

Sustainability Report



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Scope of the Report

The present report, compiled at RODI INDUSTRIES S.A. initiative, follows our sustainability strategy plan – "We Value the Planet" - which is based on the pillars of sustainable development and has as its primary objective the value creation for the company and the community in which we operate.

This document references the biennium 2020/2021, years that will be remembered by the impact of the Covid-19 pandemic and the social and economic consequences it brought. Despite these challenges, we believe that new opportunities have also arisen to review our strategy and attain a prosperous and sustained growth through:



Reinforcing our commitment to the personal and professional development of our employees by providing various benefits and health services, guaranteeing safety procedures, and promoting constant training and team-building initiatives.



Involvement with local communities through the support of social, cultural and sports causes. We consider it as a part of our core business to be a valuable element in society through the constant promotion of actions that benefit the society's general wellbeing.





Focus on environmental preservation, with the development of projects to reduce waste and greenhouse gas emissions. We want to reduce the impact of our activity, as well as that of our value chain. That is why, in order to fight climate change and have a responsible manufacturing, a collaboration between partners is essential to achieve the Sustainable Development Goals of the United Nations. In this context, we joined the "Shift Cycling Culture" initiative, which promotes the creation of a network of support, collaboration and development, with the objective of minimising the environmental impacts of the cycling industry.



Promotion of technology and innovation through the installation of new equipment, optimisation of processes and integration of new management tools, always with the quality of materials and products, customer satisfaction, and a focus on efficiency and productivity (Industry 4.0) as a priority.

These last few years came with many adversities, but with effort and dedication, our performance was exemplary. That is how we will continue, with our eyes set on the future.

CEO,

Armando Levi Silva

Company







History

Founded in 1952, RODI INDUSTRIES, S.A. is a Portuguese company operating in the metallurgical and metalworking industry, in two distinct business areas, exporting its products to over 80 countries.

We are a European reference in the manufacture of aluminium and carbon bicycle rims and wheels and a world reference in the production of stainless-steel kitchen sinks, having already won several national and international awards



BUSINESS AREAS

YEARS OS HISTORY

+400 EMPLOYEES

60.000 ÁREA TOTAL (M²)

3M

400K
WHEELS/YEAR

1.000.000
SINKS AND ACCESSORIES/YEAR

+45.000.000€



1976

Acquisition of RODI by the current administration, on April 22th, 1976. Production focused on the manufacture of accessories for motorcycles: mudguards, chain casings, fuel tanks, and motorized iron rims, among others.

1990

Start of production of aluminium bicycle rims. Creation of the "Vuelta by RODI"

1952

1962

1972

1982

1978

stamping monobloc sinks. After initial tests in a mechanical press originally intended for the production of motorcycles' fuel tanks, the possibility of producing stainless steel sinks was validated.

1980

Beginning of production and sale of kitchen sinks. RODI pioneered the stamping of two-bowl sinks, without any type of welding.

1983

First of RODI's kitchen sinks exhibition, in Seville. Start of the first exports, focusing on the Spanish market.

Value Proposal

We believe that the evolution and growth of RODI Industries S.A. results from the continuous improvement of our processes, products, and services.

Our leading position in the national market is due to efficient teamwork and a precise set of objectives that result in the brand's success.

1995

Production of iron rims and parts for motorcycles discontinued. With the decline of the motorcycle market, RODI's focus shifted to the production of aluminium bicycle rims.

2005

Creation of the
"Blackjack" brand.
Production of highperformance rims and
wheels, and entry into
new market segments.

2017

Beginning of production of carbon wheels for bicycles. The project started in 2013 and in 2017 RODI first started the production of carbon wheels, with the C50 model.

2022

Construction of a new factory for the cycling sector. Installation of an anodizing line, which will allow RODI to evolve in the quality of the products and production capacity.

1992

2002



2022

1998

Construction of a new factory, exclusively dedicated to the production of stainless-steel kitchen sinks. Considerable investments in cutting-edge technology propelled RODI to business success.

