



# 2022 Sustainability Report



## OUR YEAR IN NUMBERS

622

TONS CO<sub>2</sub>E EMISSIONS  
(Scope 1 & Scope 2)

8%

of REVENUES  
invested in R&D

96%

PERMANENT EMPLOYEES

3,732

total TRAINING HOURS

79%

of RECYCLABLE MATERIALS  
in finished products

50

TONS CO<sub>2</sub>E SAVED by  
solar panels installation

84.5€

millions in REVENUES

354

STRUCTURED WORKFORCE units

of which

236

EMPLOYEES

99%

ratio of the BASIC SALARY  
of women to men

43,457

SEATS produced

15

OEM CUSTOMER BASE

## LETTER TO THE STAKEHOLDERS

## Dear valued Stakeholders,

I take this opportunity to address the challenges we have faced in the past few months and share our strategies for the future.

The automotive sector has experienced significant turbulence due to geopolitical tensions and the lingering effects of the post-pandemic era. These external factors have strained the global economy and disrupted international trade, creating a complex and unpredictable landscape for businesses worldwide. At Sabelt, we have not been immune to these challenges and we acknowledge the difficulties we have faced.



The increased tensions between countries have impacted the free flow of goods and have added rigidity to international trade. Furthermore, the rise in commodity and energy prices has significantly impacted our production costs, making it even more crucial to efficiently navigate these headwinds.

However, we faced these challenges with a resolute determination to "return to the fundamentals" that have made Sabelt a pioneer in the industry. Our pillars of technology, safety, quality, and product innovation remain the backbone of our company's foundation.

In 2022, our resolutions began to turn into actions: the installation of solar panels, the development of new low-emission products, and a smart mobility plan for commuting are concrete examples. Carbon Footprint CO<sub>2</sub>e emissions were 622 tonnes (Scope 1 and Scope 2), which represents a -11% compared to 2021 on the same perimeter basis\*. We are challenging our ESG performance and can proudly announce that we have achieved the Ecovadis Silver Medal and 76% score in the Supplier Assurance questionnaire. Furthermore, we updated the Sabelt Ethical Code with the involvement of our employees. This activity ensured the definition of guidelines in which the Company and its people recognise themselves, providing a reference of commitments to all stakeholders. The challenges of achieving sustainable development are complex, but we are committed to regularly reviewing our strategies, setting ambitious targets, and fostering continuous improvement.

In September we celebrated Sabelt's 50th anniversary, such occasion gave us the opportunity to celebrate with all our employees and their families by organizing a full day of celebration in the company premises. It was a pleasure to share our achievements and to raise the awareness of Sabelt's heritage and future plans. If somebody asked me about these past fifty years, I would describe them as extraordinary. Our products are made in Torino and will always be. This is the message I want to convey: invest in our territory while looking at international markets.

On behalf of the entire team, I extend my heartfelt gratitude for your continuous support and trust in our brand. Together, we will forge a brighter future for Sabelt and all those associated with us.

Giorgio Marsiaj  
Chairman and Chief Executive Officer

\*Perimeter basis: 593 tonnes of CO<sub>2</sub>e emissions with 71 million euros turnover in 2021 vs 622 tonnes of CO<sub>2</sub>e emissions with 84M euros



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# SABELT

## About us

Established in 1972, Sabelt S.p.A (the acronym of Safety + Belt) was born from the intuition of two brothers: Piero and Giorgio Marsiaj. Today the company is considered an Italian excellence whose name stands out mainly in two areas: road sports car seats and racing seatbelts, but the offers of Sabelt are wider. The company, beyond these main products, develops and manufactures motorsport products and seatbelts for special applications such as aerospace and aviation. Sabelt reached in 2022 a structured workforce of 354 units and € 84.5 million in revenues, a continuous growth despite the difficulties of the year, such as geopolitical conflicts and the energy increased price.

Sabelt is today a company that can ensure the perfect balance between lightness, technology and reliability, achieving the highest levels of performance and safety in three different Business Units:

### Original Equipment Manufacturer (OEM)

From the world of motorsport, Sabelt develops a range of premium sports seats for the best car makers in the world. Sabelt designs and manufactures seatbelts and car seats for vehicles with a strong sporting connotation ("Sports cars" segment, divided into "super-premium" and "premium/non-premium" subsegments), dedicated to an advanced and demanding driver, with attention to details. The seatbelts and the seats are designed for a natural integration between them and they are the result of a clever combination of technology and materials innovation, style and Italian design.

### Racing and Motorsport

Sabelt develops high-tech seatbelts, ultra-light monocoque racing seats and a line of suits, shoes, gloves and accessories compliant to FIA and SFI standards. From the 70s until today Sabelt has launched products that have consistently combined knowhow and innovation, design and lightness, linked intrinsically to the world of Formula 1.

In 1982 and 1988, the Formula 1 champions Keke Rosberg and Ayrton Senna won with Sabelt seatbelts, and other great drivers such as Nelson Piquet, Alain Prost, Nigel Mansell, Eddie Irvine, Rubens Barrichello and Michael Schumacher have raced safely with cars equipped with Sabelt products.

Sabelt has been developing numerous partnerships with historical teams such as Ferrari, Red Bull F1, McLaren, Toro Rosso, Hyundai (WRC), Abarth, Jaguar, Renault and Alfa Romeo, for the most important championship in the world such as F1, NASCAR, World Rally Championship (WRC) and Endurance racing.

### Aerospace and Defence

Thanks to decades of experience in various fields of application of seatbelts, Sabelt is able to design and manufacture restraint systems suitable for different types of vehicles: aeronautic, aerospace and military. The same principles and the company's great ability to transfer its know-how to different applications have been the basis of further projects that Sabelt has carried out for companies that build airbuses, to which it supplies the belts for flight attendants, or with Thales Alenia Space, which uses them to harness materials to be shipped to Earth-orbiting stations.

## Values and expertises

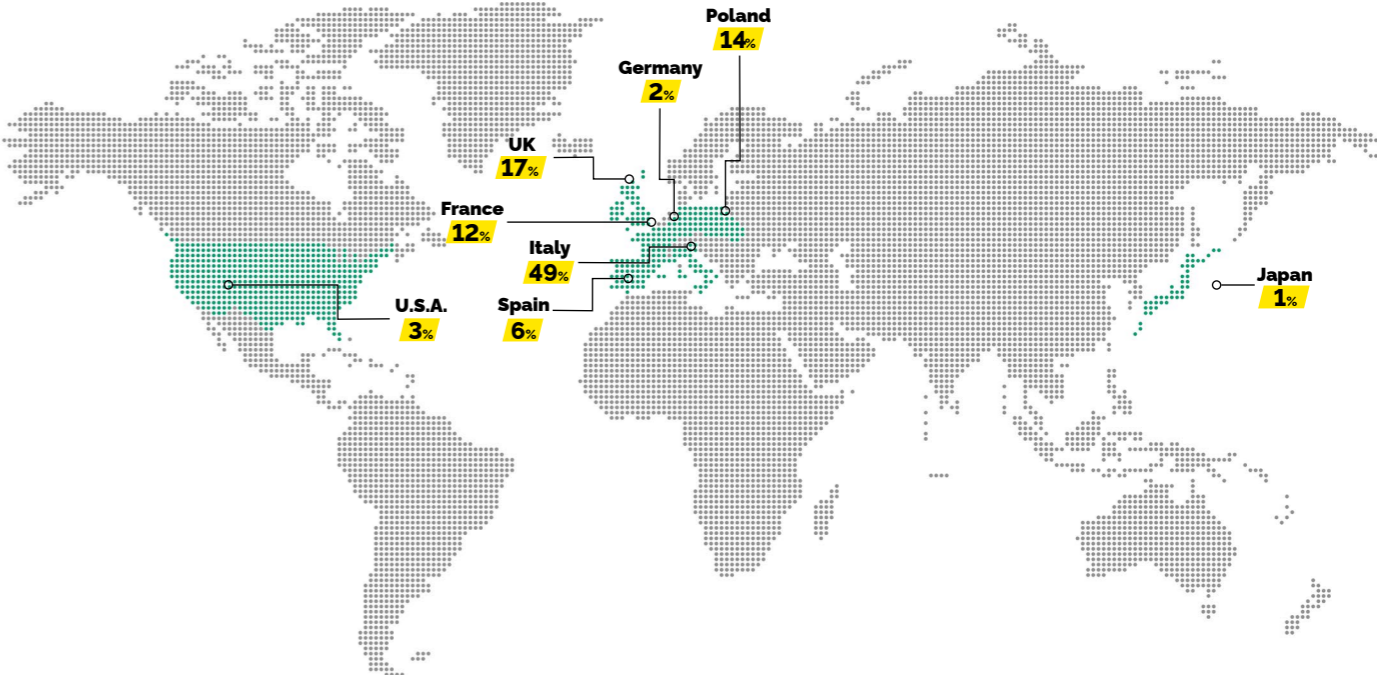
The Company guarantees the highest level of safety, comfort and product performance through deep knowledge of its products, innovation, production cycle optimization. Innovation is boosted through investments in new materials, and products, new processes, new shapes and design. Performance is supported by the search for a unique style in line with the design of equipped vehicles. Sabelt activity is driven by the following values and expertise as follows:

- Research & Development
- Innovation and Lightness
- Safety, quality, excellent customer service
- Craftsmanship
- Cost control
- Large product portfolio
- Diversified customer base
- Sustainable growth.

The Company production activities are located in two plants in Moncalieri (TO), dedicated to OEM seats and products for the Racing and Aerospace sectors.

Sabelt owns 55% of Cor.Sa S.r.l., active in the development and production of metal components for automotive seats and owns 100% of Sabelt Composites S.r.l., specialized in manufacturing of composites material. Sabelt owns a qualified minority stake of BeonD S.r.l., active in advanced CAD – CAS design, FEM calculations and Battery Systems design. In 2022 the company established with a partner a gaming business, Sabelt sim racing, in which it owns a 49% stake.

In 2022, the Company served 49 markets, with Italy, Great Britain, France, Poland, Spain, Germany and US as the most important ones. The key markets and their shares are shown below.



