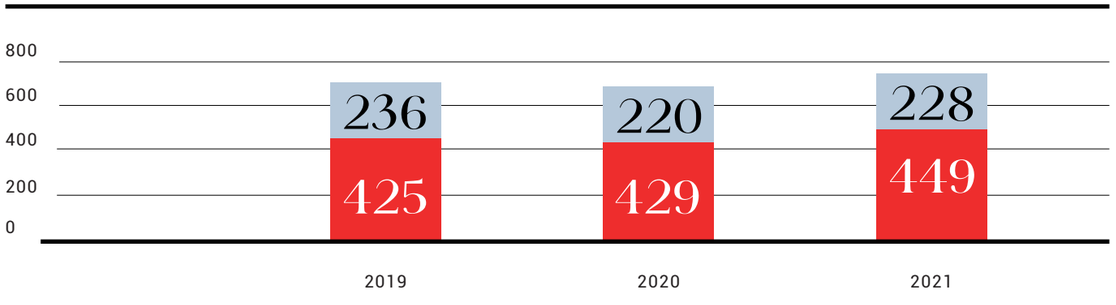
MATERIAL TOPICS	GRI	SDGs	UNGC GOALS
Employment	(103-1) (102-7) (102-8) (102-41) (401-1)	5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 10 REDUCED INEQUALITIES	LABOUR HUMAN RIGHTS

Human resources, with their skills, abilities and passion, are the cornerstone of any successful initiative. For the Tosto Group, people represent the greatest resource, the fundamental element that allows us to face the challenges in an increasingly dynamic and competitive international scenario and to design a sustainable future.

For these reasons, Walter Tosto and Walter Tosto WTB put people at the centre of their organisation, ensuring respect and protection in every Company of the Group.

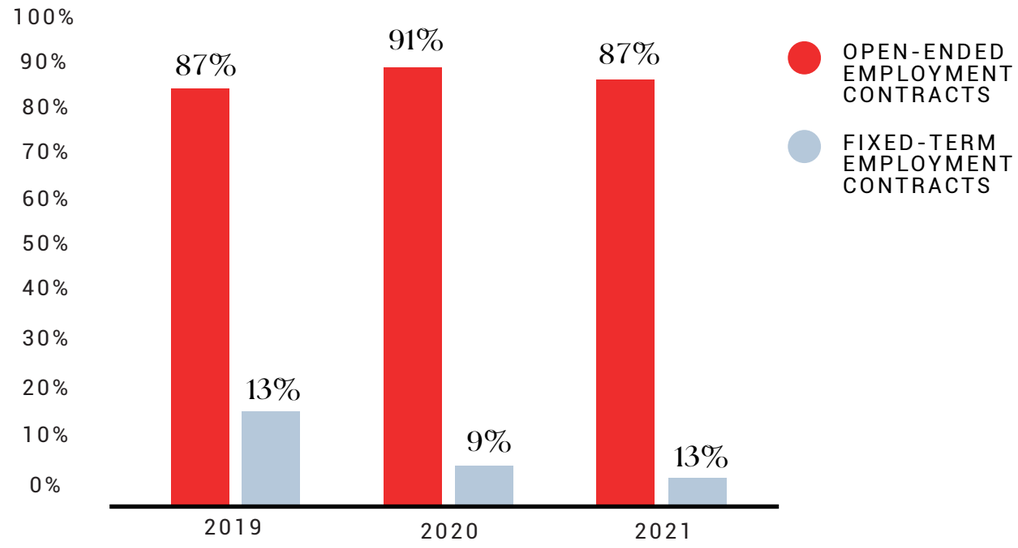
As at **31 December 2021**, Walter Tosto and Walter Tosto WTB's staff numbered ***677***, registering growth compared to the staff of the previous year (+4%).

NUMBER OF EMPLOYEES BY COMPANY

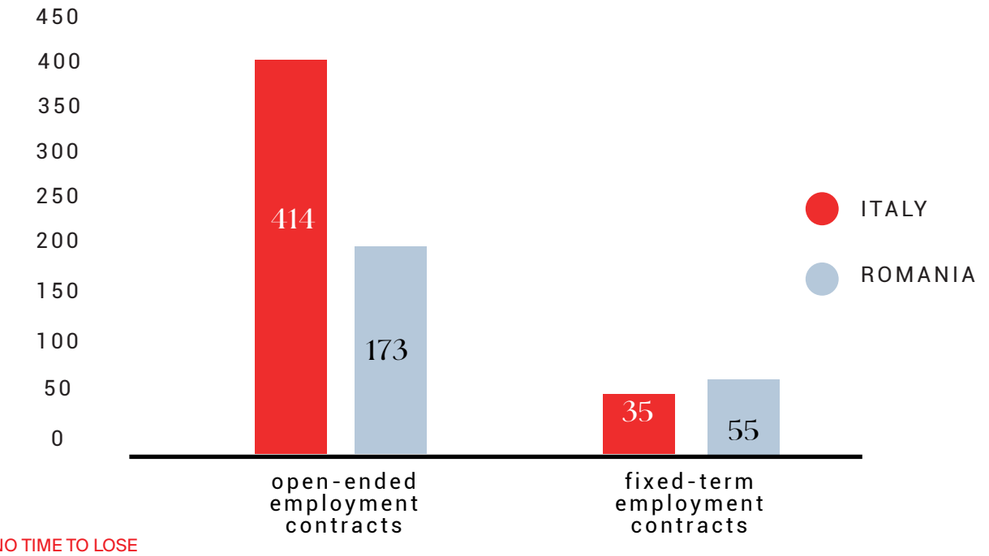


The figures for the three-year reference period show the attention of the companies to the stability of employment contracts (87% of people have an open-ended employment contract). At the end of 2021, 12 part-time employment contracts and 3 coordinated and continuous collaborations were active, while during the year 57 workers with administration contracts were employed (46 in 2020).

PERCENTAGE OF EMPLOYEES BY WORK CONTRACT

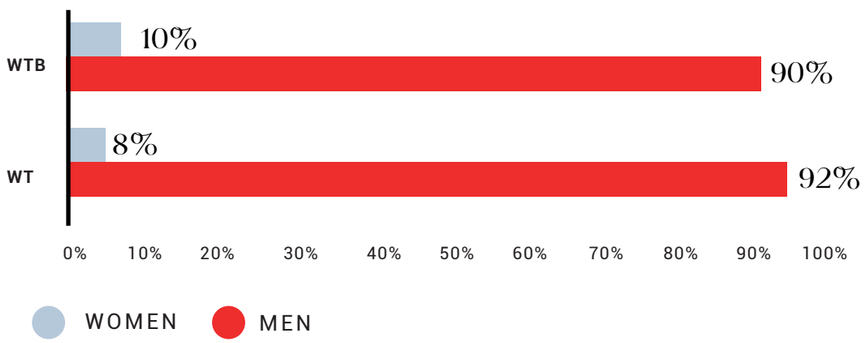


NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT, BY GEOGRAPHICAL AREA - 2021

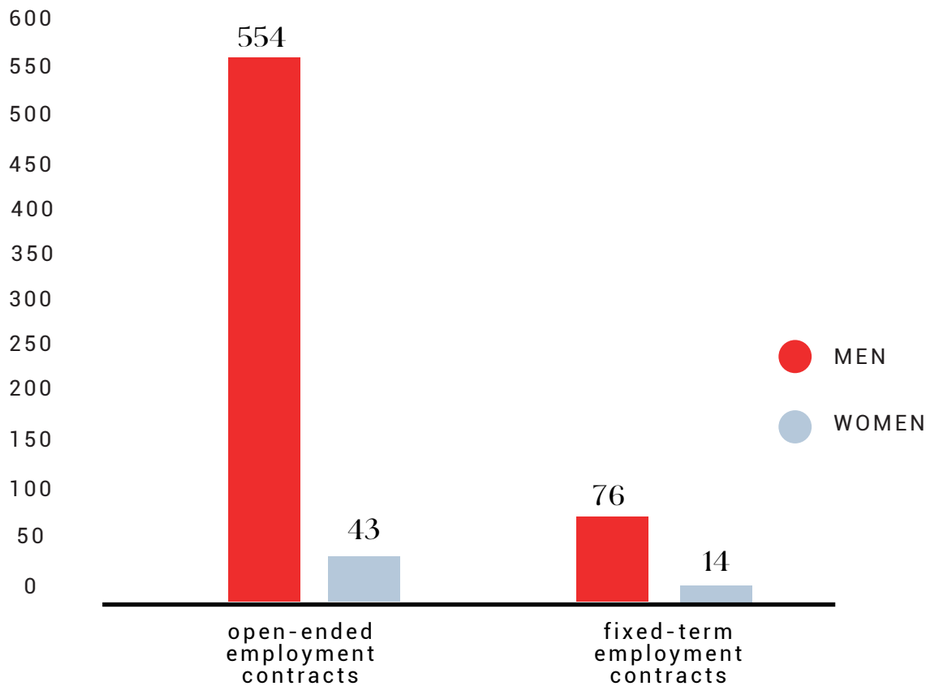


The distribution of the staff by gender indicates a male predominance of employees, typical of the industrial sector in which the companies operate (*for details on the female presence please refer to the in-depth analysis in the section Diversity – Gender diversity*).

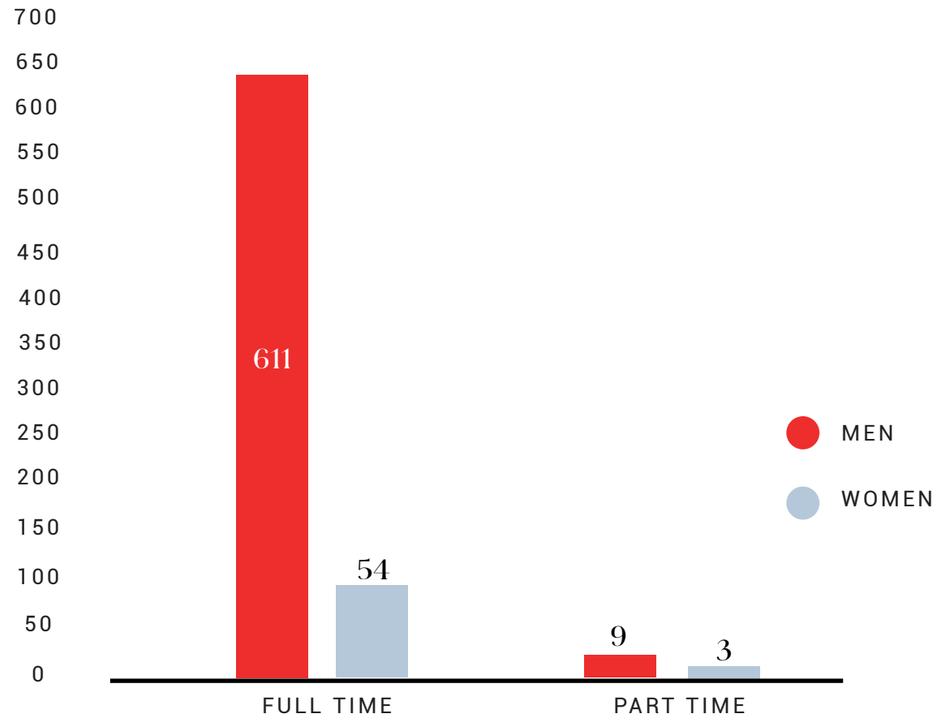
PERCENTAGE OF EMPLOYEES BY GENDER, 2021



NUMBER OF EMPLOYEES BY TYPE OF CONTRACT, BY GENDER - 2021

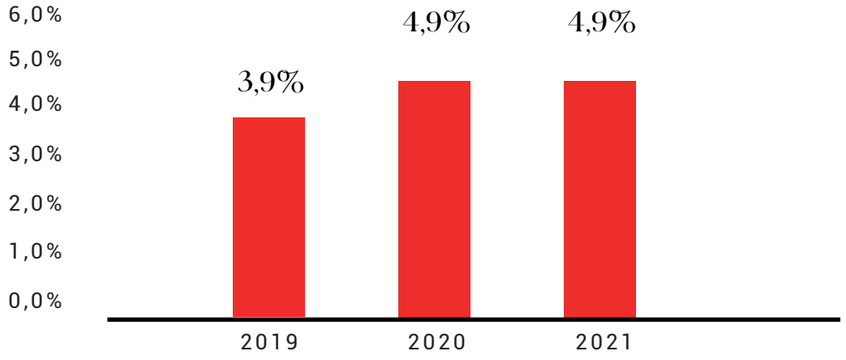


NUMBER OF EMPLOYEES BY TYPE OF EMPLOYMENT, BY GENDER -2021



The absenteeism rate of 2020 and 2021 amounts to 4.9%: the pandemic emergency has increased the rate recorded in 2019 by one percentage point.

ABSENTEEISM RATE (%)



The calculation included hours of absence due to illness, accident, Covid leave, blood donation, Law 104 and paid leave for serious family reasons.

All **Walter Tosto S.p.A.** employees are covered by the National Collective Bargaining Agreement (CCNL) valid throughout the national territory. In the event of significant organisational changes, the indications of the law and the relevant collective bargaining are respected.

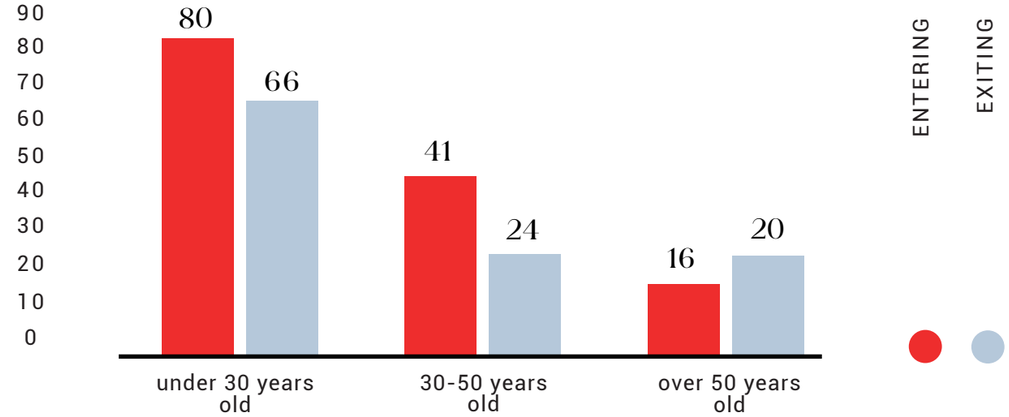
Specifically, the reference company contract is CCNL Industria Metalmeccanica and the installation of plants that is applied to the majority of the company population. At the same time, the following CCNLs are also applied in the company: Executives Industry for executive staff; CCNL Tourism Confcommercio for the staff of the company canteen and CCNL Private schools Federterziario for personnel responsible for the company kindergarten with reference to Walter Tosto S.p.A.

Romania, on the other hand, is part of the 21 Member States of the European Union in which the minimum wage is in force and refers to its Labour Code ("Codul Muncii", Law 53 of 24/01" 2003) which reiterates (art. 10 et seq.) that the hiring of the worker takes place through an individual employment contract (so-called "CIM"), drafted in writing, whose provisions cannot derogate from the provisions of collective bargaining (national, category, and/or company), however, the individual bargaining is much more flexible than the Italian one. Walter Tosto WTB, therefore, adopts the "CIM" whose duration can be both fixed-term (not exceeding 36 months) and indefinite, but the latter solution is imposed by the empire unless otherwise provided.
As for the thirteenth month, the lack of legal provisions that provide for the obligation persists in Romania, however in Walter Tosto WTB, a project is in progress to extend the thirteenth month from 2022 to all employees, as well as numerous other new developments in terms of contracts and corporate welfare.

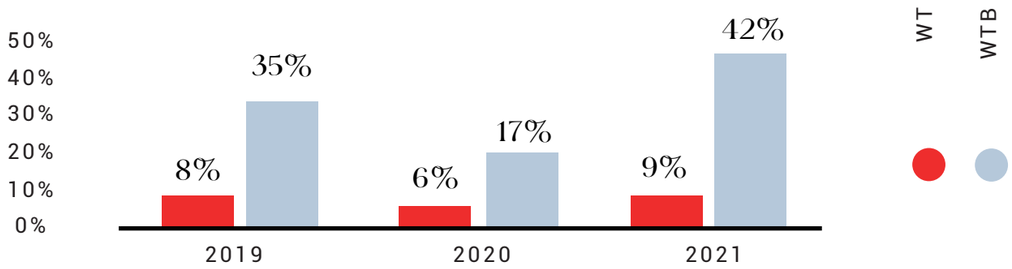
New Employment.

A total of **137 new hires and 110 exits were recorded during 2021.**
The following data refers to the entry and exit of employees only, from and to the outside. Entry and exit rates are calculated by comparing the number of entries and exits of each category to the total number of employees in that category as at 31 December. Entries and exits of employees in 2021 are distributed by age groups as follows:

ENTRIES AND EXITS BY AGE GROUP (NO.) - 2021

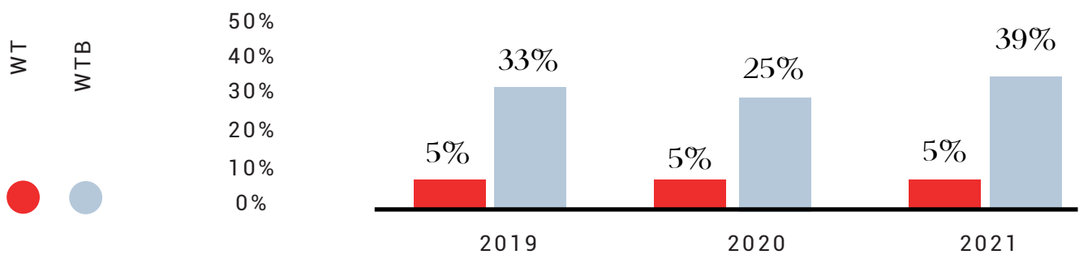


HIRING RATE BY COMPANY



Hiring rate = (entrances/total number of employees at 31/12) x 100

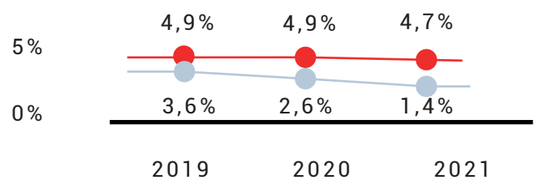
EXIT RATE BY COMPANY (%)



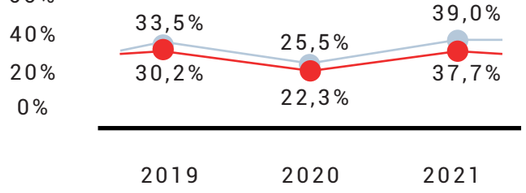
Exit rate = (exits/total number of employees at 31/12) x 100

Of the 110 exits, 87 are due to voluntary causes, 14 to the achievement of pension requirements and the remaining 9 to other reasons, but with distinctions based on the geographical area:

ITALY EXIT RATE (%)



ROMANIA EXIT RATE (%)

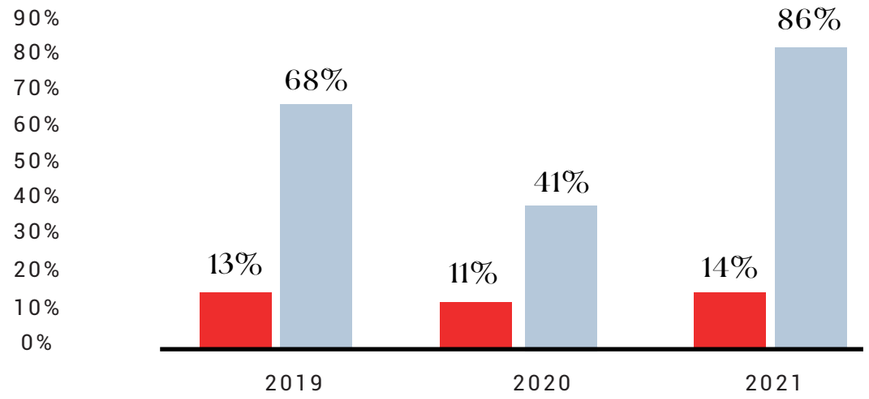




The turnover in Romania reflects the results of a survey conducted in the period between 5-12 January 2021, on a sample of 1,171 internet users from the online recruitment platform eJobs for which one in two Romanians consider the possibility of changing jobs during 2021. "The biggest fear of Romanian employees regarding the professional situation in 2021 is that their income will decrease (28%), while 27% fear that they will be able to take on more responsibilities due to lack of staff", the survey reveals.

This trend is also confirmed by the 43% of respondents to an EY survey who say they are willing to give up their current job in the next 12 months, in a context of rising inflation, a declining labour market and a growing number of jobs that offer flexibility. The study "Reîntoarcerea la muncă. Noile condiții" illustrates how in many countries that are emerging from the COVID-19 pandemic, employees are gaining significant influence over employers and that the desired are changing compared to the past. Based on the age of the respondents, it clearly emerges that millennials and Generation Z are more likely to leave work in 2021 (53%).

EMPLOYEES TURNOVER RATE (%)



Turnover rate = (Entries + Exits) /Average headcount

Employee Retention.

Walter Tosto WTB Srl considers Employee Retention of fundamental importance, or the ability to implement strategies and policies to attract and retain talented employees, keeping them in the workforce for a long time.

Among the various initiatives, a particularly important one is reported because it is able to increase the company's appeal as a desirable workplace for employees and candidates, especially of the Millennials category, who seek a sense of belonging in the realities in which they work. The company, after having paid the utmost attention to the feedback of candidates and collaborators, having listened to their opinions and impressions, acted accordingly to lower turnover levels through a plan presented at the end of 2021 with which to prevent and solve the problems that emerged, and at the same time enhance resources, making them feel an integral part of business processes.

"Suntem ceea ce facem, iar ceea ce facem realizăm împreună", "We are what we do, and what we do we achieve together" is the claim that opens the plan with which a new system of evaluation, remuneration and loyalty of each Romanian employee is implemented from 2022. There are four points on which the plan is based:
1) Uniform remuneration levels across all employees;
2) Automatic annual salary increases to cope with inflation;
3) Loyalty bonus;
4) Monthly bonus for every minor child.

Tosto, an inclusive family.

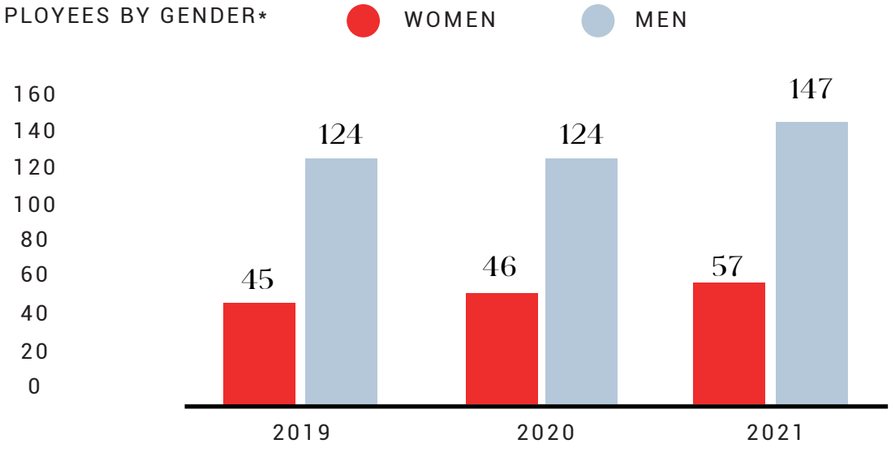
MATERIAL TOPICS	GRI	SDGs	UNGC GOAL
Diversity, equal opportunities, inclusion	(103-1) (401-3) (405-1) (405-2)	5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES	LABOUR

In line with the broad human rights framework outlined in the Global Compact, the Tosto Group recognises diversity as a strategic element for corporate competitiveness and the development of its people. Any form of discrimination based on gender, age, ethnic or national affiliation, skin colour, health status and various physical or mental abilities, marital status, sexual orientation, religious beliefs, political opinions and social origin is rejected. The Tosto Group is committed to developing and maintaining an inclusive work environment, free from all forms of violence or harassment.

Gender diversity.

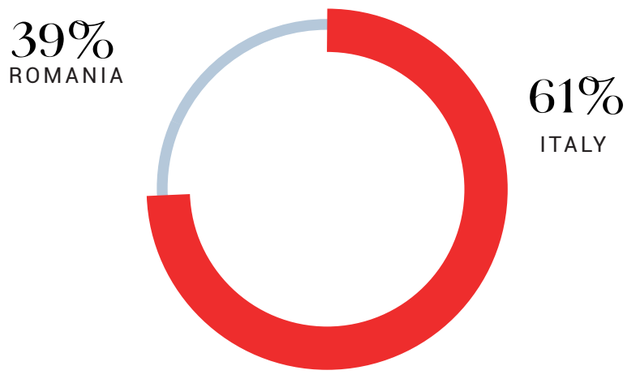
The vast majority of employees are men, as a result of a traditional shortage of female employment in the most operational professions typical of the company's business. For this reason, we analyse the presence of women net of the company population called *blue collars*.
Female presence in 2021 consisted of 57 resources (+24% compared to 2020) equal to 28% of the company staff taken into consideration, slightly increasing compared to 27% in the previous year.
The female population is mainly concentrated in Italy (61% of the total) and benefits from 25% of active part-time contracts.