2013

First award for product design. RODI won the first design competition in which it competed, with the "RODI Art" sink

2015

Launch of the "Butterflies" catalog. The design of this sink catalog, inspired by butterflies, was defined as fundamental to drive the turn of the RODI brand and products into the high-end segment.

PRODUCT QUALITY

- · Wide range of products;
- · Use of European certified raw materials only;
- · Specialized workforce;
- · Permanent control of the final product.

TOP-LEVEL SERVICE

- · Fast and effective client service;
- · Short lead times:
- Capacity to adapt the products to the customers' needs and market demands.

PRODUCTION CAPACITY

- · Total control of the production process;
- · Highly automated factory;
- · LEAN management.

INNOVATION CAPACITY

- In-house R&D department devoted to the development of new products and solutions;
- · Regular launch of new products;
- · Recognized by the leading bicycle brands.

STATE-OF-THE-ART TECHNOLOGY

- · Industry 4.0;
- Automated production lines that provide a large-scale production with high-level quality and finishings.

World Presence





National and International awards

Our focus on product development, based on investments in design and technological innovation, has enabled us to achieve some of the most prestigious enterprise and product design awards in recent years.

- → 1991 a 2016
- → **2008** a **2019**
- → 2013 / 2014 / 2016

 EXAME Magazine Transport Equipment
- → 2015 / 2016 / 2018

 BCP Applause Diploma
- → 2015 / 2017 / 2018
- **→ 2017**
 - · Santander Top Export Award;
 - · + Productivity Award;
 - Novo Banco & Jornal de Negócios Export and internationalization Award
- → 2019 / 2020
 5 Stars Award

ightarrow 2013 / 2015









RODI Art

\rightarrow 2016 / 2017









Invictus

\rightarrow 2016 / 2017











→ 2022





Invisible 70

Pillars of Sustainable Development



Same goal. New commitment.

In this chapter, we present the various actions implemented by RODI, which is committed to operating in its field of activity based on the three pillars of sustainable development - economic, social, and environmental. The company is responsible for ensuring efficient and sustainable management of its resources, aligning with the interests of all stakeholders, focusing on the well-being of its employees and the community in which it operates, and adopting measures to preserve the environment in all its processes.



2.1 Economic Dimension

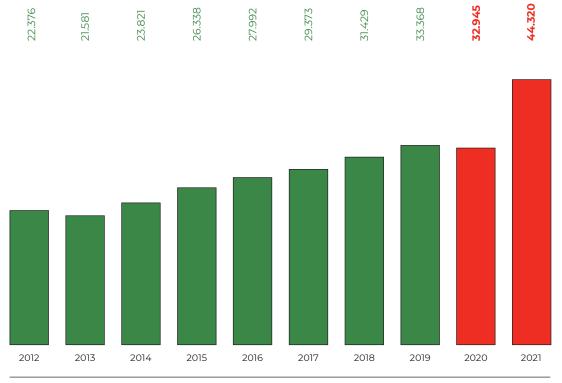
RODI INDUSTRIES S.A. ended its 2021 financial year with a turnover of 44,320 million euros, which represented an increase of about 35% compared to 2020 (+11,375 million euros) and a gross operating profit (EBITDA) of 11,597 million euros.

Sales increased by 35%, with significant sales growth in both sectors of activity. The highlight is for the Cycling sector, which shows excellent performance with 50% growth.

Even with all the difficulties caused by the Covid-19 pandemic, as well as the fluctuations in commodity prices, RODI, with the commitment of all its employees, managed to respond to the market needs and exceed its objectives.

The year 2021 is also marked by the implementation of a major investment plan in the company. We began the construction of the new cycling unit and anticipate that, in 2022, the new facilities will be ready to start production.

2.1.1 Results



Turnover's evolution (€000)

Sustainability Report 2020 - 2021

2.1.2 Communication and Marketing

RODI has been investing in Marketing intending to strengthen its communication strategy, as well as the positioning of the company and the RODI and Blackjack brands.