## HISTORY

1972

Piero and Giorgio Marsiaj founded Sabelt.  
Sabelt stands for "Safety Belt"

'70s

Market leader in seatbelts production

'80s

international expansion

'90s

Sabelt expanded the range of products  
with the addition of **suits, seats and  
accessories** for **motorsport**

2000s

First **OEM** sport seat - Ferrari

2022



TODAY

354 structured workforce units

Sabelt brand was founded in **1972** by **Piero and Giorgio Marsiaj**. The company operations started with the development and production of seatbelts, for motorsport and road cars.

On one side, the Company focused on the **motorsport business (Racing)**, starting a unique partnership with the most iconic brands in Formula 1 and World Rally Championship history: Alfa Romeo, Arrows, Renault, Lancia, Ligier, Scuderia Ferrari and Williams among others. The Company soon added innovative products such as fast-release seatbelts and the first rotating buckle, introduced in 1976 in the world of competitions at the request of FIA, together with other components and accessories: carbon seats, pedals, reinforcement bars, suspensions and specific technical clothing for drivers and mechanics.

On the other side, Sabelt **production of seatbelts for road cars (OEM)** increased year after year, supported by the gradual mandatory adoption of seatbelts in the global automotive market. In the late 70s, Sabelt was the main supplier of the Italian car makers, reaching in 1985 a turnover of the equivalent of € 18 million, considerable at this time. It was clear to the founders that the development and production of seatbelts and bundled safety systems for automotive mass market needed a larger financial and technological strength.

For this reason, in 1985 the Company control was acquired by the American automotive multinational TRW, and the Italian operations headed by Giorgio Marsiaj himself.

In 2000, Sabelt founders got back the ownership of Sabelt Racing activities. Moreover, the Company soon came back to the **OEM sector with a new product, developing and producing seats for sport** road cars such as Ferrari F430 Scuderia, Renault Mégane Radical, 500 Abarth. This activity has grown over the years until becoming the company's turnover most significant component: today Sabelt's OEM customer base includes Abarth, Alfa Romeo, Aston Martin Lagonda, Ferrari, Hyundai, JLR, Maserati, McLaren, Pininfarina, Renault - Alpine, Rimac, Seat Cupra.

The following years were characterized by the consolidation in the sports and luxury car sector but were also focused on aerospace: Sabelt new lighter retaining systems are fitted aboard Cygnus, the space module built in Turin by Thales Alenia Space to supply the Nasa space station with food and equipment.

In **September 2022** the Company celebrated its 50th anniversary, reaching a very important goal in the company history. After 50 years from the foundation, the founder Giorgio Marsiaj (today Chairman and CEO of the company) declared: "I would like to leave a message to the next generations: have courage, desire to do, to dare and, above all, vision".

# Sustainability



# SUSTAINABILITY

## Sabelt journey to sustainability

In order to avoid Sustainable development and Social responsibility remaining abstract concepts, they need to be implemented in the everyday business and practices. With this objective in mind, Sabelt has identified the relevant sustainability issues for its business and stakeholders, defined the parameters to measure its sustainability performance and established a sustainability path with long-term goals.

More specifically, as required by the GRI Standards, which is the reporting framework adopted, Sabelt has prepared its first Sustainability Report as follows:

- it has identified and prioritised those stakeholders directly or indirectly involved in business operations, with whom launch a stakeholder engagement process;
- it has identified and organised the material topics according to its own expectations and those of stakeholders, through a so-called "materiality matrix".

Relevant contents were mapped using reference information sources on the subject, and particularly the "2030 Agenda for Sustainable Development": a document defined by UN as "an action program for people, the planet and prosperity" in 2015. In particular, 2030 Agenda helped Sabelt to:

- provide a definition of "Sustainable Development", indicated below;
- identify and organise its sustainability objectives using the 17 Sustainable Development Goals (SDGs) set by the UN as a benchmark.

In 2022 Sabelt started to evaluate its ESG score. By completing the self-assessment on the Ecovadis platform, the company obtained the Silver Badge (only 25% of the companies reach this level). The questionnaire investigates the effort, the projects and the commitment of the Company in terms of ESG.

The assessment focuses on 21 sustainability criteria that are grouped into four themes: Environment, Labor & Human Rights, Ethics and Sustainable Procurement. These criteria are based on international sustainability standards such as the Ten Principles of the UN Global Compact, the International Labour Organization (ILO) conventions, the Global Reporting Initiative (GRI) standards, the ISO 26000 standard, the CERES Roadmap, and the UN Guiding Principles on Business and Human Rights, also known as the Ruggie Framework.

The platform assesses the sustainability and social responsibility of companies around the world and it provides useful tools for improving supply-chain performance, promoting innovation and reducing risks. Through this achievement, Sabelt can show its transparency and consequently increase its relations with other certified realities to work in synergy for a better future.

Sabelt also achieved a score of 76% on the Supplier Assurance Questionnaire. SAQ is used by global OEMs and the automotive supply chain and is aligned with the global Guiding Principles for Automotive Sustainability. The SAQ focuses on improving supply chain sustainability performance by assessing policies and practises in the areas of human rights and environmental sustainability, health and safety, business ethics and compliance, responsible sourcing of raw materials, and responsible supplier management.



## Sustainable development according to the "2030 Agenda"

A development process that aims at meeting the needs of the present, without compromising the ability of future generations to meet their own needs.

In order to achieve sustainable development, it is important to harmonise three key elements: economic growth, social inclusion, and environmental protection.

### SUSTAINABLE DEVELOPMENT GOALS



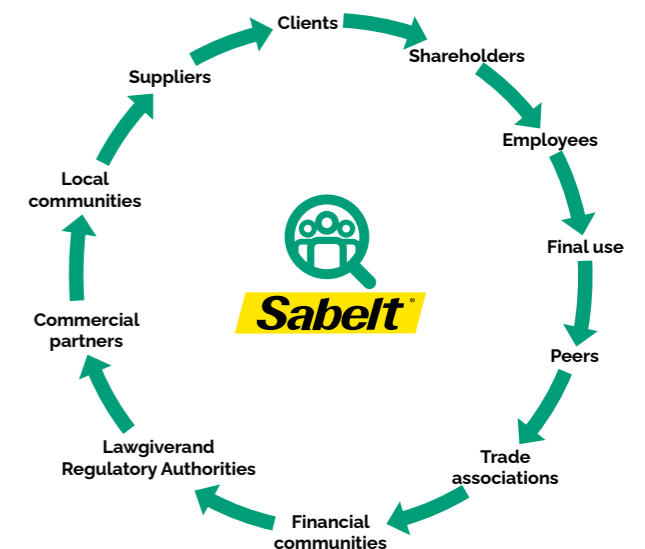
## Stakeholders & materiality

As required by the GRI Standards, a fundamental step towards the definition of the relevant sustainability topics comprises Company's stakeholders' identification and prioritisation.

Top management helped mapping Sabelt's main categories of stakeholders in relation to the company's structure and activities, the value chain and the Company's network of relationships. The identified stakeholders were then prioritised on the basis of:

- dependence on Sabelt;
- influence that they, through their activities and choices, can exert on the Company.

Sabelt aims at establishing and consolidating relationships of trust, mutual respect, active partnership, transparency and long-term collaboration with its stakeholders. In this light, the Company promotes with them regular communication and exchange of information.

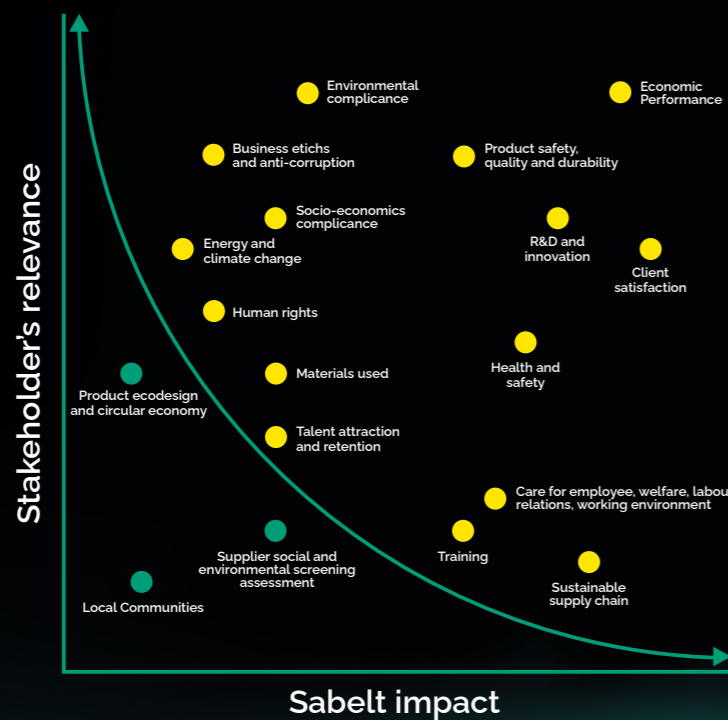


The Sustainability Report focuses on some relevant sustainability topics which were identified through the following steps:

- mapping of the potentially material topics to the Company. To this end different preliminary activities were carried out, such as analysis of the news reported by the media, further information on companies operating in the same or similar business sectors and assessments of the topics included in the most commonly used sustainability standards;
- drafting a "long list" of potentially significant topics for Sabelt;
- prioritisation of the topics that, as envisaged by the GRI Standards, took place by conducting the so-called "materiality analysis".

More specifically, this latter analysis was carried out during a workshop participated by the company's top management. Through the use of a "Materiality matrix", an effective tool in assessing the topics' relevance based on the specific corporate interest and the expectations of stakeholders that had already been identified, the main topics have been prioritised.

The materiality matrix is graphically represented by a Cartesian system where the different business topics are positioned based on the intersection between Sabelt's impact on the topic in question (X axis) and the topic's importance for the main stakeholders (Y axis). As envisaged by international best practices, the Matrix is expressed in an "arc" approach that also considers the final part of each axis important. The elements positioned at the top right of the Materiality Matrix, enlarged in the image below, represent the 15 most relevant topics for Sabelt and its stakeholders.



### Sabelt sustainability objectives

15 material topics were then organised into 4 sustainability goals for Sabelt, here below described:

#### Organizational structure and economic performance

Sabelt pursues long-term economic and financial development and efficiency objectives, fully respecting its ethical business values and socioeconomic compliance, through governance based on transparency and the segregation of skills.

