SCAME
feeling connected

Sustainability Report 2023

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Sustainability
Report 2023

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Letter to the stakeholders

As CEO of Scame Parre S.p.A., I am proud to present our first Sustainability Report, an achievement made possible thanks to the dedication of multiple company departments working together towards this common goal.

This important document comes to light at a pivotal moment for our company, which in 2023 celebrated 60 years of business, a milestone made even more remarkable by receiving the Historic Brand of National Interest designation from the Ministry of Enterprises and Made in Italy.

This report formalises a journey rooted in innovation, sustainability and care for people, built on the values that inspired our founding partners – my father, Giovanni Scainelli, Luigi Piccinali, Gianni and Cornelio Palamini – and that continue to guide us today as a second-generation management team preparing to pass the torch to our children and grandchildren, the third generation of a company that has successfully balanced its family dimension with its international outlook.

Throughout this journey, we have remained deeply connected to the community where we were born and grew, a community from which we have received so much and to which we have always sought to give back – through employment, social support and an unwavering commitment to minimising the environmental impact of our activities, mindful that our identity is deeply rooted in this region.

"Giving back through employment, social support and unwavering commitment."

"The vision of a sustainable, human-centred world."

A delicate and challenging region, where doing business takes on a unique character, but one we cherish so deeply that it became the central theme of our rebranding initiative, which, at the end of 2023, unveiled our new corporate image, embodied by a logo that stands as a testament to our purpose.

A logo that encapsulates our dual spirit – local and international – while at the same time speaking to our ability to look ahead, supported by the awareness of having forged deep connections with you all.

Connections that encourage us to face the challenges of our time, in an international context marked by geopolitical tensions that bring uncertainty, casting shadows and fear over major global challenges, such as the energy transition, which we are all called to address.

Scame will rise to these challenges with the determination and capacity for self-reinvention that has always enabled us to evolve and innovate, pursuing our vision of a sustainable, human-centred world and working tirelessly to make it a reality.

To all of you, my heartfelt thanks for contributing, directly or indirectly, to making all of this possible.

Stefano Scainelli
CEO of Scame Parre S.p.A.

Our identity
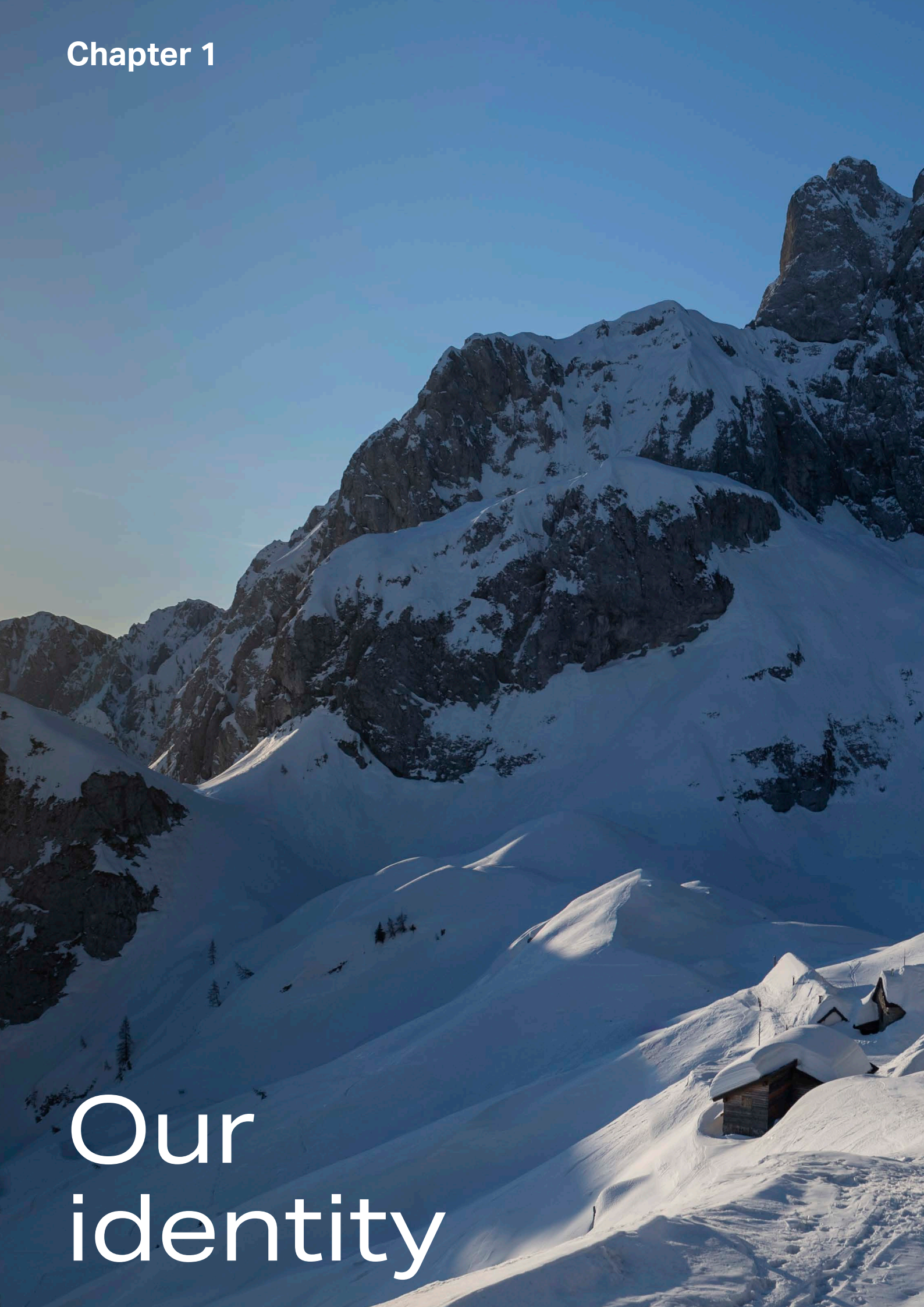
1.1   About us

SCAME PARRE S.p.A. (hereinafter SCAME), the leader of the international SCAME group, is a company specialising in the production of low-voltage electrical components and systems for both residential and industrial applications. The company was founded and has grown in the mountains of the upper Val Seriana, in the Province of Bergamo.

Since its establishment in 1963, SCAME has upheld its founding principles of environmental care, respect for people and a commitment to innovation – not for its own sake, but as a means to deliver total quality and tangible benefits to its users.

Already a pioneer in solutions for electric vehicle charging – an area to which it dedicates a significant portion of its R&D investments and in which it is now regarded as a leading authority – SCAME's ongoing pursuit of new markets has also led to the development of an extensive range of ATEX-IECEx products for installation in potentially explosive atmospheres. This focus, however, has not come at the expense of its traditional offerings, which include products for domestic and industrial applications, even in particularly demanding environments.

With a catalogue capable of meeting any installation needs, product quality certified to national and international standards, rapid customer support to address any requests and a high level of service, SCAME has established a strong presence not only nationally but also internationally. It operates through a network of 15 subsidiaries and a consolidated distributor network spanning over 80 countries across five continents.

1.1.1   The SCAME Group

SCAME is currently the parent company of an international group comprising four Italian subsidiaries and 16 international entities, some of which are key production hubs. Notable examples include SCAME-SK (Slovakia) and SOBEM-SCAME (France), which marked the beginning of the SCAME-SK group's internationalisation, as well as the recent acquisition of Magnum Cap (Portugal), a company specialising in the production of DC[1] fast-charging stations for electric vehicles – a strategic move in completing SCAME's E-Mobility offerings. Similarly strategic, particularly in terms of IT expertise and R&D, was the more recent acquisition of the software house Topgraf.

1 Direct Current (DC).
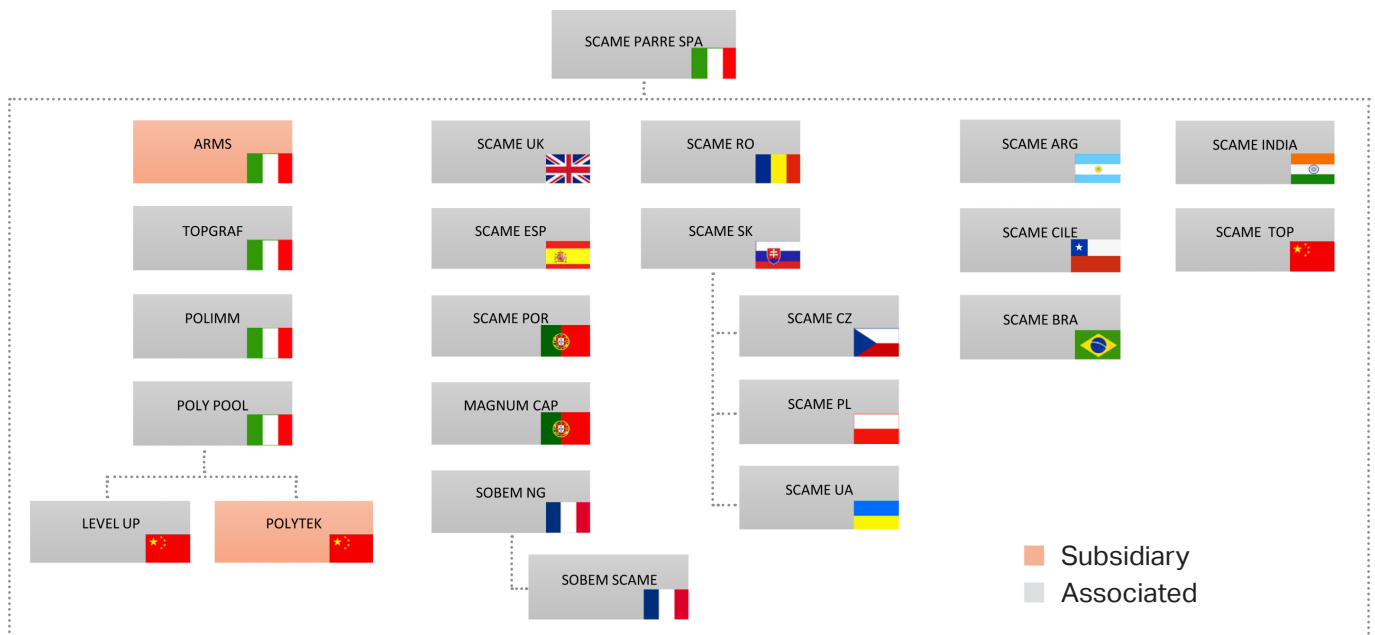
1.2   A history of innovation with solid roots

Innovation has always been a hallmark of SCAME, on par with sustainability. Innovation that extends not only to products but also to processes and strategy. Innovation in every sense, shaping the company's approach as a whole.

It was in the company's early days that SCAME designed and implemented the first machine for the automated production of insulated pins – the product marking the start of the journey and not surprisingly featured in the original company logo – a process that had previously been performed manually. A first step towards optimising production processes, which led to a complete remodelling in line with Lean Production principles in the early 2000s through the "Change2010!" project, followed by the introduction of "smart" presses directly connected to the company's ERP system in line with Industry 4.0 concepts, and culminating in the opening of a highly automated production facility in 2023.

Equally innovative – and remarkable for the time – was the early decision to export products beyond Italy's borders, a step that planted the seed for the Group's full internationalisation in 1996 with the establishment of its first two subsidiaries in Slovakia (SCAME-SK) and France (SOBEM-SCAME).

When it comes to products, innovation has also been the driving force behind some of SCAME's most significant milestones. In 1984, the company invented the world's first industrial-to-domestic system adapter – a groundbreaking development in the electrical engineering field at the time.

Similarly, in 1999, under the mandate of CEI-CIVES, SCAME introduced the first connector specifically designed for charging electric vehicles, now recognised as Type 3A.

Between these milestones lies a long history of countless small and large innovations, demonstrating an unwavering commitment to Research and Development aimed at optimising processes, improving resource efficiency and enhancing product sustainability.

At SCAME, every research initiative begins with an essential focus on the quality and compliance of raw materials, carefully monitoring their evolution and striving to anticipate the ever-changing environmental and technical demands of the modern world.

Special attention is afforded to the gradual elimination of chemical substances considered "targets" due to their limited availability or significant environmental and health impacts. Notably, the process of replacing all halogenated substances with less harmful alternatives has reached an advanced stage of implementation, as has the gradual reduction of lead in manufacturing processes, which up until only a few years ago, was considered indispensable in maintaining high levels of productivity.

Alongside the adoption of increasingly efficient and energy-saving machinery, the selection of higher-performing raw materials is also offering opportunities to reduce energy consumption through lower processing temperatures. This, in turn, extends the lifespan of equipment, drastically reduces waste, and minimises the wear and tear on materials used during manufacturing processes.