EMPLOYEES BY GENDER*

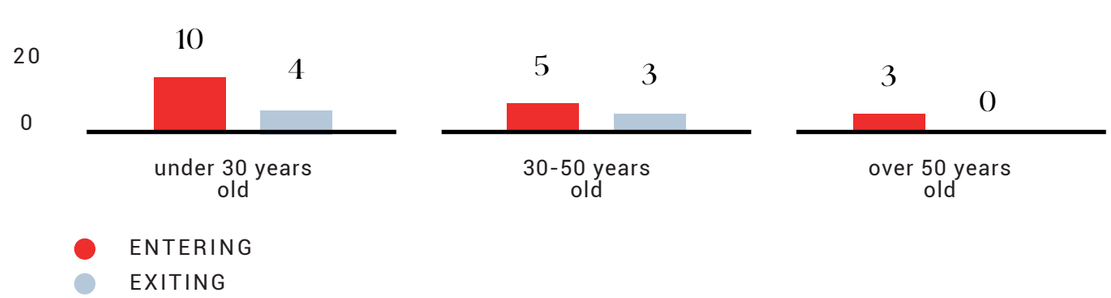


* net of the male blue collar population

WOMEN BY GEOGRAPHICAL AREA - 2021 (%)

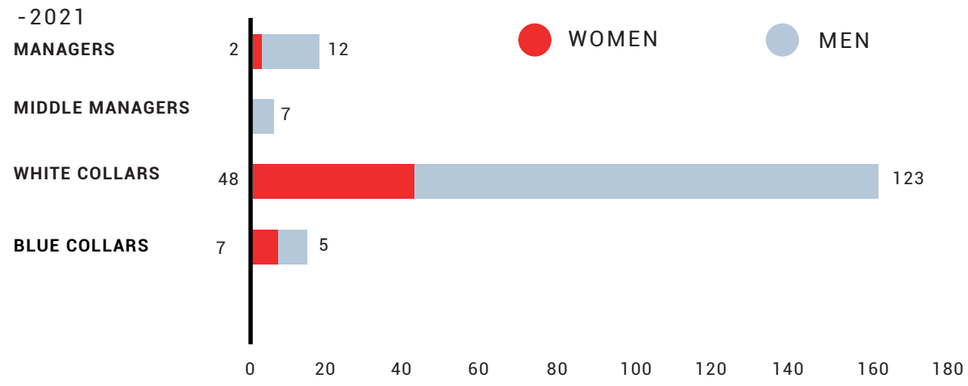


WOMEN HIRED FROM THE MARKET (NO.) - 2021



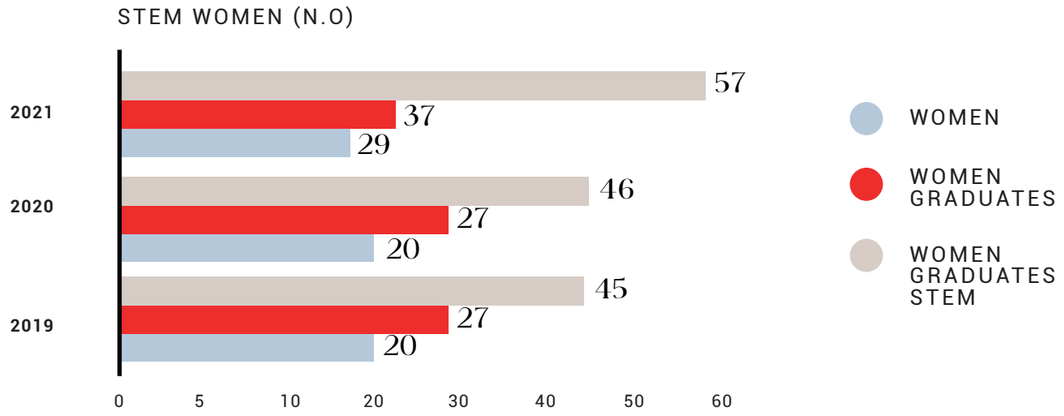
With a 14% share (attributable entirely to the WTB), women are under-represented at the managerial level.

DISTRIBUTION OF EMPLOYEES BY GENDER - 2021 (N.O)



STEM (Science, Technology, Engineering and Mathematics) women

Already at the age of 6, the work aspirations of girls and boys are shaped by gender stereotypes that influence their future choices: the corporate policy for the reduction of the gender gap is aimed at attracting female talent from stem (Science, Technology, Engineering and Mathematics).



The Group also intends to work on guidance by allowing girls leaving upper secondary school to live a concrete experience of the scientific/technological and engineering professions through company visits led by female tutors. Stimulating curiosity towards certain issues and making girls aware of the new job opportunities linked to the 4.0 revolution and the energy transition represent the Group's contribution to increasing female and youth employment.

Parnity leave / Maternity leave

All the companies of the Tosto Group apply the legal regulations dictated by the national laws on the matter. In Italy, all employees who are parents (natural, adoptive or foster) of a child up to 12 years of age are entitled to an additional period of absence from work. Strongly convinced of the interchangeability of roles, those who have taken maternity leave or paternity leave are not discriminated against in any way. In fact, as an integration to the work-life balance, at the headquarters in Chieti it is possible to take advantage of the company kindergarten service useful for reconciling the profession with private life (see paragraph Welfare). As proof of this, the following information is provided on the number of employees and the hours used for the care of children:

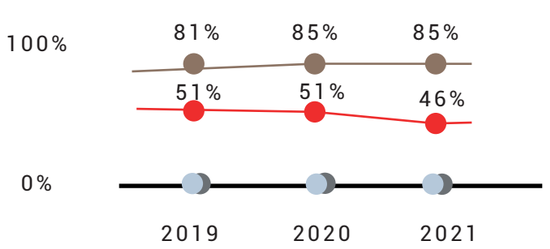
2021	MEN	HOURS	WOMEN	HOURS
MANDATORY PATERNITY LEAVE	19	1.376	-	-
OPTIONAL PATERNITY LEAVE	-	-	-	-
MANDATORY MATERNITY LEAVE	-	-	6	3.472
OPTIONAL MATERNITY LEAVE	-	-	9	3.625
BREASTFEEDING	4	516	2	36

Gender pay gap

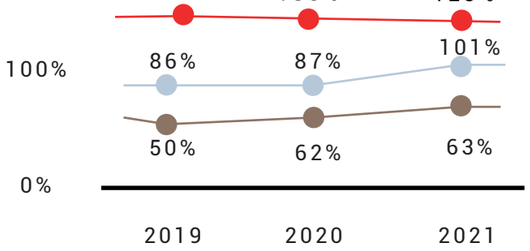
From 2021, Walter Tosto and Walter Tosto WTB carry out an activity of monitoring the index of the so-called gender pay gap, in order to reduce the pay gap between women and men with the ultimate objective of eliminating them, thus encouraging effective gender equality.
On the basis of the data, during the three-year period in question the wage differential among employees and workers in Romania has grown almost identically, while in Italy there has been an improvement in the category of employees, which is representative of the female component (from 79% to 82%).

*calculated on average annaual data

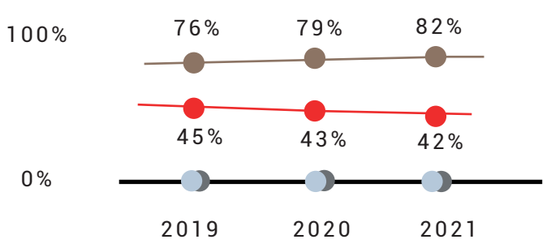
GENDER PAY GAP BY BASE SALARY - ITALY*



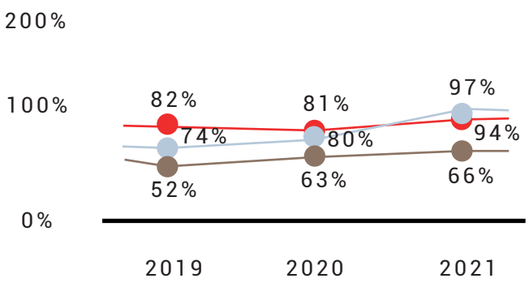
GENDER PAY GAP BY BASE SALARY - ROMANIA*



GENDER PAY GAP BY REMUNERATION - ITALIA*



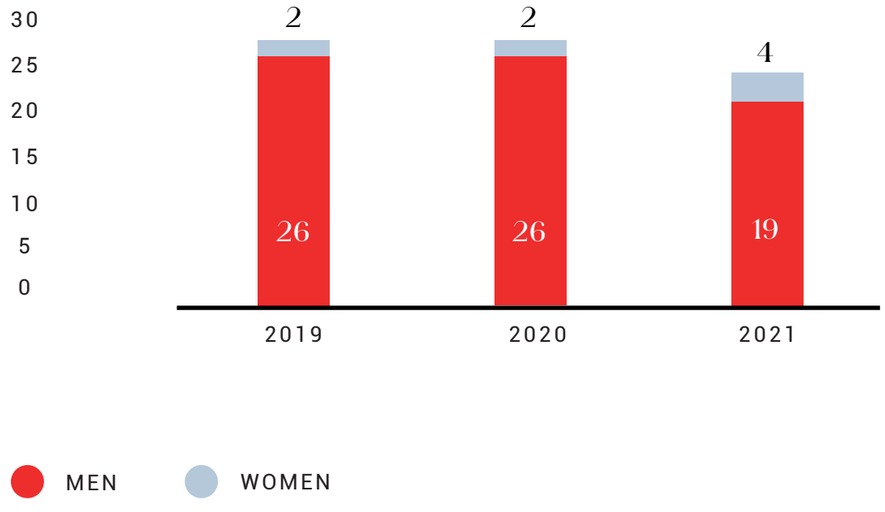
GENDER PAY GAP BY REMUNERATION - ROMANIA*



Disability diversity.

Consistent with the characteristics of the business, the companies of the Tosto Group work constantly to promote the inclusion of people with different skills. As at 31 December 2021, the number of people with disabilities or belonging to protected categories in the Italian company amounted to 23 (5% of the total staff at the Chieti and Ortona offices) distributed in white collar (43%) and blue collar (57%) positions. There is no presence of disabled employees at WTB's offices in Romania.

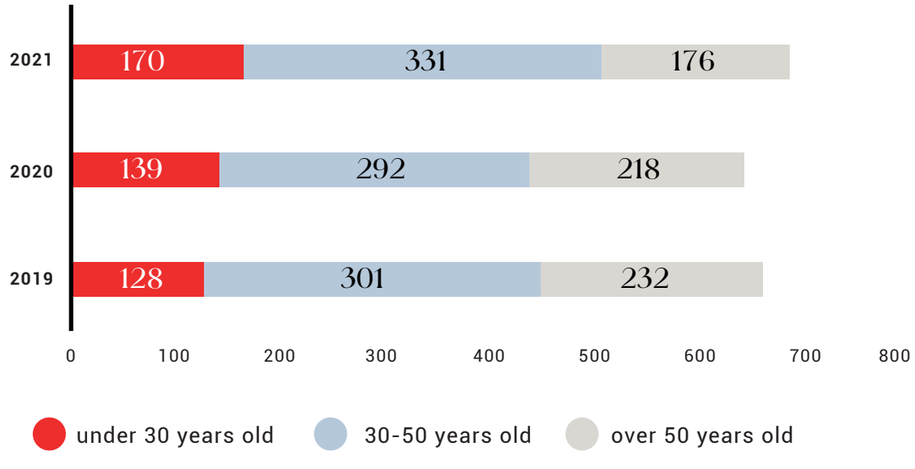
DISABILITY DIVERSITY (NO.)



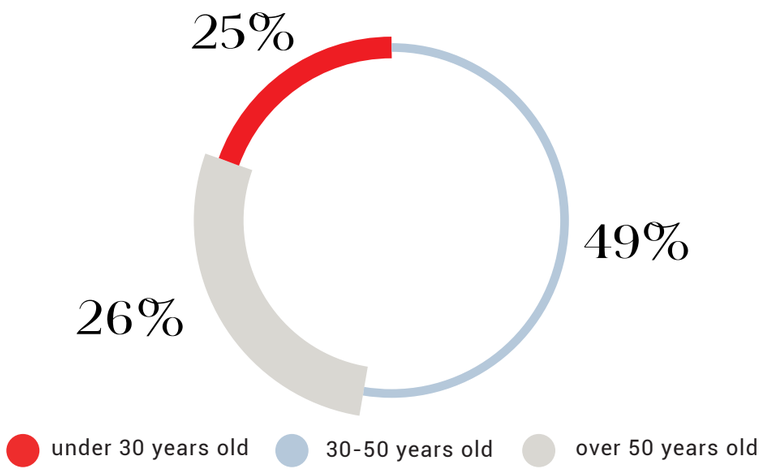
Age diversity.

Walter Tosto and Walter Tosto WTB operate on a global scale, relying on employees in Italy and Romania with a wide range of personal data and geographical origin. The diversification of resources is the bearer of values and opportunities deriving from the different ways of pursuing and achieving the highest levels of performance within a single and broader organisational design of the Group.
The breakdown of staff over the last three years by age group has remained almost stable, with a greater concentration in the intermediate range, between 30 and 50 years (49% of employees in 2021), recording a +9% compared to the previous year.
The average age is 42 years old.
Generational diversity favours the exchange of knowledge and the dissemination of know-how among young people by more experienced workers, able to stand up for example and pass on the skills and abilities learned over time.

EMPLOYEES BY AGE GROUP (NO.)

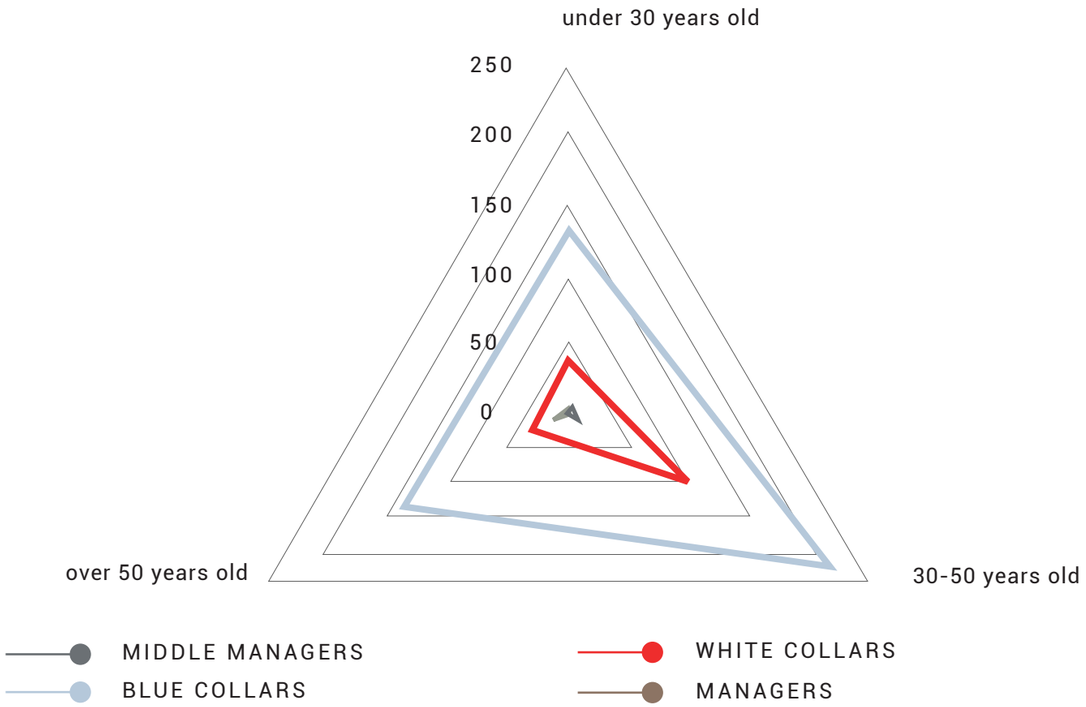


DISTRIBUTION OF EMPLOYEES BY AGE GROUP - 2021 (%)



Company population by professional category and age group as of 31 December 2021:

DISTRIBUTION OF EMPLOYEES BY AGE RANGE AND CATEGORY - 2021

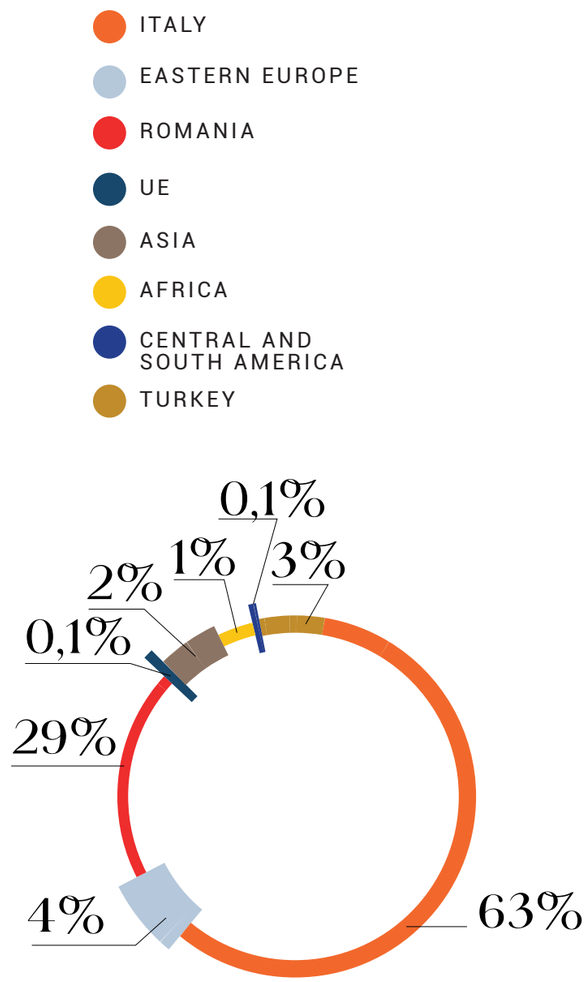


Cultural diversity.

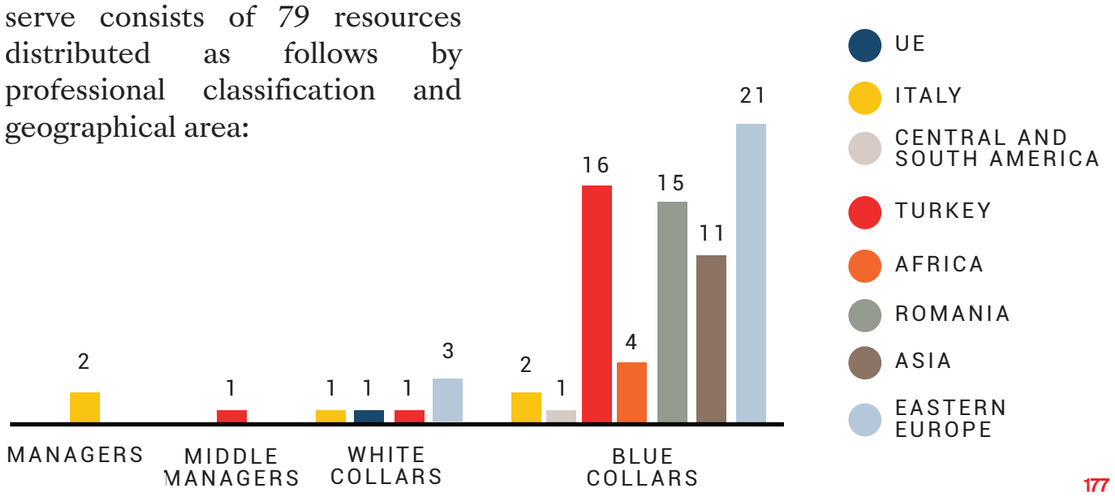
The companies of the Tosto Group operate in a multinational perimeter with a team formed by employees of the countries in which they are present with their operating entities but also welcoming people of different nationalities who express diversity of religion, language and culture. This contamination represents both a challenge and an enormous wealth to be valued and managed consciously to make it both a competitive advantage and a set of shared human values.
The number of nationalities of Walter Tosto and Walter Tosto WTB employees in 2021 is 15 and is distributed as follows:

The employees with a nationality other than the one where they serve consists of 79 resources distributed as follows by professional classification and geographical area:

EMPLOYEES BY GEOGRAPHICAL DIVERSITY - 2021



DISTRIBUTION OF EMPLOYEES BY NATIONALITY - 2021 (NO.)



Together in Safety.

MATERIAL TOPICS	GRI	SDGs	UNGC GOAL
Health and safety	(103-1) (403-1) (403-2) (403-3) (403-4) (403-6) (403-8) (403-9) (403-10)	3 GOOD HEALTH AND WELL-BEING 8 DECENT WORK AND ECONOMIC GROWTH 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	LABOUR

In addition to the primary importance of ensuring productivity, efficiency, and a pleasant and stimulating environment, the companies of the Tosto Group cannot help but consider the culture of safety at the base of the organisation.
Companies invest energy and resources in protecting health and improving safety at the workplace, adopting advanced management practices and systems to safeguard their employees and third parties involved in company activities. The main activities of the HSE "Pillar" can be summarized as follows:

– Analysis of events;
– Identification and assessment of risks;
– Internal audits;
– Technical improvements to machines and the workplace;
– Training and control.

The owner, therefore, believes that the management of health and safety in the workplace does not represent a cost or a mere fulfilment of legal requirements, but an important process for business management, an integral part of the business model.

Occupational health and safety management system

The method of implementation of the HSE Pillar is systemic and takes place through the PDCA logic (Plan, Do, Check, Act).



The organisation of the HSE Pillar is based, like all management systems, on an improvement process that, in order to be efficiently managed, must include the following elements:
– Work Instructions containing the method and instructions for performing the tasks deemed critical
– An Auditing system;
– Standards against which to monitor improvement.
In parallel, the following points must be guaranteed:
– The involvement of all workers: the success of the implementation of the system depends on the achievement of the awareness that responsibilities are collective;

– Communication and training: security also derives from proper management of communication, training and information;
– Skills: personnel must be adequately trained.

The planning of HSE activities is structured as follows:

– Identification of the main hazards;
– Evaluation of the relevant risks
– Identification of actions for improvement;
– Identification of KPIs for the continuous monitoring of activities.

The implementation of the planned activities and the adoption of specific work procedures and instructions will allow:
– the control of the risks of the workstations, with subsequent elimination or reduction of the residual risk;
– the correct management of Process/Product changes and the consequent application of countermeasures;
– the support and dissemination of the culture of Health and Safety, as well as respect for the Environment.

Walter Tosto S.p.A. has also applied the standard of health and safety management in the workplace, pursuant to the ISO 45001 standard: through the adoption of the Standard it is possible to improve communication and increase the trust of its stakeholders in relation to OSH performance, strengthening its reputation and the trust of investors.
The health and safety management system in the workplace implemented and certified in compliance with ISO 45001, is intended for all employees of the company organisation but also for all non-employees who, for example, carry out contracted activities at the company's headquarters.

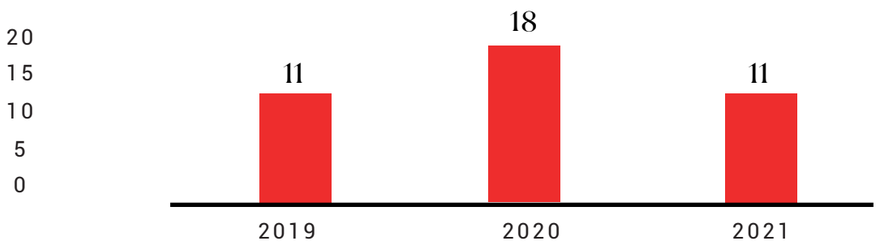
In particular, there are procedures to ensure an adequate level of health and safety also for contractors, in particular by verifying their technical and professional suitability, promoting coordination with respect to the dangers and risks of interference with the various activities as a host company.

Risks at work

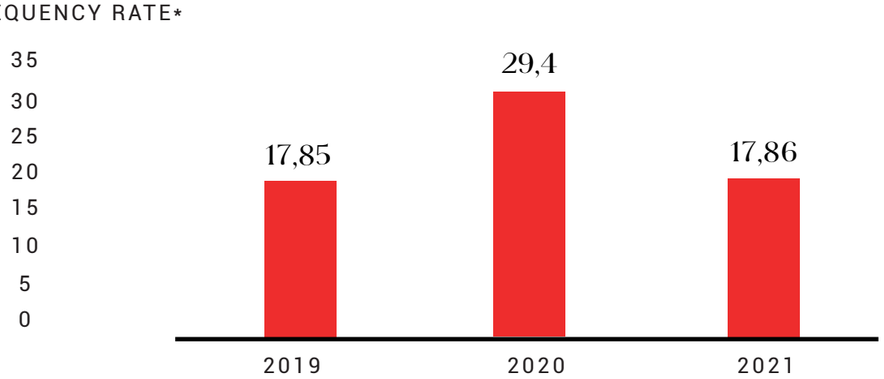
The company processes for the identification of hazards and the assessment of risks to health and safety in the workplaces of the organisation are carried out taking into account the standards of good technique represented according to the UNI standards, the legal requirements relating to the laws and decrees of the Italian state, the company experience in terms of frequency, severity and magnitude of the events that occurred in the last 20 years.
The expert judgement, linked to the hazard identification and risk assessment process, is drawn up by the HSE function involving all the top management.
The organisations have adopted a suitable procedure for the investigation of accidents, injuries and near misses, in order to guarantee a continuous improvement through the reduction at the source of the risk.
In particular, the following prevention and protection measures are adopted:
– PPE relating to residual risks;
– Collective protection measures;
– Replacement of that which is dangerous with that which is not or is less dangerous.
Walter Tosto has also adopted an Organisational Model of Management and Control (MOG) pursuant to Italian Legislative Decree 231/01, which provides for quarterly reviews of safety indicators and continuous monitoring of HSE activities.
A total of 11 accidents occurred during 2021 (18 in 2020): this improvement is due to

the systemic and timely application of the principles listed above, thus demonstrating, once again, that only a "total" approach and a systemic and permeating monitoring of all activities, can allow a truly effective management of the HSE aspects. There have been no accidents related to the workers of external companies operating in the production sites.
It should be noted that there were no fatal accidents in Italy and Romania in 2021, similar to what happened in 2019 and 2020.

WORK-RELATED INJURIES (NO.)

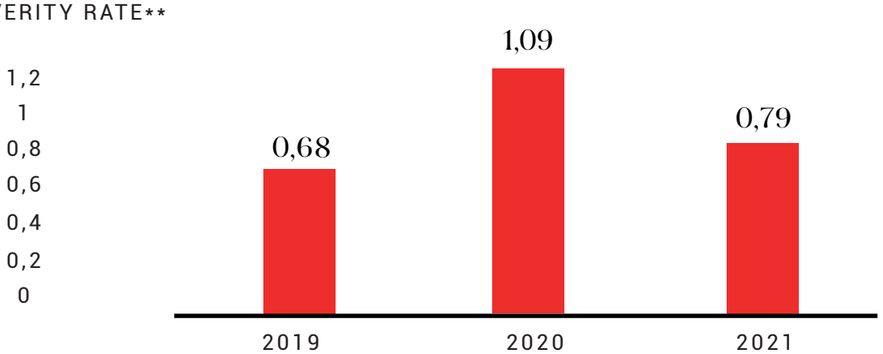


FREQUENCY RATE*



* The Frequency rate is calculated as If = (No. of Injuries x 1,000,000) / Hours < Worked.