#### Innovation and Quality

Sabelt works on technological innovation, quality, safety, and product durability objectives, as the main tools to customer satisfaction and competitive advantage.

#### People and Territory

Sabelt pursues objectives to fully value and ensure its staff safety and the social responsibility towards the reference territory.

#### Environment

Sabelt pursues objectives aimed at reducing its environmental impact by adopting energy-efficient technologies and maximising the use of eco-friendly and recyclable materials.

Sabelt is committed to carrying out appropriate external engagement activities in order to implement increasingly effective actions. The table below correlates:

- the **15 material topics** identified;
- the **4 Sabelt sustainability objectives**, corresponding to the following **4 chapters**;
- the **6 SDGs significant** to Sabelt.

# Organisational structure & economic performance

CHAPTER	MATERIAL TOPICS	5 GENDER EQUALITY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION
3 Organization structure and Economic performance	Economic performance		●	●	●		
3 Organization structure and Economic performance	Sustainable supply chain		●	●	●		
3 Organization structure and Economic performance	Business ethics and anti-corruption		●	●	●		
3 Organization structure and Economic performance 6 People and Territory	Socio-economic compliance	●	●	●	●		
3 Organization structure and Economic performance 5 Environment	Environmental compliance		●	●	●	●	●
4 Innovation and Quality	Product safety, quality and durability			●		●	
4 Innovation and Quality	R&D and innovation			●		●	
4 Innovation and Quality	Client satisfaction			●		●	
4 Innovation and Quality 5 Environment	Materials used			●		●	●
6 People and Territory	Health and safety			●		●	
6 People and Territory	Human rights	●					
6 People and Territory	Talent attraction and retention	●					
6 People and Territory	Care for employees, welfare and working atmosphere	●	●				
6 People and Territory	Training	●					
5 Environment	Energy and climate change					●	●

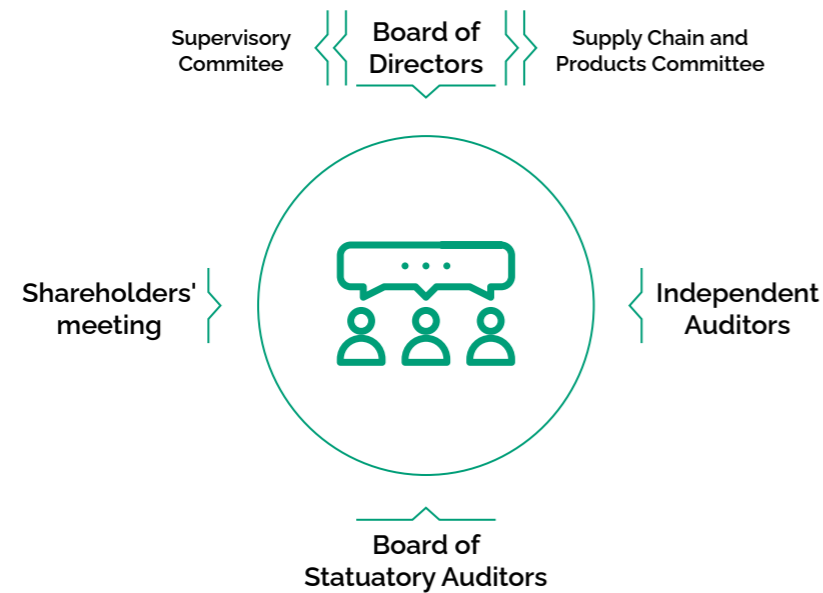




# ORGANISATIONAL STRUCTURE & ECONOMIC PERFORMANCE



## Corporate Governance



Over the years, Sabelt has built a simple, effective governance system that is calibrated to its size and operations. It governs the company in the pursuit of its economic and financial objectives for the benefit of all stakeholders, in compliance with binding legislation, best practices and the values and principles it has set itself: responsibility, integrity, health and safety, quality and continuous improvement, prudence. Sabelt's governance system is based on a governance model, consisting of corporate bodies and other bodies and instruments envisaged by regulatory standards and corporate benchmarks.

The **Shareholders' Meeting** is the deliberative collegial body formed by the shareholders (or their representatives). It is the body responsible for appointing the corporate bodies, approving the Company's financial statements and amendments to the Articles of Association.

The **Board of Directors** is the collegial management body of the Company, invested with all powers of ordinary and extraordinary administration. It also serves as a steering and control function and is composed of six members, including a Chairman and Chief Executive Officer, an Executive Deputy-Chairman, four non-executive directors (of which two are independent).

The **Board of Statutory Auditors** is responsible for overseeing compliance with the law and with the Articles of Association, as well as compliance with the principles of correct administration in the conduct of corporate activities, and the adequacy of the Company's organisational structure, internal control system and administrative and accounting system. The Board of Statutory Auditors is composed of three standing members and two substitute members.

The **Independent Auditors** are appointed as statutory auditors and are chosen by the Shareholders' Meeting. EY S.p.A. is the current firm of Independent Auditors.

The **Supply Chain and Products Committee** has an advisory role for the Board of Directors and supports them

in managing the supply chain, monitoring performance and improving its efficiency. It is composed of four directors who engage the company managers from time to time on the issues of their competence.

Sabelt's corporate governance is based, in addition to the bodies described above, on an articulation of responsibilities and procedures. The current **System of proxies and powers of attorney** ensures the principle of attribution and segregation of powers that governs flows and operating processes: the basis of sound corporate management and compliance with regulations. The System of proxies and powers of attorney concerns directors and managers of the Company.

Composition of the Board of Director at 31-12-2022		
COMPONENTS	OFFICE	AGE GROUP
Giorgio Marsiaj	Chairman and Chief Executive Officer	> 50
Massimiliano Marsiaj	Executive Deputy Chairman	30 < 50
Piero Marsiaj	Director	> 50
Gregor Marsiaj	Executive Deputy Chairman	30 < 50
Gianni Coda	Independent director	> 50
Bernardo Bertoldi	Independent director	> 50
Carlo Pavesio	Independent director	> 50

Composition of the Supply Chain and Products Committee at 31-12-2022		
COMPONENTS	OFFICE	AGE GROUP
Gianni Coda	Chairman of the Committee	> 50
Giorgio Marsiaj	Member	> 50
Massimiliano Marsiaj	Member	30 < 50
Piero Marsiaj	Member	> 50

Composition of the Board of Statutory Auditors at 31-12-2022		
COMPONENTS	OFFICE	AGE GROUP
Piergiorgio Re	Chairman of the Board of Statutory Auditors	> 50
Ivan Gasco	Standing statutory auditor	> 50
Alessandro Pedretti	Standing statutory auditor	> 50
Roberto Gado	Substitute statutory auditor	> 50
Chiara Francesca Ferrero	Substitute statutory auditor	30 < 50

Composition of the Supervisory Committee (SB) at 31-12-2022 (*)		
COMPONENTS	OFFICE	AGE GROUP
Alessandro Pedretti	Chairman of the SB	> 50
Marco Domenico Tessera Chiesa	Member	> 50
Enrico Vittorio Alessandro Bonito	Member	> 50

(\*) For information on the functions of the Supervisory Committee, please refer to the following paragraph "Responsible risk and business management"

### Responsible risk and business management

Sabelt monitors and manages, through its competent corporate functions, the factors of success, risk and uncertainty related to its business and the economic and regulatory context in which it operates. In addition to that, it also monitors factors that determine the economic, equity, and financial performance of the Company, the enhancement and protection of resources, efficiency, and operational effectiveness as well as compliance with the laws, regulations and principles of the Company.

Sabelt is exposed to factors related to the nature of the Company's business. They are typically grouped by categories:

- Reference market, customer base and related credit risk;
- Evolution of legislation, laws and regulations with particular focus to those relating to automotive and aerospace;
- Technical system – company production and supply chain;
- Human resources and company organisation;
- Health, safety, and environment;
- Economic, financial and tax-related factors, with particular focus on turnover, margins, investments, availability of capital, availability of liquidity, interest rate and exchange rate risks;
- ICT infrastructure and related IT risks.

The monitoring and management of these factors gives rise to communications to the General Management, the Chief Executive Officers and the Board of Directors according to their respective responsibilities and for their respective assessments and operational and strategic decisions.

In 2001, **Italian Legislative Decree 231** entered into force in Italy, introducing the concept of administrative liability of entities for offences resulting from the commission of a crime. The Decree suggests the adoption of an Organisation, Management and Control Model whose purpose is not only to prevent the commission of crimes but also to constitute, in the same interest of the Companies, a framework of guiding principles, operating procedures and controls inspired by criteria of sound corporate management.

Sabelt S.p.A. has adopted an **Organisation, Management and Control Model** pursuant to Italian Legislative Decree no. 231/2001 in which the principles of fairness and transparency in the conduct of corporate activities are formalised. The Model 231 allows detecting and mapping the processes and business structures most at risk, preparing a system of prevention, control and surveillance and defining disciplinary actions in the case of violations.

A fundamental part of the Model is the **Code of Ethics**, an initiative for raising awareness among those who work in the name and on behalf of Sabelt, so that they can follow correct and linear behaviours in carrying out their activities in order to prevent the risk of committing crimes. The Code of Ethics applies, as far as is compatible, to representatives, agents, collaborators, external consultants and companies that receive an assignment from the Company.

The Model 231 also defines the role of the Supervisory Committee, which verifies the correct adoption and compliance with Model 231: the Supervisory Committee reports to the Board of Directors on an annual basis,

informing it of the activities carried out and the critical issues detected in relation to the implementation of the Model itself.

### Compliance with regulations and certifications

Sabelt adopts a safety and environment management system which also includes an assessment of risks regarding workers health and safety and environmental impacts. The organisation has obtained a certification

according to the Standards UNI EN ISO 14001:2015 and ISO 45001:2018, that will ensure that all business operations take place in respect of the environment and the health and safety of workers.

- Sabelt has not detected cases of non-compliance in the environmental and occupational safety areas;
- The Company has not detected any cases of non-compliance with laws and/or regulations related to the economic and social area;
- The Company has not suffered any legal action, pending or concluded, regarding alleged anti-competitive behaviour and violations of antitrust and monopoly laws;
- Sabelt has not detected any cases of corruption, nor have similar incidents been confirmed against the company or its employees, nor has the Company taken consequent action against its employees or business partners;
- Sabelt has not detected any cases of discrimination based on ethnicity, colour, sex, religion, political opinions, nationality or social background, as defined by the International Labour Organisation, or other relevant cases of discrimination involving stakeholders inside or outside the organisation.

