

Exolon Group SpA

COMPANY CERTIFICATIONS		
SAFETY	QUALITY	ENVIRONMENTAL MANAGEMENT
UNI ISO 45001:2018	UNI EN ISO 9001:2015	ISO 14001:2015

ENERGY SAVING INITIATIVES	
Energy Management System ISO 50001	Not present
Energy consumption reduction initiatives	The following energy consumption reduction initiatives have been implemented: <ul style="list-style-type: none"> - Inverter installation on pumps for load modulation. - Replacement of light systems with LED technologies. - Heat pump installation for air conditioning. - Plant insulation for heat loss reduction.
Renewable Energy Sources	Present.
Water consumption reduction initiatives	<ul style="list-style-type: none"> - Adoption of a closed-loop cooling circuit. - Optimisation of water for plant cleaning (which is then managed as liquid waste) - Optimisation of irrigation water

ENVIRONMENTAL SUSTAINABILITY AND GREENHOUSE GAS REDUCTION INITIATIVES	
Global sustainable development goals	
Global goal formalisation	The company has formalised its environmental objectives in its corporate policy. In particular, it is expressly stated that the sustainable use of raw materials, natural resources and various energy sources is a priority in the organisation of activities through the HSEQ Policy & Code of Conduct.
Environmental policy document	These goals have been set out in a health, safety and environment plan (HSE). Top Management is the body responsible for implementing the plan is the top management, which defines the conduct of the Group. The implementation of these policies has primarily led to managerial type changes.

<p>Changes determined by sustainability strategies:</p>	<ul style="list-style-type: none"> - In the business model: ISCC+ certification has led to the development of an “ECO” and “Green” product line with an impact on the type of raw materials and customers - On business processes: improvement of RFT (Right First Time) with consequent optimisation of raw material use and reduction of waste (implemented); part of the sustainability strategy was the activation of Remote Working for about 15% of the workforce. - This also forced a change in the work organisation model. Adoption of environmentally friendly vehicles for the company fleet (currently being implemented). - - Promotion of car pooling, use of bicycles and public transport, etc. (implementation underway). - Changes to packaging from an environmental perspective.
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Purchases and supplies	
<p>Primary raw materials used and their origin</p>	<p>The principal raw materials used in the production cycle are:</p> <ul style="list-style-type: none"> - Polycarbonate granules. Packaging materials (wooden pallets, cardboard, and tape, film, low-density polyethylene caps). - <p>The products are sourced in Europe and more precisely in Germany, Spain, Italy.</p>
<p>Environmental criteria in supplier selection</p>	<p>The following are taken into account: Supplier's social, environmental or safety certifications (no longer assessed in 2022).</p>
<p>Promotion of action to get suppliers involved on environmental themes</p>	<p>The company promotes constant and continuous direct involvement of suppliers in waste reduction and material management optimisation projects, in particular with contractors under works or service contracts and the in-house material logistics service provider.</p>
<p>Adoption of raw material reduction initiatives</p>	<p>Various initiatives have been adopted for raw material use reduction.</p> <p>The procedure by which these reductions are implemented follow the Lean Six Sigma logic principles, a managerial conception which combines the lean production philosophy (which aims to minimise or eliminate waste) and the Six sigma quality management programme (based on standard deviation designed to take product or service quality to a specific level which is especially favourable for clients).</p>

	<p>The Right First Time (RFT) has been the main indicator for monitoring efficiency for decades. RFT=100%, would mean that to produce 1000kg of marketable material 1000kg of raw material would then be used; in 2022 an RFT = 93% was achieved, meaning that to produce 1000kg an average of 1070kg of raw material was needed.</p> <p>Furthermore, a large portion of that 7% which is not marketable at first processing is then reprocessed and re-introduced into the process, thus avoiding the purchase of new raw material. (Note that Polycarbonate is in the oil chain).</p>
Sustainable purchase policy for travel	N/A
Sustainable purchase policy for consumables	N/A
Sustainable purchase policy for food and drink	<p>A drinking bottle with filtered water and flasks was introduced for the production department. About 60 workers were involved in this initiative.</p> <p>Considering three 0.5 litre bottles of water per day, an estimated 39,600 PET bottles were prevented from ending up in the waste stream $((3 \times 60) \times 220)$. If we transform this figure into kg we have $39,600 \times 0.015 = 594$ kg of avoided waste.</p>

Production	
Green services/products	There are only a couple of products in the portfolio but they are still being developed. Product innovation aimed at replacing
hazardous chemicals	N/A
Adoption of production process environmental certification trajectories	LCA. Presence of a document for reporting
of emissions into the atmosphere	Annual reporting to the Umbria Regional Environmental Protection Agency (ARPA Umbria) of direct emissions released into the atmosphere as required by the Integrated Environmental Authorisation document.
Participation in environmental innovation research projects	The company participates in environmental innovation research projects through its own funds.
Waste Management	

<p>Recycling and appropriate waste management improvement initiatives.</p>	<p>In 2019 the firm produced 171 tons of waste. 70% of this is recycled in other production cycles. The remaining 30% is sent to landfill sites. In order to further reduce the percentage of waste sent to landfill the company is carefully implementing waste legislation. In 2019 31 CER codes (waste types) were managed. In 2022, the company generated 153,500 tons of waste. Of this, 16% is sent for disposal, while the remaining 84% is recycled. For years, the rational separation of waste has been guaranteed in accordance with Legislative Decree 152/2006.</p>
<p>Waste processing and waste reduction initiatives</p>	<p>Practices for internal reuse of waste materials were established and a packaging remodelling project was implemented in 2021, resulting in a reduction of paper and cardboard waste.</p>
<p>Environmental impact improvement targets</p>	<p>Applying the Right First Time logic (or RFT, which consists of ensuring that activities are done right first time and every time) enables the firm to work for improvements in its RFT policies as a policy goal. Annual environmental improvement targets are defined and approved during Management Review</p>
Innovation and research	
<p>Investment in innovation and research</p>	<p>N/A</p>
<p>Direct atmospheric emissions reduction initiatives</p>	<ul style="list-style-type: none"> - Changes to packaging from an environmental perspective. - Dematerialisation and digitalisation projects designed to reduce paper consumption. - Remote working systems (teleconferencing, remote working, etc.). - Adoption of environmentally friendly vehicles for the corporate fleet.
Staff training	
<p>Staff awareness raising and training designed to reduce environmental impact</p>	<p>Three-year training on waste management, application of lean logic for waste reduction, specific training on conscious energy management. h training vs. total h worked = 0.84%, of which 1% dedicated to environmental management.</p>
Client relations	
<p>Marketing policies designed to highlight product sustainability.</p>	<p>Ug Value: thermal insulation capacity of the finished product.</p>
Relations with local government and the community	
<p>Working together with the local council on community sustainability projects and initiatives</p>	<p>The project LifeClivut was implemented in November 2021 in partnership with the municipality of Narni and the University of Perugia. Exolon planted 50 trees and 50 shrubs and will be responsible for their upkeep.</p>
<p>Participation in competitive tenders requiring environmental criteria</p>	<p>N/A</p>
<p>Access to public incentives for green process/product development</p>	<p>N/A</p>

**TURN URBAN RE-GENERATION
PROJECT
GOOD COMPANY PRACTICES**



Membership of business associations and networks	Umbria Confindustria.
Direct joint working with business networks and associations	Ongoing joint working with Confindustria Umbria on the Terni Urban Re-Generation project.
Initiatives and activities in schools	The firm sponsors awareness raising and dissemination initiatives as regards its work by means of plant visit programmes and internships.