This remarkable picture would be incomplete without mentioning the initiatives undertaken to benefit human capital, as the founder of SCAME, Cav. Scainelli, often said: "The men and women who work at the company are SCAME's greatest asset." Mr. Scainelli, always attuned to the full spectrum of sustainability in its ESG (Environmental, Social, Governance) dimensions, instilled these values within the company, making them one of SCAME's defining traits today.

Examples of sustainable practices include the introduction of an e-bike fleet for employees to use around the premises and during their leisure time; the distribution of reusable water bottles (purchased in support of ocean clean-up initiatives), combined with the installation of microfiltered water dispensers. Over five years, these measures have saved more than 250,000 half-litre plastic bottles. Employees have also been involved in woodland clean-up events near company facilities, which have become opportunities for socialising, too.

Small, but meaningful pages in our story. The story of a company that looks to the future while remaining deeply rooted in the past, in the community and in the territory where it operates.

A company that has continuously reinvented itself in pursuit of the vision of a sustainable, human-centred world. Hence, we like to think of ourselves not merely as *Manufacturers* but as *Manufuturers* – a term that reflects our aspiration to inspire, if not create, a more considerate and sustainable model of the future.

› "The men and women who work at the company are SCAME's greatest asset."

Cav. Giovanni Scainelli

1.3 The M in SCAME

It is a well-established fact that SCAME has continually evolved throughout its long history. This is especially true over the past decade, with the growing influence of E-Mobility on its product offerings, expertise, organisational model, and, not least, brand exposure.

Yet, through all this change, SCAME has never lost its essence, staying true to its founding values. Values that came to light with particular clarity during a rebranding project in 2023, coinciding with the company's 60th anniversary, the most direct and impactful result of which was the new company logo.

A logo whose defining feature is the "M in SCAME". A strong graphic symbol that stylises the mountains that have shaped our identity and to which we owe so much. A pictogram forming an integral part of the logotype, just as the mountains are embedded in our company's DNA.

At the same time, it is a graphic motif that embodies our dual corporate identities: industrial and E-Mobility. These two sides coexist in perfect harmony, supporting each other without one overpowering the other, creating an accurate representation of what SCAME is today.

This is further expressed through our new corporate colour, which replaces the passionate boldness of the old red with a more mature and inclusive "warm red". This choice better represents a company with a long history that has always made hospitality a way of being, whether applied to people or opportunities.

Lastly, "Feeling connected" is our new corporate tagline, taking us to the heart of SCAME's true strength: the ability to forge deep connections. While "connected" still evokes our business of "plugs and sockets", it is the "feeling" that truly makes the connection, both internally and with external stakeholders – be they suppliers or customers.

It is something intangible yet incredibly profound, and the reason our customers choose us. It reflects our sense of family and the way we see our company as a "home".

It serves as a bridge between our past and the future ahead.

The road to sustainability

→

38%

Employee participation rate in the
materiality process

40

External stakeholders
involved in the materiality
process

7

Material topics
identified

2.1   Our commitment

CONTEXT ANALYSIS

The sustainable transition is an emerging challenge for industries in the manufacturing sector. Even in the field of electrical components and systems, there is a significant shift towards comprehensive sustainability. Nationally and internationally, companies are adopting ESG (Environmental, Social, Governance) criteria to address growing regulatory pressures and the interests of stakeholders, who increasingly emphasise environmental and human health concerns.

According to the Intergovernmental Panel on Climate Change (IPCC), the energy sector as a whole is one of the largest contributors to global greenhouse gas emissions. However, electrification appears to be one of the main pathways towards decarbonisation, making SCAME's business central to this challenge. That said, the production and disposal of electrical and electronic components can have a significant impact on ecosystems. Companies in the sector are therefore investing in cleaner technologies and sustainable materials to reduce their environmental footprint.[2]

Social sustainability is also a critical dimension in the industry, as companies are increasingly scrutinised for working conditions throughout their supply chains. This includes respecting human rights and ensuring safe and dignified working conditions. For example, the use of raw materials like cobalt pose significant challenges, as it is often extracted under conditions that are detrimental to local populations.

Leading companies are thus adopting responsible sourcing policies and raw material traceability measures to uphold human rights.[3]

The expansion of infrastructure for electric vehicle charging is one of the key areas of sustainable growth in the sector. Charging stations are essential to supporting the transition to cleaner mobility. In Europe, there are significant public and private investments underway to expand these infrastructures, and the European Union itself has set ambitious targets for the deployment of public charging points.[4]

In summary, the sector for electrical components and systems is making substantial progress towards environmental and social sustainability. The adoption of clean technologies, supply chain control and the pursuit of high-performance materials with recyclable properties are essential steps in this direction.

2   https://www.power-technology.com/data-insights/top-ranked-power-companies-in-esg/?cf-view

3   https://globalregulatoryinsights.com/insight/esg-environmental-social-and-governance-framework-comprehensive-analysis-in-india-2024/

4   https://www.globaldata.com/esg/impactinvestingstrategies/electric-vehicles/ https://www.bernstein.com/our-insights/insights/2021/articles/sustainable-investing-through-the-supply-chain-electric-vehicles.html

BENCHMARK ON NON-FINANCIAL REPORTING IN THE SECTOR

To fully understand the context of SCAME and the topics addressed in this Report, it was essential to broaden the scope of analysis through a comparative study. This process offered deeper insights into SCAME's positioning regarding key sustainability issues and the specificities of its core business: the production and sale of low-voltage electrical components and systems in residential, tertiary and industrial sectors.

The benchmarking exercise on the maturity of sustainability management models in the sector helped clarify the direction in which the industry is evolving in terms of ESG reporting and management. This made it possible to:

— Identify the sector's priorities in terms of ESG practices;
— Analyse how key national and international competitors approach non-financial reporting;
— Assess SCAME's positioning compared to its competitors.

In total, eight economic actors, including SCAME, were analysed through the definition of 31 KPIs. These analytical metrics structured the study into six topical dimensions, which summarised and reconstructed each actor's ESG performance. Various information sources were used in this exploratory phase, including corporate websites, sustainability reports, certification body websites and other publicly available online resources.

It is important to note that the aim of this benchmarking exercise was not to provide a detailed representation of the sustainability level of each actor considered. Instead, it sought to clarify the broader landscape of the sector's evolution in terms of ESG reporting and related activities, providing a solid foundation of awareness and a preparatory basis for conducting the materiality analysis.

› In total, eight economic actors, including SCAME, were analysed through the definition of 31 KPIs.

2.2   Material topics for SCAME

Material topics represent the impacts an organisation has on the economy, the environment and people. Materiality is a strategic tool that guides companies in preparing their sustainability reports, including information on aspects that significantly affect their ability to generate value over time for both the company and its key stakeholders. "Material" topics are those that influence the decisions, actions and performance of the company and its stakeholders.

In this context, SCAME initiated a consultation process with internal and external stakeholders on sustainability issues relevant to its strategy, thus conducting its first impact materiality analysis. This analysis was carried out in accordance with the new "Impact Materiality" operational process established by the Global Reporting Initiative (GRI). The updated 2021 GRI standards, which SCAME adheres to, place greater emphasis on identifying material topics through the metric of impact. This distinctive approach allows for a qualitative and quantitative assessment of the significance and potential of identified material topics.

Below is the list of topics identified by SCAME as material:

E
Environmental

Energy consumption management

Waste and hazardous material management

Material procurement

Product lifecycle management

S
Social

Human capital management

Product safety

G
Governance

Responsible governance

The reference framework the company used to define its material topics consists of:

— The Sustainability Accounting Standards Board (SASB) Framework guidelines specific to the Electrical and Electronic Equipment sector.
— Proposals from the MSCI ESG Industry Materiality Map, specifically for the electrical components and equipment industry.

Although the project generally follows the guidelines of the GRI and EFRAG (European Financial Reporting Advisory Group) standards, at the time of publication of this report, these bodies had not yet issued equivalent sector-specific standards on which to base this initial phase of material topic identification.

STAKEHOLDER ENGAGEMENT

Stakeholder Engagement is a systematic dialogue-based process that facilitates the involvement of key figures within the company's ecosystem in policy decisions or corporate strategies. Each individual brings a unique perspective, interest and need linked to SCAME's sustainability project.

SCAME has dedicated itself to accurately identifying the internal and external stakeholders associated with its activities and business relationships, with particular attention to the local context.

The stakeholders identified included individuals and groups whose interests are, or could be, influenced by SCAME's activities. These included civil society organisations, customers, employees, suppliers, non-profit associations, representatives of local communities and trade and industrial unions.
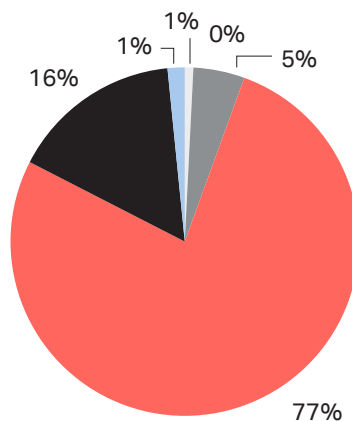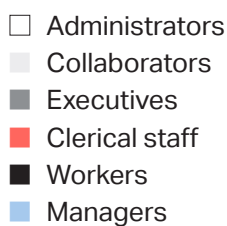
The methods of engagement involved the distribution of a form or questionnaire, sent to two distinct target groups, to better capture stakeholder expectations regarding corporate priorities and material topics – or impact areas – highlighted in the earlier phases.
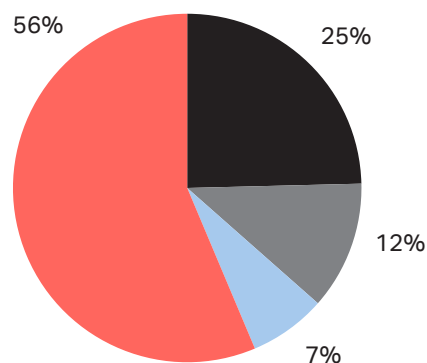
THE SURVEY

SCAME initiated its engagement process by first addressing its internal stakeholders, extending engagement to all employees[5] through the distribution of an online form. The accessibility of the questionnaire enabled the collection of responses and the profiling of employees, examining factors such as age, gender, length of service, interest in the company's ESG journey, and experience with stakeholder consultation processes.

5 The form was personally sent to all employees with a corporate email address (approximately 230), while employees in departments where a single generic email address is shared responded using the same email address multiple times.

Breakdown by professional category

☐ Administrators
☐ Collaborators
☐ Executives
☐ Clerical staff
■ Workers
☐ Managers

1% 1% 0% 5%
16%
77%

Length of service at SCAME

56% 25%
12%
7%

■ 1–3 years   ☐ More than 5 years
☐ 3–5 years   ■ More than 10 years

Age

32% 18%
50%

■ < 30   ■ 30–50   ☐ > 50
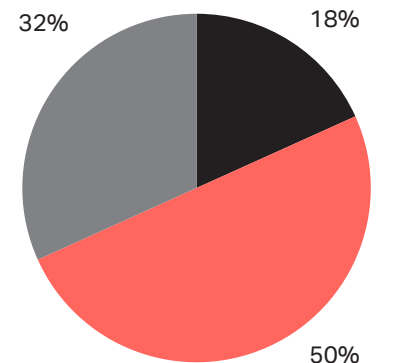
According to the survey, the age group with the highest number of responses was 30–50 years (50%), followed by over-50s (32%) and under-30s (18%). The majority of respondents were male (72%), with a participation rate of 38%.

The company subsequently shifted its focus to its operational and relational network, inviting nearly 40 external stakeholders to complete a similar, anonymous survey. From this group, 25 responses were received, achieving a participation rate exceeding 62%.

Type of external stakeholders involved

■ Academia
■ Other
■ Association and/or NGO
■ Client
■ Consultant
■ Supplier
■ Institution
□ Banking institution

Pie chart values: 12%, 4%, 12%, 0%, 12%, 4%, 12%, 44%
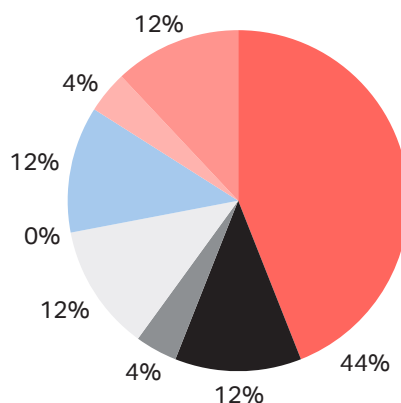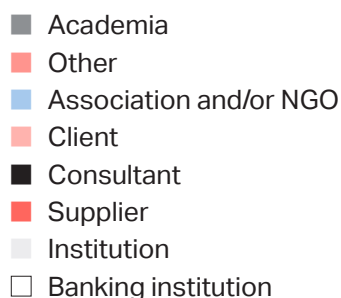
Most respondents (64%) had been collaborating with SCAME for over 10 years, 20% for more than 5 years and the remaining 16% had been working with the company for 3–5 years.