## ECONOMIC PERFORMANCE



These economic results have been achieved following a period of significant growth in the last four years 2019 – 2022 and also since 2017 (along a six – years period).

The turnover recorded an average annual increase (CAGR) of:

■ **+4,1%** between 2019 and 2021; ■ **+14%** between 2017 and 2022.

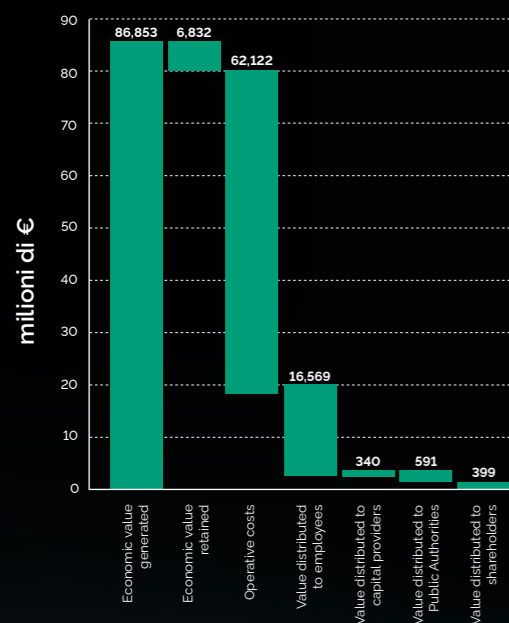
The workforce recorded an average annual increase (CAGR) of:

■ **+12,9%** between 2019 and 2022; ■ **+15%** between 2017 and 2022.

Sabelt underpinned its commercial development by carrying out significant research and development activities, which in 2022 amounted to **€ 6.6 million (8% of turnover)**.

From a sustainable development and corporate social responsibility perspective, the economic growth highlighted is significant since it corresponds to an increase in the economic value generated and distributed to stakeholders.

Economic value generated distributed 2022



**In the four-year period 2019-2022, the economic value distributed to employees grew by 58%.**

ECONOMIC VALUE (€ million)	2019	2020	2021	2022
Economic value generated	76.2	53.6	75.7	86.9
Economic value retained	7.45	4.1	6	6.8
Economic value distributed	68.7	49.5	69.6	80

The analysis of the economic value generated, distributed and retained in 2021 highlights:

- generated economic value of € 86.9 million, +4.46% compared to 2019 (CAGR);
- distributed economic value of € 80 million, +5.2% compared to 2019 (CAGR);
- retained economic value of € 6.8 million, 7.9% of the economic value generated. The decrease (CAGR) compared to 2019 is equal to +3.1%.

The retained economic value corresponds to the value that remains in the company and can be reinvested in innovation and research and development: it includes the depreciation and amortisation value of tangible and intangible fixed assets, in relation to the residual possibility of future economic use of each asset that may last over the years.

The distributed economic value has been allocated as follows:



### Supply chain

The governance and enhancement of the supply chain under the responsibility of the Supply Chain and Products Committee is a strategic objective that Sabelt pursues by building relationships that go beyond the concept of mere "supply". Sabelt supply chain consists of about 600 active suppliers, some of them with an international background and many small and medium-sized national companies that have matured technological excellence.

In particular, Sabelt:

- delivers 72% of the generated economic value (78% of the distributed value) to its supply chain, as highlighted in the previous paragraph;
- strengthens the technological and business link by promoting technical and commercial partnerships with the supply chain;
- integrates its "key" suppliers into preferential credit programs promoted by a leading national credit institution. The "Progetto filiera" allows the most qualified "tier 2" suppliers to benefit from provisioning under competitive economic conditions, as they belong to a recognised production chain.

APPROXIMATELY 35% OF SABELT SUPPLIES ARE COMPANIES LOCATED IN PIEDMONT – ITALY (AREA IN WHICH THE COMPANY HAS ITS OPERATIONAL HEADQUARTERS).

Sabelt Production Model provides for a direct involvement of the company in the activities with the highest added value, with particular reference to:



#### Design.

Sabelt has technical and engineering skills and experience that allow the complete management of finished product development.



#### Processes on core technologies.

Sabelt oversees the "distinctive" technologies of its products, through:

- Direct management of certain technologies, primarily the production of metal components (through the subsidiary Cor.Sa S.r.l. and Sabelt Composites S.r.l.);
- Consolidated technical-commercial partnerships with leading suppliers, with whom it shares activities and experiences;



#### Final assembly.

Sabelt deals directly with the final assembly phase of the components for most complex finished products

# Innovation & quality



## INNOVATION AND QUALITY



### Strategic levers

#### Innovation in seating and restraint systems for sport, racing cars, aerospace and aviation

The entire Sabell product range can be traced back to this paradigm, applied using new technologies, new processes and new materials. Sabell supported its R&D activities in 2022 with costs and investments equal to 8% of its turnover.

Sabell has always combined innovation and craftsmanship in the creation of its product, maintaining quality standards required by standard "premium" productions.

Innovation and quality are, therefore, the main strategic levers through which Sabell plans to increase customer satisfaction, its competitive advantage, and finally, market leadership.

The seating and restraint system, which consists of a seat and a seat belt, is the main man-vehicle interface. It is a complex system that is fundamental for ensuring comfort, well-being and passenger safety. Sabell's seating and restraint systems will be guaranteed with the highest quality and safety standards, and in particular:

- the reduction of product weight, key in the sports car segment and in racing applications, and an even more importantly, a critical step with the current electric cars;
- the increase in the products' mechanical performance, meant as containment and resistance capacity and non-deformability in the event of impact;
- the guarantee of safety levels at the top of the market, in addition to the levels set by the type-approval regulations;
- the improvement of ergonomics and comfort to ensure occupants' health and well-being in today's car and, in perspective, in tomorrow's self-driving vehicles.

#### Innovation: organisation and processes

Sabell promotes its innovation through a dedicated function called "RD & Product Development" (20% of the workforce at the end of 2022), organised according to areas of application and level of experience:

- Testing, Prototyping & Advanced Projects;
- OEM Engineering;
- Racing Engineering.

The company benefits from a testing centre it has built over the years which features a significant supply of machinery and equipment. In particular the following are highlighted:

- Fortus 900 3D printer, FFF technology (Fused Filament Fabrication);
- Romer 3D scanning tool, laser technology;
- CNC cutter (Computer Numerical Controlled), fabric cutting centre;
- Seat fatigue bench, 6 axis robot;
- Walk in Climatic Chamber
- Deployment room with high speed camera, 2200 fps

#### "In-house advanced dynamic crash test on fixed barrier, to develop know – how, anticipate homologation tests, accelerate time to market"

The process of new product development, engineering, and launch is called "SDS – Sabell Development System". It is divided into several phases, each concluding with review sessions (so-called "gates") as indicated as follows:

- 1** Feasibility and offering
- 2** Product/process development and requirements confirmation
- 3** Product/process development and project validation
- 4** Internal industrialization and Tier N and product/process validation
- 5** Product launch and stabilization
- 6** Mass production



### Innovation projects and results, patents

Over the years, Sabelt gained a significant set of technological information and experience, which fostered a heritage of intellectual property (patents and know how). Some of the main innovation projects and results from the Company R&D are shown here below.

#### Double-layer carbon-fibre monocoque and ergonomic pad mounting

In collaboration with a major customer and strategic suppliers, Sabelt has developed the world's lightest single-body road seat. The seat uses innovative technology featuring a double-layer carbon-fibre monocoque (with aesthetic value on both front and back) to which ergonomic pads are applied on the pressure points: seat, lower back, shoulders, head.

The technology was applied to the standard McLaren Senna car, and recently resulted in the achievement of the "Supplier Excellence Award" from McLaren.

### Carbogreen Project

Since 2019 Sabelt has been doing a study aimed at developing a "system – seat" for applications on next-generation sports cars, built with materials that allow single disposal and end-of-life product recycling with limited impact on the environment, with adequate weight performance and mechanical strength. This project, matured in collaboration with the Polytechnic Institute of Turin and partly financed by the Piedmont Region with the Call POR FESR IR2, is better described in the following chapters.

### Flax-Fiber seat shell

To fight climate change and to reduce the environmental impact of its products and production, Sabelt aim is to design and produce new types of products made of sustainable natural fiber instead of traditional composite reinforcement, such as carbon fiber and glass fiber.

Sabelt is working with its partners to develop a seat shell made of Flax fiber. The benefits of this work are various, starting from the reduction of the use of plastic as well as correlated emissions and a more efficient use of energy due to the processing of sustainable materials.

The harvesting and processing of flax take place in the EU rural areas it was grown in. Using European flax sourced through a well-established and transparent supply chain that allows supporting the economic and social structure in rural area



Sabelt has developed an appreciable patents portfolio over the years (patents and patent applications), belonging to the two patent families listed below.

Patents and patent applications for belts and racing safety and related buckles;

Patents and patent applications for height adjustment systems for OE seats.

### Product safety, quality and durability

Sabelt applies the voluntary technical standards defined by national and international standardisation bodies to define the characteristics that its excellent products must have. It also aligns its production processes with the best practices, guaranteeing reliable performance, safety and quality. This compliance verification activity involves the "RD & Product Development" and "Quality" functions.

As part of the technical validation phase, Sabelt products are subject to several tests, which are carried out under all conditions of use to define product quality, performance, and efficiency. Those tests are performed within specialised and certified laboratories. This process involves four steps that are aimed at testing and certifying Sabelt's products under the same conditions of use similar to the real ones:

simulated FEM-type analyses

dynamic bench test cycles

static bench tests

type-approval tests.

**Static bench tests** allow a first verification of product's correspondence with the design requirements, subjecting the prototypes to various load and use cycles.

The **dynamic benches** allow replicating vehicle dynamics through the combination of mass and speed. The tests carried out concern efficiency, functionality and strength.

During the design, development, and industrialisation phase, the so-called product and process FMEA (Failure Mode and Effect Analysis) is carried out to preventively identify the weaknesses and criticalities that could potentially affect products reliability and safety along the entire supply chain. It also helps defining the necessary improvements and intervention priorities to be implemented before the product's entry into production.

