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# Sustainability Report

We value people and the planet

**RODI INDUSTRIES, S.A.** 

Sinks & Accessories Rims & Wheels

Sustainability Report 2018-2019

quality
and design





to the future

## Index

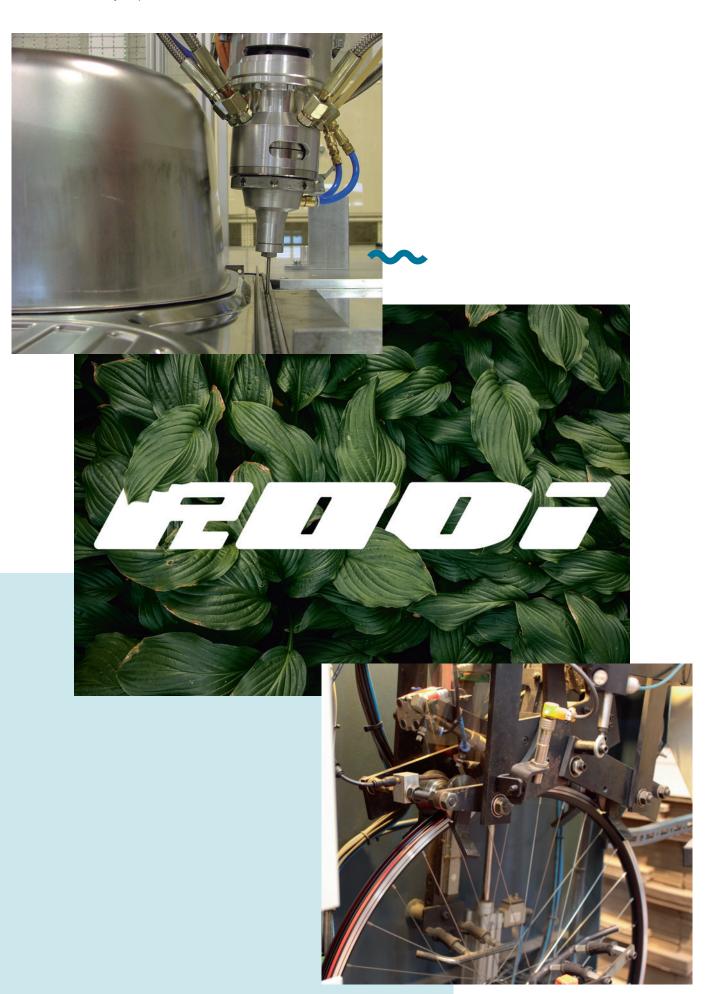
#### 1 Scope of the report

- 2 The company
- 4 Story
- 5 RODI in numbers
- 6 World Presence
- 8 International awards
- 9 National awards

#### 10 Pillars of sustainable development

- **11** Economic Dimension
- 11 Results
- **12** Communication and marketing
- **12** Fairs and events
- **13** Digital communication
- 15 Social dimension
- **15** Collaborators
- 15 Benefits
- **18** Occupational safety and health
- **22** Promotion of team spirit and employee's motivation
- **26** Training and safety
- **30** Community
- 31 Other Stakeholders
- **31** Environmental Dimension
- **31** Energy efficiency
- **33** Water consumption
- 35 Waste production





# Scope of the report

This report, prepared at RODI's own initiative, aims to establish a baseline for the assessment of its organizational performance, taking into account the pillars for its sustainable development.

The document is based on the 2018/2019 biennium and aims to share with the stakeholders the actions implemented and the company's performance in its economic, social and environmental dimensions.

The customer satisfaction is its the main focus, however RODI considers that a sustainable future is not built exclusively through the business.

The secret of positive results, lies in the human capital of the organization, so the health and well-being of its employees are key factors for the company's success.

In this sense, RODI favors the well-being, personal and professional development of its employees, investing in their constant training and promoting various initiatives to strengthen team spirit.

