



# SUSTAINABILITY REPORT

2023



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# STATEMENT

Dear Readers,

2023 has been a fruitful year for MTA. The good results we have obtained, in terms of economic growth, derive from the continuous improvement and expansion of our product offer and from the consolidated relations with our customers that entrust us with the production of components for their vehicles.

These results have been achieved always giving great attention and commitment to the sustainability of our choices.

In particular, the recent acquisition of EDN, a leading company in the Power Electronics sector, as well as the new projects we are working on, are a further confirmation of this commitment allowing us to contribute, in a more active way, to the electrical mobility.

The automotive industry in fact, is currently preparing for a transition to electric or otherwise “carbon-free” forms of mobility envisaged by the European Union for 2035, the world of automobiles, and that of transportation in general, are undergoing a pivotal transformation that will rest on pillars such as high voltage battery-powered vehicles and connectivity. And we are more than ready to take on these changes, thanks to our constant innovation from a technological point of view.

Alongside sustainability and environmental protection, we constantly give great attention to human resources and social responsibility.

These topics have always been among the company’s core values and we are proud to announce that in 2023 we have allocated considerable economic resources for interventions dedicated to the energy efficiency of our buildings and also in the welfare sphere, aimed at improving the work-life balance of our employees.

Our journey to a more sustainable future continues, with strong, collaborative teams and highly dedicated employees on board, we are preparing for the road ahead, and keen to derive further learnings from the changes and challenges that inevitably lie ahead of us in this dynamic sector.

Ing. Antonio Falchetti, Executive Director



Ing. Antonio Falchetti  
CEO



# WHO WE ARE

MTA S.p.A is a global leading company in the production of a wide range of electrical and electronic components for major producers of cars, motorcycles, trucks, agricultural and earthmoving machinery.

MTA was founded in 1954 in Codogno, where its headquarters are still located, in a modern building on an area of 160,000 m<sup>2</sup>. This site boasts a highly specialized Research & Development Center for the design of electrical and electronic products, the production area which includes the plastic molding, metal stamping and assembly departments. The headquarters also houses the tooling department for the creation of injection and stamping molds and the

laboratory where each product is subjected to a qualification phase, which requires tests that simulate the most demanding conditions of use of each component. Approximately 600 people are currently employed in Codogno.

The electronics headquarters of MTA, located in Rolo (Reggio Emilia), is considered a top-notch centre focused on automotive electronic applications, working with forefront modelling, simulation and graphic generation systems. This department is divided in different divisions focused on dashboards, displays and control systems design and product quality. In MTA Rolo, the production has reached very high process standards with latest generation

assembly machines, and highly advanced tracking system. Cutting edge hardware and software systems ensure traceability for each individual installed component in each product. The whole manufacturing area is an Electrostatic Protected Area (EPA) and is equipped with special devices that prevent electrostatic charge build-up on people. Around 230 people are currently employed in Rolo.

In November 2023, after a process of merger by incorporation, MTA acquired the assets of EDN, a company specialized in power electronics products of which it already owned the 80% of the shares. With the total incorporation, MTA reinforced its commitment

to growth and development of new technologies in order to remain competitive on the market and especially in the field of vehicle electrification. The EDN brand is being maintained and EDN products, such as the OBC (On-Board Battery Charger) and DC/DC Converter for electric and hybrid vehicles, will continue to be produced in the headquarters of Cinisello Balsamo, where around 60 people are employed.

Important note: Since the merge of the new plant of Cinisello Balsamo took place almost at the end of the year, we are not able to report 2023 indexes for the plant. Therefore, for this reporting year, the perimeter still includes the Codogno and Rolo plants only.





## 01 | Mission

In a complete cycle from design through full-scale production, we produce electrical and electronic components for the automotive industry, offering our expertise and collaboration to customers looking for a reliable and flexible partner.

MTA's primary business stems from partnerships with the most important vehicle manufacturers in the world, a business that is constantly growing thanks to our approach that brings us into close contact with customers, putting our know-how at their disposal in order to satisfy their needs: whether it is giving life to a new idea or responding to an unexpected production request, our customers know they can count on MTA.

## 02 | Sustainability

MTA has, for many years, been committed in many projects dedicated to reducing its environmental impact, through the increase in energy from renewable sources, the reduction of energy waste, the use of recyclable materials and the increase in green areas in its sites.

The company offers different kinds of products, such as its high voltage solutions for hybrid and electric vehicles, which contribute to the development of transport electrification, thus reducing CO<sub>2</sub> emissions.

MTA is also active in ensuring an inclusive working environment for its employees, improving their well-being through welfare initiatives dedicated to work-life balance, and offering them both incentive and internal career growth programs.

### THE POLICIES

The sustainability strategy of MTA is expressed through its Code of Conduct, through the policies that regulate the management systems implemented by the company (Quality, Environment and Safety) as well as through its policy on responsible purchasing, which regulates the so-called conflict minerals.

Newly revised and issued at the end of 2023, the Code of Conduct sets forth specific policies and procedures to assist everyone in maintaining MTA ethical commitment, and includes a detailed whistleblowing system aimed at instructing and protecting those who decide to report alleged violations of the MTA Code of Conduct itself.

The Code of Conduct thus represents the reference for all MTA employees, collaborators, and MTA Suppliers. The objective is to lay the foundations of an inclusive and shared business culture, promoting a work environment where people are placed at the center of attention, always treated with respect and dignity. The Conflict Minerals Policy released by the company also pertains to respecting human rights. In this Policy MTA expresses its commitment to responsible purchasing of materials that contain those minerals (in particular: tin, tungsten, tantalum and gold) which can be utilized in areas of conflict or risk to support armed groups, illegal work and other forms of human rights abuse in general.

Since many years ago MTA Management has also defined and approved its own Health and Safety Policy, Environmental Policy and Quality Policy which record the objectives and commitments undertaken, based on the company strategies towards workers, customers, market and environment, to implement, maintain and improve the performance of the Management System and guarantee the regulatory requirements and voluntary agreements signed by the company with the interested parties.

### STAKEHOLDERS AND THE TOPICS OF MATERIALITY

The themes explored in this report represent the foundations of our actions in the field of corporate social responsibility, they derive and are based on a constant and proactive dialogue with our main stakeholders, built over the years. This open exchange allowed us to refine our understanding of each other's expectations and interests and to engage them in a dedicated way, with specific activities and communications.

**CUSTOMERS** ask us to be a reliable partner, able to provide safe products, compliant with their specific request and with applicable regulations and laws, and to guarantee the continuity of supplies in compliance with their production needs. They require compliance with the agreed delivery times. They expect our business to be conducted ethically and with respect for the environment.

Interaction mode:

- daily activities of our sales people;
- customers' audits and visits to our offices;
- participation in trade fairs events;
- website;
- newsletters;
- social media.

**EMPLOYEES** need a solid workplace. And they expect it to be safe, respectful of human rights, fair in the treatment and in the opportunities for personal and professional growth offered, with a transparent incentive system, based on achievable objectives shared between the parties.

Interaction modes:

- internal communication;
- training;
- consultation methods;
- events dedicated to employees;
- dedicated people development programs;
- workers' safety representatives;
- workers' representatives.

**SUPPLIERS** are expected by MTA to be compliant with the established contractual conditions and with the applicable laws and regulations. Likewise, suppliers need MTA to respect contractual agreements and continuity in supply requests.

Interaction modes:

- qualification processes;
- audits;
- visits;
- self-assessment questionnaires/periodic surveys on sustainability and responsible purchasing topics;
- code of conduct.

**LOCAL COMMUNITIES**, for the prosperity and well-being of the area, expect financial solidity, economic development, and the ability to attract talents. Furthermore, they expect MTA to take care of the environment and to comply with the necessary health and safety measures in the event of a dangerous situation (e.g. pandemic). They also appreciate the company's commitment to supporting local initiatives.

Interaction modes:

- participation and support in projects and initiatives in the area;
- collaboration with local secondary schools (school-work alternation projects);
- media relations;
- dialogue with local institutions;
- compliance with all necessary measures to avoid endangering the health and safety of the inhabitants of the area.

MTA's commitment in terms of sustainability mainly focuses on the issues that emerged as most relevant during the materiality

assessment conducted in 2021, with the support of a cross-functional team of employees representative of the stakeholders' point of view.

Among the economic and governance issues, the pursuit of the expected economic result must, nowadays, bring benefits to all the stakeholders involved in the activities of the company itself, not only in purely financial terms, but also through an innovative drive towards a qualitative improvement of products and processes that is increasingly sustainable. It is essential to focus on a business model and behavior that must guarantee ethical integrity, in an extension of the applied principles, including sustainability, which must involve the entire supply chain.

Among environmental issues, the need to improve energy efficiency and increase the use of renewable energy sources, in order to reduce greenhouse gas emissions, is of particular importance; as well as the need to limit waste production, encouraging the recovery/recycling of materials where possible, and making the consumption of water resources more efficient.

Among the social issues, the respect for human rights and the attention in maintaining high standards of health and safety at work are essential. The company must also commit to managing and encouraging the personal and professional growth of its employees; and must maintain and strengthen, with its own support activities, the strong bond with the local communities of which it is part and where it operates.