Both internal and external stakeholders were invited, via the questionnaire, to perform a key activity for the materiality analysis process: to reclassify the seven material topics based on their subjective perception of relevance for SCAME. Additionally, respondents were asked to suggest other significant topics to be included in the analysis.

This activity resulted in the creation of two material topic lists, reorganised according to the perspectives of the two respondent groups:

MATERIAL TOPICS – Stakeholder priorities

EXTERNAL STAKEHOLDERS	POSITION	INTERNAL STAKEHOLDERS
Human capital management	1	Human capital management
Energy consumption management	2	Energy consumption management
Product safety	3	Product lifecycle management
Responsible governance	4	Responsible governance
Product lifecycle management	5	Product safety
Material procurement	6	Material procurement
Waste and hazardous material management	7	Waste and hazardous material management

2.3   Impact materiality analysis

The Impact Materiality approach focuses on identifying the main impacts of each topic to create an objective view of how the company generates or erodes value for people, the environment and itself. Through its internal stakeholders, SCAME commenced a process of consultation to identify a broad range of potential ESG material topics with effects on the economy, environment and people – including human rights – across its business practices and relationships. Impacts were identified using input from internal resources involved in a focus group.

An "impact" is defined as the effect the organisation has or could have on these three dimensions, indicating its contribution (negative or positive, actual or potential) to sustainable development. Actual impacts are those already observed, while potential impacts are yet to materialise. These impacts can be negative or positive, short- or long-term, intentional or unintentional, reversible or irreversible.

Internal discussions provided insights into the impacts generated for each material topic, using an inside-out perspective for actual impacts and an outside-in evaluation for potential impacts. Potential impacts, which are exogenous and may influence the company's activities and decisions, were analysed with reference to sector-specific impact literature, such as the SASB and MSCI frameworks.
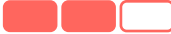
Subsequently, internal stakeholders assigned varying degrees of significance to the identified impacts, according to the variables proposed by the GRI and using a numerical scale. The parameters considered to assess the significance of each impact included:

— **Scale**: how beneficial or severe the impact is or could be;
— **Scope**: how widespread the impact is or could be (e.g., the number of people affected or the extent of environmental damage);
— **Probability**: the likelihood of the impact occurring;
— **Irremediable damage**: the difficulty in mitigating the impact or remedying the resulting damage.

For actual impacts, the level of benefit (if positive) or severity (if negative) was assessed in relation to the extent of the impact. For potential impacts, probability was also considered. Significance was thus calculated as the product of these variables.

Below are the impacts identified by SCAME, categorised by type and significance.

Key
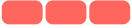
Very significant
Significant
Fairly significant

Very likely
Likely
Unlikely

HUMAN CAPITAL MANAGEMENT

Enhance human resource management and talent development programs to retain and attract new talent through training and skills development activities that contribute to personal growth. Ensure a balance between work and personal life through a well-being system that addresses employees' needs. Encourage initiatives promoting personal well-being and workplace flexibility. Promote a "safety first" culture to monitor and prevent any potential risks, considering both internal and external collaborators.

SUB-TOPIC	TYPE	INSIDE-OUT / OUTSIDE IN	DESCRIPTION OF THE IMPACT GENERATED, OR THAT COULD BE GENERATED BY SCAME'S ACTIONS	SIGNIFICANCE
Code of Ethics	Positive Actual	Inside-out	The company is committed to respecting workers' fundamental rights by monitoring compliance with the Code of Ethics (continuous monitoring within the company across all applicable contractual disciplines, e.g., the disciplinary code). Compliance is also ensured through the implementation and adoption of the 231 Model.	■■■
Training	Positive Actual	Inside-out	The company supports and provides technical and professional training for its employees and collaborators, promoting personal and professional growth through career development plans.	■■■
	Positive Actual	Inside-out	Training courses are conducted in multiple areas and at different times for groups of workers, aiming for team-building to enhance **corporate** cohesion.	■■■
	Positive Actual	Inside-out	The company creates a positive impact by ensuring a healthy and safe work environment: ▢ Full compliance with legal requirements in this area and prioritising health and safety in carrying out its tasks and activities; ▢ Compliance with legislative requirements as per Legislative Decree 81/08, as the Company is UNI ISO 45001 certified; ▢ A continuously monitored management system; ▢ Mandatory training for all workers at legally stipulated intervals and medical surveillance in collaboration with CRES LT (external consultant for environment and safety), who coordinates with the occupational physician and HR department regarding medical examinations and health checks.	■■■
Certifications	Positive Actual	Inside-out	Health and safety management system certified to UNI ISO 45001 standards.	■■■
Health and safety	Positive Actual	Inside-out	Analysis of near-miss reports. An internal form is provided, filled out and then submitted to the Prevention & Protection Service Manager (document filed and valid for third-party inspections).	■■■
	Positive Actual	Inside-out	Zero cases of occupational illnesses recorded.	■■■
Turnover	Positive Actual	Inside-out	Low turnover rate.	■■■

SUB-TOPIC	TYPE	INSIDE-OUT / OUTSIDE IN	DESCRIPTION OF THE IMPACT GENERATED, OR THAT COULD BE GENERATED BY SCAME'S ACTIONS	SIGNIFICANCE
Risk Assessment	Positive Actual	Inside-out	Frequent updates to risk assessments. Documented once a year, except in the case of: ☐ New innovations and/or the acquisition of new equipment; ☐ Substantial changes in activities and the work cycle, having significant health and safety implications; ☐ A justified request by the Prevention & Protection Service Manager; ☐ Regulatory changes.	🟥🟥🟥
Gender Gap	Positive Potential	Inside-out	Analysis of any gender pay gap and initiation of remedial activities: an informal analysis is underway to evaluate whether sufficient positive parameters exist for official adoption.	🟥🟥🟥 ⬛⬛⬜

MATERIAL PROCUREMENT

Adopt responsible and ethical material procurement policies, involving continuous monitoring of ESG performance. Establish long-term collaborations, including those aimed at developing innovative approaches to sustainability. Promote stability and integrity across the entire supply chain. All these factors can influence a company's brand value, operating costs and revenue growth.

SUB-TOPIC	TYPE	INSIDE-OUT / OUTSIDE IN	DESCRIPTION OF THE IMPACT GENERATED, OR THAT COULD BE GENERATED BY SCAME'S ACTIONS	SIGNIFICANCE
Supplier dealings	Positive Actual	Inside-out	SCAME relies on a high percentage of purchasing value from strategic, well-established ESG-compliant suppliers, with whom it has maintained stable relations for decades (e.g., suppliers of thermoplastics, brass, switches).	🟥🟥🟥
	Positive Actual	Inside-out	SCAME has always reliably honoured its commercial agreements with suppliers. The company's long-standing ethical reputation is recognised by regular partners, and well-regarded by potential new ones.	🟥🟥🟥
	Positive Actual	Inside-out	Local suppliers (accounting for 30% of the total purchase value in 2023 from the province of Bergamo, rising to 40% when including suppliers from the province of Brescia).	🟥🟥🟥
Material management	Positive Potential	Outside-in	The new collection and processing system for brass scraps, combined with the recent upgrade of the centrifuge, allows SCAME to optimise material loading operations for the supplier that reprocesses the scraps. Negotiation with the main supplier is planned to optimise the reduction percentage applied to the reprocessed scraps, considering the improved purity of the material.	🟥🟥⬜ ⬛⬛⬜
Supply chain monitoring	Negative Potential	Inside-out	Given its size, SCAME cannot systematically organise supply chain audits to ensure that all ESG objectives are pursued.	🟥🟥⬜ ⬛⬛⬜
	Negative Potential	Inside-out	In some cases, SCAME has limited bargaining power.	🟥🟥⬜ ⬛⬛⬜

PRODUCT LIFECYCLE MANAGEMENT

Promote circularity principles in terms of product development, use of eco-friendly packaging, material selection, waste management and scrap recovery. This includes collaborating with external partners to maximise recovery volumes.

SUB-TOPIC	TYPE	INSIDE-OUT / OUTSIDE IN	DESCRIPTION OF THE IMPACT GENERATED, OR THAT COULD BE GENERATED BY SCAME'S ACTIONS	SIGNIFICANCE
Recovery activities	Positive Actual	Inside-out	SCAME engages in 100% recovery of brass and copper scraps. Wherever possible, SCAME has already implemented recovery processes for thermoplastic materials, such as selling secondary raw materials for regeneration or sending them to suppliers for direct production of regenerated material for use in SCAME component production.	■■□
	Positive Potential	Inside-out	Promote proper end-of-life disposal of WEEE to end users.	■■□ ■□□
Supply chain monitoring	Negative potential	Inside-out	The production of DC charging stations is based in Portugal, making communication with SCAME's headquarters and R&D sometimes less than simple. This may result in difficulties in the control, integration and optimisation of materials, suppliers and production processes.	■■□ ■■□

ENERGY CONSUMPTION MANAGEMENT

This topic focuses on the company's policies for monitoring and managing energy consumption, its participation in or development of energy efficiency initiatives, and monitoring infrastructure resilience in terms of building management and relative energy use.

SUB-TOPIC	TYPE	INSIDE-OUT / OUTSIDE IN	DESCRIPTION OF THE IMPACT GENERATED, OR THAT COULD BE GENERATED BY SCAME'S ACTIONS	SIGNIFICANCE
Certification	Positive Actual	Inside-out	ISO 14001 since 2003.	■■□
Renewable sources	Positive Potential	Inside-out	The expansion of the photovoltaic (PV) system (Smusen) could double the company's green energy production capacity, reducing energy purchase needs, mitigating electricity cost fluctuations and significantly lowering its carbon footprint due to electricity consumption (Campignano facility). The target is set for the 2024/25 two-year period.	■■□ ■□□
	Positive Potential	Inside-out	For the remaining energy needs, an analysis will be conducted for 100% certified green energy purchases, thus further reducing its carbon footprint.	■■□ ■■■
Energy procurement	Negative potential	Outside-in	Increased energy procurement costs linked to the two-year energy supply agreement stipulated in 2022.	■■■ ■■■

WASTE AND HAZARDOUS MATERIAL MANAGEMENT

Responsible management of hazardous and non-hazardous waste related to its business activities, encouraging methods and practices aimed at circularity and maximising the quantities dedicated to recovery operations, also leveraging partnerships with external partners.

SUB-TOPIC	TYPE	INSIDE-OUT / OUTSIDE IN	DESCRIPTION OF THE IMPACT GENERATED, OR THAT COULD BE GENERATED BY SCAME'S ACTIONS	SIGNIFICANCE
Generated waste	Positive Actual	Inside-out	For TONER disposal, SCAME uses a certified waste handler, which, every year, provides a declaration of adherence to the GREEN CIRCOLATONER project, which includes reusing a portion of the collected components.	■ ■ ■
Circular-oriented waste reduction	Positive Potential	Inside-out	A study project is underway to identify areas where plastic packaging (bags and film) can be replaced with paper or cardboard alternatives.	■ ■ ■ / ■ ■ □
	Positive Potential	Inside-out	Efforts are being made to raise employee awareness about proper waste management using all available communication channels.	■ ■ ■ / ■ ■ ■
	Positive Potential	Inside-out	The company has also eliminated printed documents for the management of its purchasing and invoicing processes.	■ ■ ■ / ■ ■ ■
	Positive Potential	Inside-out	Replace paper business cards with digital versions.	■ ■ ■ / ■ ■ ■
	Positive Potential	Inside-out	Enhanced monitoring and employee training on waste disposal.	■ ■ ■ / ■ ■ ■

RESPONSIBLE GOVERNANCE

Conduct business activities with loyalty and fairness, adhering to all applicable laws and regulations. Implement robust internal control systems and promote a corporate culture based on integrity, professional ethics and honesty to build trust with stakeholders.

Encourage employees to participate in anti-corruption training, aligning with values of transparency and accountability. Ensure respect for human rights. Incorporate best practices in business strategy, and strategic investments in digitalisation and innovation.

SUB-TOPIC	TYPE	INSIDE-OUT / OUTSIDE IN	DESCRIPTION OF THE IMPACT GENERATED, OR THAT COULD BE GENERATED BY SCAME'S ACTIONS	SIGNIFICANCE
Governance	Positive Actual	Inside-out	Adoption of Organisation, Management and Control Model pursuant to Legislative Decree 231/2001 on 07/04/2021 and risk mapping in the context of the organisational model.	■■■
	Positive Actual	Inside-out	Zero recorded instances of corruption, antitrust behaviour or non-compliance in 2022-2023, 2021-2022, 2020-2021.	■■■
	Positive Potential	Inside-out	A cybersecurity awareness training course in 2024.	■■■ / ■■□
	Negative potential	Outside-in	The risk of fines or penalties for non-compliance with laws and regulations. The risk is mitigated through membership with Confindustria and Anie, providing regular updates on the issue. Moreover, participation in technical committees ensures the company remains informed about existing and upcoming standards.	■■■ / ■■□

PRODUCT SAFETY

This topic concerns the reliability of products and services to prevent and manage potential situations that could compromise customer safety, product/service quality and compliance, and business continuity, with the aim of enhancing customer satisfaction.