SEVERITY RATE**



**The Severity rate is calculated as Ig = (working days lost due to accident/hours worked) x 1,000.

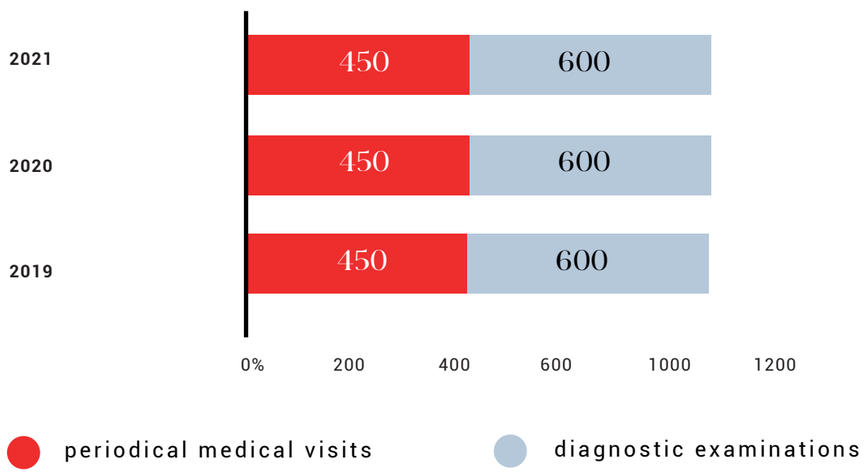
OCCUPATIONAL ILLNESSES	2019		2020		2021	
	reported	recognised	reported	recognised	reported	recognised
	5	1	1	0	1	awaiting outcome

No injuries or complaints of occupational diseases were recorded at the offices in Romania.

Occupational Medicine

The company has a health protocol prepared by the Occupational Physician according to the risk assessment, through which, on an annual basis, all workers are examined.
Inside the infirmary in closed archives, whose opening is allowed only to the occupational health physician, the medical records are kept in respect of the privacy of the individual workers.
The occupational physician, who also has the status of authorised physician, then reports annually on the outcome of health surveillance to the main players of the SMS, namely the Occupational Health and Safety Department, Workers' Health and Safety Representative, Qualified Expert, Acting Deputy.

HEALTH CHECKS (NO.)



Listening and dialogue

The participation and consultation of workers takes place both directly through field discussions at the workshops, with their own references and with the prevention and protection service, and representatively through the designated RLS, during official meetings (COVID-19 committee, periodic meeting art. 35 d. leg. decree 81/08, etc.), with the employer, competent doctor and RSPP.
Even during the performance of health surveillance activities, the occupational health physician is a collector of participation and consultation of individual workers.
The company has adopted a suitable procedure for the management of the process of consultation and participation of workers, in order to improve the safety management system and consequently the levels of health and safety in the workplace.
With regard to the method of participation, please refer to the descriptions of the information above, according to which it is possible to report critical issues or others even in an anonymous form.

Promotion of health

Another important aspect in Walter Tosto and Walter Tosto WTB is represented by the promotion of health: in the Chieti WT2 plant and in that of Bucharest there is a fitness area with gym equipment available to all employees.

Also in 2021, however, the company's attention was focused on responding to the Covid-19 emergency.
The companies have set up a Committee for the application and verification of the rules of the Regulatory Protocol. The main initiatives implemented to prevent the spread of the virus are the following:

- Posting on all company bulletin boards accessible to all, all the information on the behaviours to be adopted to prevent the spread of the Covid-19 virus;
- Posting on all reception entrances and all workshops entrances the information for all workers on the behaviours to be adopted to prevent the spread of the virus;
- Posting on all reception entrances of the rules of conduct to be adopted by external parties and drivers;
- Posting of signs in common areas about the behaviours to be adopted;
- Measures to ensure social distancing;
- Sanification of workstations and common areas;
- Temperature measurement upon entry;
- Use of specific PPE (e.g. distribution of masks and sanitising gels);
- Swabs on the basis of necessity in the local infirmary;
- Encouraging smart working, (welding offices, technical office, sales office, quality office) and also the possibility of using their vacation days, encouraging them;
- Posting of a notice and text message relating to the possibility of communicating to the occupational physician, in a confidential manner, in respect of privacy, by each company employee, of the existence of particular conditions and previous pathologies that may create vulnerabilities against the Covid-19 virus;
- Respect for privacy for the verification





by means of a laser thermometer of the body temperature and possible registration in case of exceeding 37.5°C on all those who enter the company for the first time and on all the resident inspectors on the first day of entry into the company returning from their residences or domiciles.

The Committee then verified what has been achieved with respect to the application of the provisions of the Protocol of 06 April 2021, in relation to the involvement of the Occupational Physicians for the evaluation of situations of particular fragility and the current or previous pathologies of the employees, in order to protect these categories, in full respect of privacy.

During 2021, the Group also carried out free serological tests/swabs for all personnel with a frequency that followed the progress of the virus for a total of approximately 2,750 administrations.

Human resources development.

MATERIAL TOPICS	GRI	SDGs	UNGC GOALS
Training and development	(103-1) (403-5) (404-1) (404-3)	4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES 17 PARTNERSHIPS FOR THE GOALS	LABOUR HUMAN RIGHTS

Investment in training and resource development to cultivate skills and know-how is of strategic importance, creating an organisation that grows at all levels through its achievements.

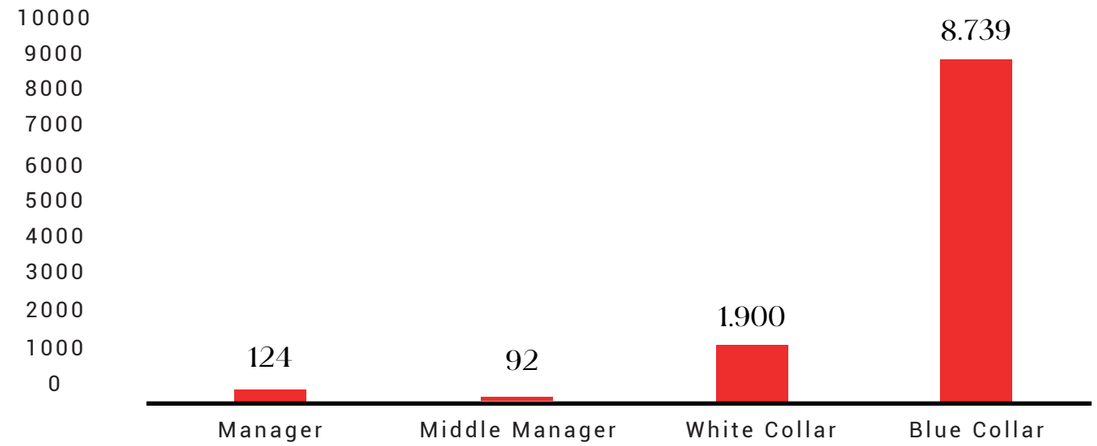
Investment in human resources, unlike that in machinery, has a theoretically unlimited response potential. Therefore, investing in training can generate a very high return on productivity.

For Walter Tosto and Walter Tosto WTB it is essential to enhance human resources through meritocracy for the purposes of staff evaluation.

Training.

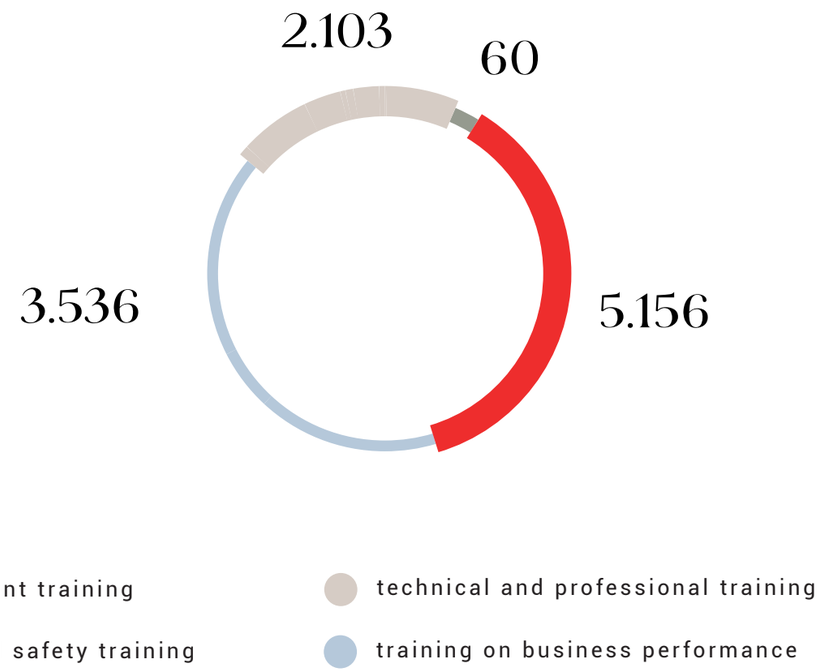
In 2021, 10,855 training hours were provided (5,693 in Italy and 5,162 in Romania), recording a total of +72% compared to the previous year. On average, 16 hours were provided per employee (on average about 16.6 hours of training for men and 10.1 hours for women). The category that benefited most from training activities was that of blue collars (on average 18 hours of training for each employee).

HOURS OF TRAINING BY PROFESSIONAL CATEGORY - 2021



The 2021 training plans were less drastically affected by the constraints imposed by the COVID-19 emergency: the activities of the Health and Safety courses also had a positive impact on the accidents recorded during the year (*See Together in safety*).

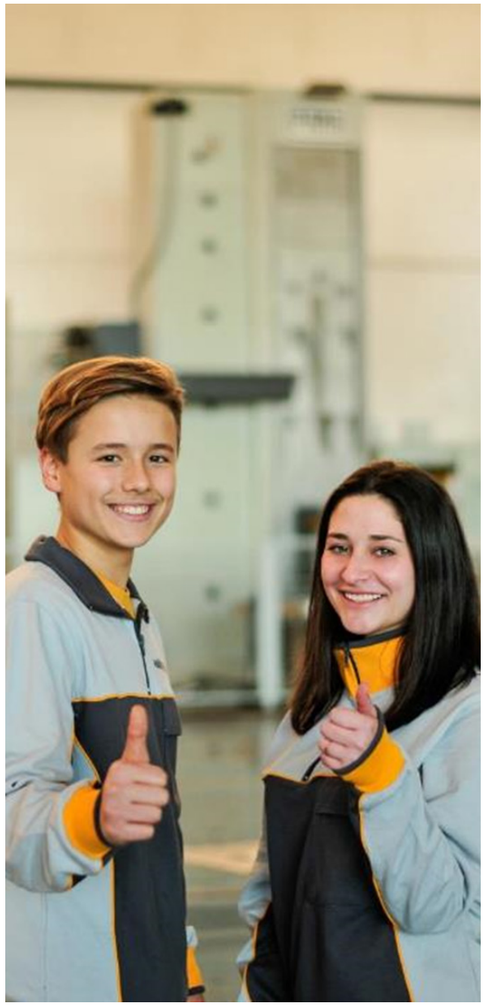
HOURS OF TRAINING BY AREAS OF INTERVENTION - 2021



Training for young people

The most difficult profiles to find are those of skilled workers and, due to the strong misalignment between demand and supply, the Group has decided to integrate the territorial educational offer through the promotion of educational and training programs aimed at the development of young people and the local socio-economic fabric.

Alternanza scuola-lavoro



Walter Tosto S.p.A. for years has been welcoming students from technical, professional and high schools in their third, fourth and fifth school years who request it, from the territories of Chieti and Pescara, for the performance of work-related learning activities. Students are supported by experienced technicians in the various functional areas in the training courses that can continue for up to 400 hours.
In this context, Walter Tosto has also activated, since 2017, in collaboration with the **Istituto di Istruzione Superiore "Luigi di Savoia",** Chieti, a "curved" training course with specific theoretical and practical teachings of the boilermaking industry. The programme involves the third, fourth, and fifth grades of Mechanics, Mechatronics and Energy. Students who participate in the Caldareria course carry out 6 hours of training per week (classroom lessons + internship) at the headquarters of the Walter Tosto S.p.A. company followed by company tutors. In 2021, the company opened its doors to 57 students, two of whom were women.

Welding school

The welding process is at the heart of Walter Tosto's production activities. The ever-increasing number of orders made to the company has made it necessary to schedule professional courses to train operators specialised in welding.
In this regard, since 2000, Walter Tosto S.p.A. has organised an annual professional training course for welders lasting 220 hours, divided between practical training (100 hours) and classroom lessons (120 hours).
The course, aimed at inclusion in the company, has also been replicated in Walter Tosto WTB Srl and is aimed at young people between 18 and 26 years of age who have completed compulsory schooling.
Every year, about 80% of the participants successfully complete the course, while 50% are integrated into the company workforce. In 2021, a total of 20 young people participated.

Master

The Group has a long tradition and a vocation for training to respond to the demand of highly qualified professional sector companies that have the skills to enter specialist areas.
- 2010: Walter Tosto SpA in collaboration with the University of Studies in L'Aquila and with the support of the Italian Institute of Welding has organised the Master's Degree in Pressure Process Equipment: Design & Manufacturing designed to respond to the demand of highly qualified professional figures. Approximately 20 students joined, all newly graduated in engineering and motivated to achieve the diploma of Master's Degree.
- 2013: Walter Tosto S.p.A. has organised the Master's Degree in "Junior Sales Area Managers" for a duration of six months. Six young graduates were selected to be trained as future Sales Managers, to be included in the company staff. The participants were initially trained also in the areas of Quality, Design, Technical Office and Welding.
In 2021 Walter Tosto S.p.A. hired four young engineers trained in the specialised master "Critical process equipment expert" organised by the sister company Belleli Energy CPE in collaboration with the University of Studies of Modena and Reggio Emilia and the UniverMantova Foundation.

Internship

Internship and support to students for degree theses, to promote the osmosis between corporate and university know-how through the stipulation or renewal of agreements with the target universities.

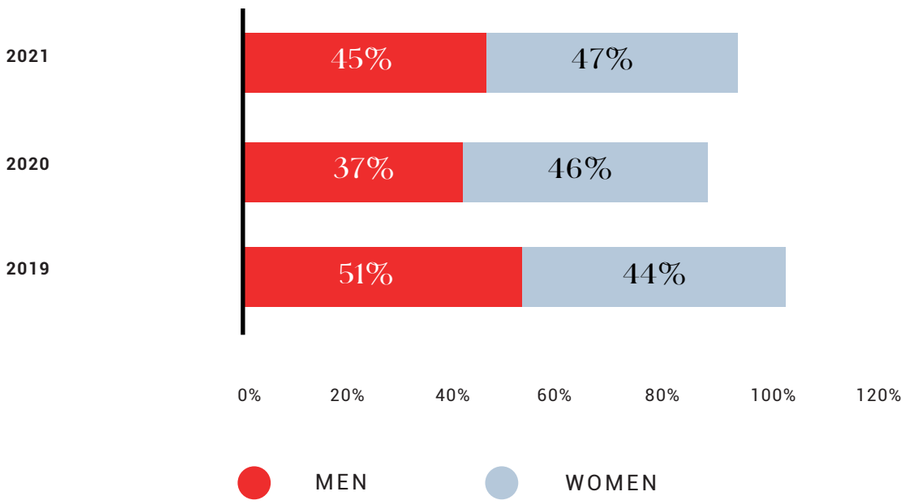
Employees evaluation and development.

In the Tosto Group, merit is the basis for management and rewarding actions both in terms of professional development and career opportunities.

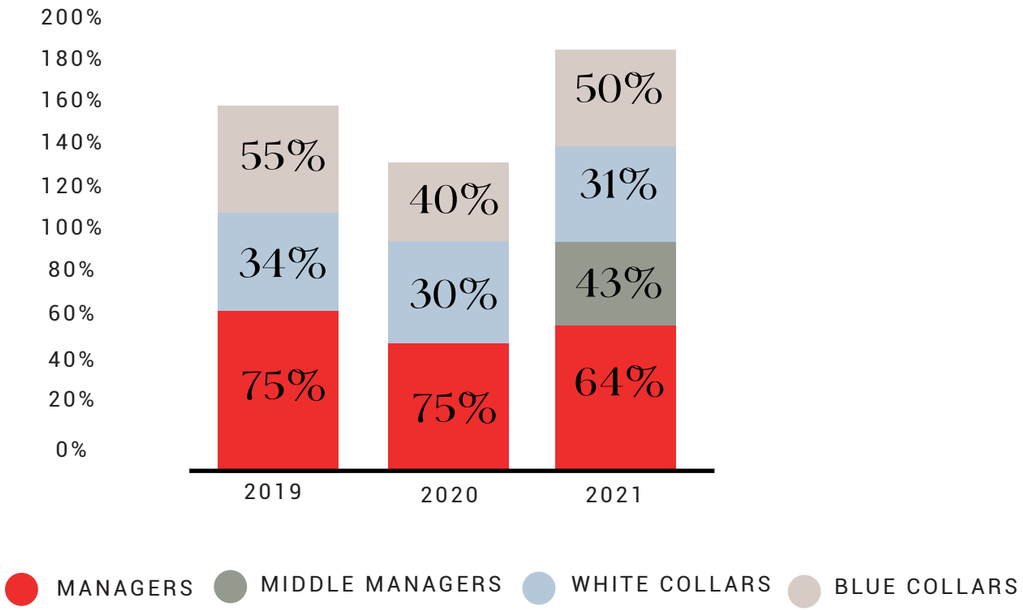
In this regard, the remuneration systems are periodically updated based on the recognition of the results achieved, the quality of the professional contribution provided and the development potential of the person.

During 2021, a total of over 300 people were evaluated, equal to 45% of employees and involved managers, executives, employees and workers.

PERCENTAGE OF EMPLOYEES EVALUATED BY GENDER



PERCENTAGE OF EMPLOYEES EVALUATED BY PROFESSIONAL CATEGORY



Welfare.

MATERIAL TOPICS	GRI	SDGs	UNGC GOALS
Welfare	(103-1) (401-2) (401-3)	3 GOOD HEALTH AND WELL-BEING 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES	LABOUR HUMAN RIGHTS

The attention to the well-being, health and quality of life of its employees is a decisive factor for Walter Tosto and Walter Tosto WTB, because it reflects the productivity and growth of the business.
The awareness that the company cares about the psychophysical well-being of its employees helps to motivate them and make them feel more appreciated, with a significant decrease in stress levels and a decidedly more collaborative business climate. In this

virtuous circle, the achievement of objectives is easier, generating further recognition.
Not least, the company that implements welfare policies has a greater ability to attract and retain talents: the reduction of turnover, in fact, has as a direct consequence the containment of costs for training and the inclusion of new hires. By virtue of the attention to health and well-being, there is also a decrease in absenteeism.

A series of welfare initiatives are promoted and implemented that aim to create and disseminate well-being, to improve the quality of life of employees and their families through benefits and awards of various kinds.

Welfare initiatives envisaged by the new National Collective Bargaining Agreement for the Metalworking Industry for the year 2021

The employees of Walter Tosto S.p.A. are called every year to express their preference about how to receive the amount of € 200.00 between gas vouchers, shopping centre/ discount vouchers, or destination of the amount to the Comet supplementary pension fund.

Company kindergarten

Company kindergarten are a form of attention by the manager to employees, as they improve the quality of life of workers and their families.
To meet the needs of employees, since 2019 Walter Tosto S.p.A. made available to them a nursery within their facility in Chieti, which covers, throughout the year, the hours of the entire working day.



Supplementary pension fund

Supplementary pension funds also contributed by the company, as per the National Collective Bargaining Agreement.

Company canteen

The Tosto Group offers in its own Walter Tosto S.p.A. companies (Chieti and Ortona) and Walter Tosto WTB Srl in Bucharest and Oltenita, a quality catering service for all employees who request it.

Housing for employees on free loan

Companies are willing to grant the use of guesthouses to employees whose place of

residence is significantly distant from the company headquarters: these homes are equipped with all the services, adjacent to the production plants.

Vittoria Assicurazioni Agreement

Walter Tosto S.p.A. has entered into an agreement with the company Vittoria Assicurazioni S.p.A. - Ag. Pescara Centro to offer a reduced rate on insurance products for all employees and their cohabiting family members.

Supply chain.

MATERIAL TOPICS	GRI	SDGs	UNGC GOALS
Supply Chain	(103-1) (102-9) (102-7) (102-10) (204-1)	1 NO POVERTY 8 DECENT WORK AND ECONOMIC GROWTH 13 CLIMATE ACTION 17 PARTNERSHIPS FOR THE GOALS	LABOUR HUMAN RIGHTS ANTI-CORRUPTION ENVIRONMENT

The Walter Tosto and Walter Tosto WTB supply chain consists of over 1,400 companies that contribute to the competitiveness of the business on a daily basis, ensuring compliance with the quality and security requirements of supplies and actively collaborating in contract management and open innovation processes, with the sharing of knowledge, skills and technologies.

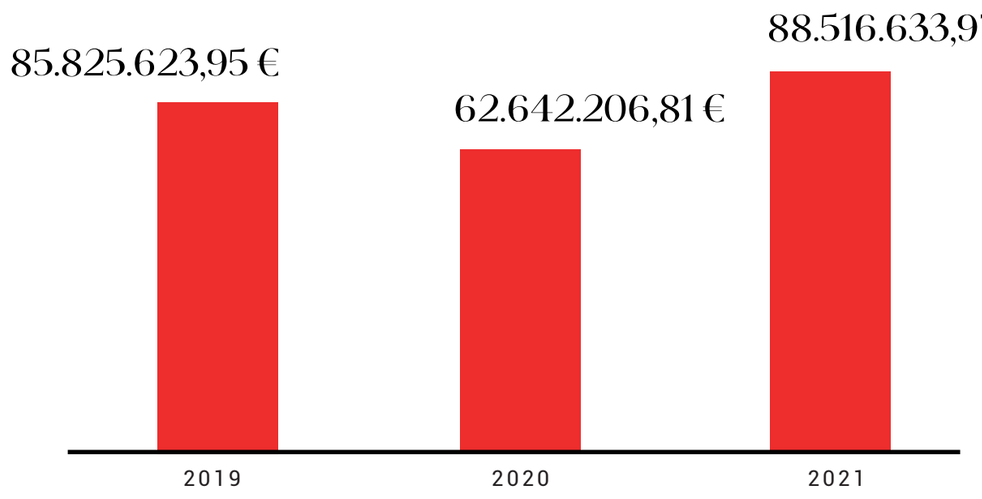
88.516.633,97 €
TOTAL VALUE OF PURCHASES OF GOODS AND SERVICES

71%
IMPACT OF THE VALUE OF PURCHASES ON REVENUES

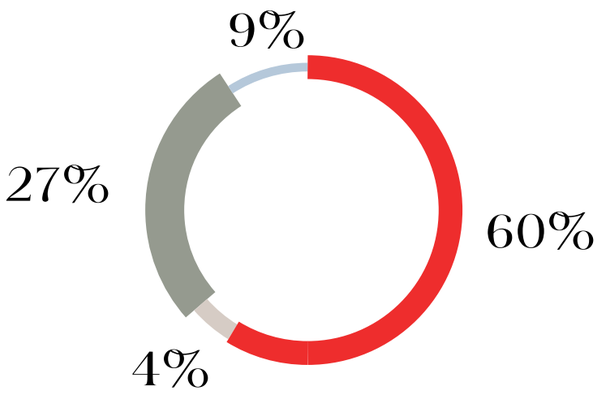
43.606.545,20 €
PURCHASES RELATED TO DOMESTIC MARKETS

The total value of the purchases of Walter Tosto and Walter Tosto WTB amounts to €88,516,633.97, up 41% compared to 2020. 49% of the proceeds come from the respective domestic markets in Italy and Romania, recording a growth of 30% compared to the previous year.

PROCUREMENT



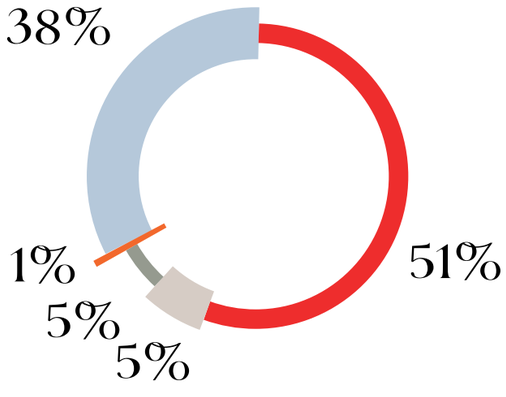
The supplies are qualified in 4 different product categories: raw materials (60%), services (27%), consumables (4%) and assets (9%).



PROCUREMENT BY PRODUCT TYPE - 2021

- RAW MATERIALS
- ASSETS
- SERVICE
- CONSUMABLES

In the main product category, that of raw materials, steel (sheets, forgings, pipes, profiles, etc.) was the most used material.
Companies are very careful to carry out controls on the areas of origin of certain materials such as those called “Conflict Minerals” (gold, tantalum, tin and tungsten) with the intention of promoting the humanitarian objective of ending the conflicts in some areas of the world partially financed by the trade in these materials. As a result, tools such as tungsten alloy tips for gouging machining are sporadically purchased.
The following graph shows the percentage of suppliers by geographic area.



PROCUREMENT BY GEOGRAPHIC AREA -2021

- ROMANIA
- ASIA
- REST OF THE WORLD
- EUROPE
- ITALY

The total values relating to purchases in the domestic market describe the interconnection between the Companies and the economic fabric in which they operate: in 2021 Walter Tosto S.p.A. made purchases in Italy equal to 59% of the total supply according to a *local for local* supply logic. The WTB instead turned to the domestic market for a value equal to 18%.