In summary, the main issues for the company are the following:

**ECONOMIC**

- Economic performance
- Quality & Innovation
- Business Ethic
- Sustainable Supply Chain

**ENVIRONMENT**

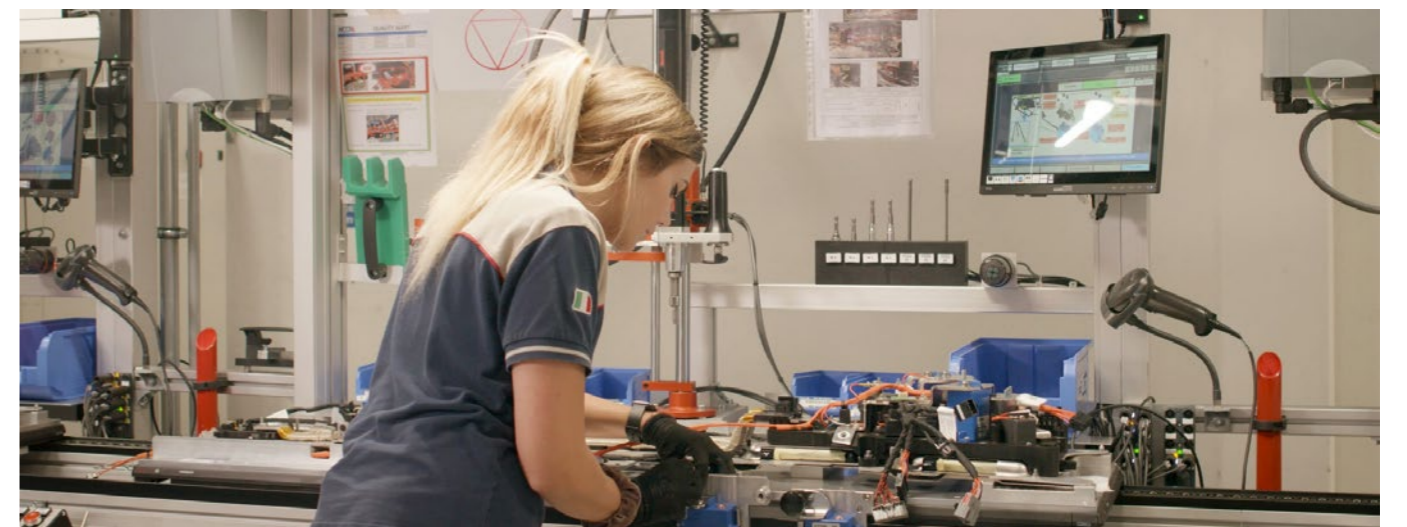
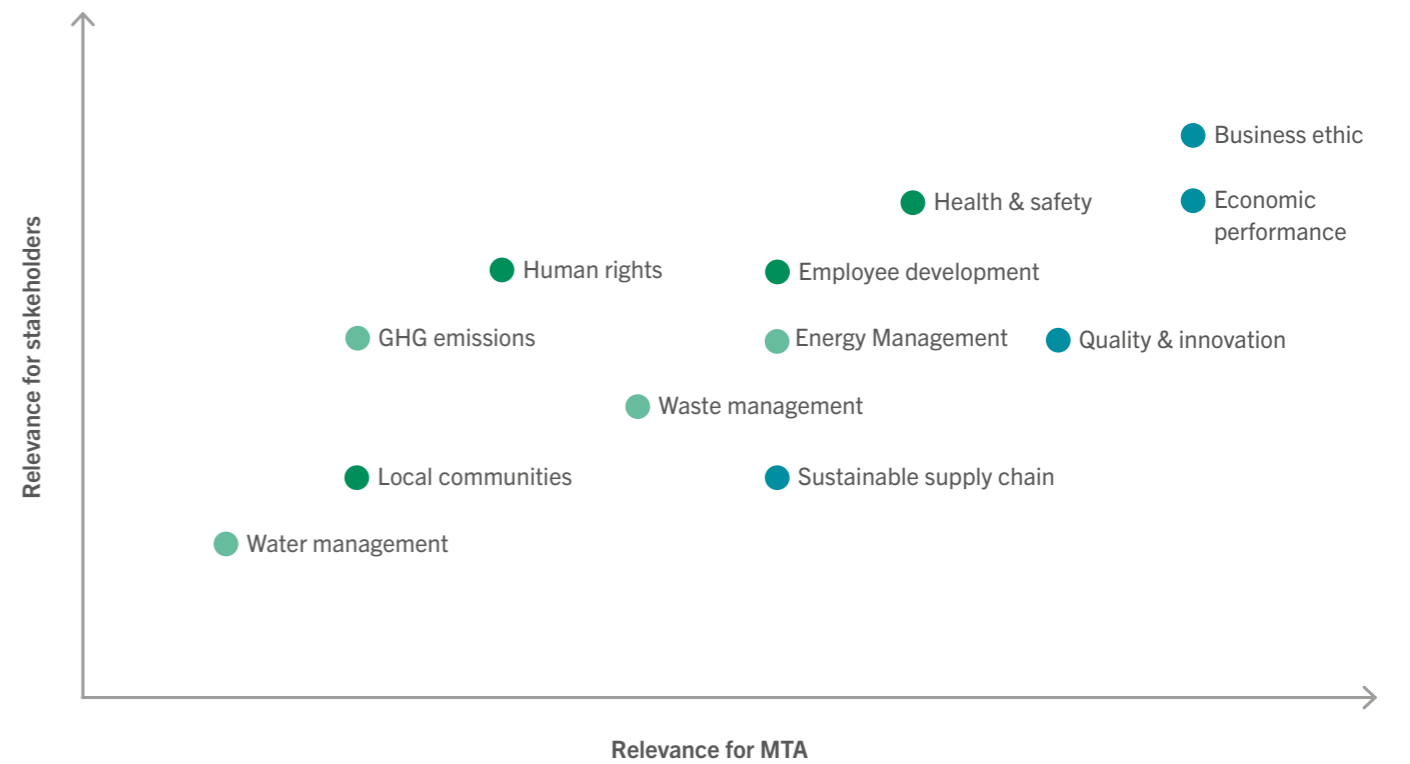
- Energy Management & Renewable energy sources
- GHG emissions
- Waste Management
- Water Management

**SOCIAL**

- Respect of human rights
- Health & Safety in the workplace
- Employee development
- Actions for local communities

The importance of each issue for our stakeholders and for the company is shown in the matrix here below.

**MATERIALITY ASSESSMENT**



# GROW IN A SUSTAINABLE WAY

In 2023 the revenues of MTA SpA (excluding the plant of Cinisello Balsamo, as per already mentioned reason) were €202 million, recording an increase of almost 20% compared to the previous year.

## 01 Innovation, quality and product safety

The focus of MTA's management has always been on ensuring the quality of its products. In a "delicate" sector such as the automotive one, global legal scenarios and market trends emphasize the need to pay ever greater attention to the quality and safety of products, which are rapidly evolving towards increasingly pervasive electronic content. The concrete, effective and efficient commitment to risk management can never be lacking, with assessments that must be punctual and rigorous, especially in cases where the safety features of the product can have a direct impact on the safety of the vehicle where MTA product is mounted. Basing its approach on the Plan-Do-Check-Act cycle and risk-based thinking, MTA manufactures products that are the result of operational processes that meet the most

stringent requirements of the sector in which MTA operates. Product safety management involves the engagement, sometimes even the direct coordination, of the Product Safety Officer (PSO), a figure who guarantees due consideration of the relevant regulations, applicable both to the design of the product and to its production.

All the methods adopted by MTA to guarantee product safety are completely integrated into company procedures.

MTA is a member of ISO committees and boasts numerous OEM approvals for its products.

Alongside its range of products for "traditional" propulsion vehicles, MTA develops and manufactures fuses, fuse holders, junction boxes, power distribution units and connectors for HV and 48 V architectures.

Furthermore, thanks to the plant of Cinisello Balsamo (ISO 9001 certified), that designs and produces power electronics - OBC (On-Board Battery Charger) and DC/DC converters for electric vehicles – since 2021 MTA has been able to expand the range of products for electric vehicles with a portfolio capable of covering the entire HV distribution: from electrical components to power electronics.



Both plants of Codogno and Rolo are ISO 9001 and IATF 16949 certified, the reference quality standard in the automotive sector.

## 02 Business ethics

### THE ORGANIZATIONAL MODEL

MTA requires its employees to demonstrate integrity, responsibility and respect for the rules, to ensure compliance of company activities with current legislation and avoid cases of corruption.

For this reason, the company, adhering to the provisions of Legislative Decree 231/2001, has decided to equip itself with an Organizational Model which, by mapping the main company processes, defines for each of them an internal management and control system suitable for preventing crimes expressly provided for by the decree (including, for example, crimes against the safety of workers and the environment, corporate crimes, or crimes against the public administration). Compliance with the prohibitions and provisions set out in the ad hoc protocols adopted by the company is guaranteed by the presence of a Supervisory Board, which carries out periodic audits on the company processes involved.