In addition, RODI seeks to support, whenever possible, social, cultural and sporting causes, fostering the development of the local communities where it develops its activity.

Finally, RODI also follows a strict environmental policy.

With an integrated management system in the area of Quality, Safety and Environment, RODI ensures the quality parameters required in its products, as well as minimizing the impact of its activities on the environment and the well-being of its workers, with safe working conditions.



Founded in 1952, RODI is a portuguese company that operates in two different business areas, exporting its products to 80 countries, in 5 continents.

We are European leaders in the manufacturing of aluminum bicycle rims and wheels and a world reference in the production of stainless-steel kitchen sinks, having already won several award both national and international.

## Unique Values

RODI's growth is the result of an efficient teamwork and of having a precise set of goals that result in the brand's success.



#### **Quality**

Wide variety of products; Use of certified European raw materials.



#### **Level of service**

Fast and efficient customer service; Ability to adapt products to the client's needs and market demand.



#### **Production capacity**

Total control in the production process; Highly automated factory.



#### **Innovation capacity**

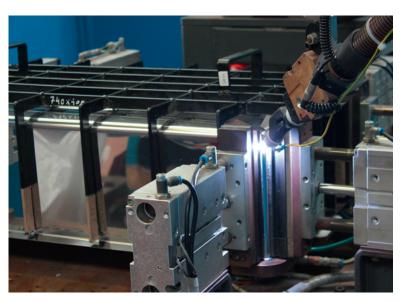
Internal R&D department dedicated to development new products and solutions; Regular launch of new products.

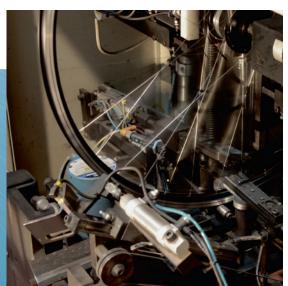


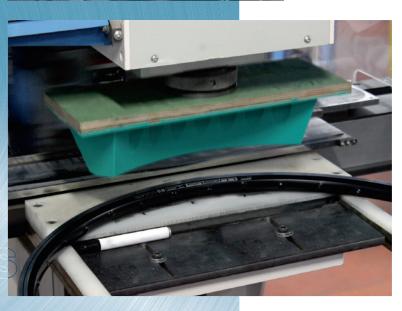


RIMS & WHEEL

# SINKS & ACCESSORIES







#### 1.1

# **History**

#### **1976**

#### **Acquisition of RODI by the** current administration

Production focused on the manufacture 1980 • of accessories for two-wheel vehicles: mud guards, chain carters, fuel deposits, chromed rims, among others.

#### **Pioneer in the production of** stainless-steel kitchen sinks

Start of production of stainless-steel kitchen, being a pioneer in the production of two-bowl kitchen sinks without any type of welding. First exports, mainly to the Spanish market.

In the area of cycling accessories, RODI begins to focus its investments in the production of aluminum rims and wheels for • 1990 bicycles, with export as a goal.



#### **Factory building**

High investments in the construction of a manufacturing unit equipped with sate of the art technology for the production of stainless-steel kitchen sinks, which drove RODI towards business success.

2020 •

#### **World reference in its business**

Implemented in the international markets, namely the European Union, South America and Eastern European markets.

RODI has achieved a solid leadership position in both the national and European markets, bringing together customers from all over the world and gaining the trust of the largest bicycle manufacturers and kitchen manufacturers.



# **RODI figures**







years of activity

Specialized in metallurgy and metalworking







countries worldwide





>30M€
Turnover





300 workers

Yearly Production



2M rims 400K wheels 1M sinks



# **Presence in the world**





## 1.4

## **International awards**

The focus on product improvement, on investment in design and technological innovation, has allowed us to achieve some of the most important product design awards in recent years.