In the 2020/2021 biennium, the company was present at some international exhibitions, despite the limitations caused by the Covid-19 pandemic, and continued to invest in strengthening content production and in its digital strategy by contracting new partnerships.

EXHIBITIONS AND EVENTS

Each year, RODI takes part in several international exhibitions focusing on its different activity sectors. Despite the limitations caused by the Covid-19 pandemic, the company was present at the Cevisama, Sicam and Batimatec exhibitions to promote the new collection of stainless-steel kitchen sinks and accessories. As for the cycling sector, we were present at the Eurobike exhibition.

In addition, the brand has not failed to be present and promote events aimed at the general public.



Cevisama 2020



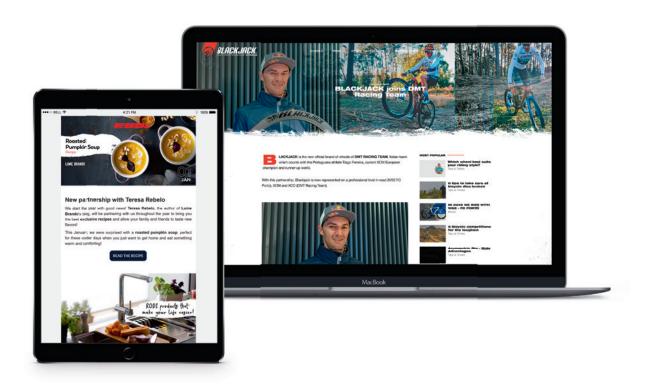


Eurobike 2021

DIGITAL COMMUNICATION AND PARTNERSHIPS

As for the most recent partnerships, RODI, through the Blackjack brand, became the official sponsor of the cycling teams W52 FC Porto and DMT Racing Team, which allowed us to develop interactive content to boost our digital communication channels.

Also in this context, considering the domestic sector, participation in the television show 'Querido, Mudei a Casa' has allowed for increased visibility of the brand and products.



2.2 Strategic Vision

For RODI, it is essential to respond to the challenges of the future, namely those related to the sustainability of our planet, society, and the economy. To this end, RODI promotes the development of strategies and initiatives based not only on sustainability but also on continuous improvement and innovation.

RODI's long-term strategy places sustainability in its three axes - economic, environmental, and social - at the heart of its decisions.

We have developed a sustainability plan (We Value the Planet 2022-2030) to align the company's medium and long-term strategy with the Sustainable Development Goals (SDGs) and the EU decarbonisation goals for 2030 and 2050.

2.3 External Commitments

In November 2021, RODI signed the letter of the *Shift Cycling Culture's Climate Commitment*. Shift *Cycling Culture* launched the *Climate Commitment* in collaboration with a group of CEOs, leaders of some of the largest companies in the cycling industry, which consists of transparently reporting on greenhouse gas (GHG) emissions by the end of 2023 and developing actions to reduce these GHG emissions by at least 55% by 2030. It is also a commitment to collaboration in which all parts help and support each other to achieve sustainable growth.



2.4Social Dimension

2.4.1 Employees

It is RODI's priority to value its employees and promote partnerships that will bring us closer together and share knowledge, skills, and tools.

RODI's team comprises more than 350 employees whose competence, dedication and ambition make RODI a company of constant evolution.

RODI's growth has allowed the constant integration of temporary employees into permanent status, mostly part of the cycling manufacturing unit and its increase in work volume. Out of the total number of employees, 60% of the employees are female employees. In management positions, women represent 41%.