The company expects all employees to respect the principles of behavior set out in the 231 Protocols, available and consultable by everybody in a public folder on the company's internal computer network and included in the topics covered during the mandatory initial training provided to new hires.

MTA S.p.A. has been awarded a legality rating with a score of ★★++ by the AGCM (the Italian Competition and Market Authority). The legality rating is a synthetic indicator of a company's compliance with high standards of legality and thorough attention paid to lawful business management. The purpose of the rating is to reward companies that comply with the law, are transparent and operate according to sound ethical principles, allowing access to specific advantages and benefits regarding reputation, granting of loans by Public Administrations and access to credit.

To further support the fight against corruption, the MTA Code of Conduct, which represents the "tool" used by the company to declare and share its fundamental ethical values, also prohibits and explicitly condemns any form of corruption in relations with institutions and Public Administration, as well as in relation with customers and suppliers (for details on the MTA ethical code, please refer to the next paragraph).

Confirming the trend of previous years, also in 2023 MTA was not the subject of reports or investigations related to crimes envisaged by Legislative Decree 231/2001.



**THE ETHICAL CODE**

In line with its strong ethical sensitivity, MTA has drawn up its own Code of Conduct to build the foundations of an inclusive and shared corporate culture and to promote a work environment in which people are always treated with respect and dignity, without favoritism and prejudices.

The Code of Conduct touches on fundamental issues, which must be respected and supported by every employee and partner, including the entire supply chain.

Respect for human rights and working conditions established by the conventions of the International Labor Organization (ILO) are the fundamental pillars. All workers must contribute to MTA's commitment to promoting them.

The MTA Code of Conduct includes, but is not limited to, the following human rights and employee rights policies:

- Fight against illegal immigration and forced labor;
- Child work avoidance;
- Fair and dignified treatment;
- Non-discrimination of any kind;
- Freedom of association and protection of individual rights;
- Promotion of "responsible" raw material supply chain;
- Social dialogue on working conditions;
- Fight against all forms of corruption;
- Respect for confidentiality and reporting of irregularities (whistleblowing).

MTA's commitment is dedicated to ensuring fair and legal working conditions in terms of hours, wages, and treatment. Any form of discrimination – gender, age, race, nationality, marital status, sexual orientation, political opinion, physical/health condition, etc. – is strongly condemned. Freedom of association is guaranteed to all company employees, who are free to join trade unions to be represented and can meet in workers' councils.



Through its Code of Conduct, MTA also promotes notions aimed at a general improvement of working relationships and conditions, adopting the fundamental principles of the ILO which state that work

is not a commodity and recognize social dialogue as a privileged way to create working conditions suitable for safeguarding the competing and mutual interests of the company and workers.

The Code of Conduct is always available and consultable by employees on the company intranet, as well as on the MTA website.

It is sent to all new hires through the human resources portal and is included in the topics covered during the mandatory initial training provided to new hires.

MTA has clearly identified a whistleblowing procedure, for both internal and external persons, to report alleged violation to the Code itself. Directions are clearly expressed in the Appendix of the document, that is available also on the company website.

**THE INVOLVEMENT OF THE SUPPLY CHAIN**

Suppliers are asked to follow ethical principles and policies contained in MTA Code of Conduct and consider it as their own, with the aim of spreading these principles along the supply chain.

By signing the MTA General Terms & Conditions, suppliers are explicitly called upon to recognize and fully respect the provisions defined by MTA in the Code of Conduct, conforming to the principles contained therein and verifying, in turn, that they are implemented and also applied by the companies they control, directly or indirectly: the final aim is to spread, along the entire supply chain, the principles embraced by MTA.

Suppliers are also required to comply with the Conflict Minerals policy issued by MTA, in

As in previous years, also in 2023 there has been no report of real or alleged violations of human rights or, more generally, of the provisions of the Code of Conduct and MTA was not the subject of any investigation in this regard.



which the company undertakes to responsibly source materials containing those minerals (such as tin, tungsten, tantalum, gold) that can be used in risk areas or in conflict zones, to finance armed groups, to fuel forced labor and other forms of human rights violations. Suppliers are required to declare the presence and origin of the minerals in question in the products supplied, which must be obtained from environmentally and socially responsible and conflict-free sources. All suppliers are invited to adopt the principles of the policy, encouraging and raising awareness of their suppliers in this regard. MTA verifies and monitors the "sensitivity" of its suppliers to sustainable purchasing through an annual survey on Conflict Minerals.

In the preliminary phase, each new or potential supplier is invited by MTA purchasing function to respond to a self-assessment questionnaire (Supplier Information Survey), which includes a mandatory section expressly dedicated to the topics of Corporate Social Responsibility / Sustainability. The purpose of the questionnaire is to promptly detect any critical issues of the supplier, providing immediate feedback on the company's positioning with respect to the MTA standards.

According to the existing evaluation mechanism, suppliers finally receive a rating from MTA based on their performance and risk attribution: the certifications according to the ISO 14001 (environment) and ISO 45001 (health and safety) standards represent a plus for the supplier, who, if certified, receives a higher score.



# ENVIRONMENTAL IMPACT



MTA S.p.A., while designing and manufacturing electrical and electronic products intended for the main manufacturers of cars, motorcycles, trucks, agricultural and earth-moving machinery, considers environmental protection as an integral part of its corporate strategy, as expressed in its Environmental Policy. The company's objective is to conduct its activities in an environmentally responsible manner, reducing its negative impacts on the environment to a minimum, respecting and - if and where possible – improving the constraints imposed by current legislation.



For this purpose, it has implemented and maintains its own Environmental Management System compliant with the ISO 14001 standard and common to the two sites, Codogno and Rolo.



## 01 Management of energy sources and use of renewable sources

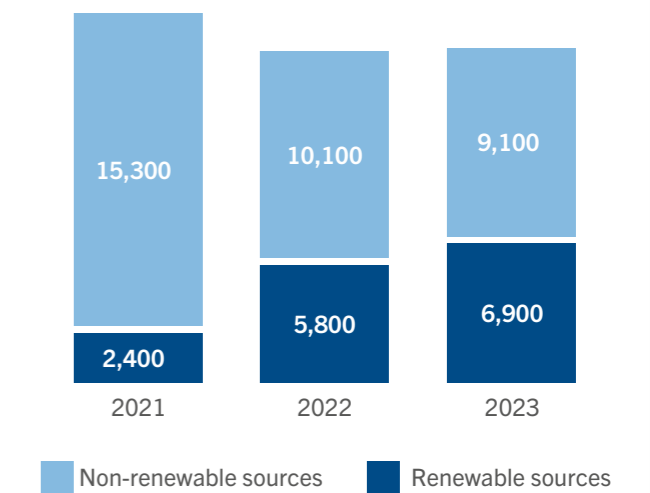
Below is the detail of the overall energy consumption of the two plants in the last three years, divided between energy coming from non-renewable sources (purchased from external suppliers) and energy coming from renewable sources (which is partly self-produced, via an installed photovoltaic park, and partly obtained on the basis of the declaration of the energy mix used by the electricity suppliers):

The energy consumption monitoring is a critical part of the company strategy to evaluate efficiency opportunities

Internal energy consumption within the organization includes:

- Electricity for the operation of the systems (production lines / production equipment - compressors - lighting - air conditioning systems), partly powered through the medium voltage network and partly through the self-production of solar panels that both plants have installed;
- Methane gas for managing the heating system;
- Fuel for cars belonging to the company fleet.

### ENERGY CONSUMPTION WITHIN THE ORGANIZATION [MWh]



The use of electricity represents almost 90% of the organization's total internal energy consumption.

But Codogno plant and Rolo plant have very different level of electricity consumption because of their significantly different production processes.

The plant of Codogno is specialized in the production of electrical components and equipped with plastic molding, metal stamping and assembly departments, and it is the most "energy-intensive" of the two plants, representing about the 75% of the total electricity consumption.

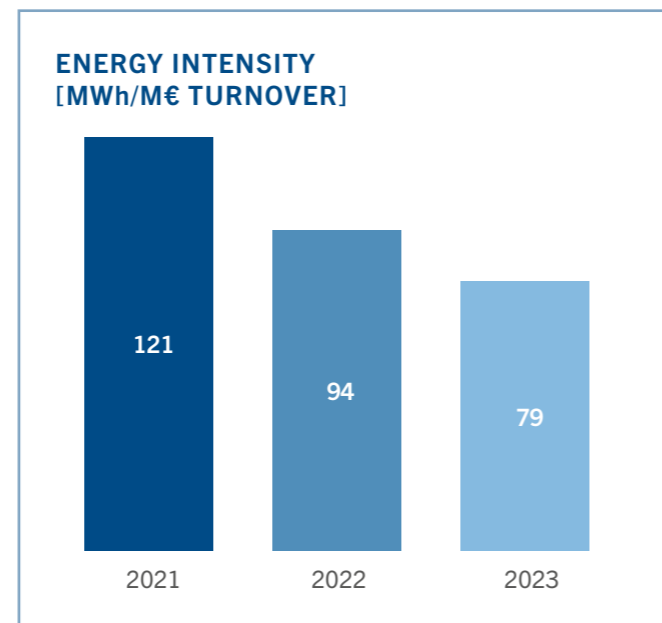
In the plant of Rolo, which instead is specialized in the production of electronic components, the photovoltaic production (when season and weather make it possible) is already higher than demand, allowing the company to transfer the surplus produced to the grid.