2013
RODI ART





2015



2016

INVICTUS VISION





2017

**VISION** 







#### 1.5

#### **National awards**

1991-2016

25 years with IAPMEI

· 2008-2019

**PME Líder** 

2013>2014>2016

**EXAME - Equipamento de transporte** 

2015>2016>2018

**BCP: Cliente Aplauso** 

· 2015>2017>2018

PME excelência

2017

Santander: Prémio TOP exportação;

Prémio + Produtividade;

Prémio exportação e internacionalização NOVO BANCO e Jornal de Negócios

2019>2020

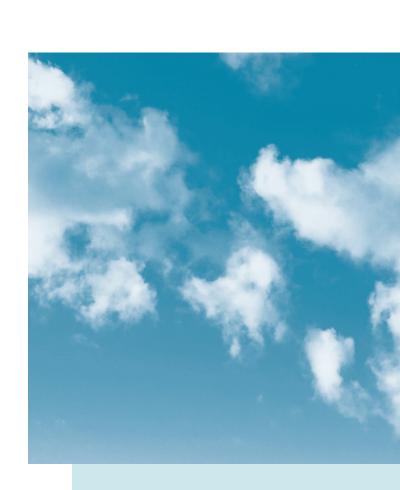
**Prémio Cinco Estrelas** 

# PILLARS OF SUSTAINABLE DEVELOPMENT

RODI assumes an integrated management policy, with the conscious that only with a strong commitment to product quality, the well-being of its employees and the preservation of the environment, may contribute to the development of the region where it operates and to the satisfaction of all its stakeholders.

In this chapter, we will present the various actions implemented in the company and with a direct impact on its economic, social and environmental dimensions.

Social and Environmental Responsability



2.1

## **Economic dimension**

2.1.1

#### **Results**

RODI ended 2019 with a turnover of approximately 33,368 million euros, which represented an increase of 6% compared to 2018 (+1,931 million euros).

As in previous years, RODI maintained as its priority the development of exports, without ever forgetting the consolidation of its position as leader in the Iberian market.

Analyzing by business, the Cycling sector grew by 7.33% (+1,083 thousand Euros), and in the case of the Domestic sector there was a growth turnover of 5% (+ \$ 848 thousand Euros).

The biennium was also marked by high investments in RODI, to equip its manufacturing units with the latest technology, focusing on implementing industry 4.0. Our investment policy is centered in the future, so that the organization is prepared for the requirements of our Stakeholders' and the markets in general.

#### **Evolution of the turnover (€000)**



#### 2.1.2

# **Communication and Marketing**

RODI believes that communication with stakeholders is a fundamental factor for the organization's success.

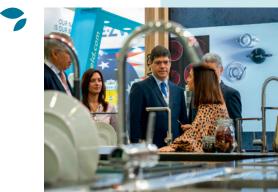
In addition to participating on several international exhibitions for both sectors of activity, during the 2018/2019 biennium the company made several investments in marketing, in order to improve its digital presence, with the objective to provide an excellent service towards their customers and consumers seeking information about our products.

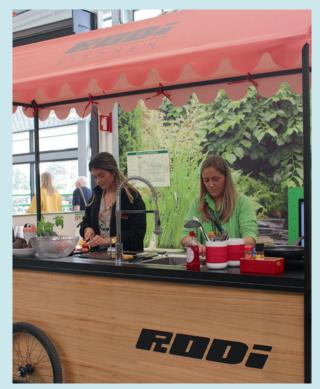
#### Exhibitions and Events

RODI annually participates in 2 international fairs in the cycling sector and 8 in the kitchen sector. The brand is also present in several events aimed at the general public.











#### Digital communication

RODI recently launched new websites in both business areas, with the aim of improving the user experience in terms of navigation, also adapting these tools to mobile platforms.

The new websites also have very useful tools for users, as the brand aims to be a source of information and knowledge for the community.

Therefore, in its website sinks.rodi.pt, registered professional users have access to a database of 3D models of our sinks, which can incorporate into their architectural projects.