2020

PERMANENT EMPLOYEES [301]
TEMPORARY EMPLOYEES [52]

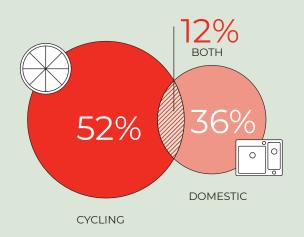
2021

PERMANENT EMPLOYEES [334]
TEMPORARY EMPLOYEES [77]

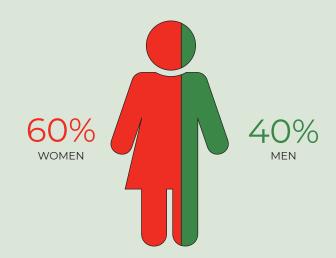


2021

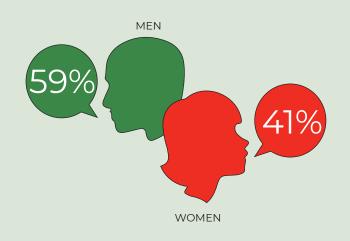
EMPLOYEES BY BUSINESS UNIT



EMPLOYEES' GENDER



MANAGEMENT POSITIONS

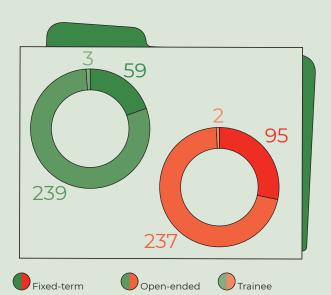


EDUCATION

ELEMENTARY 16% SCHOOL 1-6 GRADE **ELEMENTARY** 20% SCHOOL 7 - 9 GRADE MIDDLE 25% SCHOOL 24% HIGH SCHOOL 15% COLLEGE

2020 - 2021

TYPE OF CONTRACT



AGE GROUP



BENEFITS

Employees are offered a range of benefits aimed at promoting a better quality of life for themselves and their families through the signing of cooperation protocols with external entities in various areas (health, leisure, well-being, and financial education, among others).



HEALTH INSURANCE

All company's permanent employees are covered by health insurance.



LIFE INSURANCE

All company employees are covered by life insurance.



MEDICAL SERVICES

All employees have access to medical services and preventive medicine at the company's facilities.



PHARMACY PROTOCOL

Allows all employees, and their families, to enjoy discounts on all medicines and the possibility of having their medicines delivered at the company's facilities.



PROTOCOLS WITH SEVERAL ENTITIES

From the perspective of local social development, several protocols have been established with multiple entities, thus granting advantages to employees and their households to provide benefits RODI has established protocols with several entities that provide discounts on goods and services such as opticians, gyms, offices physiotherapy, financial and fuel companies.

PROMOTING TEAM SPIRIT AND MOTIVATION AMONG EMPLOYEES

RODI annually promotes some moments of conviviality and team-building, as well as the distribution of gifts to celebrate important dates. The Covid-19 pandemic postponed the organization of the usual social gatherings but did not prevent the company from continuing to promote the team spirit and motivation of our employees.

- > Christmas basket;
- > Christmas photo challenge;
- > Christmas tree decoration challenge for employees' children;
- > Company's anniversary.





















2.4.2 Occupational Safety and Health

In Occupational Safety, the focus is on prevention and encouraging continuous improvement in the assessment, control, and mitigation of risk factors, namely:

> Awareness-raising actions when welcoming new employees and good practices in safety and environment.

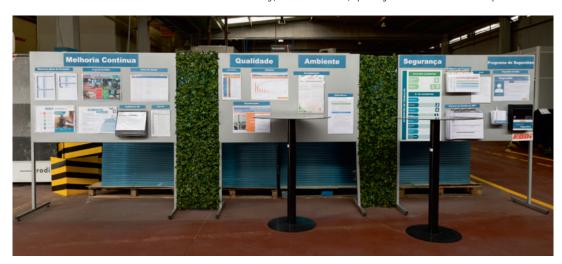


> Risk monitoring, namely of occupational noise and air quality.

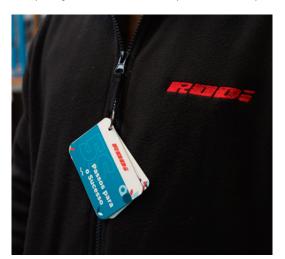




- > Celebration of the Safety Week with information sharing, consultation and participation of employees in different initiatives.
- > Information boards with data related to safety, environment, quality and continuous improvement.