During the past few years these characteristics have been taken into account, leading to an approach focused on efficiency interventions on the less recent and more energy intensive plant (Codogno), to mitigate as much as possible its impact. While in Rolo it was mainly focused on the sustainability of the electricity supplier, given its production process and its more recent construction.

Results of the strategy are reflected in the total

consumption quota of energy from renewable sources, that in 2023 is of 43% (it was 14% in 2021 and 37% in 2022).

The strong commitment on efficiency is evident from the energy intensity index - given by the ratio between energy consumed and turnover - which shows a constant improvement: with a turnover grown by almost 20% compared to the previous year (ref. paragraph "Grow in a sustainable way"), the index dropped by 16%.



## 02 | GHG emissions

Starting in 2020, MTA began using GHG protocols to:

- Measure and manage greenhouse gas (GHG) emissions from its operations;
- Report and reduce GHG emissions;
- Analyze possible mitigation actions.

The reporting takes into consideration the data available on:

Scope 1 → direct emissions from the company  
 Scope 2 → emissions from others due to company consumption

During 2021, an initial refinement of the data collected for Scope 1 was carried out including - starting from that year - the data relating to emissions deriving from the cars in the company fleet too. For 2022 the objective was to further refine the accounting by adding emissions resulting from leaks in equipment containing refrigerant gases.

The current Scope 1 reporting considers these progressive improvements, which however distort the emissions trend over the period, making the years not "homogeneous" and comparable with each other.

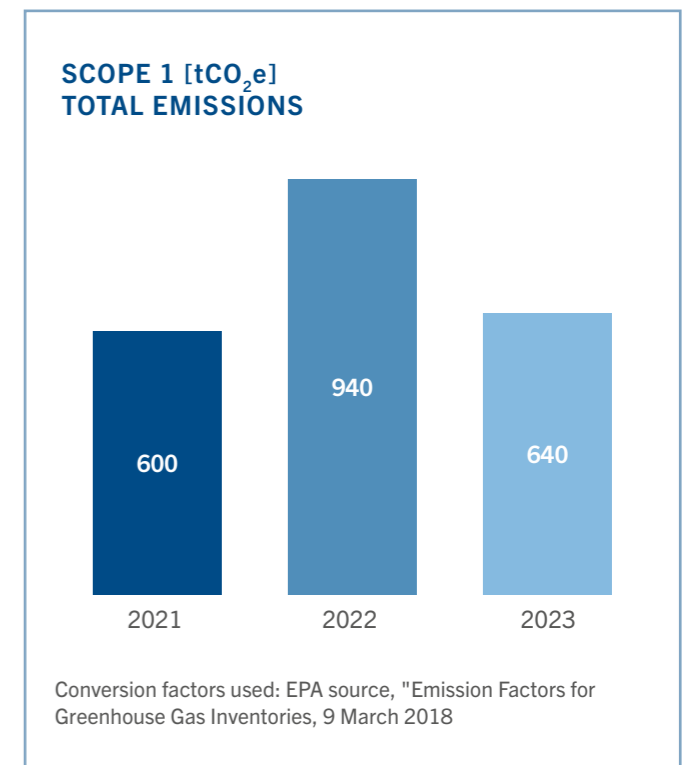
The methodology adopted for the Scope 2 data, consistent with the methodology created by EEA (2015), consists in calculating emissions on the assumption that the equivalent electricity from renewable sources is created with the fossil mix of the year 2020 (data of previous years recalculated accordingly).

Scope 3 is still "work in progress", given the complexity of reporting: including the emissions of the entire supply chain, both upstream and downstream of the company's activities (i.e.: the emissions of suppliers for the production of the items delivered to MTA, the emissions caused by employees' home-work transfers, emissions due to the use of products, their disposal, etc.), requires an in-depth analysis and a complex action plan to be implemented in the coming years.

**SCOPE 1:** It deals with the greenhouse gas emissions generated directly by the Organization, which are divided into:

- Stationary combustion: deriving from fossil fuels used for the operation of the systems (in our case: natural gas for the operation of the heating system) and from any recorded losses of refrigerant gases;
- Mobile combustion: deriving from the company car fleet.

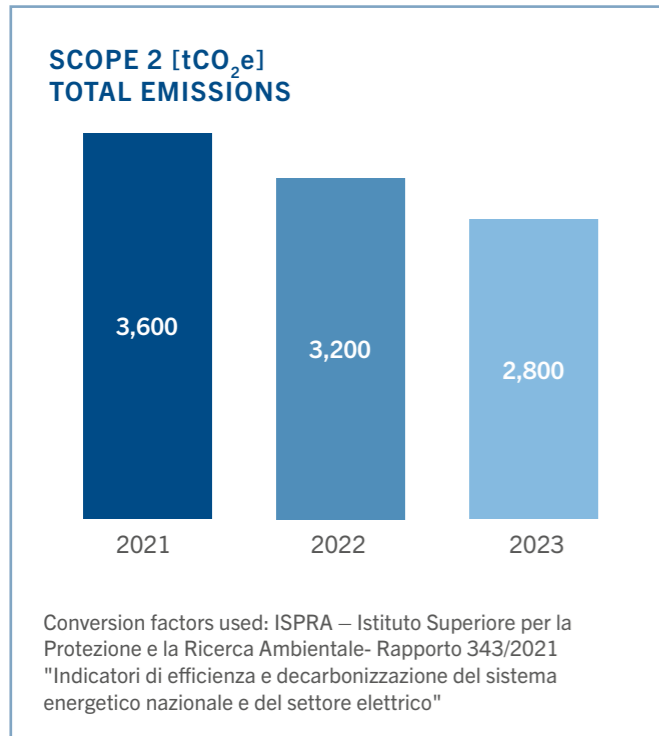
The trend over the three-year period is presented here below:



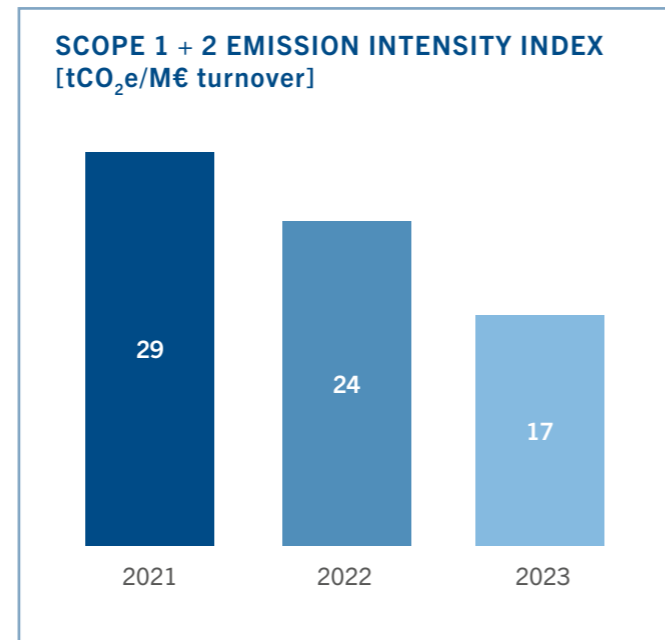
Compared to year 2022, in 2023 it is registered a global Scope 1 emissions reduction of 32%. It has also to be pointed out that the apparent increase in Scope 1 emissions respect to 2021 was determined by the addition (in 2022) of the conversion of emissions deriving from refrigerant gas losses (from company air conditioning units / refrigeration units).

**SCOPE 2:** It deals with the indirect emissions of greenhouse gases deriving from the energy supply external to the organization, accounted according to the location-based method.

The trend over the three-year period is presented here below:

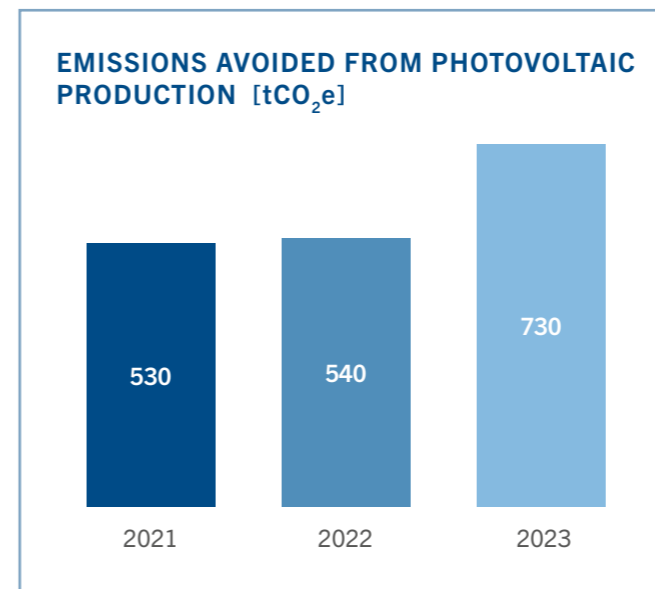


Compared to year 2022, in 2023 it is registered a global Scope 2 emissions reduction of 10%. The contributions are mitigated by the use of self-production of electricity through the photovoltaic systems installed in both locations. Some important investments are planned to further increase the self-production of energy from the photovoltaic system in the plant of Codogno, that – with its molding and stamping presses – is clearly the most energy-intensive. For more details see paragraph "Future projects and targets". To make the data on the tons of CO<sub>2</sub>e emitted more understandable, as well as comparable in terms of performance between one year and another, it was indexed to the "industrial cost turnover" of the year to which it refers: Indexation allows us to highlight the improvement in performance in terms of CO<sub>2</sub>e emissions despite the production increases that have determined the increases in turnover.