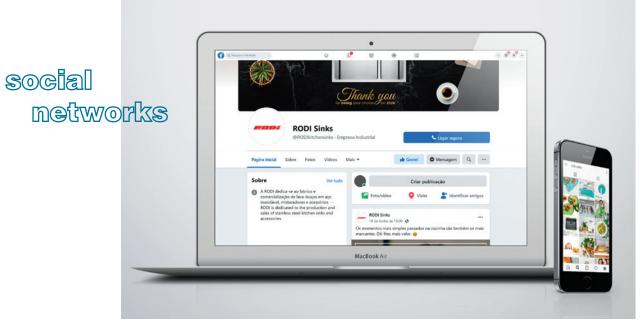
On the websites of our brands dedicated to our cycling products (cycling.rodi.pt and blackjackwheels.com) a spoke calculator is available, which is an extremely useful tool for professionals and everyone in the cycling universe.

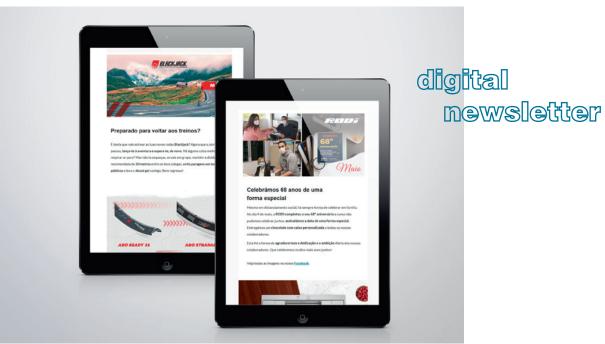


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Additionally, the company has maintained a strong presence on social networks, with the aim of maintaining a closer relationship with all customers and followers of our brands. These are privileged platforms for publishing the latest news, share useful tips, or develop hobbies for our followers.

We also send a monthly digital newsletter to our contact database (validated in accordance with the GDPR) for each business area with news and other content of interest to our community.





2.2

# **Social Dimension**

2.2.1

# **Employees**

Human capital (understood as the combination of employee's knowledge and skills) is an essential asset to the competitiveness of any company.

In this context, RODI seeks to capture and retain the best talent staff, offering a series of benefits to its employees.

We are a team of more than 300 employees, whose competence, dedication and ambition make RODI a solid company with a constant willingness to improve.

RODI is growing and the constant integration of temporary staff on the company's staff is a practical example of this. The bicycles rims and wheels factory is the one with the largest number of employees and in which the female gender has greater representation.



+ 300 workers

#### Team characterization











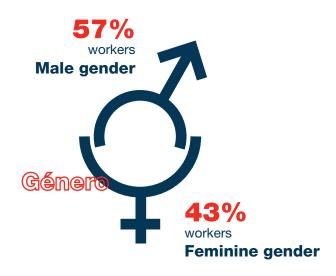
Fixed-term employees

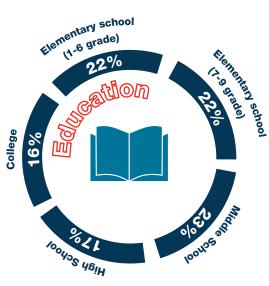
Employees under an open-ended contract











#### **Benefits**

RODI has been establishing cooperation protocols with external entities with the aim to assign special conditions for the acquisition of goods and services for its workers, from multiple areas namely health, leisure, well-being, finance to education, among others.



#### Health Insurance

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



#### Life insurance

All company's employees are covered by a life insurance.



#### Medical services

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



#### Pharmaey 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 in order 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.

# **Security and health at work**

RODI understands that the promotion of Health and Safety at work is a fundamental step towards the satisfaction of its collaborators, improving thus productivity and promoting the company's success.

In order to promote the work environment and ensure tasks are performed safely and preventing accidents from occurring, RODI has developed actions to raise the awareness of employees, encouraging the prevention of work accidents and occupational diseases.

#### Health promotion

RODI considers that the productivity of its workers is directly related to their quality of life and to their mental and physical health. In order to improve the health condition of workers, health promotion actions are developed throughout the year.