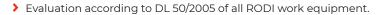
> Weekly 5S audits in which operational control of safety and environment is incorporated. These audits are carried out by a multidisciplinary team with members from the safety, environment, quality and continuous improvement departments.





> Ergonomic assessment of work stations.





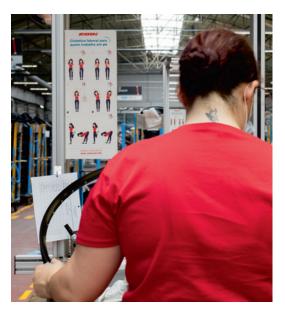




- > Drafting a supplier manual setting out the environmental and safety requirements for service providers and contractors on RODI premises.
- > Distribution of information on occupational gymnastics at workstations.







> Alteration of the Automatic Fire Detection System (AFDS) and reinforcement of the identification of circulation routes and emergency means.



> Various drills to test the response in emergencies.





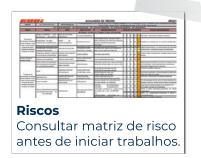
> Training focused on the following thematic areas:



Emergency team, Acting procedures.



Chemical products storage, labelling, and use.



Occupational risks (noise, vibration, radiation illuminance, and thermal, among others).



Safety of machinery equipment DL 50/2005.



Uniforms and PPE requirements.

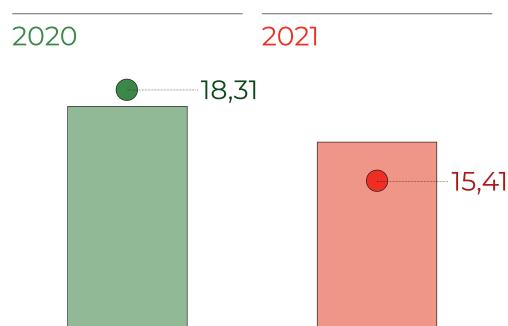
TRAINING

Average hours/pax

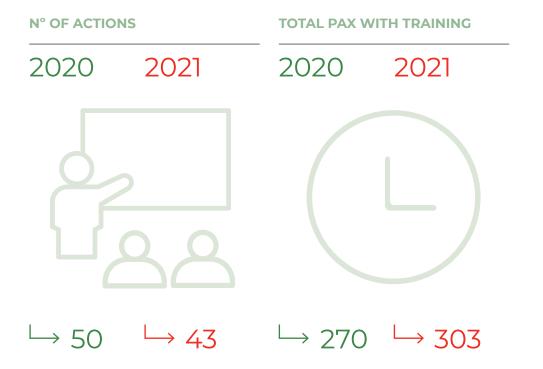
Trainee volume (hours)

Aware of the importance of knowledge, RODI continues to invest in training its employees, promoting internal and external actions in several learning areas.

TRAINING (HOURS)



In 2021, there was a decrease in the volume of training as well as in the average number of hours/pax. However, the number of employees with training increased.



COVID 19 MEASURES

The Covid-19 pandemic is an unavoidable topic when it comes to the years 2020-2021. In this sense, RODI sought to establish a concerted strategy for mitigation of its impact on employees, suppliers, customers, and communities where it is present.

RODI has implemented a Contingency Plan, structured into different phases with measures for prevention, control, and surveillance of the Covid-19 infection, following the Portuguese Health Ministry guidelines to ensure the health and safety of all employees.

Basic mitigation measures were adopted to contain the spread of the virus, such as the mandatory use of masks, disinfection of spaces, the mismatch of schedules, awareness-raising programmes, and screening protocol prevention.













HEALTH PROMOTION

RODI has implemented a health plan intending to improve the health condition of all employees. From the actions developed, the following stand out:

- > Eyesight Screening;
- > Cardiovascular Screening;
- > Audiogram;
- > Flu Vaccination.