**AVOIDED EMISSIONS**

The installation of photovoltaic panels in both locations has allowed the company to avoid, overall, the following greenhouse gas emissions:



The methodology adopted for the calculation of avoided emissions, consistent with the methodology created by the EEA European Energy Agency (2015), consists in calculating emissions in the hypothesis that the equivalent electricity from renewable sources is created with the "fossil" mix used for ordinary energy production (references year 2019). The result of avoided emissions comes from the electricity generated from renewable sources multiplied per the average annual emission factor from fossil sources: the underlying hypothesis is that, in the absence of "renewable" production, the same quantity of electricity would be produced exclusively from the fossil mix of the moment (references: ISPRA - Istituto Superiore per la Protezione e la Ricerca Ambientale -, Report 343/2021 "Efficiency and decarbonisation indicators of the national energy system and the electricity sector").

Note: The data for the years 2022 and 2021, compared to what was provided in the previous report, have also been recalculated using the conversion criteria mentioned above.



### 03 Waste production

The data below refer to the quantity - expressed in tons - of waste generated by the company, distinguishing between hazardous and non-hazardous waste and identifying the total by reporting year:



Due to the different typology of production processes, the Codogno plant is the main "producer" of waste, with a share - stable over the years - at over 90% of the total waste generated by MTA.

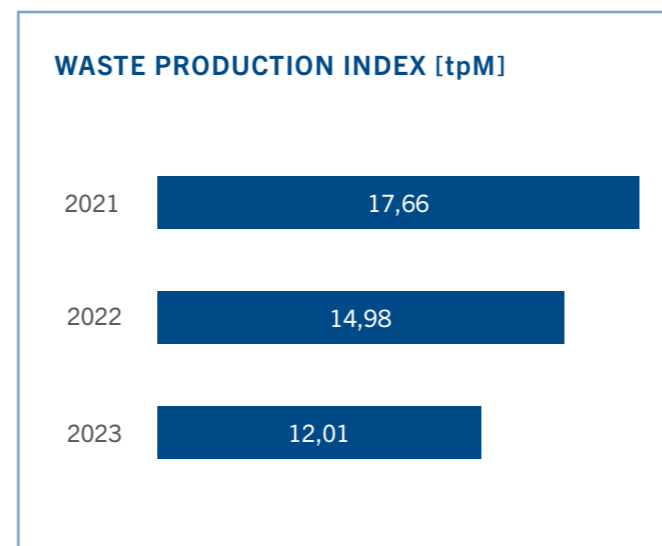
Specific agreements with dedicated companies have enabled the Codogno plant to manage the "recover" of a large part of the metal processing waste as a by-product and, albeit to a much lesser extent, also part of the plastic waste, allowing them to continue in their life cycle. In 2023, the percentage of metal and plastic waste from the production processes of the Codogno plant that were "recovered" through these agreements was 70% of the total waste generated by MTA (it was 73% in 2022 and 2021).

The remaining waste generated by the organization - and all of the hazardous waste - is given to companies specialized in waste treatment and disposal.



Most of the waste given to treatment and disposal service providers is subject to recovery, based on the categorization of the waste itself. According to the indications of these waste management companies, they are able to recover/recycle over 90% of the mix of waste generated by the Codogno plant (the rest is destined for storage in landfill). For Rolo, the percentage of waste recovered/recycled is higher than 80% of the total waste produced by the plant.

To monitor our performance in terms of waste production we consider an index consisting of metric tons of waste generated by the plants compared to millions of turnover at industrial cost. Here is the representation that shows the improvement recorded over the last 3 years:

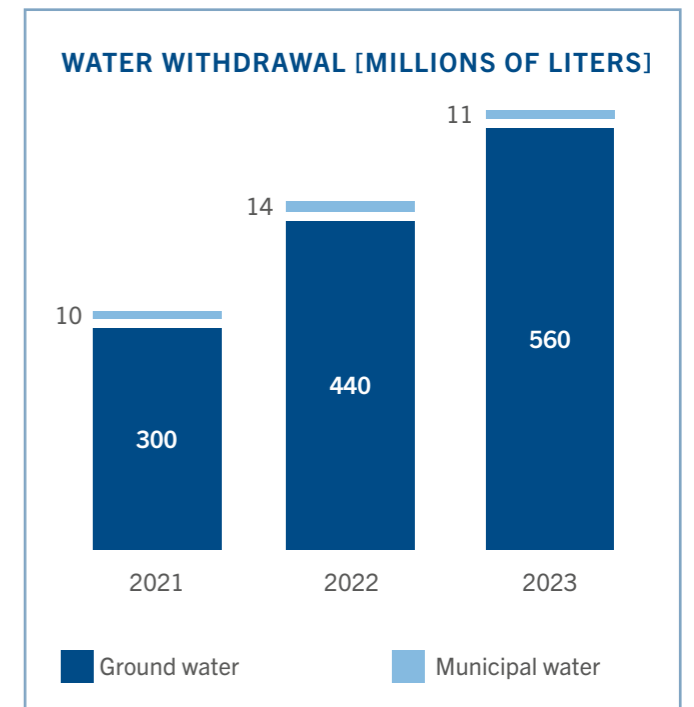


### 04 Water consumption

Although our production processes do not involve intensive use of water and both our plants are not located in high water stress areas, one of our objectives is still to monitor water consumption to ensure a responsible use of it.

MTA's water withdrawals consist of both drinking water supplied by municipal companies and water taken from aquifers through wells. The purchase of water from municipal companies represents less than 2% of the total, of which the most part (about 90%) is used for hygienic-sanitary purposes (toilets) and food (kitchen/canteen).

The most significant one is represented by the withdrawal from wells (98% of total), that is almost entirely carried out by the Codogno site, since the Rolo site affects the overall groundwater withdrawals by only 0,2%. This is because at the Rolo site water from wells is used exclusively for the irrigation of the green areas, while the main purpose of the withdrawal from the groundwater at the Codogno site is the heat exchange of the heat pumps, for the air conditioning of part of the production plant.



The increase recorded in 2023 in groundwater withdrawals compared to previous year is mainly linked to the climatic conditions of 2023, where intense and prolonged high temperatures increased the need to cool the production area of the Codogno plant to ensure the comfort of workers, consequently impacting the withdrawal of water from the groundwater for this purpose.