REGION	VALUE € 2021	%
LOMBARDIA	23.432.058	59,17%
FRIULI VENEZIA GIULIA	783.376	1,98%
VENETO	1.133.781	2,86%
PIEMONTE	1.596.165	4,03%
EMILIA ROMAGNA	1.512.603	3,82%
MARCHE	451.981	1,14%
LIGURIA	2.262.210	5,71%
ABRUZZO	6.019.248	15,20%
LAZIO	1.304.749	3,29%
PUGLIA	462.127	1,17%
OTHERS *	642.189	1,62%
TOTAL	39.600.488,61 €	100,00%

Selection and management of suppliers

Given the importance both in terms of quality and safety of the products manufactured, Walter Tosto S.p.A. has implemented a company procedure aimed at selecting and evaluating its suppliers of strategic materials and services (Supply Chain Analysis and Management).
Strategic materials and services are defined as all those that have a fundamental influence on compliance with the quality, safety and contractual requirements of the final product, and those that represent a significant factor, in terms of cost, in the company's general economy.
Specifically, Walter Tosto and Walter Tosto WTB rely on the most well-known, respected and internationally recognised suppliers, which have a solid and lasting quality system based on ISO9001 and periodically evaluated by Third Parties that certify their continuous compliance with the requirements.

When it is not possible to rely on suppliers whose seriousness has already been assessed, qualification audits are organised (using qualified internal staff or external bodies), prior to the issuing of any order, to ascertain the supplier's technical validity and seriousness with regard to both quality and safety in the workplace. Only after the satisfactory outcome of these audits can the supplier be included in the Approved Vendor List and be considered for the provision of strategic materials or services.
Furthermore, the Purchasing function checks for the possible presence of names or company names of potential suppliers on the black lists published on the website of the Bank of Italy (UN Lists, EU Lists, OFAC Lists, etc.) and the Internal Revenue Service with a view to preventing the involvement of companies in potential incidents of receiving stolen goods, money laundering and terrorist financing.
Finally, a further aspect that needs to be investigated is the economic and financial soundness of the supplier. This analysis is very important because it allows to identify anomalies that can cause inefficiencies in the management of relations with suppliers.
The table below shows the main critical success factors with the related indicators that can be used to analyse this dimension in detail.

EXPANDED VALUE CHAIN →	SUPPLIER DIMENSION
FCS	**KPI**
PHYSICAL-TECHNICAL QUALITY	NO.OF DEFECTIVE PIECES/TOTAL PIECES DELIVERED DEFECT RATE PERIOD/DEFECT RATE OF PREVIOUS YEAR NO. OF REWORK
QUALITY OF SERVICE	NO. OF ON-TIME DELIVERIES/TOTAL PERIOD DELIVERIES AVERAGE ORDER FULFILMENT TIME NO. OF DELIVERIES COMPLIANT WITH THE ORDER/TOTAL DELIVERIES PERIOD NO. OF REORDERS
COST OF THE PROCUREMENT PROCESS	SUPPLIER HANDLING COSTS/PURCHASED VALUE NO. OF REMINDERS TO THE SUPPLIER

Walter Tosto and Walter Tosto WTB's goal is to become an example and an important reference point throughout the value chain by promoting and encouraging suppliers to engage in actions that go beyond the requirements of efficiency and quality, in order to bring an advantage to the environment and society.

Local content

NIn recent years, local content requirements have been introduced by developing countries within their regulatory systems. Local content

refers to the added value brought to a nation, region or locality through the empowerment and training of the workforce and investments in the development of local suppliers.
The time and work invested in the development of local content strategies create social and commercial benefits that promote economic growth and contribute to sustainable development.

Walter Tosto S.p.A. has developed a strategy to support its customers aimed at a real transfer of know-how with the aim of training and growing the technical skills of customers/ partners. To this end, several training sessions were organised at the offices in Italy and Romania hosting delegations of technicians/ operators of the partners who were given the opportunity of on-the-job training, sharing with the company technicians all the various phases of the production process.
One of the best examples of this strategy is the signing of a mutual cooperation agreement with the company Petrojet, EPC contractor leader in Egypt, North Africa and the Middle East.

The purpose of this collaboration is to support Petrojet in a technological upgrading process aimed at the creation of pressure equipment and heat exchangers at their workshops. This process will initially envisage a phase of training of qualified Egyptian personnel at Walter Tosto S.p.A. workshops with the aim of transferring skills and company know-how to the various areas of competence such as Engineering, Production, Quality, Project Management and subsequently a support of our specialised technicians at their workshops in Egypt. The objective is to allow Petrojet and Walter Tosto S.p.A. to create critical components for the Oil & Gas industry in Egypt, complying with increasingly strategic local content requirements for End Customers.

The contract was signed by the CEOs of the respective companies, Luca Tosto – Walter Tosto S.p.A. and Waleed Lotfy Mostafa – Petrojet, as part of the Egypt Petroleum Show 2019 (EGYPS), the most important international fair in North Africa and the Middle East dedicated to the Oil & Gas and Petrochemical industry.

Luca Tosto said: “I am sure that the collaboration with Petrojet will be fruitful for both companies, as it will allow Walter Tosto to facilitate its entry into Egyptian territory, a market with high growth potential for refining and petrochemicals, and Petrojet to make use of the great experience of an international partner.”

“

I have what
I have given

”

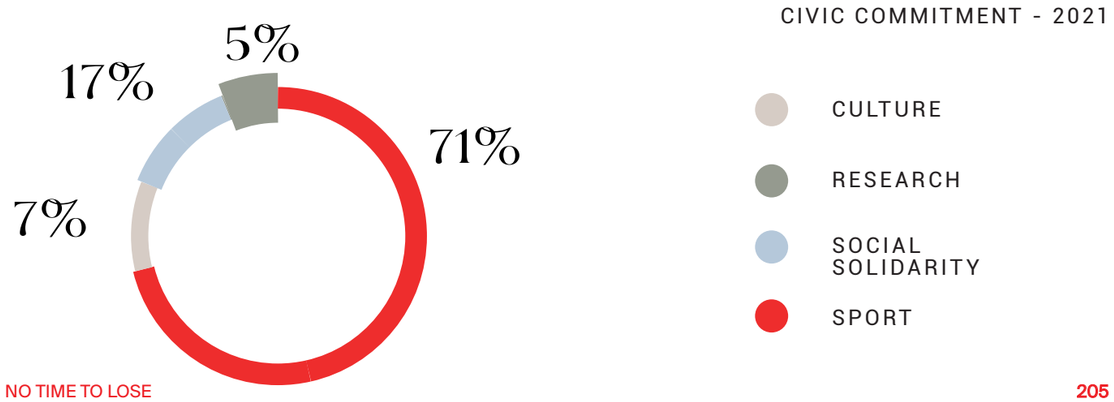
Gabriele d'Annunzio

Commitment to Sport, Culture and Social Affairs.

MATERIAL TOPICS	GRI	SDGs	UNGC GOAL
Civic commitment	(103.1) (102-7) (102-13) (201-1)	2 ZERO HUNGER 11 SUSTAINABLE CITIES AND COMMUNITIES 17 PARTNERSHIPS FOR THE GOALS	HUMAN RIGHTS

The strong bond with the territory plays a key role in the success of the Tosto Group.
This success is shared with people, initiatives, projects and associations close to the corporate sensibilities thanks to charitable donations and sponsorship activities aimed at the enhancement and promotion of the territory of Abruzzo and Romania. The total value, equal to approximately €186 thousand, exceeds that recorded in 2020 (+73%).

TOTAL VALUE OF DONATIONS AND SPONSORSHIPS 2021 - COMPOSITION FOR A PURPOSE	185.952 €
SPORT	131.898 €
CULTURE	14.054,55 €
SOCIAL SOLIDARITY	31.000 €
RESEARCH	9.000,04 €



2021 was characterised by a drive towards the support of sport as a tool for inclusion, growth and emancipation of its territory.
Below are the main initiatives developed during 2021:

Sport

Chieti Calcio

Walter Tosto S.p.A. is once again the Main Sponsor of the Chieti F.C. club 1922 for the 2020/21 sports season.
“We are very pleased to provide our support to Chieti football – explains CEO Luca Tosto – a team with which we have several points in common: the importance of being a team, the ambition to aim for excellent results, healthy competition, the awareness that success must be achieved every day, working with dignity and commitment”.

“The combination of CHIETI F.C. 1922 and WALTER TOSTO S.p.A. honours us and revives the image of our company that this year wants to win and return to be a protagonist in the future, my hope is that other Teatini entrepreneurs will also marry the Chieti project and lend a hand to our President, who is making enormous efforts to bring football back to the city of Chieti. I thank CEO Luca Tosto for linking the name of his company, which will stand out on the jersey this season and which will undoubtedly be a winning combination”.



Fotbal club fcsb s.a.

Walter Tosto WTB S.r.l. in 2021 provided its support, as main sponsor, to the Company FOTBAL CLUB FCSB S.A. - better known in the past by the name Steaua Bucharest. The property has chosen to promote one of the most qualified teams in the country, the custodian of an illustrious sports tradition, of which it shares values and projects. In addition to sporting events, it is also planned to carry out socio-cultural activities in favour of the territory.



Promotion of culture and territory

La festa della rivoluzione

In 2021 Walter Tosto S.p.A. renewed, after the first edition in 2019, its sponsorship for the third edition of the cultural event “La Festa della Rivoluzione” which took place in Pescara, in September, to celebrate Gabriele d ‘Annunzio. This donation highlights the link that the Tosto family has with the city of

Pescara, where the company established its roots in 1960, as well as the interest in cultural events that have the purpose of promoting and enhancing the territory of the Abruzzo region.



Christmas in Chieti

A dense program of events that accompany the holidays from December 8 to January 9.



Dall'8 dicembre al 9 gennaio

QUALE CITTÁ Identity, size, beauty and citizenship rights

23 July 2021 - A day dedicated to imagining and reasoning on the vocation, functions and destiny of cities, Also conceived as a first response to the new needs raised during the pandemic that has completely revolutionized the way of life and the expectations of citizens. During the event, the conceptual and design coordinates for the elaboration of a Pescara Charter on the City were established.



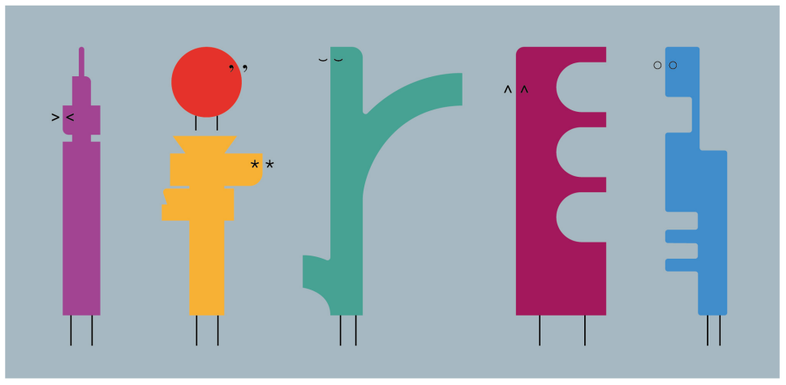
QUALE CITTÁ particular days

17 September 2021 - The event, inserted in a series of events in favor of a broad reflection on the issues related to the Cities, was developed in two main sessions. The first focused on the theme of the organisational management of major events and the growth that they provide to the Cities as elements of identity of the same that provoke a collective effort. The second focused on the comparison of testimonies and aimed at understanding how to improve and make increasingly functional major events.



QUALE CITTÁ Intelligent Infrastructure - The innovative networks of the existing city

29 November 2021 - The event was an opportunity to reflect on the physical, mental and digital infrastructure of the city. A reasoning on the importance of the networks that can be further improved together with the contribution of all the participants in the reflection and construction of a shared thought.





Social Solidarity

The Solidarity Group Association cares about the social improvement of the territory. This responds to its mission: to be an agent of change and growth in the civil community, with a constant commitment on the front of social prevention, offering its human and professional contribution to those who work to build a humane society, to give space and pay attention to the people who struggle the most to live.

Health

For biomedical research Walter Tosto S.p.A. has given its support to the Telethon Foundation for the treatment of rare genetic diseases on the occasion of the Christmas holidays.

Environmental impacts

“The biggest threat to our planet is the belief that someone else will save it”

Robert Swan

The scarcity of resources and climate change are issues that affect our society and force companies to adopt new approaches. It is impossible today not to have a strategy that includes climate change in development plans. Europe is geared towards the energy transition, thanks to increasing investment in **renewable energy andcircular economy.**

The main long-term risk remains the lack of action on climate change. Since there is no vaccine against climate risk, plans for post-pandemic economic recovery must aim at aligning growth with sustainability programmes to “rebuild” society in a better way.

Not only has Walter Tosto S.p.A. invested in renewable energies in two units out of seven, replacing eternit sandwich roofs with new photovoltaic panel roofs, not only is it collaborating in the construction of the nuclear fusion reactor, carrying out a pioneering project aimed at overcoming the structural limits of the scarcity of energy from traditional sources, but it is continuously studying the reference market and intercepting, also simply as a stakeholder or investor partner, those initiatives that appear more focused on the circular economy, such as the production of bioplastics and the production of biomethane from biomass and organic waste.

Particularly sensitive to the development of skills in the new generations, the company works in partnership with universities, laboratories and spin-off research facilities for specialised training on welding, new materials, and even recovered materials.

Environmental management.

In terms of attention to both system and product compliance, Walter Tosto S.p.A. has adhered to the main international certification standards, in the field of System Quality and Product Quality, which have allowed it to establish itself in national and international markets. For over ten years, the Company, aware of how every activity, product or service produces effects that can have an environmental impact, has conformed its processes to the principles of **UNI EN ISO 14001**, obtaining the certification of the Environmental Management System. Walter Tosto WTB, on the other hand, adopts an environmental policy that is inspired by the same principles and is followed with the utmost attention as it is central to the carrying out of daily operations: the procedures are equally standardised and we are committed to continuous improvement.

The purpose of the environmental management of Walter Tosto S.p.A. and Walter Tosto WTB Srl is to guarantee the protection of the environment, pursue the principle of sustainable development, the continuous improvement of environmental performance and provide, to all stakeholders in the environmental field, the broadest guarantees in terms of environmental efficiency, transparency in communications, reliability of monitoring activities. This commitment is reflected in the pursuit of the following objectives:

– Apply and constantly improve the adopted

Environmental Management System, which provides for the positioning and achievement of objectives in terms of environmental performance, the identification and management of risks to achieve them, and the ability to seize any opportunities
– Protect the environment through the prevention of all forms of pollution and the containment of the environmental impact of processes in terms of emissions into the atmosphere, noise, water discharges, waste management
– Ensure full legislative compliance in the environmental field, identifying and complying with all applicable legal obligations
– Identify and adopt measures to pursue energy savings, the saving of raw materials and natural resources, the recovery of waste rather than disposal
– Identify and adopt measures to prevent possible environmental accidents, such as spillage of pollutants into the soil, out-of-control emissions, and contain any environmental effects, giving priority to the safety and health of stakeholders, from employees to the external population
– Orient production towards environmentally friendly products (where possible);
– Promote employee responsibility and sensitivity through appropriate training programmes;
– Be available for an open and honest dialogue with the public authority and the external community to understand the real environmental aspects of the Company's activity.
The environmental aspects that companies are confronted with are:
1. Soil consumption: it is necessary to have large, covered spaces and equipped with a high- capacity crane for the positioning and processing of large pieces; it is necessary to have spaces that are large, open, paved and accessible to vehicles for the storage and handling of raw materials, semi-finished and finished products, and for the storage of supports and equipment for the anchoring of workpieces. The need for factory extensions and adaptations must take into account every day the limits imposed by the state of contamination of the industrialised areas in the 1960s and 1970s in the Chieti units, and address the costs of characterisation, safety and reclamation imposed on the current non-responsible owners.
2. Reduction of the quantity and dangerousness of waste produced in the processes of cutting, forming, welding, testing and surface processing (in particular sandblasting and painting waste): the Company is studying ways of reducing the quantity and dangerousness or preparing for the recovery of dusty, hazardous and non-hazardous waste.
3. Prevention of the pollution of the yard runoff water, with the development of segmentation systems and confinement of areas used for "dirty" processing and the installation of de-oiling and purification systems. Particularly sensitive are the sites close to public waters (Pescara river, the Adriatic of the port of Ortona).
4. Reduction of the amount of energy used to carry out the processes
5. Control and reduction of atmospheric emissions from welding, painting and annealing processes.
The following paragraphs give quantitative feedback on the commitment to mitigate the environmental impacts deriving from the performance of its activity.

Fighting climate change.

MATERIAL TOPICS	GRI	SDGs	UNGC GOAL
Fighting climate change	(103-1) (302-1) (302-4) (305-1) (305-2) (305-3) (305-4)		

Climate change has gained importance in the minds of stakeholders and is at the centre of the political arena. For example, countries that emit heavy greenhouse gases, such as China, have committed to zero net emissions by 2060, and compliance with the Paris agreement has become one of the issues that prompted voters to vote in the last US presidential elections.

Walter Tosto and Walter Tosto WTB manage the risks related to climate change, constantly looking for new methods to improve their practices and minimise the impact of emissions from industrial activities.

Research projects are supported and promoted in collaboration with research institutes/universities on related topics to contribute to a low carbon economy (*see chapter Innovation*).

Energy consumption.

Walter Tosto S.p.A. is a large company and an energy company. It falls within the scope of Legislative Decree 102/14 and has therefore started a journey of energy diagnosis and efficiency.

Consumption control and monitoring

Walter Tosto S.p.A., in its IoT department, has developed a web app that can be reached from the sub-domain of the Walter Tosto website: consumi.waltertosto.it.

On this portal it is possible to register all the meters, divided by type of consumption (Electricity, Photovoltaic, Methane, LPG, Fuel, Water etc.). You can also geolocate them, associate a category, a name, and the counter code with them.

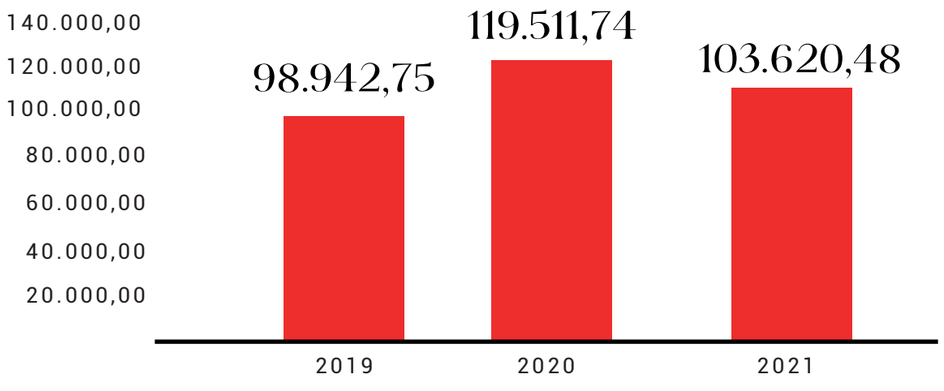
QR codes have been provided on each meter. By opening the web app, it will take advantage of the camera of the device, which by approaching the QR code will recognise the counter. Immediately after, you will be asked to enter the reading value, and clicking on record the app will acquire the value, associate it with the meter, also recording when and by whom the reading was made.

This will allow Walter Tosto and Walter Tosto WTB to have an up-to-date database of readings, so that they can make real-time analyses of consumption both for possible faults, but also to monitor consumption in comparison to previous months and years.

Centralising the readings in a single platform has potentially also started the acquisition of previous data. In this case, the acquisition was more complex because the sources are extremely heterogeneous. Some data, already digitised, were extracted from the website of the various carriers, while others were also acquired from invoices.

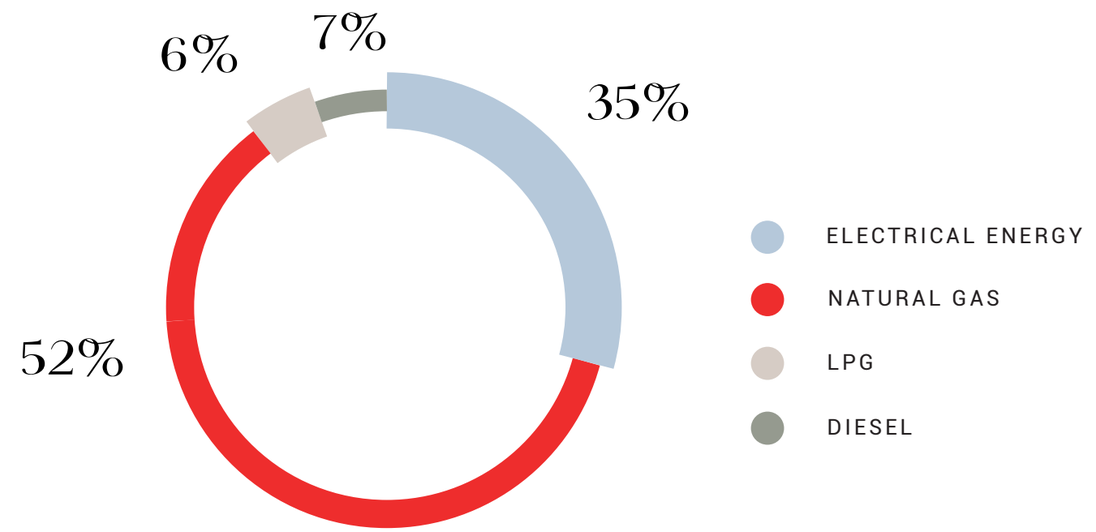
In 2021, total energy consumption was 103,620.48 GJ (-13% compared to 2020).

ENERGY CONSUMPTION (GJ)

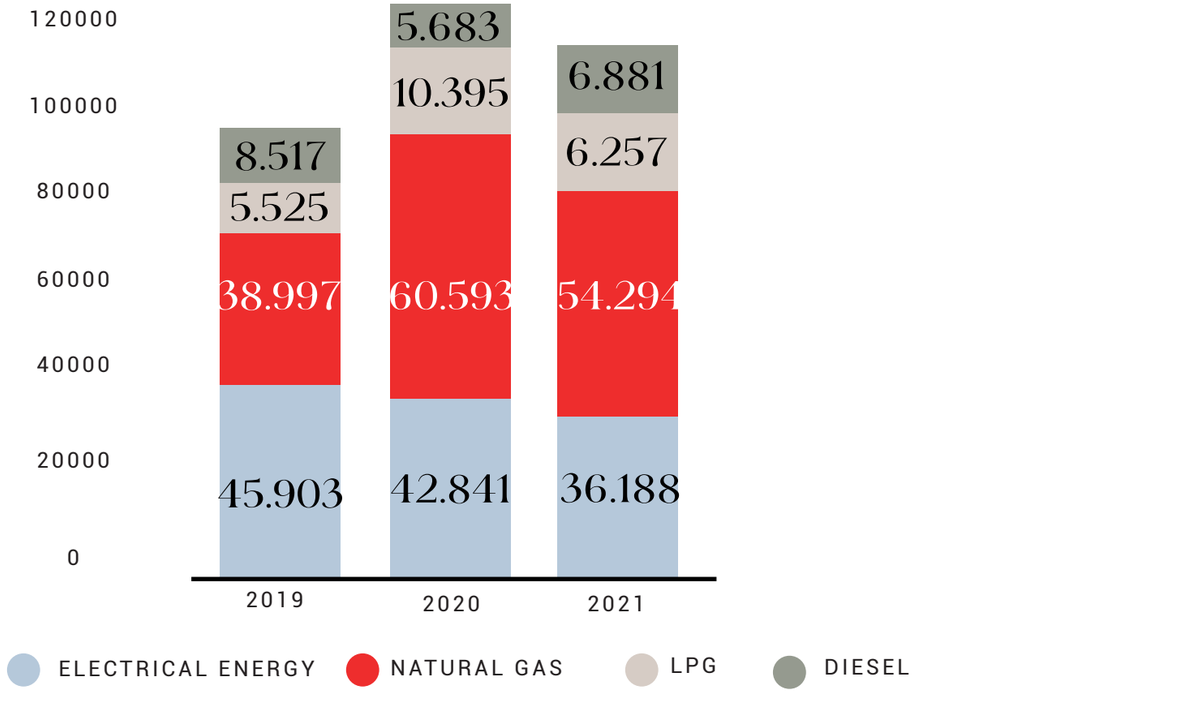


The energy mix used by the Companies is mostly composed of methane (52%) and electricity (35%). The other sources used are fuels such as LPG and diesel, which together account for 13% of the total energy requirement. The main energy consumption is attributable to the operating machines and systems.

ENERGY CONSUMPTION BY SOURCE OF USE - 2021



COMPOSITION OF ENERGY MIX (GJ)

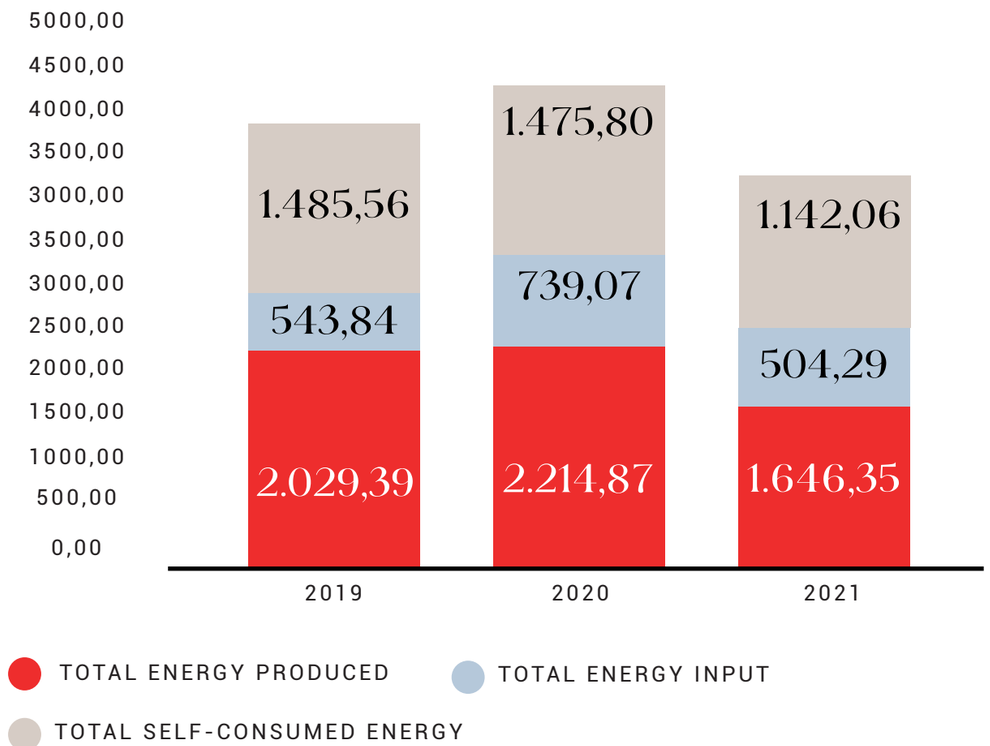


Of the total electricity used in 2021, about 11% comes from its own renewable sources (photovoltaic systems).