#### Visual screening

Visual tests are performed annually on the group of workers who perform demanding tasks for the visual field (equipment's equipped with display, drivers, optical radiation). These actions aim to prevent vision problems.



#### Cardiovascular diseases screening

Cardiovascular diseases screening is performed periodically, with the objective of raising awareness from workers to healthier lifestyles, controlling risk factors, such as arterial hypertension, smoking, diabetes, physical inactivity and stress. The following indicators are controlled in these actions: cholesterol level, blood pressure, weight and height (calculation of body mass index) and abdominal circumference.



#### Audlogram

Routine hearing screening and effective monitoring can help avoid permanent hearing loss induced by exposition to noise. The examinations performed (audiograms) and respective technical analysis are subject to evaluation by occupational doctors, which informs, sensitizes and reports preventive actions. This exam is carried out annually or biannually (depending on the noise level to which the employees are exposed.)





#### Flu vaceine

RODI annually promotes a free flu vaccination campaign, to which all interested parties can apply.

#### Labor gymnastics

Workplace gymnastics awareness actions is intended to prevent injuries due to repetitive tasks, and avoid the development of occupational diseases.



# Health at work

- musele fatigue
- + well-being

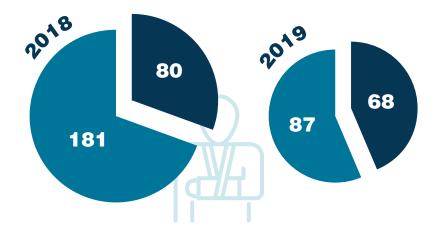


#### Injury rates

RODI evaluates its safety performance through various indicators, of which the frequency and severity indices of injuries are the most relevant, as this indicator considers the number of accidents and days lost due to accidents at work.

Compared to 2018, there was a decrease in accidents at work with temporary workers, resulting of a joint action between RODI and the temporary work companies, by promoting tailor-made initial training and closer monitoring. However, there was an increase in the severity index, due to the prolonged casualties resulting from accidents.

#### **Frequency indexes**

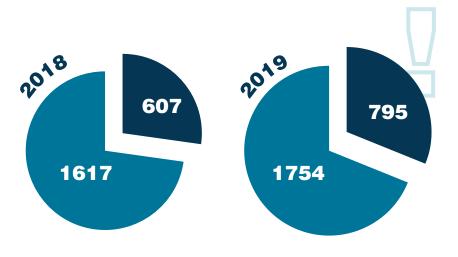


Numer of work accidents \* 1,000,000/number of hours effectively worked

Temporary •

RODI •

#### **Severity indexes**



Number of days lost due to accident or professional disease \*1.000.000/number of hours effectively worked

Temporary •

RODI •

## Health service at the workplace

Health examinations are performed to assess the worker's fitness for the performance of its activities, as well as the impact of the execution of the task and conditions in which it is provided in the worker's health:

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

An analysis of activities, material components (machines, equipment and products), or other factors influencing the workers' health, in order to ensure their monitoring (surveillance information and awareness).

In 2019 there was an increase of 70% compared to 2018 of occasional exams classified as others, which represents the largest follow-up performed in situations of occupational disease and medical surveillance.

# Health consultations at work



# Promotion of team spirit and employee motivation

Throughout the year, RODI promotes some moments of conviviality to foster the motivation and team spirit of its employees.

- > Company's anniversary
- > Summer festival
- Magusto
- > Christmas party (with distribution of Christmas baskets to each employee)























"Happy employees are more productive workers and more committed with the company objectives!"

**Armando Levi** 

# Signage and internal communication

Identification of spaces and signposting and placement of informative panels were performed as part of the project to develop the promotion communication in the areas of safety, environment, quality and human resources.











In addition, the company has a publication, the RODI Newsletter, which is distributed quarterly to all company employees, whose objective is to inform them about activities, results, investments, among other relevant information about the company's day-to-day activities.