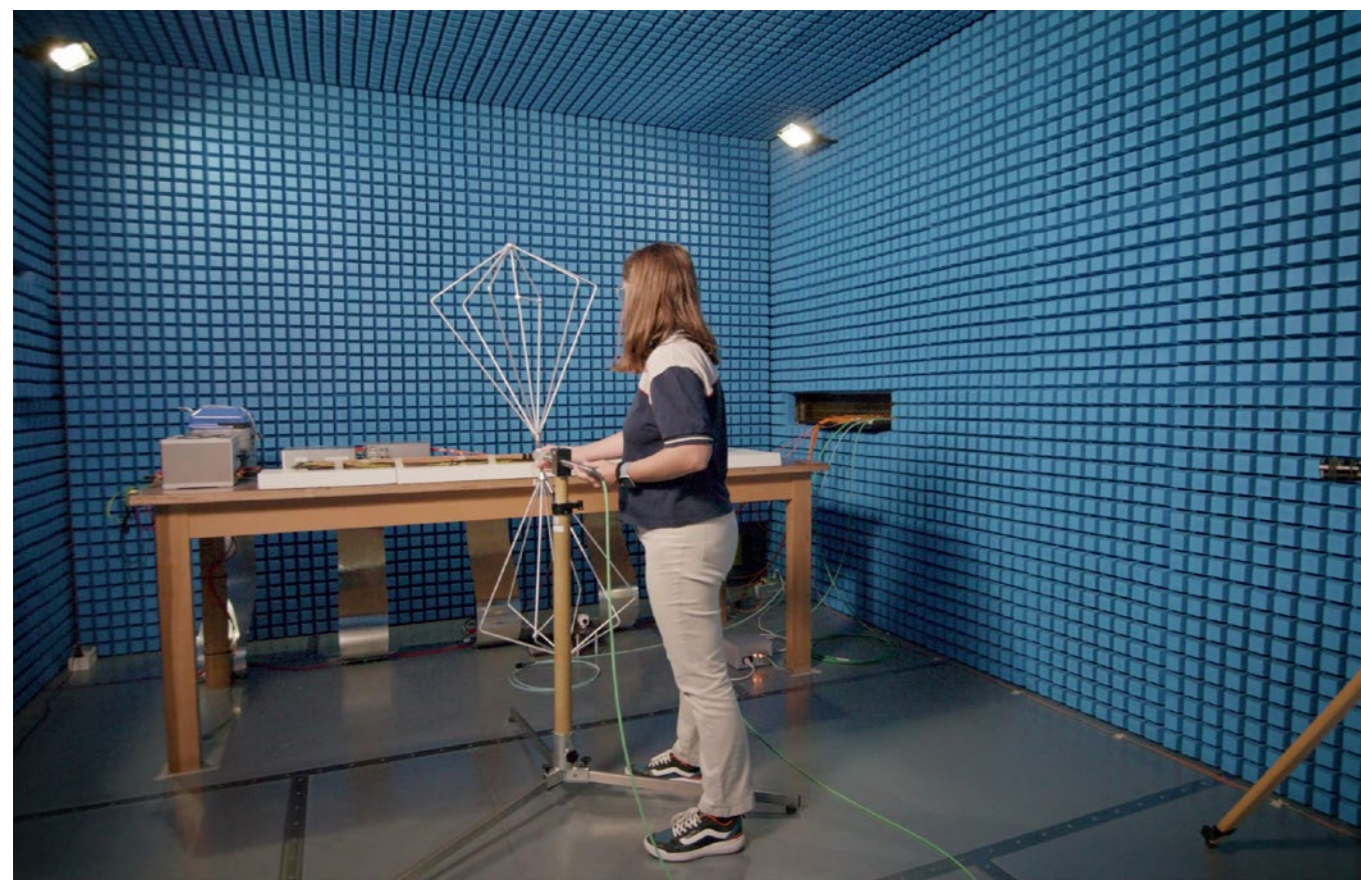
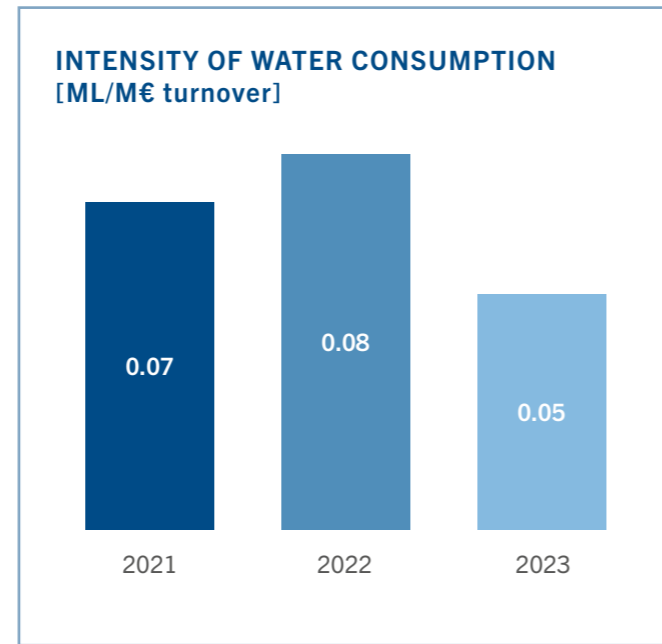


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However, it is important to keep in mind that all the water taken from the well is subsequently discharged into water basins without a quantitative or qualitative decrease: the use of water for the operation of heat pumps therefore does not imply a real consumption of resource (a situation which instead characterizes the use of water for sanitary and food purposes). In fact, as mentioned before, MTA production processes require extremely limited use of water.

	2021	2022	2023
Discharge in surface water (ML)	300	440	560
Water consumption (ML)	10	14	11

This condition can be clearly seen from the intensity index of our water consumption, represented in the graph below, which relates the millions of water liters (Megaliters) actually consumed, to the company turnover (in millions of euros).



## 05 Initiatives for the environment

MTA's contribution to the environment is not only expressed through reporting its impact on the most relevant aspects.

Other initiatives have been supported by company on topic:

- Renewal of partnership with the FAI - Fondo Ambiente Italiano: for over 10 years now, MTA has been a Corporate Golden Donor to the FAI, the Italian Environmental Fund, thus helping to support a major preservation project that also represents an ambitious cultural challenge: "to make Italy a better place to live, work, and raise children";
- Installation of water dispensers in the break areas from which it is possible to obtain supplies of cold and hot water, using cups and bottles: the distributors allow everyone to use water for free but above all they contribute to reducing the use of plastic bottles, helping to safeguard our environment;
- Continuous care of the company big green areas: plants and trees are taken care of, not only to create a beautiful surrounding for the company buildings, but also for their capacity of absorbing CO<sub>2</sub>.



## 06 Future projects and targets

For the Codogno Headquarters, MTA is focusing on environmental sustainability, with an emissions abatement plan that has already reached the implementation phase and will reduce the site climate impacts by 33% within mid-2025, which approximately

The investment is partially funded by a grant from the Lombardy Region (the Green Line grant).

corresponds to over 10.200 tons reduction in CO<sub>2</sub> equivalent atmospheric emissions over the next 10 years.

Many of the facilities at the industrial site will be heavily renovated: heat will be recovered from the molding process to facilitate summer cooling and winter heating, refrigerants with a high environmental impact will be eliminated, and, where possible, will be replaced with fluids having a near-zero climatic impact, the existing photovoltaic system will be greatly expanded, and the use of methane gas will be reduced by about 90%.

These interventions will significantly improve the Carbon Footprint associated with MTA products, all for the benefit of the entire downstream automotive supply chain.

# ATTENTION TO PEOPLE

Present on the market since 1954 and still owned by the founder's family, MTA is deeply aware of its responsibilities towards those who most closely support it: these include, first, its employees. In fact, people are the true and indispensable source of the company's success, and MTA has always placed them at the center, committing itself to guaranteeing them the best standards of health and safety in the workplace.



To this end, MTA has implemented and maintains its own Occupational Health and Safety Management System compliant with the ISO 45001 standard and common to the two sites of Codogno and Rolo.

Moreover, the company's commitment is also expressed in assuring adequate professional training and employment stability, within a company climate based on listening to and enhancing each talent. This is because MTA aspires to be, as well as a safe workplace, also an attractive place to work, capable of cultivating and retaining talents, through projects carried out with secondary schools and universities on the one hand and training and development career plans for employees on the other.

## 01 The management system for health and safety at work

The Health and Safety Management System adopted by MTA, i.e. the set of rules and responsibilities established by the company to reduce and manage safety and health risks, taking into account the context of the organization, constitutes the main tool of Company management to pursue the prevention of accidents and occupational diseases and also to pursue the continuous and sustainable improvement of working conditions. The public and formal commitment to the protection of employees in the workplace is expressed by the top management through the Health and Safety Policy: also available on the MTA website, it is known and shared both with employees and with the supply chain, and with all other company stakeholders.

The application of the policy and the maintenance of the Health and Safety management system, according to the ISO 45001 standard and in consideration of the laws in force on the subject, are guaranteed by the HSE Managers, who are responsible for the analysis of occupational accidents (real or near misses), to identify their causes and to prevent them from happening again, as well as the fundamental task of making the workers - in particular those of production, who are exposed to the greatest risks - responsible for respecting safety in the workplace. For this reason, the HSE Managers hold regular training meetings in each plant

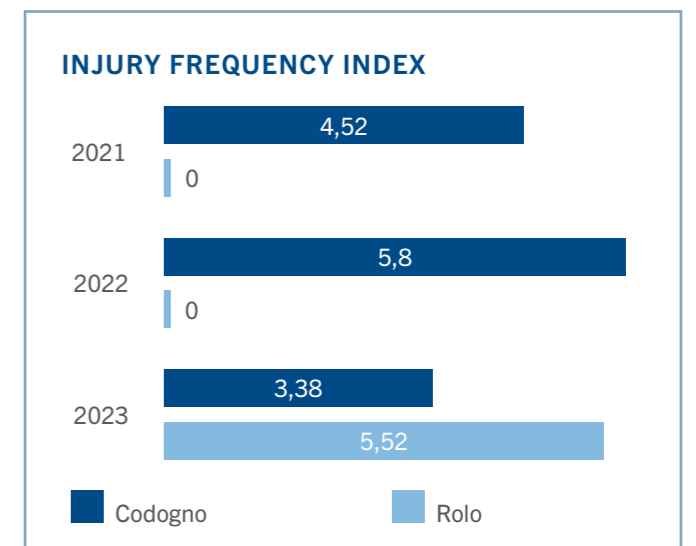


that involve the production staff: to raise their awareness - also and above all – about the so-called "unsafe conditions". The aim of the awareness campaign is to give workers the necessary perception of potentially risky situations, making them more attentive and encouraging them not only to report every time they identify one, but also to make suggestions on possible safety improvements in their daily activities. All reports made by the employees are collected and analyzed, providing important input to define new safety actions.

the injury indexes of frequency and severity. The frequency index takes into consideration all work-related injuries reported to the Italian national body responsible for their management (INAIL), with the exclusion of accidents during commuting and those not recognized by INAIL itself, and correlates them - according to UNI standards - to the total hours worked in the year, multiplying the result by one million.