SUB-TOPIC	TYPE	INSIDE-OUT / OUTSIDE IN	DESCRIPTION OF THE IMPACT GENERATED, OR THAT COULD BE GENERATED BY SCAME'S ACTIONS	SIGNIFICANCE
Marketing	Positive Potential	Inside-out	The recent rebranding initiative and acknowledgement of the importance of investing in SCAME's image are expected to drive improvements in brand perception.	
	Positive Potential	Inside-out	"Responsibility", "competence", "reliability" and "innovation", as well as "development" "sustainability" and "inclusivity" are the core values embedded in SCAME's DNA and will form the foundation of corporate communication concerning the rebranding.	
R&D	Positive Potential	Inside-out	SCAME's entry into the electric vehicle charging business around 2010 has had a significant impact on its ability to promote the SCAME brand to the consumer market. This shift has brought brand exposure previously unknown, even beyond the traditional B2B scope that underpins its business model. Such leverage can be utilised in the coming years. SCAME has invested significantly in this area in terms of research and development, both in human resources (R&D team, e-mobility) and in new technologies.	
Control of the market	Negative potential	Outside-in	Italian and European legislation is not always sufficiently structured to protect producers like SCAME, who prioritise the quality and safety of their products and services. Furthermore, the relevant authorities often perform too few controls or inspections to take action against those who introduce unsafe products to the European market, which fail to comply with laws and regulations.	

8 DECENT WORK AND ECONOMIC GROWTH

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Corporate governance

3.0   Corporate governance

SCAME's governance is based on principles and mechanisms that ensure transparency, efficiency and sustainability in corporate management. The governance model adopted highlights the company's commitment to responsible, long-term management, in compliance with current regulations and international standards.

SCAME employs an administration and control system structured according to the traditional model, which includes:

— **The Board of Directors,** composed of Stefano Scainelli (Chairman and Chief Executive Officer), Andrea Botti (Board Member), Giampietro Camilli (Board Member), Agostino Piccinali (Board Member), Alessandro Casarotto (Board Member) and Leonardo Camilli (Board Member). This body is responsible for the ordinary and extraordinary management of the company. It defines the strategic guidelines, assesses the adequacy of the organisational, administrative and accounting structure, and monitors the overall progress of management;

— **The Board of Statutory Auditors**, composed of three standing statutory auditors, Claudio Valsecchi, Alfredo Riva, Umberto Tomasoni and two substitute statutory auditors, Mario Riva and Lodovico Siccardi, whose role is to oversee compliance with the law, the Articles of Association and the principles of proper corporate organisation and administration;

— The **Shareholders' Meeting**, which has the authority to appoint the members of the Board of Directors, the Board of Statutory Auditors, and the Statutory Auditor, as well as to approve the Financial Statements;

— A **Statutory Auditor**, Anna Baronchelli, responsible for auditing the accounts.

The Chairman and board members of the Board of Directors are committed to ensuring that the sustainability vision adopted by the company is understood, developed and aligned with the values guiding corporate operations.

In 2023, SCAME established an ESG (Environmental, Social, Governance) Committee with the objective of raising awareness of the social and environmental impacts, both direct and indirect, arising from corporate operations. The committee was established to measure, monitor and reduce such impacts, thereby strengthening the company's commitment to sustainability. The company's strategic committee includes a member with specific expertise in ESG topics, ensuring informed and competent leadership on sustainability issues. Moreover, two members of the ESG Committee are also part of the Environmental Committee, ensuring coherence and synergy among the various initiatives undertaken by the company.

The Board of Directors includes operational members tasked with providing detailed communication on the ESG impact of corporate activities, ensuring full awareness

of the environmental, social and governance effects of our operations. This flow of information enables the Board of Directors to make informed and effective decisions, taking into account not only economic aspects but also environmental and social considerations.

SCAME also keeps its Code of Ethics and Organisational, Management and Control Model updated in compliance with Legislative Decree No. 231/2001, to ensure their adequacy and effectiveness, promoting employee participation and awareness on all related matters. Furthermore, it encourages cooperation with public authorities and regulatory bodies and ensures the responsible management of its operations.

It is worth noting that managing ESG factors enables companies to reduce sustainability-related risks, which, depending on the circumstances, could result in economic, financial or even criminal damages for corporate leadership. There is, indeed, a strong link between ESG risks and the Organisational, Management and Control Model under Legislative Decree 231/2001. The risks associated with ESG factors can include contamination of groundwater, violation of human rights, unsuitable working conditions, as well as cases of corruption or non-compliance with tax regulations. All of these are potential criminal risks already addressed, for various reasons, under the 231 Model.

		Chief Executive Officer **Stefano Scainelli** AD / DL				
Marketing & Communication **William Brasi** MKT	Italian Sales **Filippo Marangoni** DCI	Production **Fabio Gritti** PRD	E-Mobility Research & Development **Andrea Gotti** R&D-EM	IT Systems **Claudio Carrara** EDP	Procurement **Enrico Pirovano** ACQ	
Foreign Sales **Mauro Tosi** DCE	Logistics & Programming **Marco Palamini** LPP	Industrial Research & Development **Nicola Bellotti** R&D-IND	Administration & Finance **Agostino Piccinali** DAF	Quality, Environment & Safety **Enrico Pirovano** QAS	

The company is committed to maintaining compliance with all applicable legal requirements, continuously improving to reduce environmental and safety impacts (as detailed in section 3.5), focusing on customer-centric activities and reporting on sustainability based on GRI standards, assigning these responsibilities to the corporate ESG Committee. Notably, there have been no reported cases of penalties for non-compliance with laws and regulations.

To this end, SCAME is committed to keeping the Organisational, Management and Control Model updated in accordance with Legislative Decree No. 231, 8 June 2001, as updated and amended, and ensures the ongoing updating and strict application of the company's Code of Ethics.

SCAME's objectives include:

— Improving market image and reputation, increasing revenue, expanding geographically and entering new markets;
— Stakeholder satisfaction, achieving budget targets, enhancing human resource qualifications, improving wage conditions, reducing absenteeism and employee disputes, minimising complaints and establishing strong partnerships with suppliers;
— Product safety and legal compliance, honouring contractual commitments and maintaining clear communication with customers;
— Environmental respect, adhering to current environmental regulations, assessing and mitigating environmental impacts, monitoring noise emissions, reducing risks from hazardous materials, and preventing and mitigating the impact of operations on soil, air, surface and groundwater;
— Fulfilling contractual obligations and supporting customers, adopting the latest techniques to provide assistance;

— Ensuring company activities comply with national and regional health and safety laws, promoting awareness and engagement at all levels among employees, contractors and suppliers regarding environmental protection and health and safety, ensuring cooperation with public authorities, safeguarding the health and safety of workers and all personnel operating on behalf of the company, and implementing all necessary measures to prevent accidents and occupational illnesses;
— Training and engagement, ensuring that the company policy and management system are understood and implemented at all levels through systematic training and involving personnel in the continuous improvement of the Integrated Management System;
— Meeting the requirements of the Community Customs Code to obtain and maintain the status of Authorised Economic Operator (AEOF).

These objectives aims to enhance market competitiveness, ensure regulatory compliance and satisfy customer needs, all while adhering to the principles of sustainable development.

› In 2023, SCAME established an ESG (Environmental, Social, Governance) Committee.

MEMBERSHIP ASSOCIATIONS

SCAME plays a significant role in various industry and trade associations. This participation is particularly important when the company holds a position in governing bodies, actively participates in projects or committees, or provides substantial funding beyond standard membership fees. SCAME's participation in these associations is considered strategic, positively influencing their missions and objectives, which is crucial for the company's operations.

The main associations in which SCAME participates include:

6 The ArGO project serves as an orientation initiative through which young entrepreneurs introduce second-year secondary school students to the concept of an enterprise: the roles involved and the main functions, from commerce and production to logistics and human resources.

Industry Associations	ANIE	Federazione ANIE represents over 1,100 high and medium-high technology companies within Confindustria's network, operating in the electrotechnical and electronics supply chains, as well as in industrial general contracting.
Category Associations	INTELLIMECH	Intellimech is a private consortium of large, medium and small enterprises focused on interdisciplinary research in the field of mechatronics.
	CESI	Centro Elettrotecnico Sperimentale Italiano, an Italian joint-stock company founded in 1956, specialises in testing and certifying electromechanical equipment and providing consultancy on electrical systems.
	CONFINDUSTRIA	The main representative organisation for Italian manufacturing and service companies.

These affiliations demonstrate SCAME's commitment to supporting and promoting the development of the industrial sector through active and strategic participation in key associations and organisations within its field. For example, its involvement in activities proposed by the Associazione Confindustria Giovani, such as the ArGO[6] project in middle schools and PMI Day (described in Chapter 5).

3.1   Code of Ethics

SCAME's Code of Ethics summarises the principles, rules of conduct and values that administrators, managers, employees, collaborators and suppliers must respect in business practices and internal and external dealings. This document is an integral part of the company's Organisational and Management Model, adopted to prevent criminal offences, as required by Legislative Decree 231/2001.

The Code of Ethics represents SCAME's commitment to operating with integrity, compliance with laws and social responsibility, promoting a positive working environment and respect for human rights.

The general principles of the Code include:

1. **Centrality of the individual**: respect for and protection of inalienable rights, promoting dignity, freedom and respect for philosophical and religious beliefs;
2. **Respect for human rights and rejection of all discrimination:** refusal of discriminatory attitudes based on age, gender, sexual orientation, health status, ethnicity, political opinions, trade union affiliations and religious beliefs;
3. **Equal opportunities:** granting equal professional opportunities and avoiding any penalising behaviour linked to discrimination.

In professional relations, the principles representing the company are identified as:

— **Fairness:** professional activities and dealings must be based on good faith, legality, honesty, equity and transparency;
— **Legality:** compliance with current laws and company regulations;
— **Efficiency:** responsible use of company resources;
— **Confidentiality:** protection of confidential company information;
— **Transparency and completeness of information:** providing clear, truthful and complete information;
— **Conflict of interest:** avoiding situations where personal interests may conflict with those of the company;
— **Health, safety and environmental protection:** promotion of a safe and healthy work environment and respect for the environment.

THE CODE OF ETHICS IS AVAILABLE FOR CONSULTATION AT THIS LINK

SCAME also undertakes to maintain respectful, collaborative and transparent behaviour in its dealings with clients and suppliers, ensuring interactions are based on trust and integrity. With employees and collaborators, the company promotes respect for individuals and labour regulations, creating a healthy and positive work environment.

In dealings with public authorities, the company is distinguished by its transparency and integrity, ensuring all interactions are conducted ethically and in compliance with the law.

The company adopts a business approach based on fair competition and compliance with regulations, advocating for a fair and balanced market. Sponsorships are carefully selected, prioritising cultural, social, environmental, sporting and artistic events of high value, without conditions that could compromise the integrity of the company.

Information and corporate documentation is handled with the utmost regard for legality, fairness and security, ensuring personal data is protected responsibly and diligently.

In the event of violations of the Code of Ethics, SCAME implements appropriate disciplinary measures proportional to the severity of the infractions to ensure that ethical standards are consistently upheld.

The Code of Ethics is distributed to all employees and internal collaborators through printed or electronic copies, the company intranet and publication on www.scame.com and the Group companies' websites, ensuring everyone is aware of the principles and rules guiding the organisation.

› The Code of Ethics represents SCAME's commitment to operating with integrity, compliance with laws and social responsibility, promoting a positive working environment and respect for human rights.

3.2   Organisational Model 231

SCAME's Organisational, Management and Control (OMC) Model is a detailed and structured guide designed to ensure that the company operates in compliance with Legislative Decree 231/2001. The OMC Model is organised into key components and guidelines that ensure internal control and crime prevention. It is based on a comprehensive system of procedures and rules, divided into five main components:

— **System of ethical principles and behavioural rules**, which is essential in promoting a corporate culture based on ethics and legality;
— **Organisational system**, which defines the corporate structure and the responsibilities of various roles;
— **Authorisation system**, encompassing formal powers of attorney, internal delegations and authorisation procedures for specific activities;

— **Control system**, which includes periodic checks, internal investigations and inspection activities to monitor compliance with the requirements of the OMC Model;
— **Personnel training system**, ensuring that all employees are adequately trained on the principles of the OMC Model.

The Supervisory Body (SB) is the cornerstone of the OMC Model's control system, overseeing a range of activities to ensure compliance with regulations and prevent offences.