The above elements constitute a fundamental part of Sabelt's quality management system which, with reference to **OEM activities, complies with the quality standards ISO 9001:2015 and IATF 16949:2016 in the automotive sector.**

In 2019, Sabelt **obtained APDOA – POA certifications** which are aimed at the **development and production of restraint systems for the aeronautical sector.** In addition, Sabelt's plans on getting the **AS/EN 9100** certification process, based on ISO 9001 - Quality Management Systems - which adds specific requirements required by the Authorities and Manufacturers of the aerospace sector.

Sabelt has defined a structured quality performance monitoring process assessing either internally or externally. Therefore, this will also involve its suppliers, using specific indicators. The Quality Department defines these metrics annually within the Quality Plan, which includes its annual objectives as well.

One of the most significant indicators allowing the Company to keep its own, and supplied, processes under control is waste deriving from internal processes or supplies. In situations of non-compliance, the Quality Department defines action plans in collaboration with other corporate bodies and the suppliers involved. Any reports from the customer initiate an analysis and communication process which is managed through dedicated portals.

During the reporting period, the Company did not detect any non-conformities related to health and safety impacts of its products.



# Environment



# ENVIRONMENT



The activities controlled directly by Sabelt have a limited impact on the environment, as Sabelt's production processes do not consume high amounts of energy and mainly use electricity, while natural gas is only utilized in the winter period for heating and hot water production for sanitary purposes.

Instead Sabelt's business operations have an impact on the ecosystem as it uses purchasing components whose production consumes natural resources and generates polluting emissions. This creates waste and scraps, and also, finished products can only be partially recycled, and at elevated costs.

**The company, therefore, is aware of the focused needed on the subject in question, and thus, it analyses its activities and their impact on the environment.**

## Energy and climate change

Over the four-year period 2019 - 2022, Sabelt recorded an increase in annual energy consumption, from 5,330 to about **6,689 GJ** (CAGR of 8 %).

Energy is consumed mainly in production line plants and machinery, ICT infrastructure, lighting systems, and office equipment, such as heating and air conditioning systems.

During the past few years, initiatives were undertaken to reduce energy consumption and, more generally, to start a process of awareness raising and assessing potential areas for improvement. In particular, the old lighting system was replaced with new, low-consumption LED lamps. Activities were carried out to obtain the mandatory energy audit for large companies.

In June 2022 another implementation to reduce the impact of energy consumption was made. The company chose to install a photovoltaic system on the rooftop of the M1 plant (located in Via Guido Rossa 8/10/12). The solar panels' capacity is 200 Kw/h and, in the short period of work in 2022, they met 30% of the needs of the production of the M1 plant.

**Thanks to the solar panels, Sabelt saved 50 tons of CO2e in 2022**



Energy consumption (GJ)	2019	2020	2021	2022
Natural Gas	2,355	2,003	2,234	3,222
Electricity	2,975	2,901	2,901	3,069
Electricity produced from by solar panels	-	-	-	511
Electricity used from by solar panels	-	-	-	398
<b>Average (*)</b>	<b>5,330</b>	<b>4,904</b>	<b>5,426</b>	<b>6,689</b>

Annual consumption of natural gas increased from 2,355 to 3,222 GJ because of the implementation of new areas of the factory and also due to the weather conditions. Natural gas does not supply the Company's plants and machinery and, more generally, is not directly used in the production process. Its consumption is solely related to heating in winter and the production of domestic hot water. The Electricity consumption is higher than the previous year, due to the natural growth of the production and the number of staff.

In 2022, Sabelt began to assess its greenhouse gas emissions by calculating its organisational carbon footprint. The analysis helps identify improvement areas and take concrete actions to reduce the overall environmental impact. The following table represents Sabelt's 2022 carbon footprint and uses 2021 as a historical baseline year to compare data. Emissions were calculated in accordance with the GHG protocol Corporate Accounting and Reporting Standard and audited by an independent third-party conforming to ISO 14064-3:2019 requirements.

## Sabelt has started to assess its organization's Carbon Footprint

GHG emissions can be categorised into different types, depending on the nature of the source generating them. Direct greenhouse gas emissions (so-called Scope 1) are those emissions from that are sources owned or controlled by the organisation. Indirect greenhouse gas emissions (called Scope 2) are due to the consumption of electricity, heat or steam, not directly produced by the organisation.

CO2e emissions (ton CO2e)	2021	2022
Direct emissions (Scope 1)	178	233
Indirect energy emissions (Scope 2) – Location-based	221	222
Indirect energy emissions (Scope 2) – Market-based	415	389
<b>Total CO2e emissions (Market-based scenario)</b>	<b>593</b>	<b>622</b>

There is a gain compared to the past year concerning Scope 1: it is because of the increased gas consumption as a result of the weather conditions and the opening of new departments in the M1 Plant. In the study, it is also calculated the CO2e impact of the car fleet, which is quite relevant: 10% of Sabelt's calculated emission. On the other hand, the indirect energy emissions (Scope 2), as shown in the table below, decreased from 415 to 389 (-6%), mainly due to the utilization of heat pumps for heating buildings, partially replacing natural gas and the use of the energy produced by the new photovoltaic system.



The market-based approach involves quantifying the indirect emissions generated by the electricity that the organization has purchased. The estimate is based on the specifics of the power purchase agreement, whether the mode of generation is set by the agreements or is a consequence of the choices of other buyers, as in the case of Sabelt.

For comparison, Sabelt's Scope 2 emissions were also estimated according to the location-based scenario. This second method involves quantifying the indirect emissions of imported energy, based on the average emissions for power generation defined in different geographic locations. You can learn further details about the calculation methodology in Notes on methodology chapter.

Other initiatives were undertaken related to emission savings. Sabelt installed charging stations inside the plant's parking to support its employees in choosing

electric or hybrid cars. Similarly, the use of such vehicles for business travel is encouraged, reducing emissions on the road.

The Company has also adopted new digital platforms in which all datas are managed centrally. Advantages concern substantial time savings in the product development process (up to 30%) and also a significant improvement in terms of reducing mistakes, allowing a lower consumption of energy and materials. In addition, they will play a key role in supporting the managing process of materials in order to develop low impact products.

Moreover, Sabelt started to convert its Lufthansa's Benefit Points gained after the journeys of its employees into Sustainable Aviation Fuel (SAF). In 2022 thanks to this program Sabelt contributed to compensate 548 kg of CO<sub>2</sub> and start to put in place its first steps in the calculation of Scope 3.

### Materials used

Sabelt mainly uses components, semi-finished products and ancillary materials in its production process; the supply of raw materials is less relevant.

The items purchased for Sabelt production process are attributable to the following materials:

- thermoplastic polymer items. Thermoplastic polymers are recyclable; their heating brings them to a viscosity state that allows them to be reformed and then reused. These components include, but are not limited to, aesthetic covers, and some seat bases;
- thermosetting polymer items. These are non-recyclable materials, as they degrade when melted. These components include, but are not limited to, some bases and seat backrests, belts for seatbelts, paddings;
- items in composite materials such as, but not limited to, fibreglass and carbon-fibre. Composite materials are not readily reusable and are therefore commonly considered non-recyclable;
- items relating to coatings and linings are recyclable. By way of example, natural fibre fabric, synthetic fibre fabric, leather.
- steel metal components such as, but not limited to, sliding rails, seat lift structures, mechanisms and crankshafts. Metal components are recyclable;
- recyclable packaging materials, such as polystyrene, cardboard, wood and polyethylene.

With the aim of quantifying the impact that its production activity has on the environment and defining improvement actions, Sabelt has analysed:

- incoming materials for the purposes of mass production, with a particular reference to the nature of the material, its weight, and its possibility of reuse and recyclability;
- packaging materials, also studied in their nature, weight, and recyclability;
- ancillary materials, which have a small quantitative impact on the total, but are potentially significant from an environmental perspective. This is the case with glues, paints, and lubricants used mainly in the laboratory and prototype centre.

Over the four-year period, incoming materials for mass production registered a little gain in weight, from 1,173 to 1,425 tons, coherent with the increase of the number of seats produced. Specifically:

- materials associated with components and semi-finished products used in production processes grew from 824 to 1,144 tons, with a 12% CAGR. Metal components have the highest incidence (40% of the total);
- packaging materials have decreased from 349 to 327 tons, with a -2% CAGR. For this type of material, wood and its derivatives register the highest incidence (96% of the total).

This analysis confirmed a significant prevalence of recyclable materials among the incoming materials. In detail:

- overall **recyclable** production and packaging incoming material reaches 79% on total. In particular, packaging can be traced back to wood and its derivatives and thermoplastic polymers, and therefore be entirely recyclable;
- **recyclable** materials relating only to production increase from 67 to 74% in the four year period, due to a larger use of recyclable components

## 79% of the material used is recyclable

Sabelt is committed to promoting the reduction of non-recyclable materials (carbon-fiber and thermosetting composites) and the use of ancillary materials (glues, lubricants, paints) with a lower environmental impact. In this regard, the aforementioned "**Carbogreen**" project and the **flax fiber project** are aimed at the development of seating systems for sports cars which are made of newly designed materials that are composite, renewable or with low environmental impact.

# People & territory

Materials used in the production and packaging process (t)	2019	2020	2021	2022
Thermoplastic	104	65	130	306
Thermosetting/composite	272	214	222	306
Linings	61	43	56	91
Metal parts	405	288	311	454
Wood and its derivatives	331	229	317	268
<b>Total</b>	<b>1,173</b>	<b>837</b>	<b>1,105</b>	<b>1,425</b>

Materials used in the production process (%)	2019	2020	2021	2022
Recyclable	67%	64%	69%	73%
Non-recyclable	33%	36%	31%	27%

Materials used in the production and packaging process (%)	2019	2020	2021	2022
Recyclable	77%	74%	78%	79%
Non-recyclable	23%	26%	22%	21%

## Waste

Sabelt manages its waste through its production processes, which results in the containment of processing scraps and waste itself.