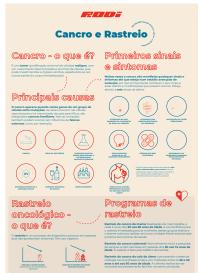


MARIANA FERNANDES, OSH:

RODI will continue with health promotion on its agenda, as it believes that it is essential to protect such fundamental parts as the employees.

INFORMATION AND COMMUNICATION







STROKE

Inform about main symptoms, risk factors, types of strokes, and prevention.

CANCER

What is cancer, main symptoms and symptoms and signs, causes and screening to consider according to the risk groups.

RESPIRATORY DISEASES

Types, consequences and main treatments.



TOBACCO-FREE DAY

Diseases associated with smoking, benefits of not smoking and smoking cessation programmes.



CARDIOVASCULAR DISEASES

What are non-modifiable and modifiable risks.



GIVING BLOOD

How to do it, requirements to be eligible, where to donate and restrictions.

OCCUPATIONAL HEALTH SERVICES

Within the scope of occupational health services, health examinations are provided to evaluate the worker's aptitude to carry out his/her activities:

- > Admission exams: at the beginning of functions;
- Periodic examinations: every 2 years or annually for minors or those over 50 years of age;
- > Occasional examinations: in case of changes and/or at the worker's or doctor's request.

The observation of factors that influence the safety and health of workers, such as the analysis of activities and material components (machinery, equipment, and products), ensures, through medical surveillance, the monitoring of employees' health.

N° OF CONSULTATIONS AT WORK 2020 - 2021 **ADMISSION EXAMS** PERIODIC EXAMS **AFTER ILLNESS AFTER INJURY OCCASIONAL EXAMS**

ACCIDENT RATES

The performance of RODI's Safety Management System, certified by ISO 45001:2018, is evaluated through various indicators however, the frequency and severity indexes are the most representative of the activity since they take into account the number of accidents and the accidents and days lost per occupational accident.

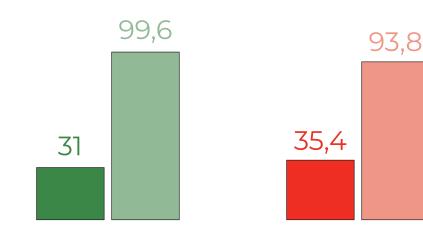


2020 2021

No. of work accidents*1,000,000/ number of hours actually worked

Permanent Employees

Temporary Employees



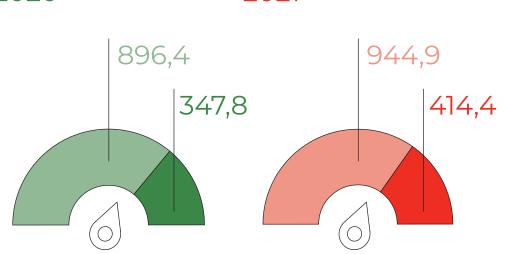
SEVERITY INDICES

2020 2021

Number of days lost due to accident or occupational disease*1,000,000/number of hours actually worked



Temporary Employees



2.4.3 Community

RODI seeks to value and create relationships of integrity, respect, and transparency with all our stake-holders. That is why, every year, we define actions to generate a positive social impact, enabling us to foster the transformation of the community in which we operate.

- **> Donation** of medical supplies related to Covid-19 INEM;
- **> Donation** of Electrical Waste;
- > Collection of food goods CASD SC;
- > Collection of goods APPACDM Aveiro;
- > **Support** to various teams, athletes and sports Iron Brothers Project; Grupo Desportivo Eixense; Recreio Desportivo de Águeda;
- > Support for cultural initiatives Quinta do Picado Music School; D'Orfeu Culture Association.