Production of energy from renewable sources

In line with Walter Tosto's commitment to reducing energy consumption related to its activities, in 2012 the Company committed to energy efficiency of two workshops (WT5 and WT7) through the installation of photovoltaic panels. In 2021, the total number of plants remained stable: 2 units and the total installed power is 1,900.184 kWp.

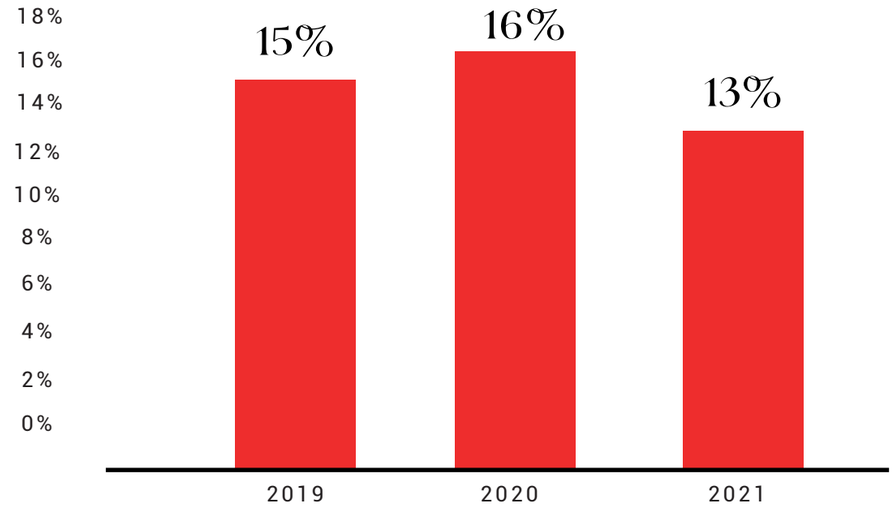
ENERGY FROM PHOTOVOLTAIC PLANTS



The reduction in energy produced in 2021 is attributable to a failure of the WT5 system (Installed Power 999.94 kWp) for which it was necessary to replace a main switch. This resulted in an offline period from mid-July until the first days of September.

Overall, the self-consumed energy from photovoltaics affects the total electricity consumption as follows:

GREEN ELECTRICITY / ELECTRICITY CONSUMPTION *



*data relating to the offices of Walter Tosto S.p.A.

Reduction of energy consumption

The strategy for reducing energy consumption in 2021 focused on lighting efficiency at Walter Tosto WTB, by replacing traditional type and technology lighting fixtures, with LED lighting fixtures with high energy efficiency.

The operation of replacing 46 400 W lamps with 296 W lamps and 92 1000 W lamps with the same number of 533 W took place at the end of 2020: from a consumption of 644,736,000 W/h it went to a consumption of 365,887,680 W/h, recording a net savings of 278,848,320 W/h.

With regard to the efficiency of the operating machines, only those recently installed have energy efficiency requirements, in addition to specific dimensional and performance characteristics.
Progressively, the maintenance processes

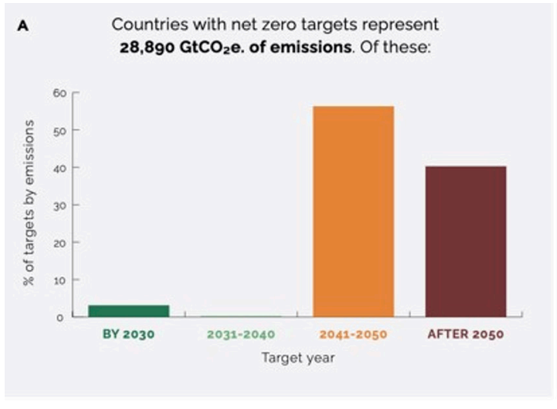
are implementing the improvement measures provided for in the Plan drawn up pursuant to Legislative Decree 102/14.

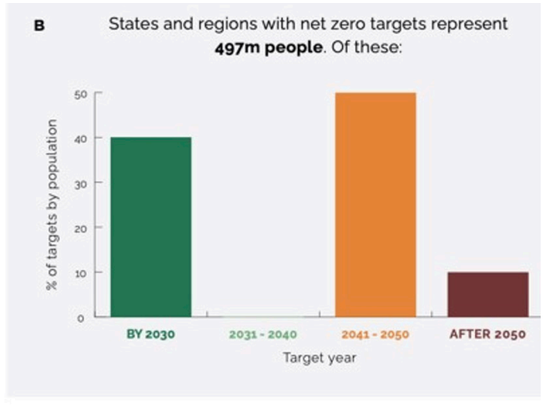
Carbon Footprint.

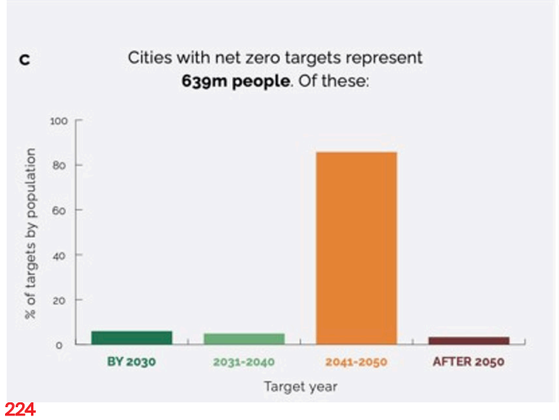
Zero-emission companies are one of the fastest growing sustainable business trends. According to scientists, achieving zero emissions by 2050 is critical to keeping us safe from the catastrophic consequences of climate change.

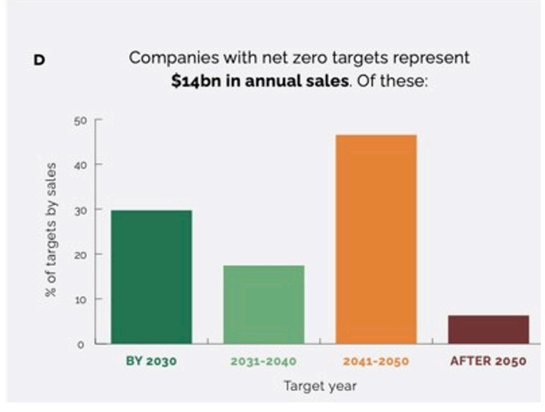
The "Net Zero Stocktake" Report notes that the share of national net zero targets sanctioned by national legislation or policy documents increased significantly from about 10% of total greenhouse gas coverage by all national net zero targets in December 2020 to about 65% in June 2022. 91% of global GDP is now covered by national governments' net zero targets, compared to 68% in December 2020. 80% of the world's population (compared to 52%) is now represented by national net-zero targets.

More than a third (702) of the world's largest publicly traded companies now have zero net targets, compared to a fifth (417) in December 2020. But 65% (456/702) of the company objectives still do not meet the minimum standard of reporting procedures.









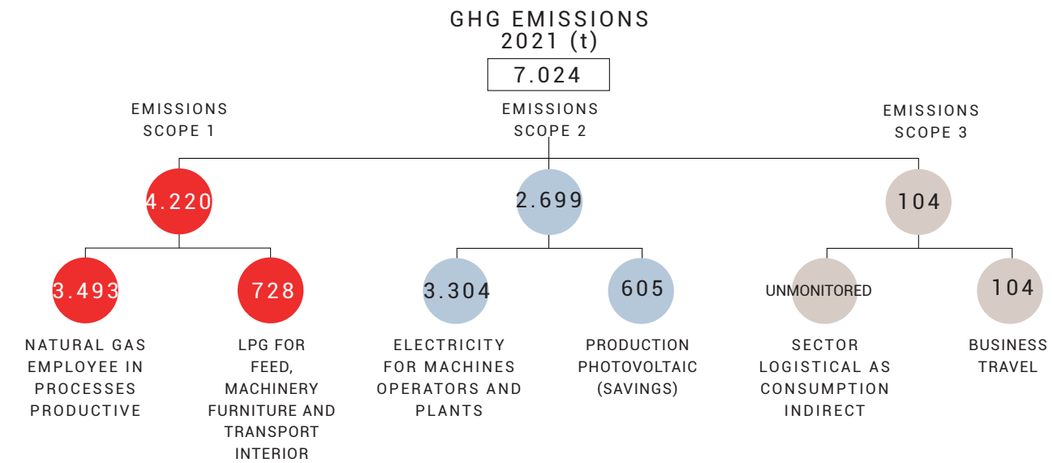
Therefore, companies are accelerating the race to zero emissions because climate science is widely accepted and because zero emissions reduce risks, costs and attract ESG investors and talent. Interestingly, the report's editors note, the fossil fuel industry has the second highest percentage of net zero targets (49%) with more than 10 companies on the Forbes 2000 list, followed by the greenhouse gas-intensive steel and cement industries and the air transport industry, suggesting that reputational-conscious companies with large emissions footprints are more likely to set net zero targets that are merely symbolic in nature, without the detailed plans needed to achieve them.

The conversion strategy must necessarily be multilevel and tailored to each production reality. From actions on the mix of energy sources (transition to renewables as a policy of purchasing energy on the market or installation of photovoltaic modules for self-consumption or return on the grid) to optimisations of the logistics of raw materials and finished products.

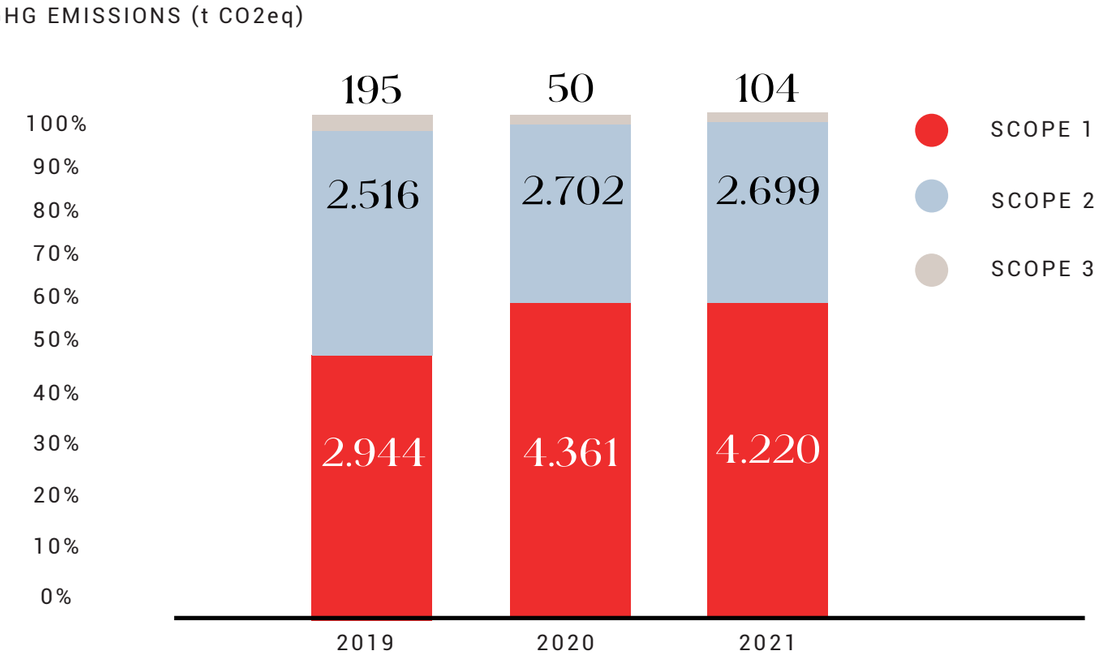
The first step towards the objective of reducing CO2 emissions for Walter Tosto and Walter Tosto WTB has been achieved with an accurate mapping of consumption in all sites: the Companies have set up a data acquisition system for emission reporting based on the principles of relevance, completeness, consistency, transparency and accuracy.

The carbon footprint calculation method followed the ISO 14067 standard but did not take into account the life cycle of the product, limiting itself to directing the data collected at the production site, without considering the CO2 cost of the logistics of raw materials and finished products. Consumption is monitored and production is calculated with standard

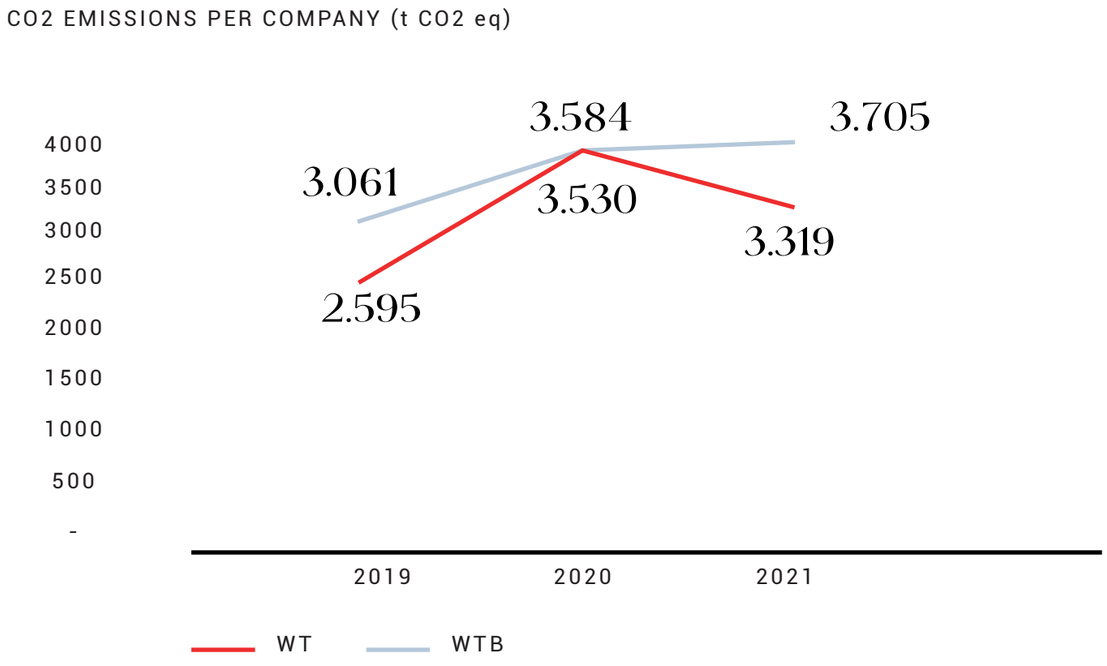
coefficients. The market does not allow us to influence inbound or outbound logistics.
The reporting protocol provides for the distinction of emissions into three categories[4]:



The CO2 emissions Scope I and Scope 2 amount to 6,919 t. (-2% compared to 2020).



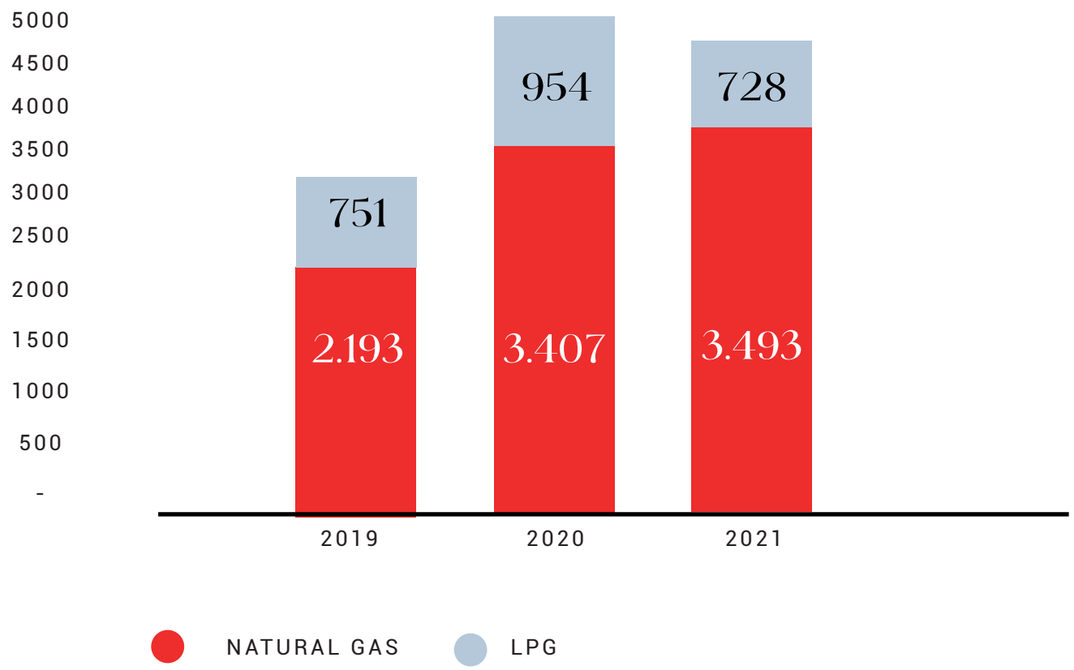
[4] *Direct and indirect GHG emissions were converted into tonnes of CO2 equivalent (tonnes of CO2e), with the coefficients used for the ETS legislation. The data of Chieti, Ortona, Bucharest and Oltenita are shown.*



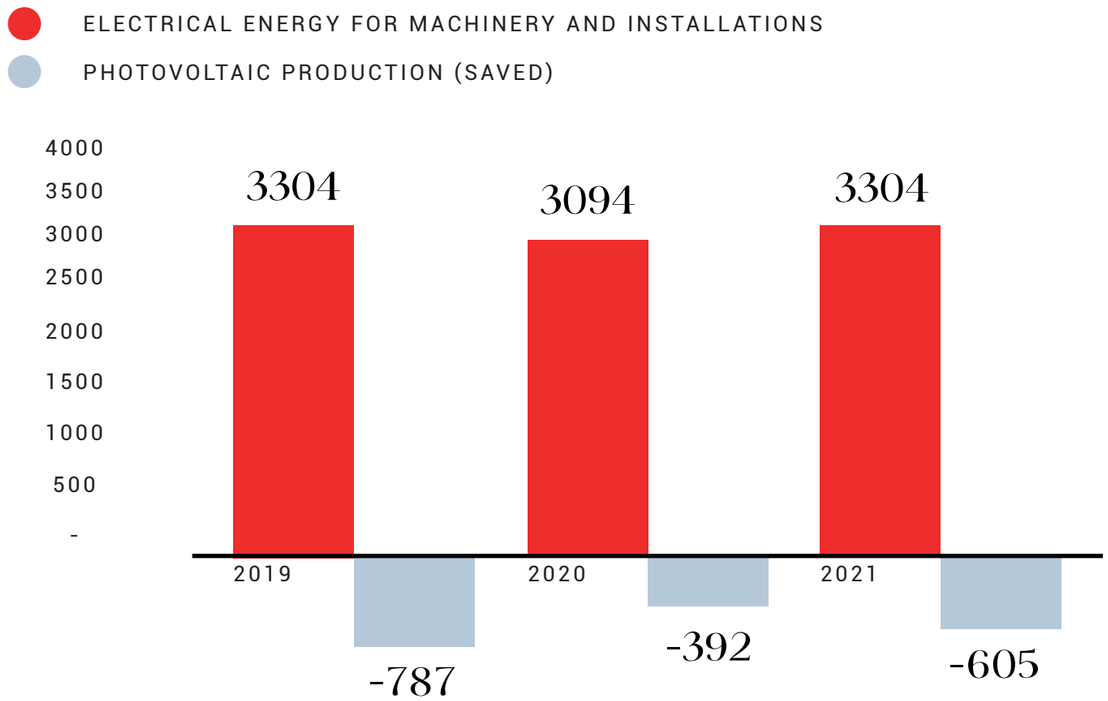
Direct (Scope I) GHG emissions

Scope I - Emissions deriving from the direct combustion of fossil fuels, purchased for heating, for the production of electricity and heat, for the supply of transport vehicles; the sources of emissions classified as Scope I are controlled directly by the organisation and therefore are the easiest to address" in a strategy to reduce its environmental footprint.

TOTAL SCOPE I EMISSIONS (t CO2 eq)



TOTAL SCOPE II EMISSIONS (t CO2 eq)



Energy indirect (Scope II) GHG emissions

Scope II - Emissions from the production of electricity imported and consumed by the organisation for electrical equipment, heating and lighting inside buildings; there is a more limited form of control on these emissions. The ESCO company in charge will optimise the mix purchased, which will favour energy from renewable sources.

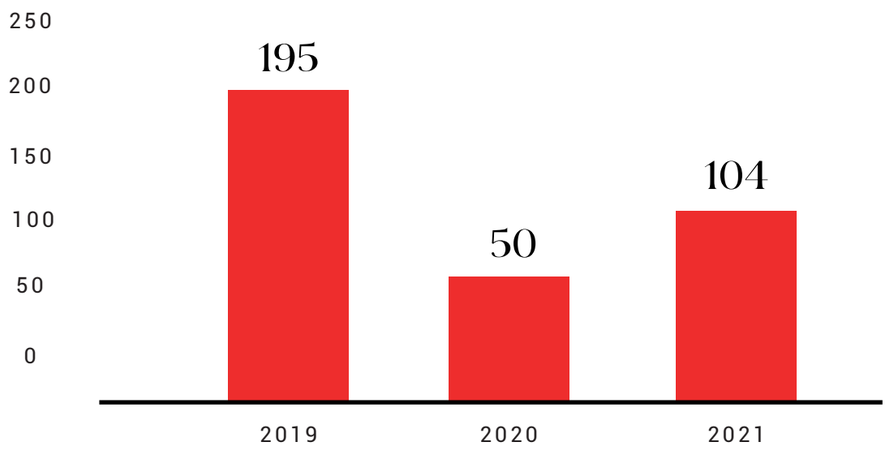
Other indirect (Scope III) GHG emissions

Scope III - Emissions other than indirect emissions of GHG from energy consumption, which are a consequence of the activities of an organisation, but which arise from greenhouse gas sources owned or controlled by other organisations; such as emissions related to business travel, goods used, employee mobility, etc. The boundary of the Scope is agreed by the organisation and generally it is necessary to include in Scope III only what the organisation can quantify and influence.

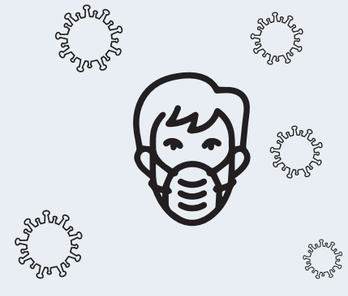
Unlike Scope I and II, which must be counted, Scope III is optional. Walter Tosto and Walter Tosto WTB have decided to report all three purposes, even if the mapping of the consumption that arise from third party sources is more complex and is being refined for subsequent approximations.

In particular, the personnel transport sector – linked to that process of transfer of skills and osmosis, and which is being realised between the Chieti and Bucharest plants and which is a strategic objective of motivation of human resources - or marketing trips, or the mobility of employees themselves, are sectors still to be decoded in terms of environmental impact on climate-altering emissions. Therefore, a possible underestimation of the Scope III data available to date is not excluded at the moment.

TOTAL SCOPE III EMISSIONS - BUSINESS TRAVELS (t CO2 EQ)



Travel policies are generally aimed at optimising travel routes and promoting the use of public transport and more sustainable means such as car sharing. The main expected benefits are not only the environmental impact, but also the satisfaction and well-being of employees, since they reduce costs and transfer times, thus reducing the risk of accidents and stress.



With a view to preventing and containing COVID-19 infections, travel and business trips have been reduced, except for those deemed strictly necessary and unpostponable, penalising the most used means of optimisation that is car sharing. At the same time, however, the use of conference call systems in audio/video mode has been strengthened.
The pandemic in 2021 led to a reduction in business travel compared to 2019, but there was an increase compared to 2020 data.

Emissions Intensity

By comparing the volumes of emissions with the activity carried out by the Companies, it is possible to evaluate the efficiency of the emissions produced.

	Unit	2019	2020	2021
TOTAL NET WEIGHT OF PRODUCTS MANUFACTURED	METRIC TONNE	17.000	15.311	11.621
GHG EMISSION FACTOR OF PRODUCTS MANUFACTURED	KG OF CO2-EQ / TONNE OF NET WEIGHT	332,6	464,6	604,4
TOTAL GROSS WEIGHT OF PRODUCTS MANUFACTURED (WEIGHT OF PRODUCT + PACKING)	METRIC TONNE	17.017	15.326	11.632
GHG EMISSION FACTOR OF PRODUCT AND PACKING	KG OF CO2-EQ / TONNE OF GROSS WEIGHT	332,3	464,2	603,9

Circular Economy.

MATERIAL TOPICS	GRI	SDGs	UNGC GOAL
Circular Economy	(103-1) (301-1) (303-5) (306-1) (306-2) (306-3) (306-4) (306-5)		

The transition of our society towards a circular economy is the result of a long-awaited change of thought. In the Tosto Group, this way of thinking is firmly embedded in the business model and has shaped actions for decades prior to sustainability reporting. Each manufacturer, welder and tester, according to an almost non-mediated logic of saving resources, is accustomed to wondering, for each residual material from their work, if there is an opportunity for reuse in the same production cycle, or for adaptation and repair for reuse, or use as auxiliary material in another activity in the same site, before giving the ecological islands temporary storage of special waste.

The company collaborates with universities, research centres and laboratories for the development of projects to reduce production, reuse, reduce prepare for recovery of waste produced in its production process.

Raw materials used in the production cycle

In addition to the wealth of skills and intangible assets for design, development in order worksheets and construction, the raw materials used in the production process are semi-finished carbon steel/stainless steel of various thickness and additives (from chemicals for welding and surface treatments, to lubricating oils for operating machines and repairs, to solvents for manual cleaning of semi-finished and finished products leaving the operating machines in an emulsion bath).

The only material used for the packaging is wood, (PEFC, FSC) of which the crates are made for the shipment of spare parts, small components: given the nature and the considerable size of the products, there are no other materials used for this purpose.

Waste management.