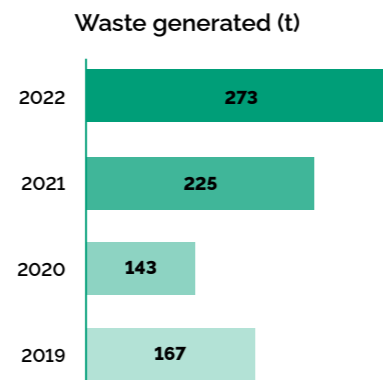
In the production process, the assembly of components and items developed internally and manufactured by suppliers prevails, therefore, raw materials processing is marginal.

For this reason, the generation of waste from production activity is not relevant from a quantitative and qualitative point of view. In fact, it mainly concerns recyclable packaging materials consisting of thermoplastic polymers, wood, and its derivatives; discarding non-compliant components and finished products, and of subsystems and finally, finished products used during testing and development.

Hazardous substances such as resins, glues, paints, and solvents, are used residually, mostly in laboratory and prototyping activities. These substances are disposed in a controlled and safe way by specialised operators.

The evolution of the waste generated over the three years under review is shown below. The increase is consistent with the development of production.

Sabelt is committed to ensuring that its supply chain is managed according to its environmental standards. With this objective, a "Code of Conduct" is being defined and will be submitted to suppliers, with the aim of orienting their production chain to environmental sustainability criteria.



## PEOPLE AND TERRITORY



**236** EMPLOYEES

**63** WOMEN

**173** MEN

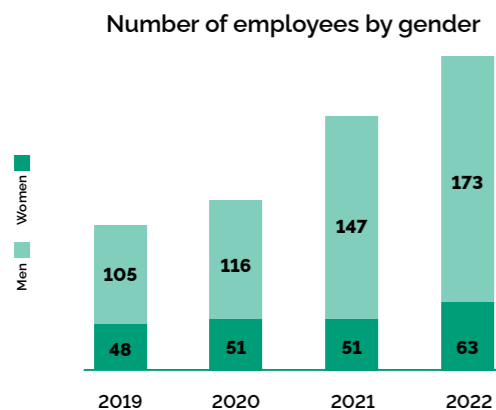
Sabelt has a close attention to employees as "partners" in the construction of the Company plan: a path that is shared, albeit with diverse roles, and can be carried out with the same passion and dedication. Sabelt acknowledges the importance of its staff and ensures constant attention to their health and safety, working conditions, and enhances its resources through continuous professional training activities. Notwithstanding the work roles and responsibilities framework, mutual personal knowledge and the construction of a well-integrated environment is facilitated by Sabelt's structure.

Sabelt considers itself part of the local and national community to which it belongs: it dialogues and collaborates with local businesses and with institutional, economic, research and training entities, both public and private.

### Employees are partners in the development of the Company plan.

#### Attraction & retention of talents

In 2022, as in previous years, Sabelt recorded a significant increase in employees, in all categories and for all types of contracts (permanent, temporary staff, project contracts).



In the four-year period 2019 - 2022, the number of employees grew from 153 to 236 (CAGR 16%), whilst the number of freelancers (excluding administrators), temporary staff and interns increased from 28 to 95.

Workforce adaptation toward a productive and commercial development has been matched by Sabelt's attractiveness, which oversees a careful employment policy based on the following pillars:

**Promotion of opportunities for personal and professional growth paths**, through training, skills development, adding value to job stability. 100% of employees, all resident in Italy, are covered by collective bargaining.

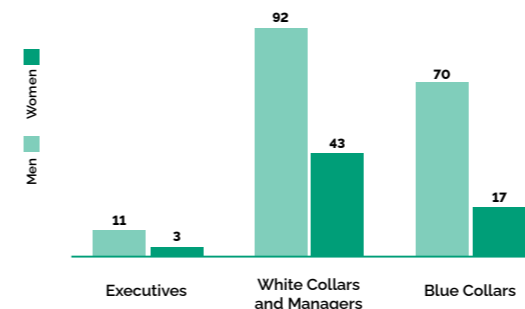
**Promotion of a safe working environment**, where people's health and psycho-physical well-being is protected.  
**Definition of remuneration policies** and meritocratic incentive systems.  
**Diversity Inclusion and enhancement.**

The analysis of the workforce between 2019 and 2022 by category, gender, age and contract type highlights:

27% of women, concentrated in particular among white collars/managers

**27%** WOMEN

Employees by professional category and gender in 2022



Employees by professional category (number)	2019	2020	2021	2022
Executives	8	7	10	14
White Collars and Managers	93	105	118	134
Blue collars	52	56	76	88
<b>Total</b>	<b>153</b>	<b>168</b>	<b>204</b>	<b>236</b>

The growth of young workers (<30 years of age) from 11% to 13%, shows the Company's desire to train and to employ new resources, to work alongside a more experienced group of workers;

The immaterial incidence of fixed-term employees (10 in total), and part-time contracts (approx. 2% of the total).

**Workers have full time contracts 98%**

**96%** Workers have permanent contracts

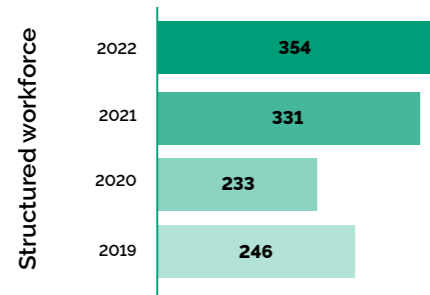
At the end of 2022, a total of 95 atypical contracts were registered, including 93 temporary workers and 2 project collaborations. During 2022 a decrease in temporary agency workers was registered (from 91 in 2021 to 84 in 2022) and a particularly low incidence of other non-standard contracts (from 7 to 2).

Non-standard contract (number)	2019	2020	2021	2022
Temporary	26	45	103	93
Project contract	2	2	3	2
Interns	0	4	4	0
<b>Total</b>	<b>28</b>	<b>51</b>	<b>110</b>	<b>95</b>

The company's workforce, calculated as the sum of employees and non-standard contract workers, totaled 328 at the end of 2022. The incidence of atypical workers amounted to 28%.

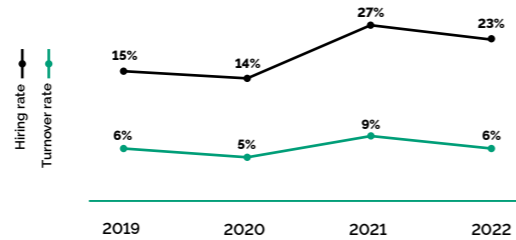
Moreover, Sabelt uses a further parameter called "structured workforce", which in addition to employees, freelancers, and collaborators, includes those of the subsidiary Cor.Sa S.r.l., a captive company verticalized on the production of mechanical components and of the subsidiary Sabelt Composites S.r.l., specialized in composites materials.

The structured workforce totaled 354 at the end of the year, +7% compared to 331 at the end of 2021. The CAGR in the four-years period 2019 – 2022 is 13%.



The analysis of employee turnover over the four-year period highlights in particular:

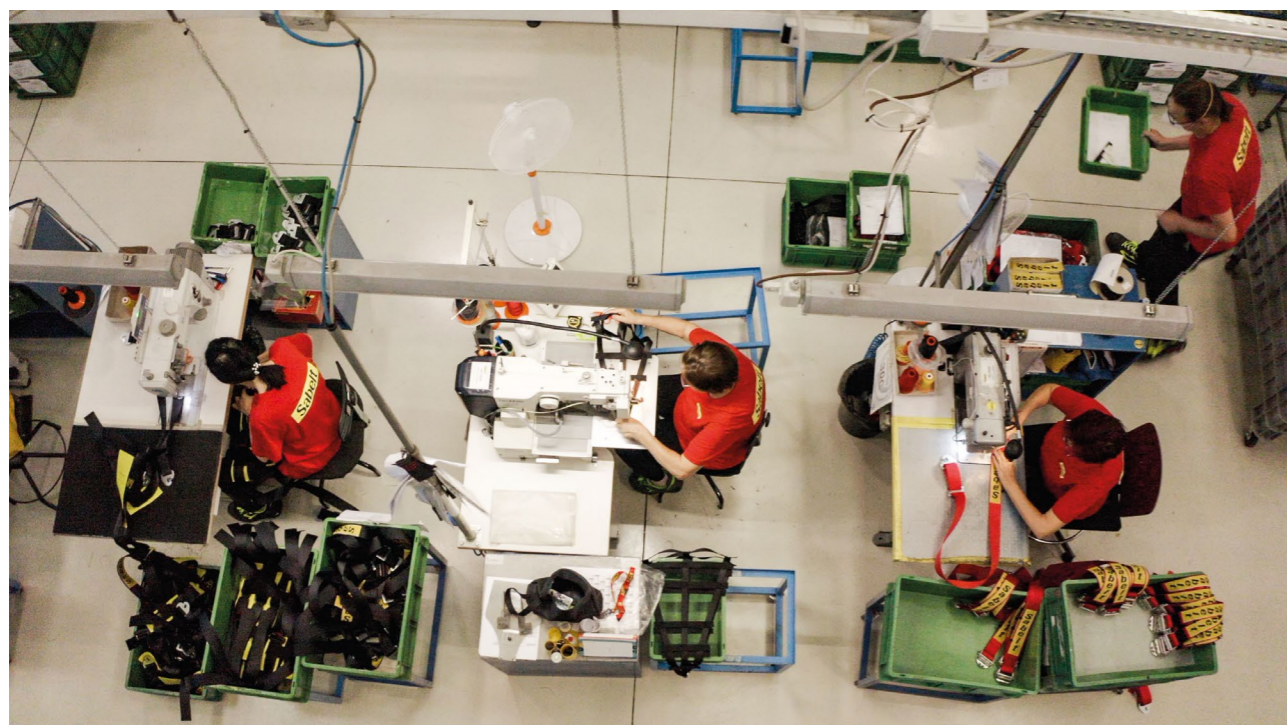
- 153 hires, of which 54 in 2022 (with an incoming turnover of 23%);
- 51 terminations, of which 15 in 2022 (with an outgoing turnover of 6%);
- new hires registering mainly men (80% of the total), equal to their incidence in the workforce.



**Employee care, welfare, and working environment**

Sabelt employees are valued through initiatives aimed at improving their professional competence and soft skills, involvement and motivation, and increasing their psycho-physical well-being. The final goal is to improve working conditions and performance, benefiting the parties involved and the success of the company's operations.