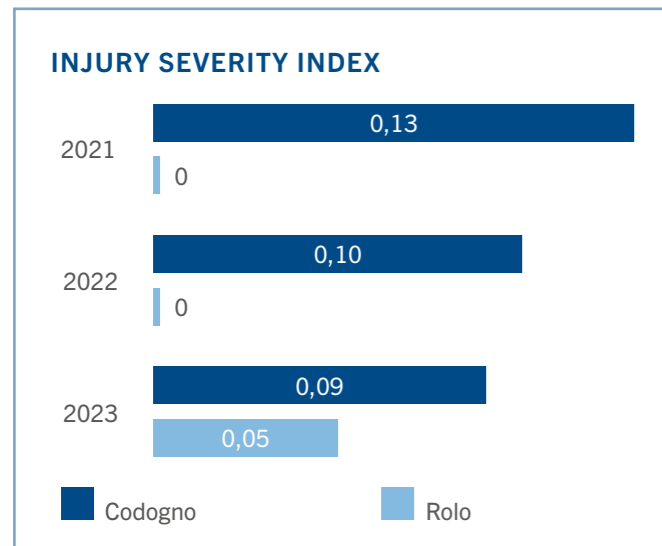
## 02 The performance of the Health & Safety management system

**INJURY INDEXES**  
The main indicators - constantly monitored in each site level, not only by the HSE Managers, but also by company Top Management - are





The severity index transforms the above work-related injuries into the relative days of absence of people, correlating them - again according to UNI standards - to the total hours worked in the year, multiplying the result by a thousand.



In the year 2023, there was a worsening of the performance of Rolo which recorded 2 occupational injuries for a total of 19 working days lost (they were 0 in previous years); while in Codogno 3 injuries were recorded for a total of 85 working days lost (they were 5 injuries for 87 working days in 2022 and 4 injuries for 115 working days in 2021).

### NEAR MISSES AND UNSAFE CONDITIONS

MTA also collects and records the so-called near misses, i.e. those accidents which have occurred, but which fortunately have not resulted in injuries to the people involved. The aim of the activity is to have evidence of all dangerous situations, analyzed one by one by the HSE Managers, who take the appropriate countermeasures by coordinating the application of the necessary corrective actions to avoid their possible re-occurrence. Below is the detail of the near misses managed:

	Codogno	Rolo
2021	1	2
2022	1	2
2023	2	1

As already mentioned, to continuously improve the company's workplace safety culture, especially among the operators most at risk, in 2023 both in Codogno and Rolo the HSE managers continued to propose dedicated meetings (called: "safety meeting" in Codogno and "stand-up meeting" in Rolo) dedicated to all production/warehouse staff and laboratory function workers (where present). The dissemination of knowledge and the incentives to use the company tool aimed at reporting the so-called "unsafe conditions" are among the main topics. Reporting all behavioral and environmental situations assumed to be dangerous and/or provide ideas for possible improvements, are considered as "best practices".

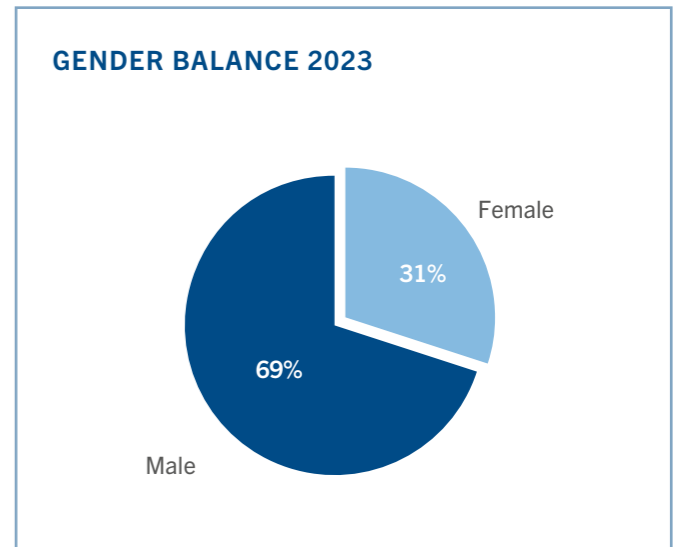
### SAFETY TRAINING

In addition to raising awareness, specific training events dedicated to safety cannot be missing. In 2023 in Codogno 315 workers were involved in training/updating activities related to safety issues with an average of 9 hours of training per capita (in 2022: 332 workers for an average of 7 hours of training; in 2021: 250 workers for an average of 8.9 hours of training). In Rolo in 2023, the workers involved in specific training dedicated to safety were 154, with an average of 10 hours of training per capita (in 2022: 53 workers for 6 average hours of training; in 2021: 74 workers for 9.1 average hours of training).

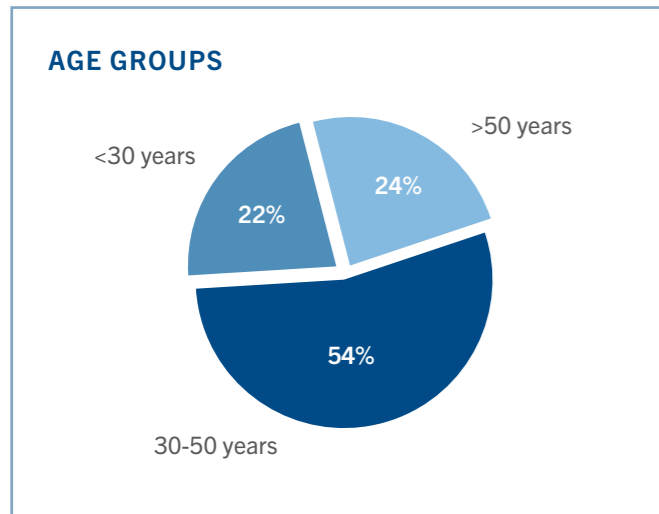
With slightest increase respect to previous year (+5%), at the end of 2023 MTA S.p.A. (plants of Codogno and Rolo) had 864 employees; rates of direct employees (89%) and temporary workers (11%) have not changed. In terms of gender composition, the data substantially confirms the same as in previous years, with male representation at 69% and female representation at 31% (they were respectively 70% and 30% in 2022).

## 03 | People

According to one of the key principles of its Code of Conduct, MTA supports equal opportunities, without exception, in all its activities. As evidenced by the transparency of the selection processes, all positions are clearly open to those who meet the competence requirements for the role, regardless of gender, race, religion, age, sexual orientation.

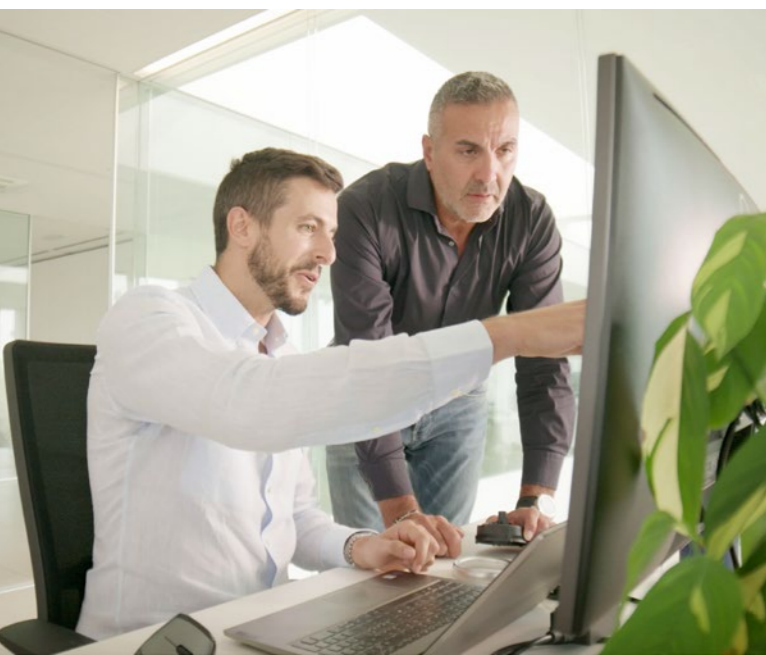


Checking the composition of the staff in terms of age groups, this is the situation at the end of 2023:



The new hires that took place during the year (in absolute number 92 in 2023 vs 101 new hires in 2022), show an increase in percentage of the number of women respect to total data of gender balance: women represent the 41% of new hires; while the distribution by age group sees a minimal incidence of the "over 50" (3%), the under 30 are 46% and the in-between 30 and 50 are 51%.

The turnover rate, (i.e. the percentage ratio between the sum of hirings and terminations that occurred during the year and the average number of employees in the period), stood at approximately 27% (it was 23% in 2022).



## 04 The training and people development

MTA expresses the valorization of its employees also through the training activities provided. They are planned and implemented every year with different priorities and focuses, according to a process of identification of training needs clearly explained in a company procedure which is available to all employees for the consultation. The training plan approved for each company sector is then shared by all managers with their collaborators and applied throughout the year.

In 2023 the company provided approximately 10.100 hours of training to its direct employees (they were 7.400 in 2022), for an average of approximately 8 hours of training per capita (they were 7 in 2022).