The SB's responsibilities include: monitoring the effectiveness and efficiency of the document; receiving reports of suspected or actual violations of the Model; conducting periodic checks on specific company operations and identified risks; performing internal investigations to verify alleged violations; monitoring the

THE ORGANISATIONAL MODEL 231 IS AVAILABLE FOR CONSULTATION AT THIS LINK

› SCAME's OMC Model, therefore, is a complex and well-structured system designed to ensure the company operates according to the highest ethical and regulatory standards.

disciplinary system; coordinating with other corporate functions and control bodies, such as auditors, the Board of Statutory Auditors and workplace health and safety officers, thus integrating oversight of the OMC Model with workplace safety controls.

With regard to the identification and handling of complaints, the SB also oversees dedicated and confidential internal mailboxes.

Additionally, the SB must work closely with all corporate departments to promote training initiatives and the dissemination of the OMC Model's principles, ensure the preparation of necessary organisational documentation and conduct periodic checks on the quality of training programs.

The authorisation system, on the other hand, is based on formalised powers of attorney and internal delegations that specify management powers and spending limits, as well as internal instructions and procedures that define authorisation powers and IT systems with automated controls for specific authorisations.

SCAME's OMC Model, therefore, is a complex and well-structured system designed to ensure the company operates according to the highest ethical and regulatory standards. Through a comprehensive control system and continuous oversight activities, the company is committed to preventing offences and promoting a culture of legality and ethics in every aspect of its operations.

During the reporting period, no confirmed instances of corruption within the company were identified. To prevent corrupt practices, operational processes are designed with a sequence of tasks assigned to different individuals.

3.3   Whistleblowing

Whistleblowing is an essential tool for corporate compliance, allowing employees and third parties to report any wrongdoing identified in their work activities in a confidential and protected manner.

SCAME has implemented a whistleblowing IT system, available to anyone wishing to report relevant situations under laws or internal regulations. Reports must strictly concern violations of laws, procedures or regulations, including breaches of the Code of Ethics. Communications that include complaints, personal requests or other irrelevant matters may not be considered. It is important for reports to be made in good faith, be detailed and based on actual and consistent facts to ensure the effectiveness of the tool provided.

Anyone submitting unfounded reports with malicious intent or gross negligence may be subject to disciplinary action.

Report handling is entrusted to the Whistleblowing Committee. To ensure maximum protection for both the whistleblower and the individual being reported, all necessary security measures have been adopted. Regardless of whether the whistleblower chooses to reveal their identity, the confidentiality of their identity and the content of the report is guaranteed through secure protocols and encryption tools that protect personal data and the information provided. The whistleblower's identity will not be disclosed without their consent, except in cases provided for by applicable law.

WHISTLEBLOWING PRIVACY NOTICE

SCAME's privacy notice for handling personal data in whistleblowing reports describes how the company manages personal data collected through its reporting system. SCAME acts as the data controller. The data is processed exclusively in Italy without being transferred abroad or to non-EU countries. Personal data, including the person's name, surname and email address, are collected and used solely for handling the reports.

The legal basis for this processing is the legal obligation derived from Legislative Decree No. 231/2001, as amended by Law No. 179 of 2017, which protects whistleblowers, and Legislative Decree No. 24/2023, which implements European Directive No. 1937/2019 on whistleblowing in our country, replacing the provisions of Law No. 179/2017 for the public sector and Legislative Decree No. 231/2001 for the private sector. The data is retained for a maximum of five years from the date of collection. Access to the data is restricted to authorised employees and members of the Supervisory Body, as well as the provider of the *My Whistleblowing* software, who acts as the data processor.

THE WHISTLEBLOWING PRIVACY NOTICE IS AVAILABLE FOR CONSULTATION AT THIS LINK

Data is processed using both automated and manual tools, with security measures in place to prevent loss, misuse, improper handling or unauthorised access. Data subjects have several rights, including access, rectification, erasure, restriction of processing and data portability. They may also object to processing and withdraw consent. For any concerns or complaints, data subjects can contact the company via email or reach out to the Data Protection Authority.

Throughout the reporting period, the organisation did not encounter any verified complaints concerning privacy breaches or the loss of customer data.
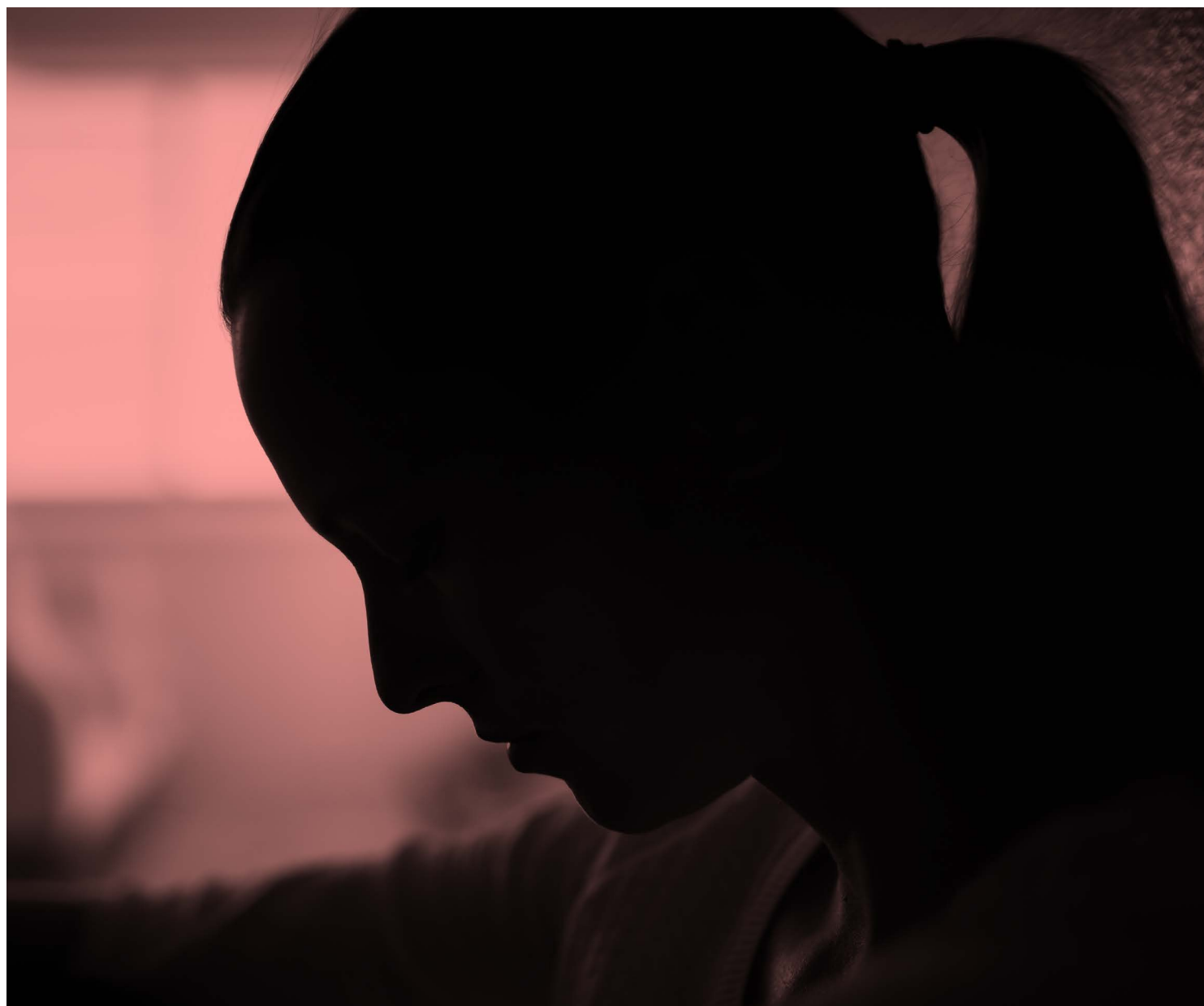
3.4   Cybersecurity

SCAME believes cybersecurity and data security to be particularly important, recognising the growing importance of safeguarding against increasingly frequent and dangerous external attacks.

The company began addressing these issues with the adoption of the General Data Protection Regulation (GDPR), the EU regulation in force since May 2018 that governs the privacy and personal data protection of EU citizens. In particular, SCAME started using the PrivacyLab portal to efficiently manage GDPR compliance, simplifying the generation and orderly storage of all necessary documentation. Starting in 2023, the company initiated an information update process within the framework of GDPR compliance. In this regard, the Human Resources Manager, in collaboration with an IT consultant, conducted a thorough review of the data platform to align it with GDPR regulations. This update included the integration of new suppliers in accordance with Article 28 of the GDPR[7]; the appointment of external processors and the revision of privacy policies and data processing notices.

A privacy notice for website visitors, along with the Privacy and Cookie Policy, is available on SCAME's website. These documents, supported by specific compliance solutions[8], explain how personal data and cookies are managed in accordance with the GDPR.

Additionally, since 2019, the company has planned and implemented a Cybersecurity Strategy consisting of sequential phases tailored to its needs and characteristics. The actions undertaken and planned for the coming years include the following:

7   Article 28 specifically states that the Data Processor may engage other data processors only with the prior written authorisation of the Data Controller. Furthermore, any changes concerning second- or third-level Data Processors must be notified to the Data Controller and approved by them.

8   https://www.iubenda.com/it/cookie-solution

9   This final step would complete the Cybersecurity Strategy; however, the company reserves the right to assess its actual implementation at a later stage.

10 Phishing is a cyberattack technique designed to deceive individuals into providing personal information such as usernames, passwords, credit card numbers or other sensitive details. This type of attack is typically carried out through emails, text messages, fake websites or phone calls.

2019-2023   ## Antivirus system

Restructuring and reorganisation of the company's antivirus system;

2020   ## Move to Cloud of Email Service

The primary internal communication system has transitioned to an external Cloud platform;

2021-2023   ## New Fortigate Corporate Firewalls

For all SCAME branches, these firewalls ensure remote access control, secure internet browsing, and *web filtering*, guaranteeing security and compliance with corporate policies;

2022   ## Improved Ransomware Protection

For data and applications, this initiative is based on an updated backup policy, which includes saving multiple copies of data, some of which are immutable, retained for up to one month, and stored on different media, including *offsite* locations. This applies to data from machinery servers and management systems*;*

2024   ## Cybersecurity and Privacy Training for Employees

To be delivered via e-learning on the Fortinet platform to increase awareness of current cybersecurity threats;

2024   ## Implementation of Multi-Factor Authentication (MFA)

A security method requiring two different forms of verification to access an account;

2025   ## Implementation of a Security Operation Centre (SOC)[9]

By installing a sensor on network equipment, this will enable 24/7 *real-time* monitoring of the entire corporate network to prevent threats or intrusions, ensuring enhanced security.

The cybersecurity training course, targeting approximately 300 employees, is an important opportunity for corporate improvement and is monitored by the Human Resources Department. During the course, phishing[10] awareness campaigns are conducted using simulated emails to test users' responses to potential threats.

The internal IT department is responsible for promoting and ensuring cybersecurity and data security within the company. To support these initiatives, an Executive Committee oversees their effectiveness to safeguard the continuity of SCAME's business operations.

3.5   Certifications

Quality cannot exist without harmony between daily actions and the values that inspire them. The quality of SCAME's products, ensured primarily by its internally IMQ-accredited CTF2 Technical Development Laboratory[11], and the excellence of its business processes, combined with their low environmental impact, is reflected in the numerous international certifications it has obtained. In 1993, the company obtained ISO 9001 certification, and ten years later, in 2003, it earned ISO 14001 certification (Environmental Management Systems) – well ahead of many industry players and other sectors.

Respect for collaborators is demonstrated by ensuring a safe and healthy working environment. This commitment is formally recognised by the ISO 45001 certification (Occupational Health and Safety

Management Systems), which the company has held since 2013 (then OHSAS 18001), underscoring its adherence to very high safety and health standards in the workplace.

In 2015, following preliminary work conducted with the Bergamo Customs Authority, the company obtained the voluntary AEO (Authorised Economic Operator) Certification, recognising SCAME's reliability in customs import and export operations, initially with an A rating, subsequently upgraded to AA during the 2022 renewal.

Also in 2022, the company obtained Authorisation from Customs to prepare certified export documentation directly at its site in an Authorised Location. This streamlines operations by avoiding the need for goods to pass through the local departure customs office.

11 The SCAME Laboratory on via Campignano, 9, has been recognised for applying the CUSTOMERS' TESTING FACILITIES (CTF) PHASE 2 procedure. The Customers' Testing Facilities (CTF) program was established by the IECEE to enable manufacturers to use their internal laboratories for testing and the emission of third-party certifications.

› True quality is the product of harmony between daily actions and the values that inspire them. It is based on this belief that SCAME obtained ISO 9001 Quality Certification as early as 1993.