2.5 Environmental Dimension

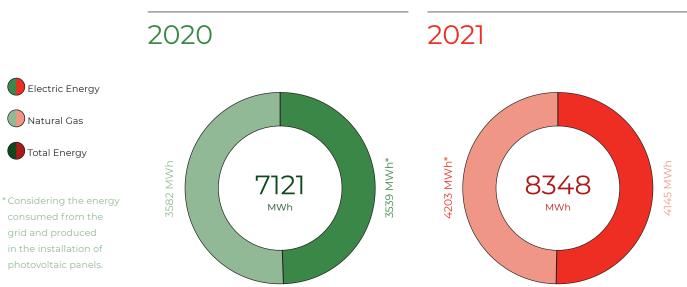
RODI is environmentally certified to ISO 14001: 2015 and has an environmental management plan in which it develops several initiatives to improve its environmental performance and reduce the impact of its activity. Currently, the main areas of control are energy consumption, water consumption, effluent discharge, and waste production.

2.5.1 Energy consumption

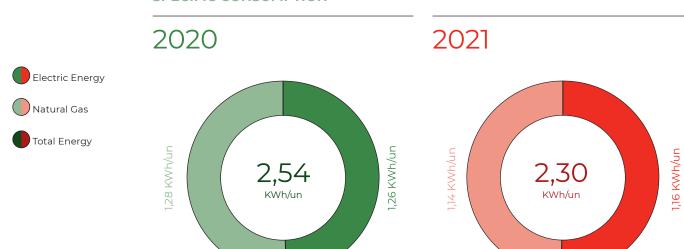
Energy efficiency is one of the main focuses of control, which results in a constant search for alternatives and consequent management aimed at reducing CO2 emissions.

In 2020, RODI installed 1836 photovoltaic panels, whose production represented 20% of the total consumption of electrical energy in the domestic business unit in 2021.

TOTAL CONSUMPTION



SPECIFIC CONSUMPTION



ENERGY CONSUMPTION BY ACTIVITY



CONSUMPTION IN TOE'S



2.5.2 Greenhouse gas emissions

With the commitment to fight climate change, RODI identifies and monitors greenhouse gas emissions (GHG) associated with manufacturing processes. In this sense, we consider direct emissions resulting from the use of fossil fuels for energy production (natural gas consumption) and indirect emissions are those related to the consumption of electricity. The calculation of direct and indirect emissions is done based on the information reported by the suppliers Note that we do not consider emissions resulting from the use of fossil fuels in service vehicles or any associated transport.

NOTE

No account is taken of emissions with associated service vehicles or other transport.

EMISSIONS	2020	2021
CO ₂ direct emissions (natural gas consumption) (tCO _{2e})	665	769
CO_2 indirect emissions (energy consumption) (tCO_{2e})	592	945
CO ₂ total emissions (tCO _{2e})	1257	1713
Specific emissions (kg CO _{2e} /un)	0,45	0,47

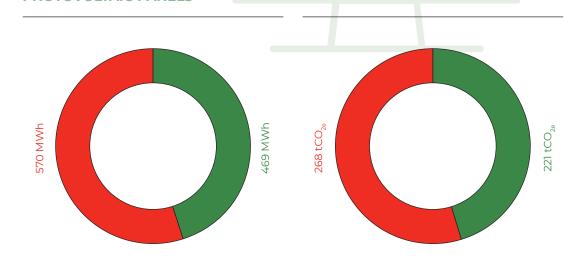
GREENHOUSE GAS EMISSIONS





ENERGY GENERATED BY PHOTOVOLTAIC PANELS*

TCO₂ EMISSIONS AVOIDED



Over the last few years, some other measures have been taken to improve the energy efficiency of the company, such as changing the roofing to favour natural light and thermal comfort, and through the replacement of the existing light fittings with others with lower consumption levels.

2020

2.5.3 Water consumption

Water consumption is an important factor in the production process, and because of the environmental impact it represents, is monitored and controlled through the installation of meters at the extraction and consumption points.