Waste generation and significant waste-related impacts

Waste whose production is quantitatively significant consists of metal waste (pantograph waste of semi-finished steel and steel alloy products, processing shavings, metal construction waste) that is recovered in the foundry. Other significant terms are those related to waste deriving from surface processing (soaked rags, solvent waste, spent sand, contaminated packaging). These types are destined for disposal and in fact constitute, in addition to a significant term of the financial statements, also an environmental cost downstream of the process.

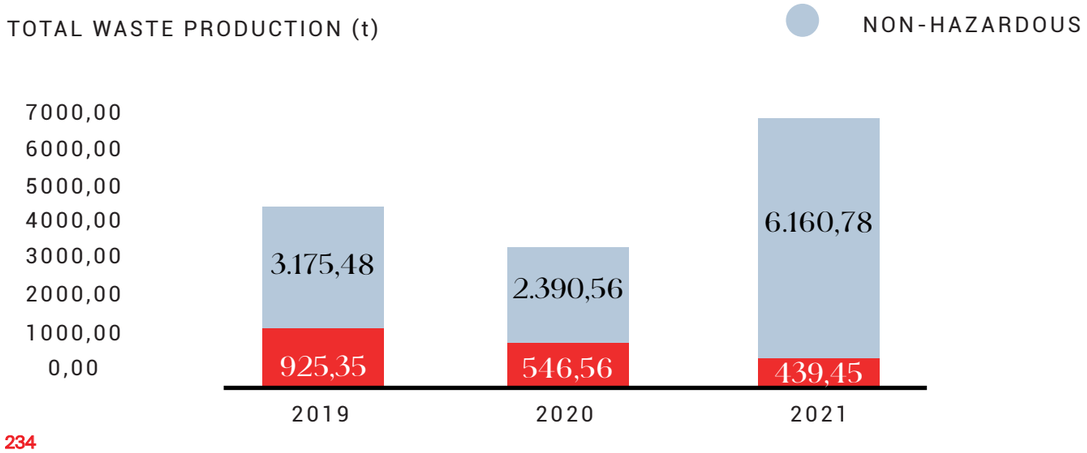
Management of significant waste-related impacts

Impacts from on-site waste storage and impacts from ex situ waste management are considered.
On the impacts within the site, Walter Tosto S.p.A. has worked hard, in full adherence to regulations, i.e. it has identified contaminated, paved and generally covered areas for preliminary storage, and has developed and produced special containment systems itself, to allow proper separation at the end of the line and proper handling from the production areas to the storage areas.
The monitoring of environmental impacts downstream of waste production must be improved, giving priority to awareness-raising policies for transport service providers and final management.

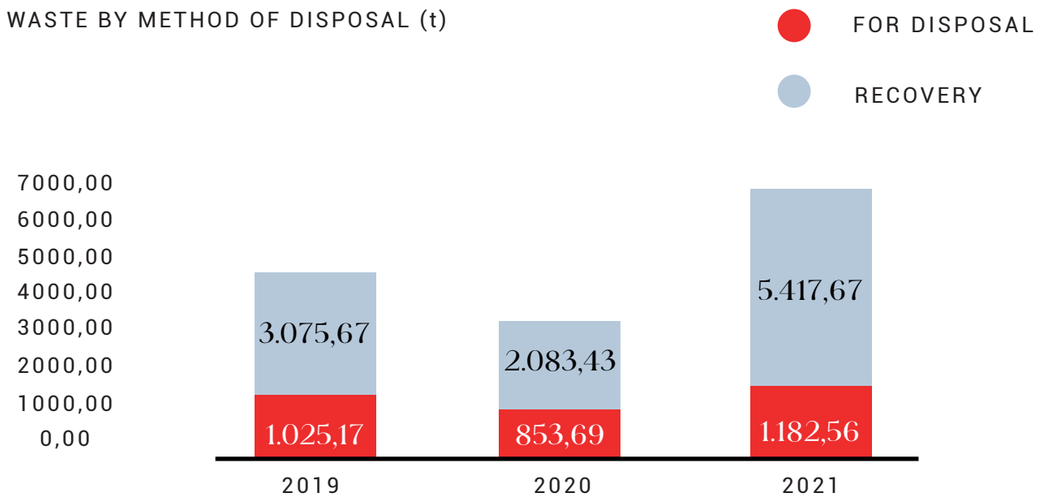
Waste generated

Waste arising from the surface processing of parts (sand, paint residues and spent solvents) is hazardous; lubricating oil waste and emulsions are hazardous. Non-hazardous waste is prevalent.

TOTAL WASTE PRODUCTION (t)

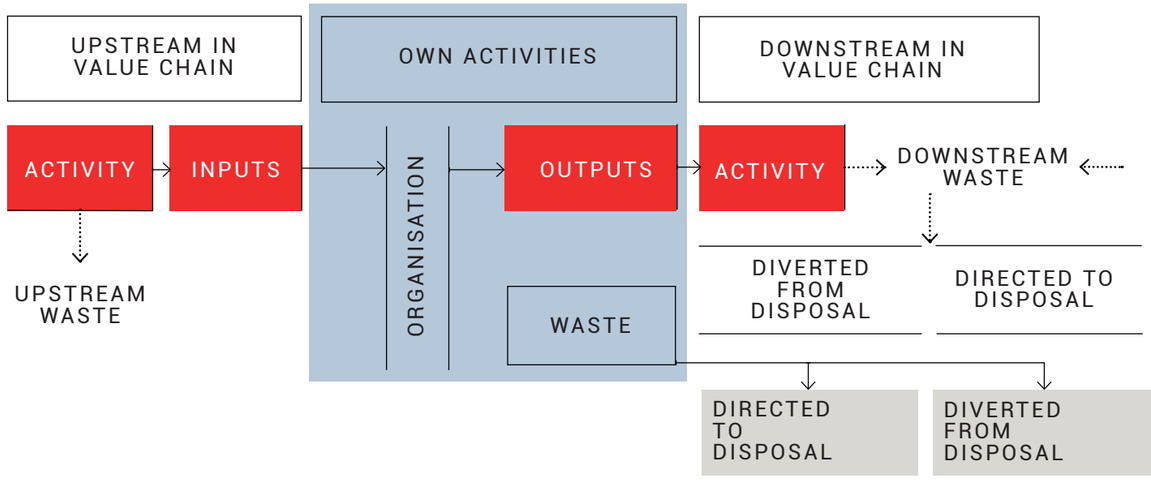


WASTE BY METHOD OF DISPOSAL (t)



Process flow

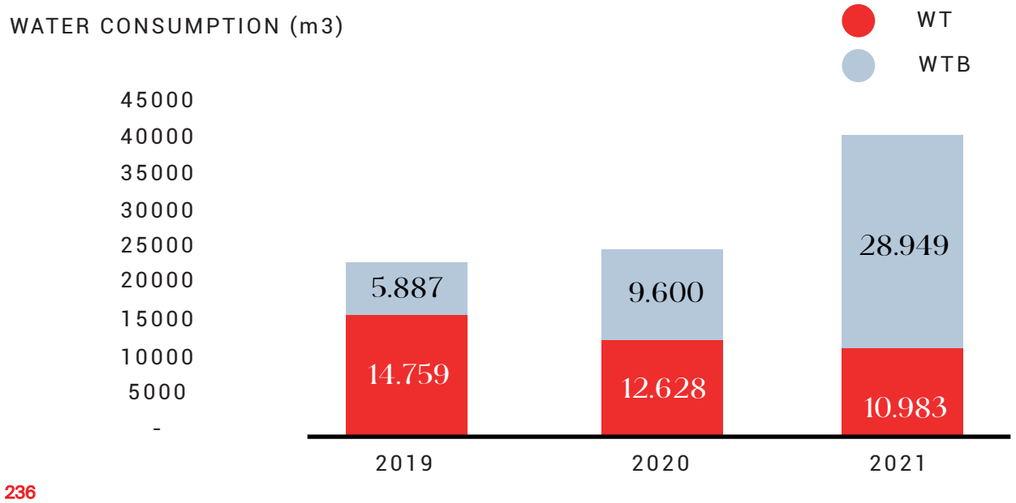
Companies do not recover waste produced by third parties and, therefore, the characteristic model of materials entering and waste leaving the process, from a perspective that includes the classic “upstream and downstream” of the value chain, is very simple.



Other environmental impacts.

Water management

The production process of Walter Tosto and Walter Tosto WTB is not water demanding, for this reason the supply and drainage of water do not represent a material issue. However, the companies consider water to be a primary asset and believe they must always manage its use in a sustainable way: the water used for testing is in fact collected and reused several times.
The company's commitment is focused on the purification of the yard run-off water, not to load the sewer system where it exists and certainly to limit the impact on the quality of surface water receptors.
The reduction of drinking water consumption for canteen and toilet services has already been implemented through an intervention of modernisation of the sanitary ware and taps, with low consumption jet breakers.
Refrigerated drinking water is consumed at the canteen. No plastic and no waste.



The abnormal increase in water consumption recorded in 2021 at the Berceni headquarters of Walter Tosto WTB is due to a loss of the system that occurred in the second half of the year.

Digital transformation of the printing ecosystem.

The central infrastructure of Chieti Scalo is occupied both by the operators responsible for manufacturing activities and by the management offices. The organisational and design complexity and the variety of needs have made it necessary to renew technology, which includes the printing system composed of different technologies and managed autonomously, which required continuous maintenance and limited printing and scanning activities by users.

Thanks to an industry-leading player, at the end of 2021 a printing and scanning infrastructure of 30 devices integrated into a software platform was implemented. This solution has made it possible to control and reduce printing costs, increase information security, increase productivity and, finally, increase responsibility and awareness of issues related to respect for the environment. With regard to this aspect, Walter Tosto S.p.A. will register ,in 2022, a reduction in paper waste and the consequent reduction in costs.

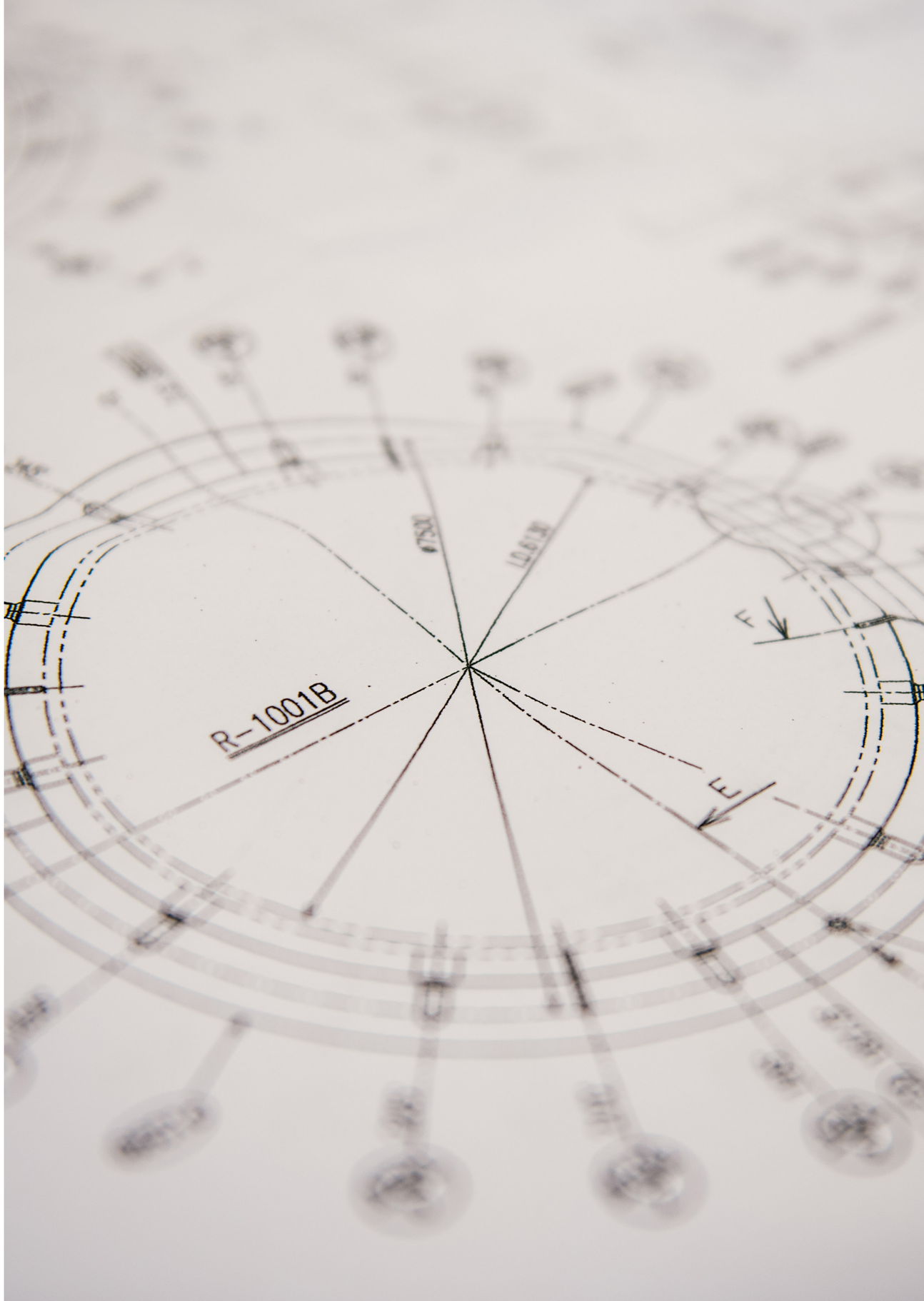
“

Our constant search for new technological solutions makes us an innovative company, eager to share the results with our suppliers and our customers.
We have chosen Canon because its technology responds to our business philosophy based on continuous improvement and innovation.

”

Luca Tosto

This is combined with a good practice of green procurement that involves the progressive use of recycled paper for catalogues and brochures.



Objectives for the future.

The 2021-2023 strategy focuses on achieving the United Nations Sustainable Development Goals (SDGs) along the entire value chain, focusing on SDG 13 (Fighting climate change) through decarbonisation actions and increasing renewable capacity growth (SDG 7 - Clean and accessible energy).

The centrality of people, health and safety at work, the sustainable supply chain and the increasingly integrated governance structure are confirmed, strengthening and complementing the Group's sustainable strategy, thus contributing to the achievement of multiple sustainable development objectives.

Great attention is paid to the people who work in the Company, who are considered key elements of the strategy and the energy transition.

Innovation, digitisation and dissemination of a circular economy approach support and accelerate the achievement of the objectives set out in the 2021-2025 Sustainability Plan.

AREAS	DESCRIPTION	TIME OBJECTIVE	SDGs	UNGC GOALS
E	Increase participation in **R&D** projects on **decarbonisation** and **energy transition**.	Constant	7 AFFORDABLE AND CLEAN ENERGY; 13 CLIMATE ACTION	
E	Expansion of plants for the generation of renewable energy from **photovoltaics.**	By 2023	7 AFFORDABLE AND CLEAN ENERGY	
E	Implement a written and distributed **EPP** (ecological preferable purchasing) policy, including cleaning, fleets, office supplies, meetings and conferences.	By 2022		
E	Carbon management for the progressive reduction of CO2 emissions and a **compensation of residual emissions.**	By 2030	13 CLIMATE ACTION	ENVIRONMENT
E	**Mapping of suppliers' greenhouse gas emissions** using the Synesgy platform.	By 2023		
E	Preparation of the **Environmental Balance Sheet.**	By 2023		
E	Installation of **electrical charging stations** for employees' cars and internal means of transport.	By 2022	7 AFFORDABLE AND CLEAN ENERGY; 13 CLIMATE ACTION	
S	Commitment to develop **training** activities for all personnel on legality and anti-corruption, and all the topics useful to create an organisational model capable of including and enhancing diversity.	By 2023	4 QUALITY EDUCATION; 5 GENDER EQUALITY; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	
S	**SA8000** certification	By 2023	5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	LABOUR; HUMAN RIGHTS
S	Integration of policies for **equal opportunities, diversity and inclusion.**	By 2022	5 GENDER EQUALITY	
G	Strengthening of all ESG risk mitigation tools.	Constant	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	ANTI-CORRUPTION

Through a sustainable business model and clear and challenging objectives, Walter Tosto S.p.A. and Walter Tosto WTB S.r.l. want to accelerate the steps towards further sustainable development without leaving anyone behind, creating value in the long term for all categories of stakeholders.

Methodological note

(GRI 102-45) (GRI 102-46) (GRI 102-48) (GRI 102-49)
(GRI 102-50) (GRI 102-51) (GRI 102-52) (GRI 102-53)
(GRI 102-54) (GRI 102-56)

This document represents the **second edition** of the Sustainability Report of Walter Tosto S.p.A. and Walter Tosto WTB, which have produced it in order to provide a presentation of the company's activities, impacts generated, commitments and objectives in economic, financial, social and environmental terms.

This report has been prepared in compliance with the GRI Standards*: *Core option and will be published **annually**. With regard to the specific GRI 303 - Water and effluents and GRI 403 - Occupational health and safety standards, the most recent versions of 2018 were adopted, while for those relating to the GRI 306 – Waste, the 2020 edition.
The Tosto Group pursues the objective of incorporating sustainability into the strategy of Walter Tosto S.p.A. and Walter Tosto WTB S.r.l., in line with the Development Goals (SDGs) established by the United Nations in the 2030 Agenda for Sustainable Development and with the principles of the United Nations Global Compact.
The office responsible for preparing this document is the Sustainability Office.
The report was approved by the CEO Luca Tosto.

This document has not been verified by an independent third party company.

The reporting boundary

With regard to economic data, the scope of reporting **does not coincide with the scope of consolidation in the consolidated financial statements of the Tosto Group**; all the data refer only to the activities of the companies Walter Tosto S.p.A. and Walter Tosto WTB s.r.l.

The financial data reflect those reported in the 2021 Financial Statements (from 1 January to 31 December) of Walter Tosto S.p.A. and Walter Tosto WTB s.r.l. The document also contains the data of the three-year period 2019-2021 to provide a comparison between the reference year and the previous years.
Similarly, the qualitative information and quantitative data on social and environmental aspects relate exclusively to the aforementioned Companies.

The Group was inspired, for the definition of the contents of the Report, by the principles of completeness, sustainability context, inclusiveness of stakeholders and materiality, in order to guarantee the quality of the information and the adequacy of the presentation methods to the principles of accuracy, reliability, balance, clarity, timeliness and comparability.

The Sustainability Report is also available on-line on the website www.waltertosto.it.
Clarifications and information on the sustainability strategy of Walter Tosto S.p.A. and Walter Tosto WTB S.r.l. can be requested from: Sustainability Office (sustainability@waltertosto.it).

We hope that reporting can help us and all stakeholders understand the importance not only of the results, but also of how they are achieved.

Performance

Below are the detailed tables relating to the indicators, in accordance with the GRI Standards.

Economic indicators

GRI 102-7 Scale of the organisation

WALTER TOSTO S.P.A. EURO	2019	2020	2021	2021 vs 2020
REVENUE	58.561.108	87.690.050	88.024.165	+0,4%
VALUE OF PRODUCTION	112.230.797	97.921.299	91.455.650	-6,6%
EBITDA	12.443.625	11.026.557	12.708.299	+15,3%
NET OPERATING RESULT	5.176.516	6.080.369	4.146.628	-31,8%
NET BORROWING	17.845.339	11.998.482	17.269.062	+43,9%
FREE OPERATING CASH FLOW (FOCF)	10.485.059	12.002.128	12.128.230	+1,1%
PAYABLES	81.587.820	82.125.651	70.299.575	-14,4%
SHAREHOLDERS' EQUITY	40.111.822	53.782.808	57.132.163	+6,2%
TOTAL CAPITALISATION	121.699.642	135.908.459	57.132.163	-58,0%
TOTAL ASSETS	255.503.310	298.871.718	298.462.523	-0,1%
REVENUES BY AREA				
ITALY	8.292.351	16.978.089	45.350.589	+167,1%
EEC	37.093.375	21.106.668	6.059.183	-71,3%
EXTRA-EEC	13.175.382	49.605.293	36.614.393	-26,2%
TOTAL	**58.561.108**	**87.690.050**	**88.024.165**	**+0,4%**
AREA COSTS				
ITALY	52.248.404	30.316.487	39.600.489	**+30,6%**
EEC	17.626.351	14.807.004	25.569.461	**+72,7%**
EXTRA-EEC	2.490.971	528.383	1.560.023	**+195,2%**
TOTAL	**72.365.725**	**45.651.874**	**66.729.972**	**+46,2%**

WALTER TOSTO WTB S.R.L. EURO	2019 ★	2020 ★	2021 ★	2021 vs 2020
REVENUE	27.171.558	19.725.904	28.224.828	+43,1%
VALUE OF PRODUCTION	25.684.102	33.217.013	33.032.601	-0,6%
EBITDA	6.431.004	2.304.669	2.994.384	+29,9%
NET OPERATING RESULT	2.591.350	175.493	176.046	+0,3%
NET BORROWING	9.615.283	9.051.887	23.379.758	+158,3%
FREE OPERATING CASH FLOW (FOCF)	5.201.760	1.352.364	2.994.384	+121,4%
PAYABLES	23.786.042	36.663.673	31.943.946	-12,9%
SHAREHOLDERS' EQUITY	9.009.237	9.025.792	9.152.035	+1,4%
TOTAL CAPITALISATION	32.795.279	45.689.465	41.095.981	-10,1%
TOTAL ASSETS	45.960.031	69.236.073	65.002.120	-6,1%
REVENUES BY AREA				
ROMANIA	6.786.747	192.567	1.442.392	+649,0%
EEC	876.883	10.594.672	14.662.511	+38,4%
EXTRA-EEC	19.507.928	19.507.928	8.938.665	12.119.925
TOTAL	**27.171.558**	**19.725.904**	**28.224.828**	**+43,1%**
AREA COSTS				
ROMANIA	2.054.756	3.332.418	4.006.057	+20,2%
EEC	8.781.670	10.635.140	14.387.153	+35,3%
EXTRA-EEC	2.623.473	3.022.775	3.393.452	+12,3%
TOTAL	**13.459.899**	**16.990.333**	**21.786.662**	**+28,2%**

★ Euro/Ron exchange rate

31-dic-19 4,7830

31-dic-20 4,8683

31-dic-21 4,9481

GRI 201 -1 Direct economic value generated and distributed

WALTER TOSTO S.P.A. EURO	2019	2020	2021
NET REVENUES	58.561.108	87.690.050	88.024.165
RESULT OF EQUITY INVESTMENTS	0	0	0
FINANCIAL INCOME	210.168	168.902	185.284
OTHER INCOME	4.659.632	8.325.783	13.173.216
ECONOMIC VALUE GENERATED	**63.430.908**	**96.184.735**	**101.382.665**
OPERATING COSTS	(32.072.220)	(63.196.833,6)	(68.091.103,0)
AMORTISATIONS/DEPRECIATIONS, WRITE-DOWNS AND OTHER PROVISIONS	(4.671.394)	(5.777.807)	(7.916.348)
NET ADDED VALUE	**26.687.294**	**27.210.095**	**25.375.214**
COST OF LABOUR	18.784.826	20.378.805	20.030.002
LENDERS REMUNERATION	363.393	356.256	236.645
SHAREHOLDER REMUNERATION	2.000.000	0	750.000
REMUNERATION OF PUBLIC ADMINISTRATION	2.285.648	289.195	891.884
EXTERNAL DONATIONS AND DONATIONS TO THE COMMUNITY	76.911	105.469	70.055
DISTRIBUTED ADDED VALUE	**23.510.778**	**21.129.725**	**21.978.586**
ADDED VALUE RETAINED	**3.176.516**	**6.080.369**	**3.396.628**

WALTER TOSTO WTB S.R.L. EURO	2019 ★	2020 ★	2021 ★
NET REVENUES	27.171.558	19.725.904	28.224.828
RESULT OF EQUITY INVESTMENTS	0	0	0
FINANCIAL INCOME	12	166	45
OTHER INCOME	335.318	1.782.468	1.172.511
ECONOMIC VALUE GENERATED	**27.506.889**	**21.508.538**	**29.397.384**
OPERATING COSTS	(19.263.633)	(16.082.066)	(25.621.098)
AMORTISATIONS/DEPRECIATIONS, WRITE-DOWNS AND OTHER PROVISIONS	(1.084.927)	(1.176.871)	(1.363.836)
NET ADDED VALUE	**7.158.329**	**4.249.601**	**2.412.450**
EMPLOYEES	3.640.513	3.574.681	3.344.314
FINANCIAL BACKERS	189.861	167.480	178.511
SHAREHOLDERS	0	0	0
P.A. (TAXES)	736.605	329.945	696.562
COMMUNITY	0	2.002	115.897,77
DISTRIBUTED ADDED VALUE	**4.566.979**	**4.074.108**	**4.335.285**
ADDED VALUE RETAINED	**2.591.350**	**175.493**	**(1.922.835)**

★ Euro/Ron exchange rate

31-dic-19 4,7830

31-dic-20 4,8683

31-dic-21 4,9481

GRI 201-4 Financial assistance received from government

CONTRIBUTIONS RECEIVED	2019	2020	2021
NON-REPAYABLE R&D CONTRIBUTIONS	355.371,79 €	149.327,83 €	688.000,00 €
EXPORT SUBSIDIES	54.817,75 €	103.721,09 €	60.724,72 €
TOT.	**410.189,54 €**	**253.048,92 €**	**748.724,72 €**

TAX CONCESSIONS	2019	2020	2021
TAX EXEMPTIONS	127.333,72 €	149.249,21 €	2.489.889,94 €
TAX CREDIT	1.636.032,33 €	1.408.852,00 €	281.788,81 €
TOTAL	**1.763.366,05 €**	**1.558.101,21 €**	**2.771.678,75 €**

Social indicators

GRI 102-8 Information on employees and other workers

WALTER TOSTO S.P.A. - EMPLOYEES BY TYPE OF CONTRACT	CHIETI AND ORTONA		
	2019	2020	2021
NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT BY GENDER			
PERMANENT CONTRACTS	**402**	**411**	**414**
OF WHICH WOMEN	24	22	25
OF WHICH MEN	378	389	389
OPEN-ENDED CONTRACTS	95%	96%	92%
FIXED-TERM CONTRACTS	**23**	**18**	**35**
OF WHICH WOMEN	3	4	10
OF WHICH MEN	20	14	25
% FIXED TERM	5%	4%	8%
TOTAL EMPLOYEES	**425**	**429**	**449**
NUMBER OF EMPLOYEES BY TYPE OF EMPLOYMENT BY GENDER			
FULL-TIME	**422**	**424**	**446**
OF WHICH WOMEN	24	21	33
OF WHICH MEN	398	403	413