## Natural light and Smoke removal system

In 2019, an investment was made on the roofing of both manufacturing units. Skylights have been implemented in order to promote natural lighting in combination with a smoke removal system. There was also a reinforcement of the insulation on the cycling unit roof with substantially improvement of thermal comfort at the workstations.





# Common and social spaces

RODI has made an effort to constantly improve working conditions for employees, through the adoption of technical and organizational measures. An example of this was the improvement of common and social areas through the renovation of changing rooms, cafeteria and workers' living spaces.











# **Training and safety**

RODI organizes several training and awareness actions throughout the year for employees in the field of occupational safety and health. The main ones are the following:

## Training in driving of forklifts and maneuvers of overhead cranes

Certified training actions for workers with cargo handling activities, unloading, circulation, transport and storage of materials.

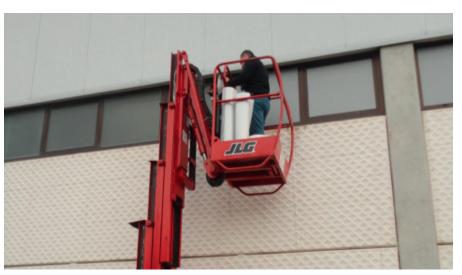




## Work at Height

Certified training actions for workers with cargo activities, unloading, circulation, transport and storage of materials.





# First aid

First aid training for employees belonging to the first aid team.



# Fire safety

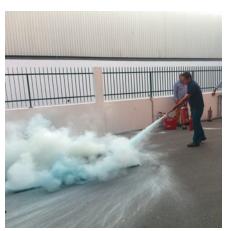
Training for first intervention teams on how to operate and use firefighting means.











# 2.2.2

# **Community**

- > Collection of goods for the Caritas children's center
- Support to schools in the region delivery of Christmas gifts to needy children
- > Sports support for different clubs and athletes in different sports
- > Culture support for cultural events (for example Vagos Sensation Gourmet)
- > Social Solidarity walk







we value culture







#### 2.2.3

#### **Other Stakeholders**

The trust of our stakeholders is earned with respect and transparency, so we try to value and cultivate integral relationships with all the people and organizations that are part of our activity:

- Suppliers
- Partners
- > Press
- > Regulatory bodies

#### 2.3

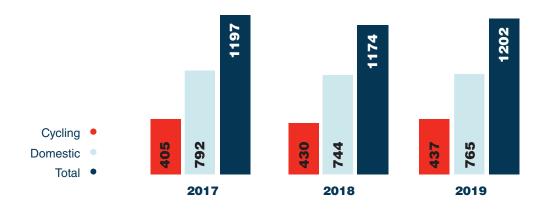
# **Environmental Dimension**

RODI seeks, in all its activities, to minimize its impact on the environment. In this context, it developed several initiatives with the objective of improving its environmental performance. Currently, the main focuses are: energy efficiency, reducing water consumption and waste generation.

## Energy efficiency

Energy efficiency is one of the main concerns, at environmental level, which results in a constant search for profitable alternatives and, consequently, promotion of a management system capable of reducing emissions of CO<sub>2</sub>.

# Energy consumption (TOE)

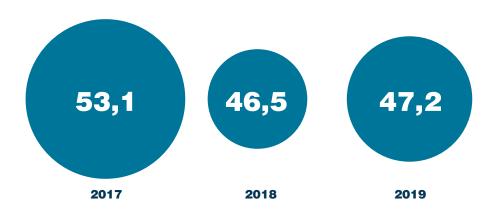


The sinks unit is an energy intensive consumer. In this way, an Energy Rationalization Plan is defined and implemented, which provides several measures to contain/minimize and control energy consumption.

Although lower than the sinks unit consumption, consumption from the cycling unit showed a slight increase.

Although over the past few years there has been a large global growth for the company, the indicator shows a downward trend.

#### Energy consumption (TOE/ million Turnover)



In order to minimize the consumption of energy from non-renewable sources, an investment in the installation of photovoltaic panels, with a forecasted emission reduction in 600 tons of CO2 per year. It is expected that the effects of this implementation to be felt during 2020.