Of course, it is confirmed also in 2023 that there are no gender disparities in training: the average number of training hours provided is in fact identical between men and women. While, referring to the categories of employees, the office staff benefited from an average of 12 hours of training per capita (9hrs in 2022), compared to the 8 hours on average benefited by the production staff (5hrs in 2022). Total expenses for training were around 200k € (+60% compared to previous year).

The activity of MTA Academy for Project Engineers, inaugurated at the end of 2021, still continued in 2023 with two training sessions aimed at expanding and developing skills in the design of MTA components and allowing a structured know-how sharing within the R&D department. In addition to preparing people for the ongoing activities and improving the efficiency of the processes, purpose of these courses is also to stimulate them so that they themselves might devise and propose new and innovative solutions.

## 05 The company welfare model and the talent management

Following to the suggestions gathered through the internal climate survey (2022) and the subsequent focus groups organized to collect deeper information from the MTA people, the HR Management presented a three-year plan to give responses to the most significant needs emerged. Here are the results of the 2023 activities.

Within the intervention area called "Organizational design" there were two planned activities:

- Revision of job descriptions and job titles;
- Redesign of working process in some areas of the company.

Both of them have been addressed and, due to their complexity, are still work in progress and will be followed through also during 2024. As anticipated as intention in 2022 report, in 2023 MTA established a Management

Academy, for the development of managerial skills and collaborators management. The initiative falls within an intervention area called "management styles" and resulted in various activities during the year, such as:

- Individual coaching;
- Team building;
- Master in "Integrated Supply Chain Management" dedicated to executives and other specific roles;
- Leadership courses dedicated to the middle management.

Within the intervention area called "Politics and work system", in 2023 the company released:

- A remuneration policy;
- A new regulation for smart working;
- New rules for time flexibility.

Moreover, in a process aimed not only at Performance Measurement but, also and above all, at enhancing people as well as the success and growth of the company, the company developed its own internal Performance Evaluation software system. The purpose of the tool is on the one hand





to enhance, motivate and develop human resources by combining company objectives with those of individuals, allowing the latter to apply their skills, competences and interests; on the other hand, it is useful for managers and Human Resources to identify training needs and development possibilities. The objectives assigned to individuals are determined partly by company objectives and partly by personal objectives and by assessments of compliance with the behavioral values considered fundamental by MTA. The software replaced the original paper-based method of performance evaluation allowing, in addition to saving on paper exchanges, also an easier analysis of the results and their average distribution. Another topic under the umbrella of “politics and work system” is the Job Posting project, that allows internal staff, through the Human Resources management software, to receive priority information on new positions open in the company, i.e. the positions for which the company is looking for candidates. All employees receive an alert in the HR portal informing them of a new open position and, those who believe to meet the requirements can submit their application, following the instructions in the manual available in the HR portal.

In addition to the internal Job Posting tool, the recruitment is also carried out through external communication. The MTA website is always updated and used to reach a large number of people. The “Work with us” section, directly linked from the home page, displays all open positions and gives the opportunity to submit a spontaneous application.

Other initiatives supported by MTA also in 2023 to search for and cultivate talent are:

- School-work alternation project, which involves students from local technical institutes, allowing them to carry out work experience, as part of their training course, in the MTA production departments;
- Opportunity given to students to carry out an internship in MTA with the aim of writing their thesis, in collaboration with engineering and economics faculties (such as the Politecnico of Milan and the University of Pavia).

## 06 The company welfare model and other actions for the employees and the community

In 2023, as announced in last year report, the company sustained an important investment involving the Codogno plant and for the benefit of its employees and more generally of the city community: the car park outside the plant owned by the Municipality of Codogno has been in fact entirely renovated and expanded by the company.

While, referencing to the plan dedicated by the company to the suggestions of the climate survey, for the well-being of its people and of the community in general in 2023 MTA:

- Hosted in Codogno the Family Day, to give to the employees’ family the opportunity to visit the production area, while the external area was dedicated to games, refreshments, celebrations and musical entertainments;

- Supported many initiatives of the company CRAL (that stands for Company Recreational Workers’ Club) such as trips during weekends and sports tournament, to give the employees the possibility to share happy moments together also outside the working environment;
- Activated a counseling desk for employees, with the support of 5 professionals with three differentiated approaches to the subject, in order to allow those who wish to use it and choose the most suitable method for themselves.

Some of the most relevant initiatives present in both locations to further preserve the health and well-being of the employees are:

- Additional health insurance available for all workers (Metasalute);
- Possibility of increasing, by using (in whole or in part) the personal bonus, the share of welfare benefits provided for by the Collective Bargaining Agreement, thus allowing employees to benefit from lower taxation on this part;
- A canteen service in both plants offering a wide choice of healthy options for everyone;
- Up to 8 days/month of smart working available to use freely during the month.

Other concrete initiatives realized / supported by the company:

- Pink parking spaces have been created both in Codogno and Rolo to facilitate the access to the company to pregnant employees, as part of a family support policy and improvement of the quality of life;
- Installation of water dispensers in the break areas both in Codogno and Rolo from which it is possible to obtain supplies of cold and hot water, using cups and bottles. The distributors allow everyone to use water for free;
- Installation of an Amazon locker inside the plant of Codogno for exclusive use of employees, as a further service to them;
- Support of the “Pink month” international campaign, aimed to highlight the importance of breast cancer prevention, early detection and prompt treatment. This year MTA made a donation to support the work of the LILT (Italian League for the Fight against Cancer) and all employees were invited to wear a pink ribbon as symbol of awareness.





## 07 | Future projects

In terms of health and safety in 2024 the company plans to obtain the certification ISO 45001 also in the plant of Cinisello Balsamo. As already specified in the first pages of the report, the plant of Cinisello Balsamo has been integrated into MTA S.p.A. in November 2023 and we are taking 2024 to implement there too the health and safety system that rules both the plant of Codogno and Rolo.

In 2024 MTA will for sure continue the Family Day tradition, to celebrate the 70th anniversary of the company foundation. The important appointment will be hosted in the plant of Rolo and will involve the personnel of all MTA S.p.A. plants.

And, last but for sure not least, the company defined important improvements in company spaces under renovation in the plant of Codogno. Last year their possible use was under evaluation, and in 2023 came the approval by the Direction of an important project, with the purpose of furtherly improve the employee well-being and support them in a better work-life balance management. The ground floor of the renovated area includes the creation of multifunctional spaces and spaces dedicated to new activities:

- Nursery for children from 3 to 36 months of age with facilitate fares for MTA employees;
- Recreational space, including training rooms;
- Therapeutic study dedicated to counseling activities, physiotherapy etc.;
- Gym;
- Room dedicated to CRAL promotional activities.

On the first floor 500 m<sup>2</sup> will be dedicated to new open-space offices. A new training room and new meeting rooms will be also available.

# ABOUT THIS REPORT



This report aims to provide information regarding the approach of MTA S.p.A. to sustainability issues and includes, as reporting perimeter, the two Italian sites of Codogno and Rolo. The site of Cinisello Balsamo – as explained in paragraph “Who we are” – has been excluded from this report since it entered in MTA S.p.A. on 1 Novembre 2023: for the most part of previous year it had an independent system making it impossible to have homogeneous data to report. The plant will be included in Report 2024.

The information contained covers the reporting period from 1 January to 31 December 2023. Where available, comparative data from previous years has also been provided. Although we do not formally adhere to the UN Global Compact Principle Index, in drafting this document we were inspired by its founding principles, considering that they derive from:

- Universal Declaration of Human Rights;
- ILO Declaration on Fundamental Principles and Rights at Work;
- Rio Declaration on Environment and Development;
- United Nations Convention against Corruption;

thus benefiting from universal recognition and consensus.



United Nation Global Compact 10 principles			Implementation by MTA	Reference page in this document
Human rights	principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and	Code of Conduct (page 5-7) Conflict Minerals Policy	9 14-15
	principle 2	make sure that they are not complicit in human rights abuses.	Code of Conduct (page 6)5-7) General Terms & Conditions (page 7-8) Conflict Minerals Survey Supplier Information Survey	9 14-15
Labour	principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Code of Conduct (page 6)	14-15
	principle 4	the elimination of all forms of forced and compulsory labor;	Code of Conduct (page 5)	14-15
	principle 5	the effective abolition of child labor; and	Code of Conduct (page 6)	14-15
	principle 6	the elimination of discrimination in respect of employment and occupation.	Code of Conduct (page 6)	14-15 29
Environment	principle 7	Businesses should support a precautionary approach to environmental challenges;	Certification ISO 14001 Environment Policy General Terms & Conditions (page 7-8)	8-10 16 15
	principle 8	undertake initiatives to promote greater environmental responsibility; and	Constant monitoring of environmental KPIs and target setting	16-24
	principle 9	encourage the development and diffusion of environmentally friendly technologies.	Projects aimed to develop “green” technologies (products dedicated to electric vehicles - energy from renewable sources)	12 17-19
Anti-corruption	principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	Legislative Decree 231/01 Organizational Model General Terms & Conditions (page 7-8) Code of Conduct (page 3-5, 7-9)	13-15

For the presentation of the performance indicators on the topics addressed, we also took indications from the GRI (Global Reporting Initiative) Standards.

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