WALTER TOSTO S.P.A. - EMPLOYEES BY TYPE OF CONTRACT	CHIETI AND ORTONA		
	2019	2020	2021
PART-TIME	**3**	**5**	**3**
OF WHICH WOMEN	3	5	2
OF WHICH MEN	0	0	1
TOTAL	**425**	**429**	**449**
NUMBER OF EMPLOYEES BY GENDER			
WOMEN	**27**	**26**	**35**
MEN	**398**	**403**	**414**

NON-EMPLOYEES

	2019	2020	2021
CONTINUOUS COLLABORATION CONTRACTS	**3**	**3**	**3**
OF WHICH WOMEN	0	0	1
OF WHICH MEN	3	3	2

	2019	2020	2021
TEMPORARY WORK (EX INTERIM)	**20**	**46**	**57**
OF WHICH WOMEN	2	2	3
OF WHICH MEN	18	44	54

	2019	2020	2021
EXTRACURRICULAR INTERNSHIPS	**28**	**49**	**17**
OF WHICH WOMEN	3	9	0
OF WHICH MEN	25	40	17

	2019	2020	2021
ALTERNANZA SCUOLA-LAVORO	**21**	**0**	**57**
OF WHICH WOMEN	0	0	2
OF WHICH MEN	21	0	55

WALTER TOSTO WTB S.R.L. - EMPLOYEES BY TYPE OF CONTRACT	BUCHAREST AND OLTENITA		
	2019	2020	2021
NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT BY GENDER			
PERMANENT CONTRACTS	**172**	**178**	**173**
OF WHICH WOMEN	15	16	18
OF WHICH MEN	157	162	155
FIXED-TERM CONTRACTS	**64**	**42**	**55**
OF WHICH WOMEN	3	4	4
OF WHICH MEN	61	38	51
TOTAL EMPLOYEES	**236**	**220**	**228**
NUMBER OF EMPLOYEES BY TYPE OF EMPLOYMENT BY GENDER			
FULL-TIME	**225**	**213**	**219**
OF WHICH WOMEN	18	20	21
OF WHICH MEN	207	193	198
PART TIME	**11**	**7**	**9**
OF WHICH WOMEN	0	0	1
OF WHICH MEN	11	7	8
TOTAL EMPLOYEES	**236**	**220**	**228**
NUMBER OF EMPLOYEES BY GENDER			
TOTAL WOMEN	**18**	**20**	**22**
TOTAL MEN	**218**	**200**	**206**

NON-EMPLOYEES	2019	2020	2021
OF WHICH WOMEN	0	0	0
OF WHICH MEN	0	0	0

GRI 102 – 9 Supply Chain

WALTER TOSTO S.P.A. - NUMBER OF SUPPLIERS BY TYPES	2019	2020	2021
RAW MATERIALS	206	228	410
CONSUMABLES	281	266	181
SERVICES	621	587	607
CAPITAL ASSETS	141	125	55
TOTAL	**1.249**	**1.206**	**1.253**

Walter Tosto S.p.A. - NUMBER OF SUPPLIERS BY GEOGRAPHICAL AREA		2019	2020	2021
OECD Countries	*ITALY*	835	809	826
	EUROPE	60	66	81
	NORTH AMERICA	9	5	7
	OTHERS	0	0	0
NON-OECD COUNTRIES	*ROMANIA*	11	9	15
	EUROPE	11	9	4
	ASIA	16	8	15
	AFRICA	1	1	1
	OTHERS	0	0	1
	TOTAL	**943**	**907**	**950**

Walter Tosto S.p.A. - VALUE OF PURCHASES BY TYPE	2019	2020	2021
RAW MATERIALS	26.016.523,11 €	21.555.746,25 €	41.848.411,41 €
CONSUMABLES	6.359.730,36 €	4.382.670,27 €	2.868.115,89 €
SERVICES	36.092.604,87 €	14.703.666,04 €	19.579.514,65 €
CAPITAL ASSETS	3.896.867,06 €	5.009.791,27 €	2.433.930,41 €
TOTAL	**72.365.725,39 €**	**45.651.873,83 €**	**66.729.972,36 €**

Walter Tosto S.p.A. - VALUE OF PURCHASES BY GEOGRAPHICAL AREA		2019	2020	2021
OECD Countries	*ITALY*	52.248.403,63 €	30.316.487,23 €	39.600.488,61 €
	EUROPE	17.240.712,03 €	14.161.136,54 €	24.848.453,91 €
	NORTH AMERICA	802.412,53 €	206.899,24 €	612.893,63 €
	OTHERS	0	0	0
NON-OECD COUNTRIES	*ROMANIA*	385.638,76 €	645.867,34 €	721.007,21 €
	LATIN AMERICA	259.129,82 €	73.660,15 €	94.278,42 €
	ASIA	1.407.395,79 €	241.110,03 €	829.887,57 €
	AFRICA	22.032,83 €	6.713,28 €	22.806,54 €
	OTHERS	0	0	156,48 €
	TOTAL	**72.365.725,39 €**	**45.651.873,82 €**	**66.729.972,36 €**

Walter Tosto WTB S.r.l - NUMBER OF SUPPLIERS BY TYPES	2019	2020	2021
RAW MATERIALS	84	110	179
CONSUMABLES	236	278	126
SERVICES	225	288	288
CAPITAL ASSETS	34	38	24
TOTAL	**579**	**714**	**617**

Walter Tosto WTB S.r.l. - NUMBER OF SUPPLIERS BY GEOGRAPHICAL AREA		2019	2020	2021
OECD Countries	*ITALY*	147	144	127
	EUROPE	36	54	31
	NORTH AMERICA	2	1	0
	ASIA	2	3	0
	OTHERS	1	0	0
NON-OECD COUNTRIES	*ROMANIA*	285	348	290
	EUROPE	4	3	0
	ASIA	3	4	4
	AFRICA	0	0	0
	OTHERS	0	1	2
	TOTAL	**480**	**558**	**454**

Walter Tosto WTB S.r.l. - VALUE OF PURCHASES BY TYPE	2019 *	2020 *	2021 *
RAW MATERIALS	9.635.965,21 €	9.797.683,26 €	11.128.532,14 €
CONSUMABLES	1.915.210,41 €	3.958.417,59 €	580.764,96 €
SERVICES	1.355.316,51 €	2.501.521,36 €	4.782.867,51 €
CAPITAL ASSETS	553.406,43 €	732.710,78 €	5.294.497,00 €
TOTAL	**13.459.898,56 €**	**16.990.332,99 €**	**21.786.661,61 €**

Walter Tosto WTB S.r.l. - VALUE OF PURCHASES BY GEOGRAPHICAL AREA		2019 *	2020 *	2021 *
OECD Countries	*ITALY*	6.119.155,36 €	4.735.727,64 €	5.916.451,53 €
	EUROPE	2.662.514,45 €	5.899.412,85 €	8.470.701,75 €
	NORTH AMERICA	1.496,25 €	1.172,19 €	0
	ASIA	1.012.741,53 €	592.693,67 €	0
	OTHERS	4.012,22 €	0	0
NON-OECD COUNTRIES	*ROMANIA*	2.054.756,21 €	3.332.417,60 €	4.006.056,59 €
	LATIN AMERICA	0	0	0
	ASIA	1.589.313,48 €	2.279.561,47 €	3.186.509,37 €
	AFRICA	0	0	0
	OTHERS	15.909,05 €	149.347,57 €	206.942,37 €
	TOTAL	**13.459.898,56 €**	**16.990.332,99 €**	**21.786.661,61 €**

* Euro/Ron exchange rate

31-dic-19 4,7830

31-dic-20 4,8683

31-dic-21 4,9481

GRI 102-18 Governance structure

Walter Tosto S.p.A. BoD	Unit	2019	2020	2021
NUMBER OF COMPONENTS	No.	3	3	3
OF WHICH NON-EXECUTIVE	No.	3	3	3
MEETINGS HELD	No.	6	10	5
PARTICIPATION RATE	No.	100%	100%	100%

	Unit	2019	2020	2021
BOARD OF STATUTORY AUDITORS	No.	5	5	5
NUMBER OF COMPONENTS (STANDING)	No.	3	3	3
MEETINGS HELD	No.	4	4	4
PARTICIPATION RATE	No.	100%	100%	100%

Walter Tosto WTB S.r.l. BoD	Unit	2019	2020	2021
NUMBER OF COMPONENTS	No.	**3**	**3**	**3**
OF WHICH NON-EXECUTIVE	No.	1	1	1
MEETINGS HELD	No.	**8**	**4**	**4**
PARTICIPATION RATE	No.	**88%**	**94%**	**100%**

GRI 401-1 New employee hires and employee turnover

Walter Tosto S.p.A. - NEW RECRUITS AND RATE OF NEW RECRUITS BY GENDER	2019	2020	2021
WOMEN			
TOT. N	11	3	12
TOT. %	33%	12%	29%
MEN			
TOT. N	22	23	30
TOT. %	67%	88%	71%
TOTAL			
TOT. N	**33**	**26**	**42**
ENTRY RATE	**8%**	**6%**	**9%**

NEW HIRES BY AGE RANGE	2019	2020	2021
UNDER 30 YEARS OLD			
OF WHICH WOMEN	1	1	8
OF WHICH MEN	5	16	20
TOT. N	**6**	**17**	**28**
TOT. %	**18%**	**65%**	**67%**
30-50 YEARS OLD			
OF WHICH WOMEN	10	2	2
OF WHICH MEN	11	4	10
TOT. N	**21**	**6**	**12**
TOT. %	**64%**	**23%**	**29%**
OVER 50 YEARS OLD			
OF WHICH WOMEN	0	0	2
OF WHICH MEN	6	3	0
TOT. N	**6**	**3**	**2**
TOT. %	**18%**	**12%**	**5%**

Walter Tosto S.p.A. - TERMINATION BY GENDER	2019	2020	2021
WOMEN			
Tot. N	2	3	2
Tot. %	10%	14%	10%
MEN			
Tot. N	19	18	19
Tot. %	90%	86%	90%
TOTAL			
Tot. N	**21**	**21**	**21**
Tot. %	**64%**	**81%**	**50%**

TERMINATION BY AGE	2019	2020	2021
UNDER 30 YEARS OLD			
TOT. N	6	3	3
TOT. %	29%	14%	14%
30-50 YEARS OLD			
TOT. N	10	12	11
TOT. %	48%	57%	52%
OVER 50 YEARS OLD			
TOT. N	5	6	7
TOT. %	24%	29%	33%

Walter Tosto WTB S.r.l. - HIRES (NUMBER AND RATE) BY GENDER	2019	2020	2021
WOMEN			
TOT. N	3	4	6
TOT. %	4%	11%	6%
MEN			
TOT. N	80	34	89
TOT. %	96%	89%	94%
TOTAL			
TOT. N	**83**	**38**	**95**
ENTRY RATE	**35%**	**17%**	**42%**

HIRES BY AGE	2019	2020	2021
UNDER 30 YEARS OLD			
OF WHICH WOMEN	1	2	2
OF WHICH MEN	37	15	50
TOT. N	**38**	**17**	**52**
TOT. %	**46%**	**45%**	**55%**
30-50 YEARS OLD			
OF WHICH WOMEN	1	2	3
OF WHICH MEN	29	10	26
TOT. N	**30**	**12**	**29**
TOT. %	**36%**	**32%**	**31%**
OVER 50 YEARS OLD			
OF WHICH WOMEN	1	0	1
OF WHICH MEN	14	9	13
TOT. N	**15**	**9**	**14**
TOT. %	**18%**	**24%**	**15%**

Walter Tosto WTB S.r.l. - TERMINATION BY GENDER	2019	2020	2021
WOMEN			
Tot. N	3	3	5
Tot. %	4%	5%	6%
MEN			
Tot. N	76	53	84
Tot. %	96%	95%	94%
TOTAL			
Tot. N	**79**	**56**	**89**
Tot. %	**95%**	**147%**	**94%**

TERMINATION BY AGE	2019	2020	2021
UNDER 30 YEARS OLD			
TOT. N	**39**	**21**	**63**
TOT. %	**49%**	**38%**	**71%**
30-50 YEARS OLD			
TOT. N	**21**	**16**	**13**
TOT. %	**27%**	**29%**	**15%**
OVER 50 YEARS OLD			
TOT. N	**19**	**19**	**13**
TOT. %	**24%**	**34%**	**15%**

GRI 403-9 Work-related injuries

Walter Tosto S.p.A.	2019	2020	2021
WORK-RELATED INJURIES			
MEN (TOTAL NUMBER)	11	18	11
WOMEN (TOTAL NUMBER)	0	0	0
FATAL INJURIES	0	0	0
FREQUENCY RATE	17,85	29,4	17,86
SEVERITY RATE	0,68	1,09	0,79

Walter Tosto WTB S.r.l.	2019	2020	2021
WORK-RELATED INJURIES			
MEN (TOTAL NUMBER)	0	0	0
WOMEN (TOTAL NUMBER)	0	0	0
FATAL INJURIES	0	0	0
FREQUENCY RATE	0	0	0
SEVERITY RATE	0	0	0

GRI 403-10 Work-related ill health

Walter Tosto S.p.A.

OCCUPATIONAL ILLNESSES	2019		2020		2021	
	REPORTED	RECOGNISED	REPORTED	RECOGNISED	REPORTED	RECOGNISED
	5	1	1	0	1	awaiting outcome

Walter Tosto WTB S.r.l.

OCCUPATIONAL ILLNESSES	2019		2020		2021	
	REPORTED	RECOGNISED	REPORTED	RECOGNISED	REPORTED	RECOGNISED
	0	0	0	0	0	0

GRI 404-1 Average hours of training per year per employee

Walter Tosto S.p.A.	Unit	2019	2020	2021
HOURS OF TRAINING BY GENDER	*hours*	**3.805**	**1.677**	**5.693**
MEN	*hours*	3.558	1.607,5	5.326
WOMEN	*hours*	247	69,5	367
HOURS OF TRAINING BY PROFESSIONAL CATEGORY	*hours*	**3.805**	**1.677**	**5.693**
MANAGERS	*hours*	48	32	64
JUNIOR MANAGERS	*hours*	16	1	92
WHITE COLLARS	*hours*	949	377	1.043
BLUE COLLARS	*hours*	2.792	1.267	4.043
AVERAGE TRAINING PER EMPLOYEE	*hours*	**9**	**4**	**13**

Walter Tosto WTB S.r.l.	Unit	2019	2020	2021
HOURS OF TRAINING BY GENDER	*hours*	**4.892**	**4.616**	**5.162**
MEN	*hours*	4.828	4.512	4.954
WOMEN	*hours*	64	104	208
HOURS OF TRAINING BY PROFESSIONAL CATEGORY	*hours*	**4.892**	**4.616**	**5.162**
MANAGERS	*hours*	**0**	**0**	**60**
JUNIOR MANAGERS	*hours*			
WHITE COLLARS	*hours*	164	192	406
BLUE COLLARS	*hours*	4.728	4.424	4.696
AVERAGE TRAINING PER EMPLOYEE	*hours*	**21**	**21**	**23**

GRI 404-3 Percentage of employees receiving regular performance and career development reviews

Walter Tosto S.p.A. - EMPLOYEES EVALUATED	Unit	2019	2020	2021
TOTAL	*No.*	**96**	**25**	**78**
BY GENDER				
MEN	*No.*	92	22	72
WOMEN	*No.*	4	3	6
BY PROFESSIONAL CATEGORY	*No.*	**96**	**25**	**78**
MANAGERS	*No.*	1	0	0
JUNIOR MANAGERS	*No.*	0	0	3
WHITE COLLARS	*No.*	23	17	10
BLUE COLLARS	*No.*	72	8	65

Walter Tosto WTB S.r.l. – Employees evaluated over the year by gender	Unit	2019	2020	2021
TOTAL	*No.*	**237**	**221**	**228**
BY GENDER				
MEN	*No.*	221	203	207
WOMEN	*No.*	16	18	21
BY PROFESSIONAL CATEGORY	*No.*	**237**	**221**	**228**
MANAGERS	*No.*	8	9	9
JUNIOR MANAGERS	*No.*			
WHITE COLLARS	*No.*	25	25	43
BLUE COLLARS	*No.*	204	187	176

GRI 405-1 Diversity of governance bodies and employees

Diversity of Governance	Unit	2019	2020	2021
Walter Tosto S.p.A. - Members of the BoD for age groups	*No.*	**3**	**3**	**3**
UNDER 30 YEARS OLD	*No.*	0	0	0
30-50 YEARS OLD	*No.*	2	2	1
OVER 50 YEARS OLD	*No.*	1	1	2
WOMEN IN THE BOD	*No.*	1	1	1

Diversity of Governance	Unit	2019	2020	2021
Walter Tosto WTB S.r.l. - Members of the BoD for age groups	*No.*	**3**	**3**	**3**
UNDER 30 YEARS OLD	*No.*	1	1	0
30-50 YEARS OLD	*No.*	2	2	2
OVER 50 YEARS OLD	*No.*	0	0	1
WOMEN IN THE BOD	*No.*	0	0	0

Age diversity

Walter Tosto S.p.A.		uder 30 years old	30-50 years old	over 50 years old	TOTAL
2021	*MANAGERS*	*0*	*1*	*4*	*5*
	MIDDLE MANAGERS	*0*	*7*	*0*	*7*
	WHITE COLLARS	*25*	*85*	*20*	*130*
	BLUE COLLARS	*81*	*160*	*59*	*300*
	CANTEEN	*0*	*3*	*2*	*5*
	KINDERGARTEN	*2*	*0*	*0*	*2*
	TOTAL	**108**	**256**	**85**	**449**
2020	*MANAGERS*	*0*	*1*	*4*	*5*
	MIDDLE MANAGERS	*0*	*3*	*0*	*3*
	WHITE COLLARS	*5*	*82*	*20*	*107*
	BLUE COLLARS	*60*	*140*	*105*	*305*
	CANTEEN	*0*	*3*	*1*	*4*
	KINDERGARTEN	*1*	*4*	*0*	*5*
	TOTAL	**66**	**233**	**130**	**429**
2019	*MANAGERS*	*0*	*1*	*5*	*6*
	MIDDLE MANAGERS	*0*	*2*	*0*	*2*
	WHITE COLLARS	*5*	*85*	*21*	*111*
	BLUE COLLARS	*47*	*145*	*107*	*299*
	CANTEEN	*0*	*3*	*1*	*4*
	KINDERGARTEN	*0*	*3*	*0*	*3*
	TOTAL	**52**	**239**	**134**	**425**

Walter Tosto WTB S.r.l.		uder 30 years old	30-50 years old	over 50 years old	TOTAL
2021	*MANAGERS*	*1*	*2*	*6*	*9*
	WHITE COLLARS	*14*	*18*	*9*	*41*
	BLUE COLLARS	*47*	*52*	*75*	*174*
	CANTEEN	*0*	*3*	*1*	*4*
	TOTAL	**62**	**75**	**91**	**228**
2020	*MANAGERS*	*0*	*1*	*6*	*7*
	WHITE COLLARS	*14*	*16*	*5*	*35*
	BLUE COLLARS	*57*	*41*	*76*	*174*
	CANTEEN	*2*	*1*	*1*	*4*
	TOTAL	**73**	**59**	**88**	**220**
2019	*MANAGERS*	*0*	*1*	*5*	*6*
	WHITE COLLARS	*13*	*14*	*6*	*33*
	BLUE COLLARS	*61*	*47*	*86*	*194*
	CANTEEN	*2*	*0*	*1*	*3*
	TOTAL	**76**	**62**	**98**	**236**

Cultural diversity

Walter Tosto S.p.A.	2019	2020	2021
EASTERN EUROPE	22	23	22
EU	0	0	1
AFRICA	2	3	4
CENTRAL AND SOUTH AMERICA	1	1	1
TURKEY	0	1	1
TOTAL	**25**	**28**	**29**

Walter Tosto WTB S.r.l.	2019	2020	2021
EASTERN EUROPE	33	24	16
EU	1	4	5
ASIA	22	14	11
TURKEY	0	0	17
TOTAL	**56**	**42**	**49**

Gender diversity (net of the blue collar category - with the exception of canteen and kindergarten staff)

Walter Tosto S.p.A.	Women	Men	TOTAL
2019	27	97	**124**
2020	26	97	**123**
2021	35	114	**149**

Walter Tosto WTB S.r.l.	Women	Men	TOTAL
2019	18	27	**45**
2020	20	27	**47**
2021	22	33	**55**

Women graduates

Walter Tosto S.p.A.	2019	2020	2021
TOT WOMEN	**27**	**26**	**35**
OF WHICH WOMEN GRADUATES	17	15	23
OF WHICH WOMEN WITH A STEM DEGREE	11	10	17

Walter Tosto WTB S.r.l.	2019	2020	2021
TOT WOMEN	**18**	**20**	**22**
OF WHICH WOMEN GRADUATES	10	12	14
OF WHICH WOMEN WITH A STEM DEGREE	9	10	12

Maternity/Paternity leave

Walter Tosto S.p.A.

2021	Men	Women	TOTAL
MANDATORY PATERNITY LEAVE	19	0	**19**
OPTIONAL PATERNITY LEAVE	0	0	**0**
MANDATORY MATERNITY LEAVE	0	3	**3**
OPTIONAL MATERNITY LEAVE	0	9	**9**
BREASTFEEDING	4	2	**6**

Walter Tosto S.p.A.

2021	Men	Women	TOTAL
MANDATORY PATERNITY LEAVE HOURS	1.376	0	**1.376**
OPTIONAL PATERNITY LEAVE HOURS	0	0	**0**
MANDATORY MATERNITY LEAVE HOURS	0	2.176	**2.176**
OPTIONAL MATERNITY LEAVE HOURS	0	3.625,3	**3.625,3**
BREASTFEEDING	516	36	**552**

Walter Tosto WTB S.r.l.

2021	Men	Women	TOTAL
MANDATORY PATERNITY LEAVE	0	0	**0**
OPTIONAL PATERNITY LEAVE	0	0	**0**
MANDATORY MATERNITY LEAVE	0	3	**3**
OPTIONAL MATERNITY LEAVE	0	0	**0**
BREASTFEEDING	0	0	**0**
MANDATORY PATERNITY LEAVE HOURS	0	0	**0**
OPTIONAL PATERNITY LEAVE HOURS	0	0	**0**
MANDATORY MATERNITY LEAVE HOURS	0	1.296	**1.296**
OPTIONAL MATERNITY LEAVE HOURS	0	0	**0**
BREASTFEEDING HOURS	0	0	**0**

Disability

Walter Tosto S.p.A.	2019	2020	2021
EMPLOYEES WITH DISABILITIES OR BELONGING TO CATEGORIES PROTECTED BY GENDER	**28**	**28**	**23**
MEN	26	26	19
WOMEN	2	2	4

GRI 405-2 Ratio of basic salary and remuneration of women to men

Walter Tosto WTB S.r.l.	2019		2020		2021	
Annual average basic salaries Women / Men	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**
MANAGERS	*107.034,04 €*	*0*	*118.465,00 €*	*0*	*124.498,32 €*	*0*
JUNIOR MANAGERS	*50.396,81 €*	*0*	*69.346,25 €*	*0*	*51.192,66 €*	*0*
WHITE COLLARS	*32.695,79 €*	*26.571,11 €*	*33.522,51 €*	*28.426,46 €*	*30.675,20 €*	*25.944,70 €*
BLUE COLLARS	*23.532,20 €*	*11.933,93 €*	*24.017,50 €*	*12.233,14 €*	*24.158,75 €*	*11.006,76 €*

Annual average remuneration Women / Men	2019		2020		2021	
	Men	**Women**	**Men**	**Women**	**Men**	**Women**
MANAGERS	*133.355,73 €*	*0*	*149.297,99 €*	*0*	*151.854,07 €*	*0*
JUNIOR MANAGERS	*51.998,33 €*	*0*	*72.458,80 €*	*0*	*56.187,16 €*	*0*
WHITE COLLARS	*36.369,91 €*	*27.576,45 €*	*38.785,84 €*	*30.573,75 €*	*32.769,53 €*	*26.781,27 €*
BLUE COLLARS	*27.722,18 €*	*12.542,28 €*	*31.145,62 €*	*13.516,01 €*	*28.295,26 €*	*11.817,52 €*

Walter Tosto WTB S.r.l.	2019		2020		2021	
Annual average Basic salaries Women / Men	Men	Women	Men	Women	Men	Women
MANAGERS	*37.968,47 €*	*18.885,61 €*	*36.793,12 €*	*22.831,04 €*	*36.567,76 €*	*23.183,48 €*
JUNIOR MANAGERS	*0*	*0*	*0*	*0*	*0*	*0*
WHITE COLLARS	*17.679,34 €*	*15.188,40 €*	*17.914,04 €*	*15.515,08 €*	*17.874,16 €*	*18.061,95 €*
BLUE COLLARS	*6.097,11 €*	*8.851,05 €*	*6.742,88 €*	*9.179,05 €*	*7.343,31 €*	*9.023,66 €*

Annual average Women's/Men's Wages	2019		2020		2021	
	Men	Women	Men	Women	Men	Women
MANAGERS	*38.732,19 €*	*20.180,39 €*	*38.437,91 €*	*24.064,01 €*	*39.350,46 €*	*25.968,62 €*
JUNIOR MANAGERS	*0*	*0*	*0*	*0*	*0*	*0*
WHITE COLLARS	*18.455,70 €*	*15.213,69 €*	*18.551,61 €*	*15.078,46 €*	*18.778,96 €*	*17.654,66 €*
BLUE COLLARS	*12.272,61 €*	*9.035,66 €*	*13.257,53 €*	*10.612,97 €*	*13.240,39 €*	*12.796,52 €*

Environmental Indicators

302-1 Energy consumption within the organisation

Walter Tosto S.p.A.	Unit	2019	2020	2021
ELECTRICITY	*KW/h*	8.706.286	7.565.631	7.946.440
ELECTRICAL ENERGY FROM A PHOTOVOLTAIC PLANT	*KW/h*	1.485.560	1.475.979	1.142.057
METHANE	*SMC*	101.303	565.817	560.099
LPG	*L*	150.959	262.697	146.679
DIESEL FUEL	*L*	233.686	155.937	188.809

Walter Tosto WTB S.r.l.	Unit	2019	2020	2021
ELECTRICITY	*KW/h*	2.559.113	2.858.762	963.791
METHANE	*SMC*	1.004.035	1.151.612	978.790
LPG	*L*	79.317	170.531	114.122

GRI 303-5 Water consumption

WATER	Unit	2019	2020	2021
Walter Tosto S.p.A.	*mc*	14.759	12.628	10.983
Walter Tosto WTB S.r.l.	*mc*	5.887	9.600	28.949

GRI 305-1 Direct (Scope I) GHG emissions
GRI 305-2 Energy indirect (Scope II) GHG emissions
GRI 305-3 Other indirect (Scope III) GHG emissions

Walter Tosto S.p.A.