ISO 9001 - QUALITY MANAGEMENT SYSTEM

SCAME demonstrates its commitment to continuous improvement and customer satisfaction through the certification of its quality management system. This commitment provides tangible benefits that contribute to the company's resilience and sustainable performance. Compliance with the ISO 9001 standard establishes specific requirements for a quality management system, enhancing SCAME's ability to consistently deliver products and services that meet customer expectations while adhering to applicable regulations. This approach, grounded in quality management principles such as customer focus, leadership engagement and continuous improvement, helps the company operate more efficiently, reduce product errors and promote targeted risk analysis. The ISO 9001 certification confirms SCAME's dedication to effectively implementing these principles within the organisation, building trust in its management capabilities and improving its market competitiveness.

ISO 14001 - ENVIRONMENTAL MANAGEMENT SYSTEM

Environmental management system certification demonstrates a strong commitment to sustainable development and provides companies with a competitive advantage in both domestic and international markets by enhancing their credibility in this area.

SCAME adopts the ISO 14001 standard, the most internationally recognised framework for environmental management systems. This framework provides SCAME with a clear methodology for reducing its environmental impact, ensuring compliance with legal requirements, and building stakeholder trust.

The ISO 14001 certification enables SCAME to effectively manage its legal obligations and meet stakeholder requirements, ensuring continuous improvement in environmental performance.

Key benefits of ISO 14001 certification include the establishment of a robust and flexible environmental management system, the ability to enhance environmental performance through effective monitoring and measurement, and the reduction of pollution, waste and environmental impacts associated with business processes.

ISO 45001 - OCCUPATIONAL HEALTH AND SAFETY SYSTEM

ISO 45001 is an international standard for occupational health and safety (OH&S) that sets out the requirements for establishing a robust management system and supports organisations in ensuring compliance and meeting legal obligations.

Based on the well-established Plan-Do-Check-Act management principles, ISO 45001 requires organisations to adopt a structured approach to:

— identify hazards and assess OH&S risks related to their activities and services;
— determine the necessary controls;
— set clear objectives and targets to improve OH&S performance.

IMPORT/EXPORT AUTHORISED ECONOMIC OPERATOR CERTIFICATION

Since 1 January 2008, following the implementation of EC Regulation 1875/2006 and the provisions of the new Union Customs Code (UCC), European businesses have been able to request a special authorisation from national customs authorities to streamline customs procedures and simplify checks within international trade flows, becoming an Authorised Economic Operator (AEO).

Obtaining this authorisation is contingent upon implementing a secure supply chain that safely links all actors involved in international trade. The primary advantages of AEO certification are numerous, offering both global recognition and facilitated interactions with various supervisory authorities.

This privileged status provides SCAME with a significant competitive edge, enhancing the fluidity and efficiency of international operations while adhering to the highest standards of customs compliance and security. This status is further elevated by the additional Authorised Location designation for completing customs departure formalities at SCAME.

QUALITY SYSTEM NOTIFICATIONS FOR HAZARDOUS AREAS

Manufacturers can certify their quality systems in compliance with the ATEX directive and the IECEx scheme.

IECEx is the international system for certifying equipment designed for use in potentially explosive atmospheres.

This certification is known as the Quality Assurance Notification (QAN) under ATEX and the Quality Assurance Report (QAR) under the IECEx scheme. It is mandatory for IECEx-certified manufacturers to have a documented quality assurance system in place for their products. Under IECEx, this is referred to as a Quality Assessment Report (QAR). The manufacturer must ensure compliance with all requirements of IEC 80079-34 and maintain a quality management system in line with ISO 9001.

This system is designed to facilitate international trade of equipment and products required to operate in explosive environments, ensuring they meet relevant safety standards and international regulations.

IMQ has also accredited the SCAME Laboratory as a CTF2 facility to conduct compliance tests on products intended for installations in explosive areas.

ROHS DECLARATION OF CONFORMITY

In accordance with Directive 2011/65/EU, restricting the use of certain hazardous substances in electrical and electronic equipment (RoHS), SCAME ensures that the electrical and electronic equipment it produces complies with this directive, and that the components supplied by SCAME are selected based on induced compliance principles, guaranteeing the RoHS compliance of the final product into which they are incorporated.

Additionally, SCAME is committed to taking the necessary steps to ensure the continuity of the supply chain, including:

— Updating information regarding changes to the RoHS Directive;
— Identifying alternative suppliers to ensure uninterrupted supply;
— Developing processes and identifying substitute substances to guarantee customers the continuity, quality and performance of the supplied products.

This declaration reaffirms SCAME's commitment to meeting the requirements of the RoHS Directive while maintaining high standards of quality and compliance in its products and supply chain.

3.6   Shared value creation

The report on the economic value generated and distributed by SCAME aims to highlight the link between financial reporting and sustainability reporting.

This section provides a detailed analysis of how and to what extent the wealth generated by SCAME has been distributed among its key stakeholders, including collaborators, suppliers of goods and capital, public authorities and local communities. The analysis examines the economic value distributed in comparison to the wealth reinvested in the company at the end of the financial year, referred to as the retained economic value.

This analysis is performed by reclassifying data from the financial statements.

	2021	2022	2023
Economic value generated	74,115,535.00	89,254,102.00	75,464,381.00
Economic value distributed	65,911,172.00	83,155,989.00	71,943,747.00
Economic value retained	8,204,363.00	6,098,113.00	3,520,634.00
Total running costs	47,797,310.00	63,157,572.00	53,874,643.00
Total employee wages and benefits	14,620,351.00	16,215,267.00	16,739,064.00
Total payments to capital providers	275,176.00	275,662.00	1,096,661.00
Total payments to the PA	2,986,890.00	3,305,185.00	200,437.00
Total donations to local communities	31,445.00	26,706.00	32,942.00
Dividends	200,000.00	175,600.00	-

In 2023, the economic value generated by SCAME amounted to €75,464,381, representing a 15% decrease from the previous year, while the distributed value was €71,943,747, down 13% from 2022.

Economic value distributed 2023
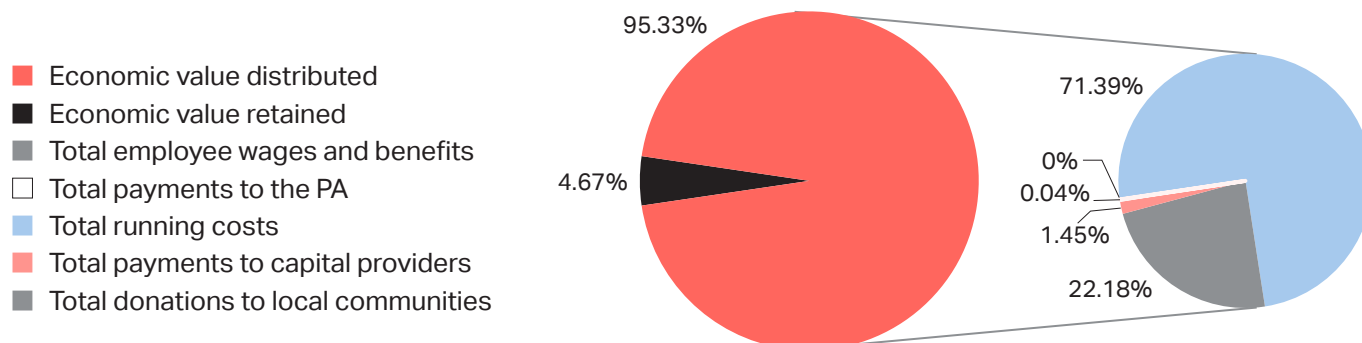
■ Economic value distributed
■ Economic value retained
■ Total employee wages and benefits
□ Total payments to the PA
■ Total running costs
■ Total payments to capital providers
■ Total donations to local communities

Of the total economic value generated, 95% was redistributed to stakeholders, with the remaining 5%, amounting to €3,520,634, retained within the company.

With regard to the distributed economic value, approximately 75% was allocated to running costs, while 23% was directed to employees in the form of wages and benefits.

The amount allocated to public authorities (payments to the PA) in 2023 totalled €200,437.00, representing a significant decrease compared to previous years due to a substantial decline in the company's pre-tax profit. Interest expenses, amounting to €1,096,661, quadrupled during 2023 as a result of the European Central Bank's interest rate hikes. Finally, the "Community Investments" category, totalling €32,942.00, comprises contributions to charitable organisations, NGOs and research institutions, as well as funds supporting community infrastructure such as recreational facilities.

Economic value distributed
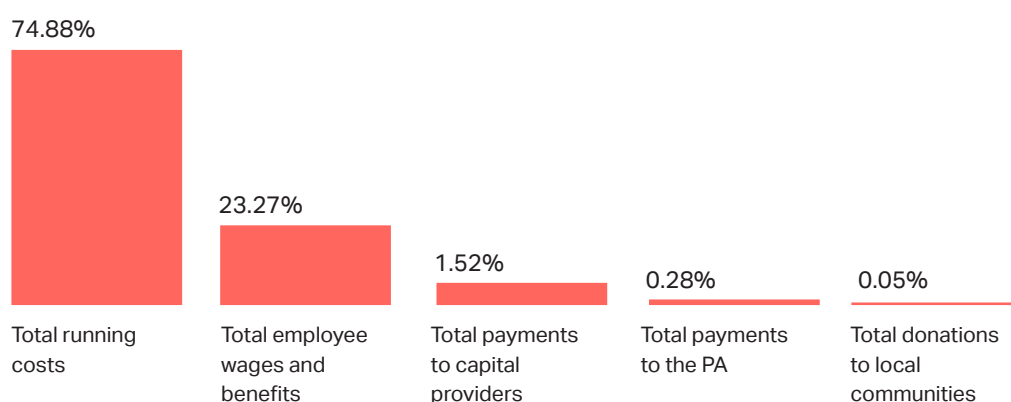
Trend Economic value generated/distributed € 2021–2023

89,254,102.00
83,155,989.00
74,115,535.00
75,464,381.00
71,943,747.00
65,911,172.00

2021   2022   2023

■ Economic value generated   ■ Economic value distributed
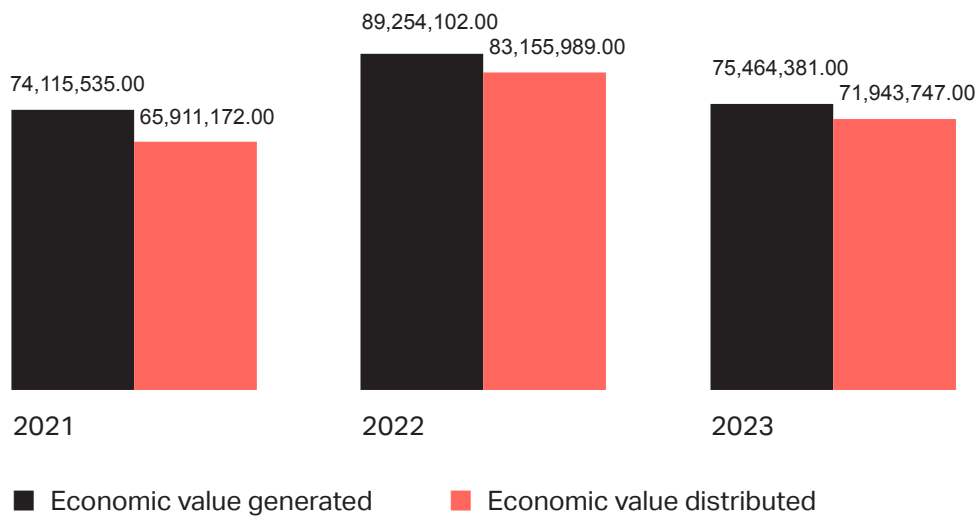
The chart illustrates the trend of economic value generated and distributed over the three-year period from 2021 to 2023, highlighting a positive trajectory. In 2021, the economic value generated reached €74,115,535.00, while the distributed economic value stood at approximately €65,911,172.

The following year, 2022, saw a significant increase in the economic value generated, which rose to €89,254,102.00. Similarly, the distributed economic value also grew, reaching approximately €83,155,989.

In 2023, there was a decline in economic value compared to the 2022 peak, although it remained above 2021 levels. The distributed economic value, on the other hand, rose well above 2021 levels. This demonstrates the organisation's ability to sustain significant value distribution even during a period of market contraction.

› Of the total economic value generated, 95% was redistributed to stakeholders, with the remaining 5%, amounting to €3,520,634, retained within the company.

STOCK MARKET CHARTS DATA

7 AFFORDABLE AND CLEAN ENERGY

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

Environment

Highlights

Energy produced by photovoltaic plants in 2023 compared to 2021

+92%

Self-generated energy from photovoltaic plants in 2023

1,603 GJ

−26%

Waste generated in 2023 compared to 2021

86%

Waste diverted from disposal in 2023

Recycled material used in 2023

129.81 t

4.0   Environment

SCAME's environmental policy is rooted in principles of responsibility and sustainability, aiming to balance economic development with environmental protection. The company is committed to strictly adhering to all applicable legal requirements and other relevant regulations concerning environmental and safety aspects. This commitment translates into tangible actions to continuously improve performance, reducing environmental and safety impacts through the application of the best economically feasible and available technologies.