The training offer is a key method in valuing Sabelt's human capital. Sabelt provides more significant amounts than what envisaged in the metalworking collective bargaining agreement (24 hours every three years), since on average it provides about 16 hours per year per employee in 2022.



**3,732 Total hours of training in 2022**

In 2022 3,732 hours of training were provided; exceeding the pre Covid19 emergency amount.

Training (number)	2019	2020	2021	2022
Specialist and managerial training	589	446	1,010	2,585
Technical training	1,542	431	428	266
Safety training	446	50	1,475	882
<b>Total</b>	<b>2,577</b>	<b>927</b>	<b>2,913</b>	<b>3,732</b>

**24% Health & Safety training**

**69% Specialist and managerial training**

The strategy for valuing staff is implemented with an assessment of skills and performance linked to a meritocratic incentive plan. This is aimed at ensuring the continuous improvement, talents permanence, and skills in the company, thus, on the one hand, ensuring people well-defined career developments and the surety of being able to build their professional career path at Sabelt on the other.

More in detail:

- white collar positions are evaluated with reference to technical and managerial skills;
- blue collars are evaluated on the basis of an assessment of multivalence and multiple skills;
- executives are evaluated through an MBO system that measures individual annual performance and company performance.

The correct valuation and evaluation of human resources is closely linked to the values of equality, non-discrimination, inclusiveness and gender equality.

In this regard, it should be noted that there were no cases of discrimination during the reporting period. Furthermore, Sabelt productions do not have plants considered to at risk of forced or compulsory labour or, more generally, human rights violations.

Confirming this aspect, no reports have been received by the company regarding alleged violations in this regard.

Moreover, Sabelt has in place certain activities aimed at ensuring the specific needs of its employees, through so-called "people survey" activities. More generally, Sabelt continues its commitment to ensure a good work-life balance. At the end of 2022, there were 6 part-time positions. With reference to the issue of gender equality, the pay level between men and women registers a 10% gap: the equality index is increased to 90% in 2022, compared to 87% in 2021.

Ratio of basic salary of women to men (%)	2019	2020	2021	2022
Executives	100	100	100	100
White Collars and Managers	97	97	97	97
Blue collars	100	100	100	100
<b>Average (*)</b>	<b>99</b>	<b>99</b>	<b>99</b>	<b>99</b>

Ratio of remuneration of women to men (%)	2019	2020	2021	2022
Executives	61	61	61	75
White Collars and Managers	88	91	79	79
Blue collars	95	101	102	113
<b>Average (*)</b>	<b>90</b>	<b>92</b>	<b>87</b>	<b>90</b>

\*weighted by professional category

Health and safety

**2 INJURIES**

Sabelt promotes health and safety value in the workplace with the adoption of policies and procedures, in accordance with the provisions of Italian Legislative Decree no. 81/2008 (Consolidated law on occupational health and safety) and subsequent amendments and additions, which provide for:

- a risk assessment;
- planning of prevention measures, including through specific investments aimed at reducing the risk of injury or ergonomics;
- a system of behavioural rules and standards clearly communicated to all workers and operators in the company areas;
- a system of checks, including by independent third parties, involving all workers;
- monitoring, analysis and disclosure of injuries and near miss cases;
- continuous training and empowerment activities, allowing the company to develop a culture of safety;
- obtaining ISO 45001:2018 certification

It is widely recognised that training and awareness-raising activities are key factors in achieving relevant health and safety results.

**The training offer is a key method in valuing Sabelt's human capital**

Injuries	2019	2020	2021	2022
Total number of hours worked	324,072	274,403	327,403	477,024
Number of injuries	2	0	4	2
<i>of which severe (with more than 6 months absence)</i>	-	-	-	-
<b>Injuries frequency rate (number of injuries/hours)</b>	<b>6.17</b>	<b>0</b>	<b>12.22</b>	<b>4.19</b>

In 2022 Sabelt provided 882 hours of health and safety training to its employees. In addition, in order to involve the company staff, since 2019 Sabelt has established an annual award for the two employees who have best supported the value of safety at the two production sites in Moncalieri.

Moreover, the company has initiatives related to "multiskills", which guarantee the rotation of staff to multiple workstations. The objective is twofold: increasing staff attention levels whilst also reducing the amount of exposure to the specific ergonomic risks of the workstations.

**In the 2019 – 2022 period, none of the injuries can be considered serious and no fatalities occurred**

Social and cultural development of local communities

Sabelt believes in the principle of corporate social responsibility which, as a mature economic entity, contributes to the construction of the economic and social context of reference with other public and private operators. Sabelt's activities are conducted according to the logic of supporting the economic, social, and employment growth of the territory and the local community of reference. To this end, the company's main guidelines include:

- **consideration of companies in the territory** in the identification of tier 2 suppliers. This choice arises from the following considerations:
  - the stated objective of contributing to the construction of its territorial community;
  - the wealth of knowledge and skills that the Piedmont economic system offers to the automotive and manufacturing industries in general;
  - proximity as a condition for building efficient supply chain connections. A strong supply chain and geographical proximity can bridge the dimensional gap of small companies in our industrial fabric. Approximately 35% of Sabelt supplies can be traced back to Piedmont;
- **membership and active participation in the life and initiatives of local trade associations**, to "work as a system". Piedmont and in particular Turin, the cradle of the Italian automotive sector, have seen the establishment of some of the main industry associations. ANFIA, AMMA and the Unione Industriali are promoters of cohesion among companies in the sector, promoting economic and social growth and dialogue with international competition. The most interesting initiatives include the Mechatronics and Advanced Production Systems Innovation Hub (MESAP) and Skillab – Human Resources Development Centre. The office of Unione Industriali Chairman assumed by Giorgio Marsiaj since 2020 facilitates a continuous dialogue with other companies and the economic and social players of the territory;
- **attention to local workers;**
- **collaboration with the major training centres of the territory**, first and foremost the Polytechnic Institute of Turin and the University of Turin, together with technical institutes and vocational schools of Piedmont (including, Scuola Camerana). Sabelt has started numerous collaborations and apprenticeships with these centres, which in several cases have led to the inclusion of the involved youth in the company's workforce;
- **cooperation with local public institutions**. Sabelt engages in a constant dialogue with regional and municipal authorities in an interaction that, while respecting the roles of each party, allows the coordination of activities for the benefit of the territorial community;

■ **support for the local innovation ecosystem**, and in particular for start-ups operating in the relevant industry. In 2018, Sabelt acquired a minority stake of Beond S.r.l., a company founded at the Polytechnic Institute of Turin, active in advanced CAD – CAS design and FEM calculations. In 2019, Sabelt acquired a minority stake of TUC S.r.l., a start-up focused on structural/digital technologies allowing vehicles to achieve greater customisation and digitisation;

■ **promoting the cultural and social system of Piedmont**. In this regard, the support provided by the Marsiaj family for the Cultural Association “Consulta di Torino” for the Enhancement of Artistic and Cultural Heritage should be noted, as well as Sabelt’s sponsorship of the Chieri '76 Volleyball sports club.

### **Sabelt believes in the principle of corporate social responsibility**

Sabelt seeks to **promote constructive dialogue with institutions** and to encourage discussion among the main players in their sectors (in particular automotive and aerospace), with the aim of increasing its competitiveness and strengthening its brand on the market. The **company is a member of various associations** and participates in working tables at a local and national level, committed to collaborating with a systemic perspective that allows the sector and, more generally, national manufacturing to grow, accelerate innovation and make progress under the banner of general interest. At a regional and national level, Sabelt actively participates in the initiatives of the main trade associations and organisations, including Confindustria, AMMA, AIDAF, ANFIA and ACI.



# Note on methodology



## NOTE ON METHODOLOGY

Sabelt's fourth public Sustainability Report relates to the 2022 financial year (from 1 January to 31 December) and concerns Sabelt S.p.A. alone. The document contains the performance trends for the four-year period 2019-2022 for comparative purposes, where available. At the date of publication of this Sustainability Report, no significant events have occurred in 2023, except as already reported in the text.

The Report has been prepared with reference to the GRI Sustainability Reporting Standards defined in 2021 by the Global Reporting Initiative. Sabelt's Sustainability Report has not been audited by an independent third-party company. The Report presents the main environmental, social and economic aspects characterising Sabelt's reality. In accordance with the provisions of the GRI Standards, here below, the reporting principles used for the definition of the contents of this Report:

- Completeness:**  
the Report covers the main economic, environmental and social issues and allows stakeholders to evaluate the Company's performance during the reporting period;
- Sustainability context:**  
the Report presents Sabelt's sustainability performance in the context of the company's specific operations;
- Stakeholder inclusiveness:**  
Sabelt's stakeholders and the main methods of involvement are identified in the methodological note;
- Materiality:**  
as defined by the GRI Standards, the contents of the Sustainability Report are based on the concept of materiality and, therefore, the most relevant topics for the Company and its stakeholders are included.

Also, in line with the reporting standard, the following principles have been applied to ensure the quality of the content: accuracy, reliability, clarity, comparability, balance, and timeliness.

### The material topics

The topics covered in the Sustainability Report and their level of detail are based on the results of the materiality analysis conducted by Sabelt. The following table shows the list of GRI material topics relevant to Sabelt and its stakeholders, the corresponding boundary in terms of impact and any limitations to reporting due to the unavailability of data on the boundary outside the organisation.

GRI MATERIAL TOPICS	REPORTING BOUNDARY OF THE MATERIAL TOPIC		BOUNDARY REPORTING LIMITATIONS	
	Internal	External	Internal	External
Diversity and equal opportunities	Sabelt			
Employment	Sabelt			
Environmental compliance	Sabelt			
Socio-economic compliance	Sabelt			
Forced or compulsory labour	Sabelt	Suppliers		
Non-discrimination	Sabelt	Suppliers		
Energy	Sabelt			
Emissions	Sabelt	Suppliers	Sabelt	Suppliers
Anti-corruption	Sabelt			
Anti-competitive behaviour	Sabelt			
Procurement practices	Sabelt			
Training and education	Sabelt			
Materials	Sabelt	Suppliers		Suppliers
Economic performance	Sabelt			
Occupational health and safety	Sabelt	Suppliers		Suppliers
Customer health and safety	Sabelt			

### The reporting process and calculation methodologies

The information and quantitative data of a social, environmental and economic-financial nature contained in Sabelt's Sustainability Report, were collected through direct interviews with the various business functions heads and through special data collection sheets.