Scope	Source	2019 (t CO_2)	2020 (t CO_2)	2021 (t CO_2)
Scope I	*Natural gas used in production processes (combustion in annealing and distension furnaces)*	*201*	1.123	1.111
	LPG and Diesel to fuel mobile operating machinery and inland transport	*623*	678	543
Scope II	*Electrical energy for operating machines and systems*	*2.403*	2.088	2.193
	Photovoltaic production (savings)	*- 787*	- 392	- 605
Scope III	*Business Travels*	*155*	33	76
Total		*2.595*	3.530	3.319

Walter Tosto WTB S.r.l.

Scope	Source	2019 (t CO_2)	2020 (t CO_2)	2021 (t CO_2)
Scope I	*Natural gas used in production processes (combustion in annealing and distension furnaces)*	*1.992*	2.285	2.381
	LPG for powering mobile operating machines and internal transport	*128*	276	185
Scope II	*Electrical energy for operating machines and systems*	*901*	1.006	1.111
Scope III	*Employee transport and mobility*	*39*	17	28
Total		*3.061*	3.584	3.705

GRI 305-4 GHG emissions intensity

Walter Tosto S.p.A.	Unit	2019	2020	2021
TOTAL NET WEIGHT OF PRODUCTS MANUFACTURED	*Metric tonne*	11.149	7.945	7.640
TOTAL NET WEIGHT OF PRODUCTS MANUFACTURED	*Kg of co2-eq / Tonne of net weight*	232,76	444,30	434,42
TOTAL GROSS WEIGHT OF PRODUCTS MANUFACTURED (WEIGHT OF PRODUCT + PACKING)	*Metric tonne*	11.160	7.953	7.647
GHG EMISSION FACTOR OF PRODUCT AND PACKING	*Metric tonne*	232,53	443,86	434,03

Walter Tosto WTB S.r.l.	Unit	2019	2020	2021
TOTAL NET WEIGHT OF PRODUCTS MANUFACTURED	*Metric tonne*	5.851	7.366	3.981
TOTAL NET WEIGHT OF PRODUCTS MANUFACTURED	*Kg of co2-eq / Tonne of net weight*	523,2	486,6	930,7
TOTAL GROSS WEIGHT OF PRODUCTS MANUFACTURED (WEIGHT OF PRODUCT + PACKING)	*Metric tonne*	5.857	7.373	3.985
GHG EMISSION FACTOR OF PRODUCT AND PACKING	*Metric tonne*	522,6	486,1	929,7

GRI 306-3 Waste generated
GRI 306-4 Waste directed from disposal
GRI 306-5 Waste directed to disposal

Walter Tosto S.p.A.

WASTE PRODUCED AT THE PRODUCTION SITES		
2021	**TOT. WASTE (TONNES)**	**5.437,80**
	HAZARDOUS	*437,41*
	NON-HAZARDOUS	*5.000,40*
	FOR DISPOSAL	*1.056,63*
	FOR RECOVERY	*4.381,17*
2020	**TOT. WASTE (TONNES)**	**2.393,82**
	HAZARDOUS	*545,94*
	NON-HAZARDOUS	*1.847,88*
	FOR DISPOSAL	*771,29*
	FOR RECOVERY	*1.622,53*
2019	**TOT. WASTE (TONNES)**	**3.204,68**
	HAZARDOUS	*910,06*
	NON-HAZARDOUS	*2.294,62*
	FOR DISPOSAL	*905,14*
	FOR RECOVERY	*2.299,54*

Walter Tosto WTB S.r.l.

WASTE PRODUCED AT THE PRODUCTION SITES		
2021	**TOT. WASTE (TONNES)**	**1.162,43**
	HAZARDOUS	*2,05*
	NON-HAZARDOUS	*1.160,38*
	FOR DISPOSAL	*125,93*
	FOR RECOVERY	*1.036,50*
2020	**TOT. WASTE (TONNES)**	**543,30**
	HAZARDOUS	*0,62*
	NON-HAZARDOUS	*542,68*
	FOR DISPOSAL	*82,40*
	FOR RECOVERY	*460,90*
2019	**TOT. WASTE (TONNES)**	**896,16**
	HAZARDOUS	*15,30*
	NON-HAZARDOUS	*880,86*
	FOR DISPOSAL	*120,03*
	FOR RECOVERY	*776,13*

GRI Content Index

(GRI 102-55)

The GRI table is shown with reference to the "core" option, as required by the "GRI Sustainability Reporting Standards" published by the Global Reporting Initiative (GRI). The references indicated refer to the 2021 Sustainability Report, 2021 Financial Statements, 2021 Management Reports and Code of Ethics.

INDICATOR	DISCLOSURE TITLE	REFERENCE	NOTES
GRI 101: FOUNDATION 2016			
GRI 102: GENERAL DISCLOSURES 2016			
		ORGANISATIONAL PROFILE	
102-1	*Name of the organisation*		*Walter Tosto S.p.A.* *Walter Tosto WTB S.r.l.*
102-2	*Activities, brands, products and services*	*Business Activity - Core products and new businesses*	
102-3	*Location of headquarters*	*Identity - Presence in Italy and Romania*	*Walter Tosto S.p.A.: via Erasmo Piaggio, 62 Chieti (ITALY)* *Walter Tosto WTB S.r.l.: București Sectorul 4, Șoseaua Berceni, Nr. 104 (ROMANIA)*
102-4	*Location of operations*	*Identity - Presence in Italy and Romania*	
102-5	*Ownership and legal form*	*Identity – An all-Italian industrial history*	
102-6	*Markets served*	*Business Activity - Internationality*	
102-7	*Scale of the organisation*	*Highlights 2021;* *Identity – An all-Italian industrial history;* *Economic impacts - Results and performance;* *Business Activity Internationality;* *Social impacts – Personnel;* *Social impacts – Supply chain*	
102-8	*Information on employees and other workers*	*Social impacts - Commitment to Sport, Culture and Social Affairs*	
102-9	*Supply Chain*	*Highlights 2021;* *Social Impacts - Personnel*	

INDICATOR	DISCLOSURE TITLE	REFERENCE	NOTES
ORGANISATIONAL PROFILE			
102-10	*Significant changes to the organisation and its supply chain*	*Identity – An all-Italian industrial history; Social impacts – Supply chain*	
102-11	*Precautionary Principle or approach*	*ESG Governance and Culture - Main ESG risk mitigation tools*	
102-12	*External initiatives*	*Identity - Active participation in associations; Innovation - Collaborations with Universities and Research Centres; ESG Governance and Culture - Main ESG risk mitigation tools*	
102-13	*Membership of associations*	*Identity - Active participation in associations; Innovation - Collaborations with Universities and Research Centres; Social impacts - Commitment to Sport, Culture and Social Affairs*	
STRATEGY			
102-14	*Statement from senior decision-maker*	*Message from the Chairman and CEO to stakeholders; Letter from the CFO*	
ETHICS AND INTEGRITY			
102-16	*Values, principles, standards, and norms of behaviour*	*Message from the Chairman and CEO to stakeholders; Letter from the CFO; Values, Vision, and Mission; ESG Governance and Culture - Main ESG risk mitigation tools*	*Code of Ethics on the website of Walter Tosto S.p.A. and Walter Tosto WTB S.r.l.* *https://www.waltertosto.it/download/* *https://www.wtb.ro/company/#values*
GOVERNANCE			
102-18	*Governance structure*	*Governance Structure*	
STAKEHOLDER ENGAGEMENT			
102-40	*List of stakeholder groups*	*Commitment – The Stakeholders*	
102-41	*Collective bargaining agreements*	*Social Impacts - Personnel*	
STAKEHOLDER ENGAGEMENT			
102-42	*Identifying and selecting stakeholders*	*Commitment - The Stakeholders*	
102-43	*Approach to stakeholder engagement*	*Commitment - The Stakeholders*	
102-44	*Key topics and concerns raised*	*Commitment - The Stakeholders*	
REPORTING PRACTICE			
102-45	*Entities included in the consolidated financial statements*	*Methodological note*	
102-46	*Defining report content and topic boundaries*	*Commitment – Materiality Matrix; Methodological Note*	
102-47	*List of material topics*	*Commitment – Materiality Matrix; Commitment - The contribution to the achievement of the SDGs and respect of principles UN Global Compact*	
102-48	*Restatements of information*	*Methodological note*	
102-49	*Changes in reporting*	*Methodological note*	
102-50	*Reporting period*	*Methodological note*	
102-51	*Date of most recent report*	*Methodological note*	
102-52	*Reporting cycle*	*Methodological note*	
102-53	*Contact point for questions regarding the report*	*Methodological note*	
102-54	*Claims of reporting in accordance with the GRI Standards*	*Methodological note*	
102-55	*GRI Content Index*	*GRI Content Index*	
102-56	*External Assurance*	*Methodological note*	
MATERIAL TOPICS			
GRI 201: ECONOMIC PERFORMANCE 2016			
103-1	*Explanation of the material topic and its Boundary*	*Economic impacts - Results and performance*	

MATERIAL TOPICS			
GRI 201: ECONOMIC PERFORMANCE 2016			
201-1	*Direct economic value generated and distributed*	*Highlights 2021; Economic impacts – Results and performance; Social impacts - Commitment to Sport and Culture*	
201-4	*Financial assistance received from government*	*Economic impacts - Results and performance;*	
GRI 204: PROCUREMENT PRACTICES 2016			
103-1	*Explanation of the material topic and its Boundary*	*Social impacts – Supply chain*	
205-1	*Operation assessed for risks related to corruption*	*Social impacts – Supply chain*	
GRI 205: ANTI-CORRUPTION 2016			
103-1	*Explanation of the material topic and its Boundary*	*ESG Governance and Culture - Main ESG risk mitigation tools*	
206-1	*Legal actions for anti-competitiv behaviour, anti-trust, and monopoly practices*	*ESG Governance and Culture - Main ESG risk mitigation tools*	
GRI 302: ENERGY 2016			
103-1	*Explanation of the material topic and its boundary*	*Environmental impacts – Fighting climate change Highlights 2021;*	
302-1	*Energy consumption within the organisation*	*Environmental impacts – Fighting climate change*	
302-4	*Reduction of energy consumption*	*Environmental impacts – Fighting climate change*	
GRI 303: WATER AND EFFLUENTS 2018			
303-5	*Water consumption*	*Environmental impacts – Circular economy*	*The theme is not material, the Standard GRI does not cover all of the information requested.*

GRI 305: EMISSIONS 2016			
103-1	*Explanation of the material topic and its Boundary*	*Environmental impacts – Fighting climate change*	
305-1	*Direct (Scope 1) GHG emissions*	*Highlights 2021; Environmental impacts – Fighting climate change*	*The carbon footprint calculation method followed the ISO 14067 standard but did not take into account the life cycle of the product, limiting itself to directing the data collected at the production site, without considering the CO2 cost of the logistics of raw materials and finished products. Consumption is monitored and production is calculated with standard coefficients.*
305-2	*Energy indirect (Scope II) GHG emissions*	*Highlights 2021; Environmental impacts – Fighting climate change*	*The carbon footprint calculation method followed the ISO 14067 standard but did not take into account the life cycle of the product, limiting itself to directing the data collected at the production site, without considering the CO2 cost of the logistics of raw materials and finished products. Consumption is monitored and production is calculated with standard coefficients.*
305-3	*Other indirect (Scope III) GHG emissions*	*Highlights 2021; Environmental impacts – Fighting climate change*	*The carbon footprint calculation method followed the ISO 14067 standard but did not take into account the life cycle of the product, limiting itself to directing the data collected at the production site, without considering the CO2 cost of the logistics of raw materials and finished products. Consumption is monitored and production is calculated with standard coefficients.*
305-4	*Emissions Intensity*	*Highlights 2021; Environmental impacts – Fighting climate change*	
GRI 306: WASTE 2020			
103-1	*Explanation of the material topic and its Boundary*	*Environmental impacts – Circular economy*	
306-1	*Waste generation and significant waste-related impacts*	*Highlights 2021; Environmental impacts – Circular economy*	
306-2	*Management of significant waste-related impacts*	*Environmental impacts – Circular economy*	
306-3	*Waste generated*	*Environmental impacts – Circular economy*	

GRI 306: WASTE 2020			
306-4	*Waste diverted from disposal*	*Environmental impacts – Circular economy*	
306-5	*Waste directed to disposal*	*Environmental impacts – Circular economy*	
GRI 401: EMPLOYMENT 2016			
103-1	*Explanation of the material topic and its boundary*	*Social Impacts - Personnel*	
401-1	*New employee hires and employee turnover*	*Social Impacts - Personnel*	
401-2	*Benefits provided to for full-time employee that are not provided to temporary or part-time employees*	*Social Impacts - Welfare*	
401-3	*Parental leave*	*Social impacts – Welfare; Social impacts – Tosto, an inclusive family*	
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018			
103-1	*Explanation of the material topic and its boundary*	*Social impacts – Together in safety*	
403-1	*Occupational health and safety management system*	*Social impacts – Together in safety*	
403-2	*Hazard identification, risk assessment, and incident investigation*	*Social impacts – Together in safety*	
403-3	*Occupational health services*	*Social impacts – Together in safety*	
403-4	*Worker participation, consultation, and communication on occupational health and safety*	*Social impacts – Together in safety*	
403-5	*Worker training on occupational health and safety*	*Social impacts - Human resources development*	

GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018			
403-6	*Promotion of worker health*	*Social impacts – Together in safety*	
403-8	*Workers covered by an occupational health and safety management system*	*Social impacts – Together in safety*	
403-9	*Work-related injuries*	*Social impacts – Together in safety*	
403-10	*Work-related ill health*	*Social impacts – Together in safety*	
GRI 404 :TRAINING AND EDUCATION 2016			
103-1	*Explanation of the material topic and its Boundary*	*Social impacts - Human resources development*	
404-1	*Average hours of training per year per employee*	*Highlights 2021; Social impacts - Human resources development*	
404-3	*Percentage of employees receiving regular performance and career development reviews*	*Social impacts - Human resources development*	
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016			
103-1	*Explanation of the material topic and its Boundary*	*Social impacts - Tosto, an inclusive family*	
405-1	*Diversity of governance bodies and employees*	*Highlights 2021; Social impacts - Tosto, an inclusive family*	
405-2	*Ratio of basic salary and the remuneration of women to men*	*Social impacts - Tosto, an inclusive family*	
GRI 418: CUSTOMER PRIVACY 2016			
418-1	*Substantiated complaints concerning breaches of customer privacy and losses of customer data*	*ESG Governance and Culture - Main ESG risk mitigation tools*	*The subject is not material*

OTHER NON-GRI TOPICS			
103-1	*Explanation of the material topic and its Boundary*	*Innovation*	
103-1	*Explanation of the material topic and its Boundary*	*ESG Culture and Governance - Integrated management of sustainability risks*	

Reconciliation table between SDGs and GRI standards indicators



GOAL 1 – No Poverty

End poverty in all its forms everywhere.

TOPICS	STANDARD GRI INDICATOR
FINANCIAL SOUNDNESS	*102-7; 201-1; 201-4*
SUPPLY CHAIN	*102-9; 102-7; 102-10; 204-1*



GOAL 2 - Zero Hunger

End hunger, achieve food security and improved nutrition and promote sustainable agriculture.

TOPICS	STANDARD GRI INDICATOR
CIVIC COMMITMENT	*102-7; 102-13; 201-1*



GOAL 3 – Good health and wellness well-being

Ensure healthy lives and promote well-being for all at all ages.

TOPICS	STANDARD GRI INDICATOR
HEALTH AND SAFETY	*403-1; 403-2; 403-3; 403-4; 403-6; 403-8; 403-9; 403-10*
WELFARE	*401-2; 401-3*
FIGHTING CLIMATE CHANGE	*302-1; 302-4; 305-1; 305-2; 305-3; 305-4*
CIRCULAR ECONOMY	*306-1; 306-2; 306-3; 306-4; 306-5*



GOAL 4 – Quality education

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

TOPICS	STANDARD GRI INDICATOR
TRAINING AND DEVELOPMENT	*403-5; 404-1; 404-3*



GOAL 5 – Gender equality

Achieve gender equality and empower all women and girls.

TOPICS	STANDARD GRI INDICATOR
DIVERSITY, EQUAL OPPORTUNITIES, INCLUSION	*405-1; 405-2*
EMPLOYMENT	*401-1*
TRAINING AND DEVELOPMENT	*404-1; 404-3*
WELFARE	*401-2; 401-3*



GOAL 6 – Clean water and sanitation

Ensure availability and sustainable management of water and sanitation for all.

TOPICS	STANDARD GRI INDICATOR
CIRCULAR ECONOMY	*303-5*



GOAL 7 - Clean and accessible energy

Ensure access to affordable, reliable, sustainable and modern energy for all.

TOPICS	STANDARD GRI INDICATOR
FIGHTING CLIMATE CHANGE	*302-1; 302-4; 305-1; 305-2; 305-3; 305-4*



GOAL 8 – Decent jobs and economic growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

TOPICS	STANDARD GRI INDICATOR
EMPLOYMENT	*102-7; 102-8; 102-41; 401-1*
HEALTH AND SAFETY	*403-1; 403-2; 403-4*
SUPPLY CHAIN	*102-7; 102-9; 102-10; 204-1*
FINANCIAL SOUNDNESS	*102-7; 201-1; 201-4*
WELFARE	*401-2; 401-3*
TRAINING AND DEVELOPMENT	*403-5; 404-1; 404-3*
DIVERSITY, EQUAL OPPORTUNITIES, INCLUSION	*405-1; 405-2*
FIGHTING CLIMATE CHANGE	*302-1; 302-4*
CIRCULAR ECONOMY	*301-1; 306-2*



GOAL 9 – Industry, innovation and infrastructures

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

TOPICS	STANDARD GRI INDICATOR
EMPLOYMENT	*102-7; 102-8; 102-41; 401-1*
FINANCIAL SOUNDNESS	*102-7; 201-1*



GOAL 10 – Reduce inequalities

Reduce inequality within and among countries.

TOPICS	STANDARD GRI INDICATOR
WELFARE	*401-2; 401-3*
DIVERSITY, EQUAL OPPORTUNITIES, INCLUSION	*405-1; 405-2*
EMPLOYMENT	*401-1*
TRAINING AND DEVELOPMENT	*404-1*



GOAL 11 – Sustainable cities and communities

Make cities and human settlements inclusive, safe, resilient and sustainable.

TOPICS	STANDARD GRI INDICATOR
CIVIC COMMITMENT	*102-7; 102-13; 201-1*
FIGHTING CLIMATE CHANGE	*302-1; 302-4; 305-1; 305-2; 305-3; 305-4*
CIRCULAR ECONOMY	*306-1; 306-2; 306-3; 306-4; 306-5*



GOAL 12 – Consumption and responsible production

Ensure sustainable consumption and production patterns.

TOPICS	STANDARD GRI INDICATOR
SUPPLY CHAIN	*102-7; 102-9; 102-10; 204-1*
FIGHTING CLIMATE CHANGE	*302-1; 302-4; 305-1; 305-2; 305-3; 305-4*
CIRCULAR ECONOMY	*301-1; 303-5; 306-1; 306-2; 306-3; 306-4; 306-5*



GOAL 13 – Acting for the climate

Take urgent action to combat climate change and its impacts.

TOPICS	STANDARD GRI INDICATOR
FIGHTING CLIMATE CHANGE	*302-1; 302-4; 305-1; 305-2; 305-3; 305-4*
SUPPLY CHAIN	*102-7; 102-9; 102-10; 204-1*



GOAL 14 – Underwater life

Conserve and sustainably use the oceans, seas and marine resources for sustainable developmen.

SUBJECT	STANDARD GRI INDICATOR
FIGHTING CLIMATE CHANGE	*305-1; 305-2; 305-3; 305-4*
CIRCULAR ECONOMY	*306-1; 306-2; 306-3; 306-4; 306-5*



GOAL 15 – Life on earth

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

TOPICS	STANDARD GRI INDICATOR
FIGHTING CLIMATE CHANGE	*305-1; 305-2; 305-3; 305-4*
CIRCULAR ECONOMY	*306-1; 306-2; 306-3; 306-4; 306-5*



GOAL 16 – Peace, justice and strong institutions

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

TOPICS	STANDARD GRI INDICATOR
FINANCIAL SOUNDNESS	*102-7; 201-1; 201-4*
HEALTH AND SAFETY	*403-4; 403-9; 403-10*



GOAL 17 – Partnership for the objectives

Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.

TOPICS	STANDARD GRI INDICATOR
SUPPLY CHAIN	*102-7; 102-9; 102-10; 204-1*
CIVIC COMMITMENT	*102-7; 102-13; 201-1*
TRAINING AND DEVELOPMENT	*403-5; 404-1; 404-3*

Global Compact connection table

The management model of Walter Tosto S.p.A. and Walter Tosto WTB S.r.l. is inspired by the Code of Ethics and is based on management policies based on the principles set out in the Universal Declaration of Human Rights and the Ten Principles of the United Nations Global Compact.

The Codes of Ethics can be consulted at the following addresses:

https://www.waltertosto.it/download/

https://www.wtb.ro/company/#values

	THE TEN PRINCIPLES	SUSTAINABILITY REPORT 2021	PARAGRAPH
HUMAN RIGHTS	*Principles 1, 2 - Businesses are required to promote and respect universally recognised human rights within their spheres of influence and to ensure that they are not, albeit indirectly, complicit in human rights abuses.*	*Respect for human rights is based on the dignity of every human being and on the responsibility of companies to contribute to the well-being of individuals and local communities. This approach is rooted and diffused in the corporate culture of the Tosto Group. The commitment starts from relations with collaborators and extends to those with local communities, governments, suppliers and all business partners, as well as security activities and workers' rights. This commitment is based on the United Nations Universal Declaration of Human Rights and is reinforced by adherence to the 10 principles of the Global Compact.*	*- Values, Vision, Mission;* *- Integrated management of sustainability risks;* *- Governance Structure;* *- Stakeholder Engagement;* *- The contribution to the achievement of the SDGs and respect of principles UN Global Compact;* *- Personnel;* *- Tosto, an inclusive family;* *- Together in safety;* *- Human resources development;* *- Welfare;* *- Supply chain;* *- Commitment to Sport, Culture and Social Affairs.*

	THE TEN PRINCIPLES	SUSTAINABILITY REPORT 2021	PARAGRAPH
LABOUR	*Principles 3, 4, 5, 6 - Businesses are required to uphold the freedom of association of workers and to recognise the right to bargain collectively; the elimination of all forms of forced and compulsory labour; the effective elimination of child labour; the elimination of all forms of discrimination in respect of employment and occupation.*	*The Tosto Group rejects all forms of discrimination based on gender, age, ethnic or national affiliation, skin colour, health status and various physical or mental abilities, marital status, sexual orientation, religious beliefs, political opinions and social origin. The Group is committed to developing and maintaining an inclusive work environment, free from all forms of violence or harassment. In addition, it is engaged in initiatives to reconcile life and work. The right to form trade unions, to join them and to carry out trade union activities is guaranteed. Employees are assured of training and professional development courses.*	*- Values, Vision, Mission; - Integrated management of sustainability risks; - Governance Structure; - Stakeholder Engagement; - The contribution to the achievement of the SDGs and respect of principles UN Global Compact; - Personnel; - Tosto, an inclusive family; - Together in safety; - Human resources development; - Welfare; - Supply chain; - Commitment to Sport, Culture and Social Affairs.*

	THE TEN PRINCIPLES	SUSTAINABILITY REPORT 2021	PARAGRAPH
ENVIRONMENT	*Principles 7, 8, 9 - Businesses are required to support a preventive approach to environmental challenges; to undertake initiatives that promote greater environmental responsibility; and to encourage the development and diffusion of environmentally friendly technologies.*	*The Group is committed to reducing its direct impacts through reduced consumption and waste produced, and to expand the use of energy from renewable sources; to protect the environment and identify in management systems environment, the tool for implementation and monitoring of the actions taken to implement the commitments made. The Group is committed to developing new technologies for energy efficiency, to contribute to the containment of greenhouse gas emissions, and to increase the performance and quality of its products. The Group undertakes to raise the awareness of its value chain also on environmental aspects.*	*- Values, Vision, Mission; - Integrated management of sustainability risks; - Governance Structure; - Stakeholder Engagement; - The contribution to the achievement of the SDGs and respect of principles UN Global Compact; - Supply chain; - Fighting climate change; - Carbon Footprint; - Circular Economy.*

	THE TEN PRINCIPLES	SUSTAINABILITY REPORT 2021	PARAGRAPH
ANTI-CORRUPTION	*Principle 10 - Businesses undertake to combat corruption in all its forms, including extortion and bribes.*	*The Tosto Group disseminates ethical principles and corporate values and is committed to providing training on legality and anti-corruption. The Group carries out reputational checks on suppliers and third parties. In 2021, there were no reported cases of corruption.*	*- Values, Vision, Mission; - Integrated management of sustainability risks; - Main ESG risk mitigation tools; - Governance Structure; - Stakeholder Engagement; - The contribution to the achievement of the SDGs and respect of principles UN Global Compact; - Results and performance; - Supply chain.*

EDITED BY

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This document is
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Thank you.

We would like to thank all our colleagues
who, with their valuable collaboration, have
made it possible to draw up this document.

We are what we do

walter tosto

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