Moreover, SCAME adopts a transparent approach to sustainability management by issuing periodic reports in compliance with European Regulations and Directives. These reports are based on GRI standards, tailored to the company's context. To ensure the effectiveness of these activities, a corporate ESG Committee has been established, tasked with monitoring and guiding sustainability actions.

The company's environmental goals and the measures aimed at achieving them include:

1. **Environmental Compliance and Protection**: committing to environmental preservation and adhering to current environmental regulations.
2. **Transparency and Dialogue**: promoting open dialogue by communicating essential information to the public and stakeholders, necessary to better understand the impact of its activities on the environment, health and safety.
3. **Awareness and Engagement**: raising awareness and involving employees, contractors and suppliers in protecting the environment and ensuring health and safety.
4. **Preventive Impact Assessment**: evaluating the environmental impact of raw materials and processes, analysing new initiatives in advance to ensure better environmental compatibility.
5. **Impact Prevention and Mitigation**: implementing measures to prevent and mitigate the impacts of activities on soil, air, surface and groundwater, minimising negative effects.

6. **Noise Emission Monitoring**: monitoring noise emissions from production sites to external areas.
7. **Hazardous Material Control**: identifying and taking measures to manage risks associated with hazardous materials.
8. **Environmental Emergency Management**: taking steps to reduce environmental impacts in emergency situations.

9. **Workplace Safety**: undertaking to comply with all workplace safety regulations, ensuring a safe environment for all workers.

Through these initiatives, SCAME not only ensures compliance with regulations but also promotes a corporate culture focused on sustainability, transparency and environmental responsibility.

4.1   Energy consumption management

For SCAME, energy is a central issue from at least two perspectives: it is essential for production processes, and the company's core industrial focus has always been on systems and components for electrical installations. This is a field in which the company has consistently demonstrated its potential and established itself as an international benchmark over time.

As a result, the environmental consequences and impacts associated with energy consumption are approached and managed from the perspective of a leading company in a rapidly evolving sector.

To progressively reduce the environmental impact of electricity consumption, the company has long been on the path of self-generation of electricity from renewable sources. SCAME is therefore committed to optimising energy use through sustainable self-production, reducing both costs and environmental impact.

Within the organisation, energy is used to power machinery and lighting in production facilities, to heat buildings, and to fuel operational vehicles and company cars.

		2021	2022	2023
Total fuel consumption for thermal energy	GJ	**7,857**	**6,202**	**6,405**
Of which natural gas		7,857	6,202	6,405
Company vehicle fleet		**2,276**	**2,621**	**2,811**
Petrol-powered vehicles		378	558	600
Diesel-powered vehicles		1,319	1,322	1,150
LPG-powered vehicles		10	6	14
Methane-powered vehicles		17	11	20
Electrical vehicles		551	725	1,027
Electricity consumption		**18,702**	**19,156**	**18,406**
From national grid		17,734	17,383	16,795
From renewable sources (self-generated)		968	1,774	1,611
Total consumption		**28,835**	**27,980**	**27,622**

The figure below, which graphically depicts the trend in consumption from 2021 to 2023, reveals a consistent pattern, culminating in an overall reduction of 4.2% in 2023 compared to 2021. This reduction is primarily attributable to a reduced consumption of natural gas for heating, which dropped from 7,857 GJ in 2021 to 6,405 GJ in 2023, and to a lesser

extent, a slight reduction in electricity consumption for powering machinery and lighting facilities, which fell from 18,702 GJ to 18,406 GJ over the same period. Conversely, during this time, energy consumption for powering company vehicles increased from 2,276 GJ to 2,811 GJ.

Total energy consumption (GJ) 2021–2023

- ■ Electricity
- ■ Vehicles
- ■ Heating
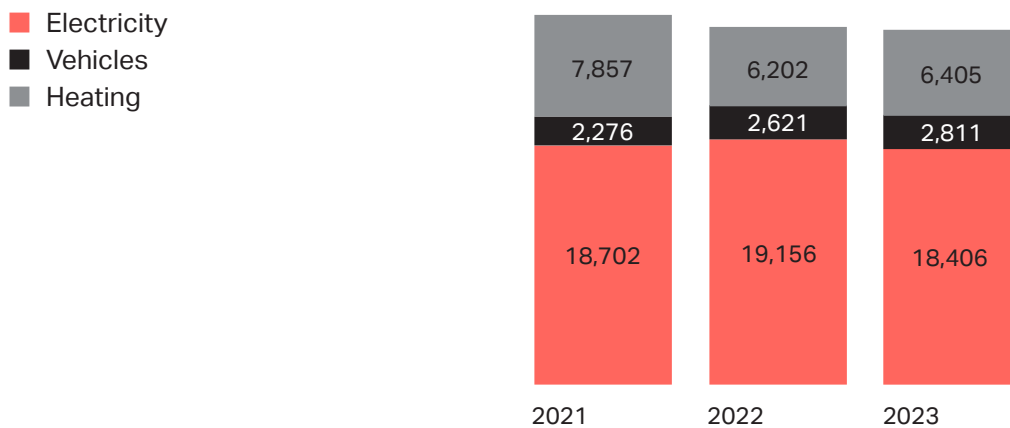
At SCAME, electricity is used primarily for production processes (particularly the moulding phase), recharging electric vehicles and lighting facilities. Below, a chart for 2022 outlines the percentage of energy consumption by use.

Utility consumption as a percentage in 2022

- ■ Adiabatic
- ■ Fume extraction
- ■ Assembly
- ■ Air conditioning
- ■ Electric vehicle charging stations
- ■ Compressors
- ■ Dryer
- ■ Dehumidifier
- ■ Lighting
- ■ Forklifts
- ■ Scrap grinder
- ■ Moulding
- ■ Hoppers
- ■ Grinding tools
- ■ Unmonitored utilities
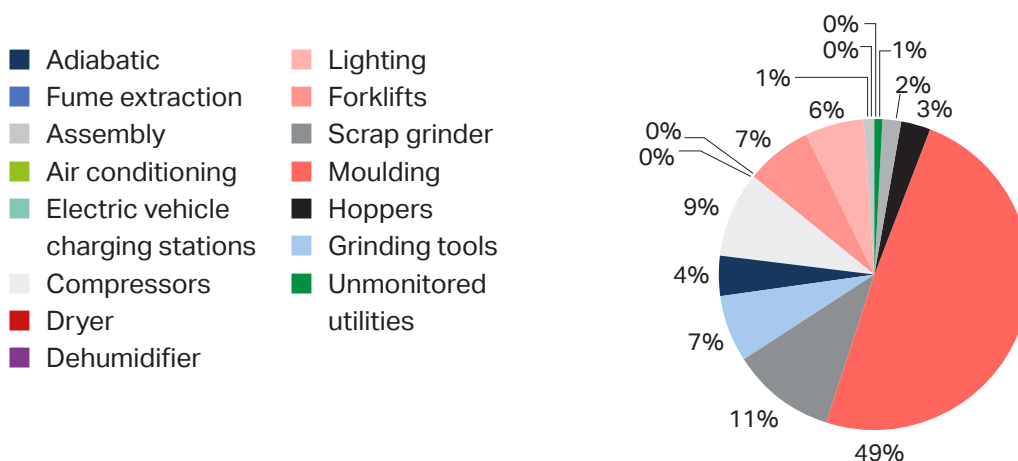
To reduce the reliance on grid-purchased electricity, the company has implemented self-generation measures since 2005 by installing photovoltaic systems at its facilities on via Campignano and via Costa Erta. These measures have resulted in annual savings of approximately 5% to 9% on electricity procurement.

Electricity consumption (GJ) 2021–2023

■ Self-generated and self-consumed renewable energy

■ Non-renewable purchased electricity

	2021	2022	2023
Self-generated	968	1,774	1,611
Non-renewable	18,702	17,383	16,795
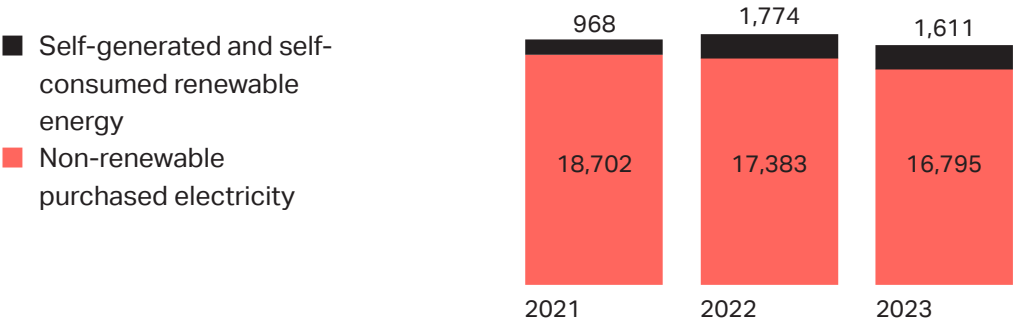
As shown in the above chart, in 2023, self-consumed electricity increased by over 60% compared to 2021; specifically, self-consumption accounted for 8.75% of total electricity use.

Breakdown of electricity consumed (%) - 2023

■ Purchased
■ Self-generated

8.75%

91.25%
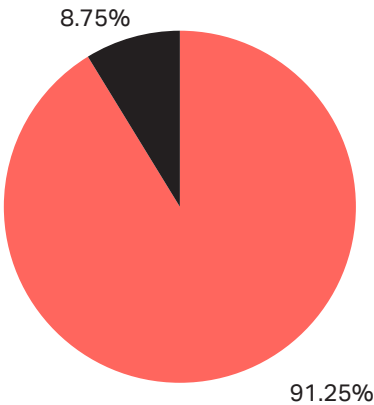
Breakdown of electricity consumed (%) - 2022

9.26%

90.74%
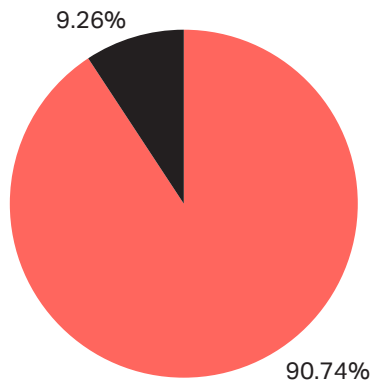
Breakdown of electricity consumed (%) - 2021

5.18%

94.82%
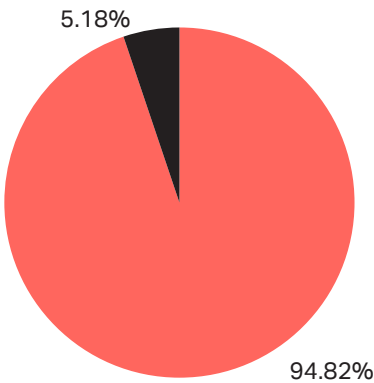
The increase in self-consumption in 2022 and 2023 is due to the overall rise in electricity generated by the company's photovoltaic systems. These systems have capacities of 197 kW, 300 kW and 47 kW (the first two at the Via Campignano site and the third at the Via Costa Erta site). Additionally, a new 200 kW system at the Ponte Nossa site is set to become operational in 2024. Overall, self-generation increased by 92% in 2023 compared to 2021, reaching 1,965 GJ.

Breakdown of electricity self-generated (GJ) 2021–2023

- ■ Self-consumed
- ■ Grid sales

	2021	2022	2023
Grid sales	54	96	354
Self-consumed	968	1774	1611
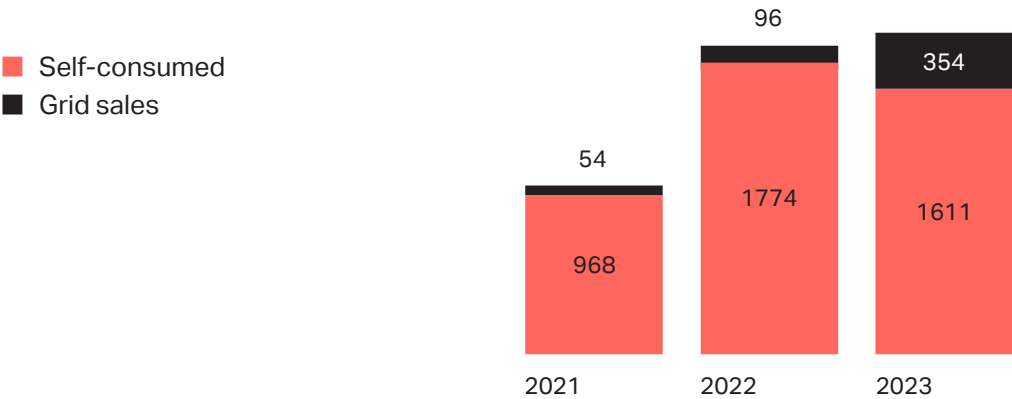
The graph below highlights that the significant increase in self-generation in 2022 and 2023 is largely due to the installation of a new 300 kW photovoltaic system at the via Campignano site. This system was installed in December 2021 but only became operational in March 2023 following extensive set-up, testing and inspections. Aligned with the growth observed in the 2021–2023 period, a further increase in self-generated energy is anticipated in 2024 with the activation of the new Ponte Nossa system.