In addition to what already indicated in the Report, the following are the main assumptions and calculation methodologies for the performance indicators reported:

For the calculation of the health and safety rates, injuries involving at least one day of absence were taken into account. In particular, the injury rate was calculated as follows:  
*Injury rate = number of accidents/hours worked\*1,000,000*

If environmental data were available, conservative estimation approaches were used, i.e. the assumptions associated with the least positive environmental performance for the Company were chosen.

The emission factors and GWPs used for the calculation of the Carbon Footprint Scope 1 GHG emissions are as follows:

#### GHG emissions for natural gas consumption

- the emission factors used are the national standard coefficients declared by ISPRA referring to the year 2021 and 2022 for CO2 generated by natural gas combustion;
- emission factors for estimating CH4 and N2O emissions are those reported in the dataset "UK Government GHG conversion factors for Company Reporting" by DEFRA, referring to the year 2021 and 2022

#### GHG emissions for diesel fuel consumption

- emission factors are derived from the dataset "UK Government GHG conversion factors for Company Reporting" from DEFRA, referring to the year 2021 and 2022.

#### GHG emissions for natural gas consumption

- the emission factors used are the national standard coefficients declared by ISPRA referring to the year 2021 and 2022 for CO2 generated by the combustion of automotive gasoline;
- the emission factors for estimating CH4 and N2O emissions are those reported in the dataset "UK Government GHG conversion factors for Company Reporting" by DEFRA, referring to the year 2021 and 2022.

The emission factors and GWPs used for the calculation of Scope 2 GHG emissions are as follows:  
 Market based approach: the emission factor was calculated based on the energy mix most recent declared by Sabelt's electricity supplier, EGEA, combined with an indication of the emissions of gross thermoelectric production, contained in the dataset "Emission factors for production and electricity consumption" from ISPRA - Sinanet.  
 Location based scenario: the most recent average emission data for gross power generation in Italy-including electricity production from renewable sources net of pumped storage inputs-provided by ISPRA - Sinanet.

For additional information on this document, please contact:

**Sabelt S.p.A.**  
[info@sabelt.com](mailto:info@sabelt.com)

## ANNEX – DETAILED TABLES OF GRI INDICATORS

### GRI 201-1 Economic performance

Economic value generated and distributed (thousands of euro)	2019	2020	2021	2022
<b>Economic value generated</b>	76,241	53,560	75,678	86,853
<b>Economic value distributed</b>	68,765	49,476	69,639	80,021
Suppliers of goods and services	56,098	38,277	55,432	62,122
Employees	10,476	9,828	13,162	16,569
Capital providers	162	183	246	340
Public Administrations	2,029	-115	-778	591
Shareholders	-	1,303	352	399
<b>Economic value retained</b>	7,476	4,084	6,039	6,832

### GRI 2-7 Information on employees and other workers

Employees by type of contract by gender (number)	2019	2020	2021	2022
<b>Permanent contract</b>	152	167	202	230
Women	47	51	57	58
Men	105	116	145	172
<b>Fixed-term contract</b>	1	1	2	6
Women	-	-	-	5
Men	1	1	2	1
<b>Total</b>	153	168	204	236

Employees by type of occupation by gender (number)	2019	2020	2021	2022
<b>Full-time</b>	151	166	202	230
Women	45	51	55	58
Men	105	115	147	172
<b>Part-time</b>	2	2	2	6
Women	2	2	2	5
Men	-	-	-	1
<b>Total</b>	153	168	204	236



**GRI 401-1 New employee hires and employee turnover**

New employee hires (number)	2019	2020	2021	2022
<b>By age group</b>				
Under 30 years	5	5	18	9
Between 30 and 50	14	15	29	38
Over 50	4	4	8	7
<b>By gender</b>				
Women	8	7	13	11
Men	15	17	42	43

Terminations (number)	2019	2020	2021	2022
<b>By age group</b>				
Under 30 years	1	-	2	6
Between 30 and 50	6	7	13	9
Over 50	2	1	4	0
<b>By gender</b>				
Women	2	2	8	4
Men	7	6	11	11

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

Hours of training per year per employee (hours/employees)	2019	2020	2021	2022
<b>By gender</b>				
Women	11.0	3.7	12.1	13.6
Men	19.5	6.3	19.6	16.6
<b>By professional category</b>				
Executives	23.1	7.3	32.0	3.4
White Collars and Managers	18.2	8.1	8.3	29.2
Blue collars	13.5	0.4	32.3	9.4
<b>Total</b>	<b>16.8</b>	<b>5.5</b>	<b>14.3</b>	<b>15.8</b>

## GRI CONTENT INDEX

<b>Statement of use</b>	Babelt S.p.a has reported the information cited in this GRI content index for the period 01/01/2022 -31/12/2022 with reference to the GRI Standards.
<b>GRI 1 used</b>	GRI 1: Foundation 2021

GRI Standards	Disclosure	Reference chapter
<b>GENERAL DISCLOSURES</b>		
GRI 2: General Disclosures 2021	<b>The organization profile and its reporting practices</b>	
	2-1 Organizational details	About us; Values and expertise
	2-2 Entities included in the organization's sustainability reporting	Note on methodology
	2-3 Reporting period, frequency and contact point	Note on methodology
	2-4 Restatements of information	Note on methodology
	2-5 External assurance	Note on methodology
	<b>Activities and workers</b>	
	2-6 Activities, value chain and other business relationships	About us; Values and expertise; Supply chain; Note on methodology
	2-7 Employees	People and territory; Annex - Detailed tables of GRI indicators
	<b>Governance</b>	
	2-9 Governance structure and composition	About us; Corporate governance
	<b>Strategy, policies and practices</b>	
	2-22 Statement on sustainable development strategy	Letter to the stakeholders
	2-27 Compliance with laws and regulations	Compliance with regulations and certifications
	2-28 Membership associations	Social and cultural development of local communities
<b>Stakeholder engagement</b>		
2-29 Approach to stakeholder engagement	Sabelt journey to sustainability; Stakeholders & materiality	
2-30 Collective bargaining agreements	Attraction & retention of talents	
<b>DISCLOSURE ON MATERIAL TOPICS</b>		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sabelt journey to sustainability; Stakeholders & Materiality; Note on methodology; Annex - Detailed tables of GRI indicators
	3-2 List of material topics	Stakeholders & Materiality; Sabelt sustainability objectives; Note on methodology
<b>GRI 200 - ECONOMIC PERFORMANCE INDICATORS</b>		
<b>Economic performance</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Stakeholders & Materiality; Economic performance; Annex - Detailed tables of GRI indicators
GRI 200: Economic Performance 2016	3-2 List of material topics	Economic performance; Annex - Detailed tables of GRI indicators
<b>Procurement practices</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Stakeholders & Materiality; Supply chain; Social and cultural development of local communities; Note on methodology
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Supply Chain; Social and cultural development of local communities

GRI Standards	Disclosure	Reference chapter
<b>Anti corruption</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Stakeholders & Materiality; Responsible risk and business management; Compliance with regulations and certifications; Note on methodology
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	Compliance with regulations and certifications
<b>Anti-competitive behavior</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Stakeholders & Materiality; Compliance with regulations and certifications; Note on methodology
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Compliance with regulations and certifications
<b>GRI 300 - ENVIRONMENTAL PERFORMANCE INDICATOR</b>		
<b>MATERIAL</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Stakeholders & Materiality; Material used; Note on methodology
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Materials used
<b>Energy</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Stakeholders & Materiality; Compliance with regulations and certifications; Note on methodology
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy and climate change
<b>Emissions</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Stakeholders & Materiality; Energy and climate change; Note on methodology
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Energy and climate change; Note on methodology
	305-2 Energy indirect (Scope 2) GHG emissions	Energy and climate change; Note on methodology
	305-5 Reduction of GHG emissions	Energy and climate change
<b>GRI 400 - SOCIAL PERFORMANCE INDICATORS</b>		
<b>Employment</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Stakeholders & Materiality; Attraction & retention of talents; Note on methodology
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Attraction & retention of talents; Annex - detailed tables of GRI indicators
<b>Occupation health and safety</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Stakeholders & Materiality; Health and safety; Note on methodology
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Compliance with regulations and certifications; Health and safety
	403-2 Hazard identification, risk assessment, and incident investigation	Health and safety
	403-5 Worker training on occupational health and safety	Health and safety
	403-8 Workers covered by an occupational health and safety management system	Compliance with regulations and certifications; Health and safety
	403-9 Work-related injuries	Health and safety

GRI Standards	Disclosure	Reference chapter
<b>Training and education</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Stakeholders & Materiality; Employee care, Welfare and working environment; Note on methodology
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Employee care, welfare and working environment; Annex - detailed tables of GRI indicators
<b>Diversity and equal opportunities</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Stakeholders & Materiality; Attraction & retention of talents; Employee care, Welfare and working environment; Note on methodology
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Attraction & retention of talents
	405-2 Ratio of basic salary and remuneration of women to men	Employee care, welfare and working environment
<b>Non-discrimination</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Stakeholders & Materiality; Employee care, Welfare and working environment; Note on methodology
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Employee care, Welfare and working environment
<b>Forced or compulsory labour</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Stakeholders & Materiality; Employee care, Welfare and working environment; Note on methodology
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Employee care, Welfare and working environment
<b>Customer health and safety</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Stakeholders & Materiality; Product safety quality and durability; Note on methodology
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Product safety quality and durability
<b>ASPECTS NOT COVERED BY GRI INDICATORS</b>		
<b>R&amp;D &amp; Innovation</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Stakeholders & Materiality; Innovation and quality; Note on methodology
<b>Customer satisfaction</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Stakeholders & Materiality; Product safety, quality and durability; Note on methodology

**Sabelt S.p.A.**

**Registered office:**

Corso Stati Uniti 41, 10129 Torino, Italy

**Headquarters:**

Via Guido Rossa 10, 10024 Moncalieri (TO), Italy

**Tax Code and VAT number:**

07627280014

[www.sabelt.com](http://www.sabelt.com)



Sabelt S.p.A.  
2022 Sustainability Report