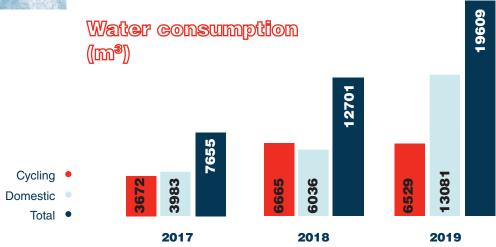
In order to reduce energy consumption and prolong the artificial lighting life span, lamps have been replaced for more efficient ones. Skylights were also installed in the factory areas which promoted the use of natural light and, consequently the decrease in the need to resort to the use of artificial light.





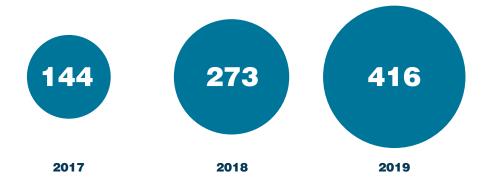
# Water consumption

Water is an integral part of RODI's production process, thus being a monitored and controlled factor. Readings are recorded on a daily basis of the meters internally installed at the extraction points and significant consumption.



The chemical processes installed at RODI are primarily responsible for water consumption, which has increased over the past few years.

# Water consumption (m³/ million Turnover)

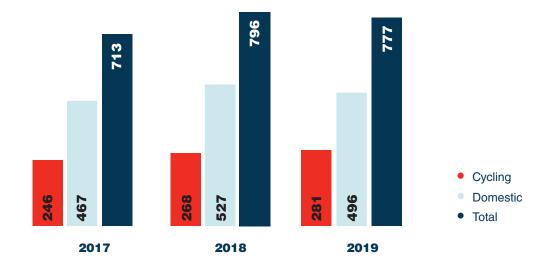


All water collected and used is sent and treated at the RODI Industrial Wastewater Treatment station.

## Residues generation

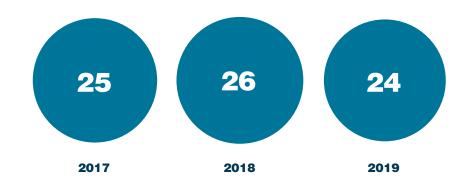
The generation of waste is a direct consequence of any human activity. As such, Rodi manages and controls the quantity of waste it generates, sorting and storing it internally and subcontracting its transport, treatment and final destination.

# Residues generation (Ton)



Over the past 3 years, average levels of waste production.

# Residues generation (Ton/Million Eur turnover)

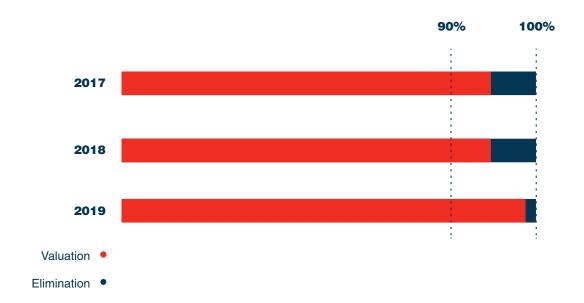


Although the generation of residues cannot be avoided, the decision about its final destination is essential to ensure the smallest possible environmental impact.

In this sense, RODI excels in selecting suppliers that guarantee the best possible final destination for the residues, always prioritizing operations that allow for the recycling of the residues it produces.

For 2019 there was a decrease in the percentage of residues sent for disposal, compared to the previous years. This could be explained by the improvement in the sorting processes associated with waste management solutions and alternatives presented by our suppliers.





In order to reduce costs related to dangerous waste management, RODI is currently betting on contracting an industrial cloth service based on the principle of reuse, thus increasing the life span and decreasing the production of waste. The effects of this implementation are expected to be felt during 2020.



# We invest in sustainable solutions

...for a better future





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