WATER CONSUMPTION	2020	2021
Total water consumption (m³)	17377	15283
Specific water consumption (I/un)	6,2	4,2

Surface treatment lines are the main contributors to water consumption. RODI has been working to optimize its consumption through a standardization/optimization of the process. In terms of total consumption, in 2021 there was a decrease of 32% as well as a decrease in specific consumption. In the cycling production unit, the decrease in specific consumption is more significant, with a saving of 1.74 I per unit produced when compared with 2020.

WATER CONSUMPTION BY UNIT



consumption

Specific water

Total water

Specific water consumption

RODI has an industrial wastewater treatment plant and the treated effluent is routed to the network, under a contract with the water management entity (ADRA) that establishes the periodicity analysis as well as the control parameters.

TREATED WATER	2020	2021
Treated water (m³)	12862	10355
Specific emissions of treated effluent (I/un)	4,59	2,85

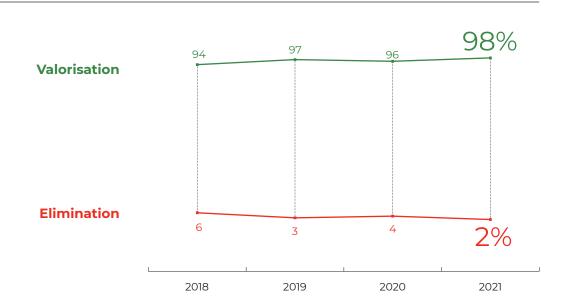
2.5.4 Waste management

In the field of waste management, RODI's main objectives are to increase the recovery rate and reduce the production of hazardous waste.

	2020	2021
Waste produced (t)	705	837
Hazardous waste (t)	40	34
Non-hazardous waste (t)	665	803
Recovered waste (t)	678	819
Discarded waste (t)	26	18
Valorisation rate (%)	96%	98%
Specific waste production (Kg/un)	0,25	0,23

Since the year 2018, the waste recovery rate has increased by 4%.

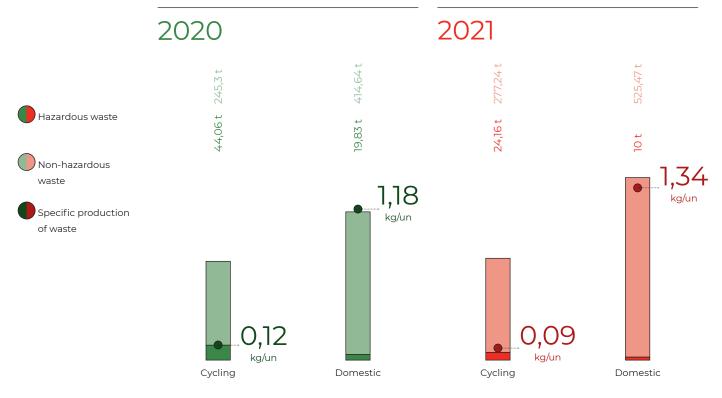
VALORISATION RATE



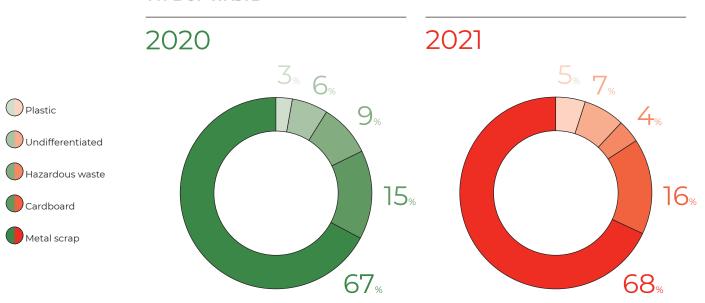
In 2020, we began implementing the supply of reusable industrial wipes based on the reuse principle, thus increasing their life span and resulting in the reduction of hazardous waste.

During these two years, optimizations have been made according to production needs, therefore extending the use of these clothes to other activities.

WASTE PRODUCED BY UNIT



TYPE OF WASTE



Scrap metal is the waste with the greatest expression in the total quantity of waste produced at RODI. Strategies are expected to be implemented to reduce the quantity produced.









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