Self-generated electricity by system (GJ) 2021–2023

- ■ Via Campignano
- ■ Via Costa Erta

	2021	2022	2023
Via Costa Erta	414	442	415
Via Campignano	608	1,429	1,550
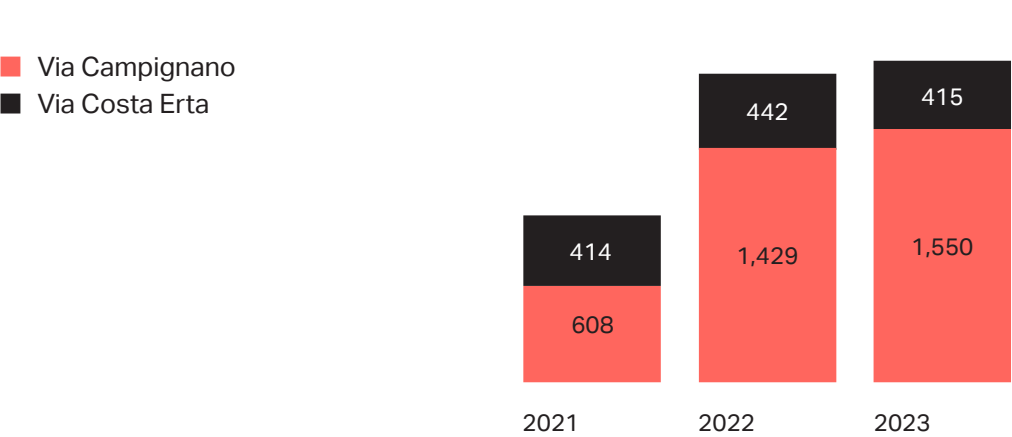
The positive impact of increased self-generation is also evident in the trend of energy sales, which grew by 267% in 2023 compared to the previous year, rising from 96 GJ in 2022 to 354 GJ in 2023.

Electricity sold (GJ) 2021–2023
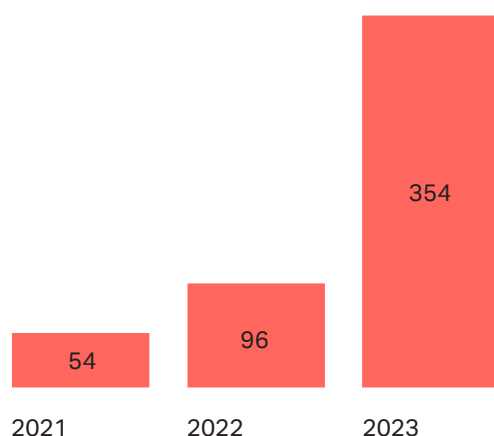
Other energy sources required to support company processes include diesel, petrol, natural gas and LPG, which are used alongside electricity to power company vehicles. In 2023, SCAME's fleet consisted of 49 vehicles in total, broken down as follows: 41 cars, 5 trucks, 3 e-bikes. The table below shows the vehicles categorised by fuel type.

	2021			2022			2023		
	Owned	Rental	**Total**	Owned	Rental	**Total**	Owned	Rental	**Total**
Petrol	-	2	**2**	-	2	**2**	-	2	**2**
Diesel	8	25	**33**	6	19	**25**	4	13	**17**
Methane/LPG	3	-	**3**	3	-	**3**	3	-	**3**
Electric	10	7	**17**	10	10	**20**	10	12	**22**
Hybrid	-	3	**3**	1	1	**2**	1	4	**5**
Total	**21**	**37**	**58**	**20**	**32**	**52**	**18**	**31**	**49**

In 2023, SCAME utilised 83 mechanical devices (including forklifts, cranes and handlers) and one operational machine, broken down as follows:

	2021			2022			2023		
	Owned	Rental	**Total**	Owned	Rental	**Total**	Owned	Rental	**Total**
Diesel	1	-	**1**	1	-	**1**	1	-	**1**
Electric	76	-	**76**	79	-	**79**	83	-	**83**
Total	**77**	**-**	**77**	**80**	**-**	**80**	**84**	**-**	**84**

Overall, energy consumption from fuels in 2023 amounted to 2,811 GJ, an increase of 7% compared to 2022 and 24% compared to 2021.

Breakdown of energy consumption by fleet (GJ) 2021–2023

	2021	2022	2023
Electricity	551	725	1,027
Natural gas	17	11	20
LPG	10	6	14
Diesel	1,319	1,322	1,150
Petrol	378	558	600
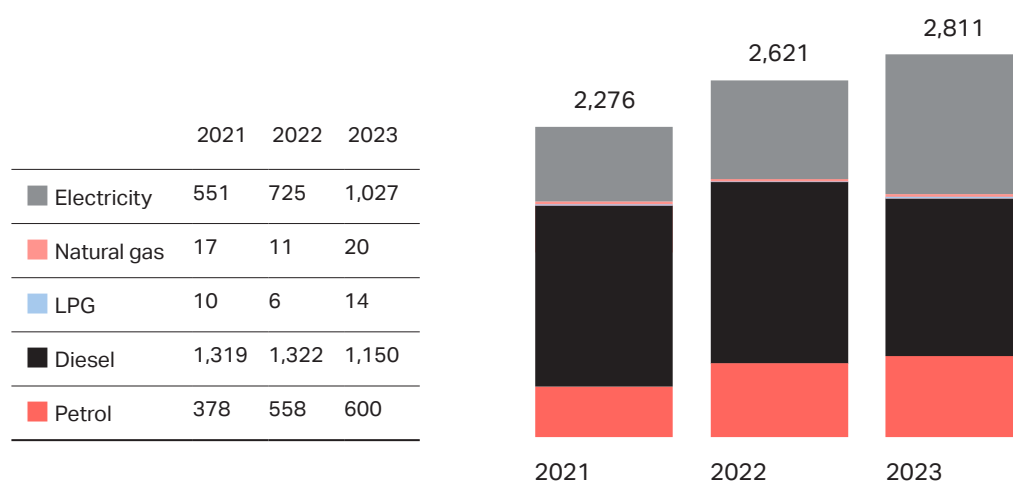
It is worth noting, however, that the increase in fuel consumption over the three years is primarily due to higher mileage covered by company vehicles. When comparing distances travelled year by year, energy consumption per kilometre in 2023 decreased by 2.8% compared to 2022 and by 1.1% compared to 2021.

	UoM	2021	2022	2023
Distance travelled	Km	811,935	919,373	1,014,125
Energy consumption	GJ	2,276	2,621	2,811
Consumption/km	**MJ/KM**	**2.80**	**2.85**	**2.77**

Although natural gas is also used to power certain vehicles, its primary use is for heating facilities. In 2023, natural gas consumption decreased by 18% compared to 2021, dropping from 7,857 GJ in 2021 to 6,405 GJ in 2023.

Natural gas consumption for heating (GJ) 2021–2023

| 2021 | 2022 | 2023 |
| 7,857 | 6,202 | 6,405 |
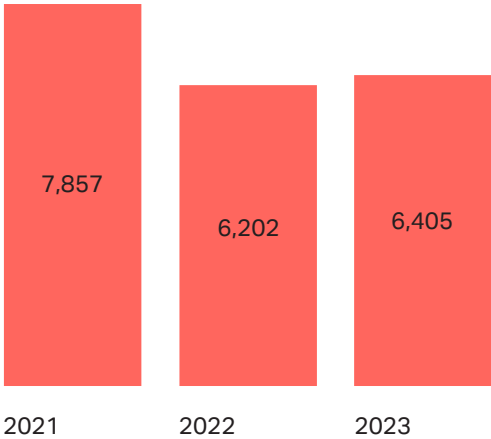
Finally, it is useful to relate the trends in energy consumption to the corresponding progress in the company's business activities. This allows for the calculation of energy intensity[12], measured in relation to turnover (GJ/thousand euros): in 2023, energy intensity was 0.38 GJ/k€, in 2022, it was 0.32 GJ/k€, and in 2021, it was 0.40 GJ/k€.

The more significant reduction in energy intensity in 2022 can be attributed primarily to a 20% increase in revenue that year and, to a lesser extent, to an actual reduction in energy consumption.

The process of improving energy efficiency is ongoing and includes the gradual replacement of halogen lamps in offices and production facilities with LED bulbs, as well as the replacement of two presses in the via Campignano moulding department with more energy-efficient models. Since 2021, this process has resulted in total energy savings of approximately 605 GJ (equivalent to 167,973 kWh).

12 The energy intensity was calculated by considering all energy consumption reported in this section, including:

◻ Electricity for powering machinery and lighting in facilities

◻ Natural gas for heating buildings

◻ Fuels (petrol, diesel, natural gas, electricity, LPG) for operating equipment and company vehicles.

Energy intensity based on turnover (GJ/k€) 2021–2023

| 2021 | 2022 | 2023 |
| 0.40 | 0.32 | 0.38 |
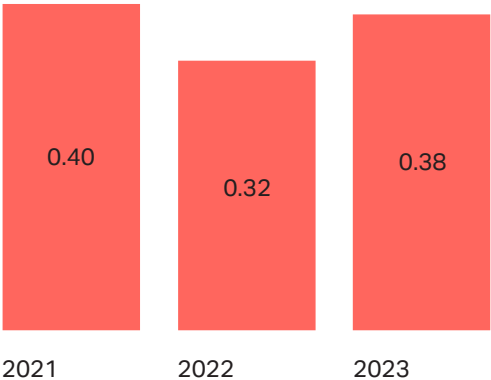
	2021	2022	2023
Turnover	71,678,064	86,335,117	72,373,539
Tot energy consumption (GJ)	28,835	27,980	27,622
Energy intensity (GJ/K€)	**0.40**	**0.32**	**0.38**

4.1.1   Atmospheric emissions

Energy consumption is closely linked to the production of atmospheric emissions, primarily generated by the use of fossil fuels such as coal, oil and natural gas. When these fuels are burned to generate energy, they release greenhouse gases (GHG) into the atmosphere, including carbon dioxide (CO_2), methane (CH4), nitrous oxide (NOx) and refrigerant gases. These contribute to global warming and climate change. The transition to renewable energy sources, such as solar, wind and hydropower (the latter under certain conditions), is essential in reducing the production of these harmful substances. SCAME is thus committed to conducting in-depth analyses to identify areas where the organisation can minimise its impact on climate change, while incorporating sustainable energy sources like solar energy into its energy mix.

The monitored activities include:

SCOPE 1: direct GHG emissions

— Combustion in stationary installations (fuel consumption for production processes or heating);
— Vehicle and equipment usage (fuel consumption by the company fleet and for material handling within production facilities);

SCOPE 2: Indirect emissions from imported energy

— electricity drawn from the grid.

› SCAME remains committed to continuously monitoring its emissions through in-depth analysis and identifying critical areas where reductions can be achieved.

The company activities outlined above contribute to GHG emissions in the atmosphere, as detailed in the table below.

	2021	2022	2023	Variation 2021–2023
	tCO$_2$-eq	tCO$_2$-eq	tCO$_2$-eq	
Scope 1	647.57	587.56	633.17	-2.2%
Petrol	24.73	36.46	39.19	58.5%
Diesel	91.32	91.53	79.63	-12.8%
LPG	0.66	0.39	0.89	34.7%
Natural gas	454.26	358.40	370.62	-18.4%
Electricity	76.61	100.77	142.84	86.4%
Scope 2 location-based	**1,241**	**1,271**	**1,176**	**-5.3%**
Scope 2 market-based	**2,466**	**2,417**	**2,335**	**-5.3%**

Over the 2021–2023 period, the ratio of Scope 1 and Scope 2 emissions remained relatively stable, with a maximum annual variation of 2.4%.

	UoM	2021	2022	2023
Scope 1	tCO$_2$-eq	648	588	633
Scope 2_Lb		1241	1217	1176
Scope 1,2		1889	1804	1809
Ratio S1/S1+2	**%**	**34.28**	**32.56**	**35.00**

Notably, Scope 1 emissions account for an average of 34% of total emissions and decreased by 2.2% from 2021 to 2023.

Scope 2 emissions calculated using the location-based method, on the other hand, account on average for the remaining 66% of the total and decreased by 5.3%, from 1,241 t CO$_2$-eq in 2021 to 1,176 t CO$_2$-eq in 2023. Overall, in 2023, total Scope 1 and 2 emissions amounted to 1,809 t CO$_2$-eq, a reduction of 4.2% compared to 2021, when they amounted to 1,889 t CO$_2$-eq.

Scope 1+2 (t CO_2-eq) 2021–2023

■ Scope 1
■ Scope 2 location-based
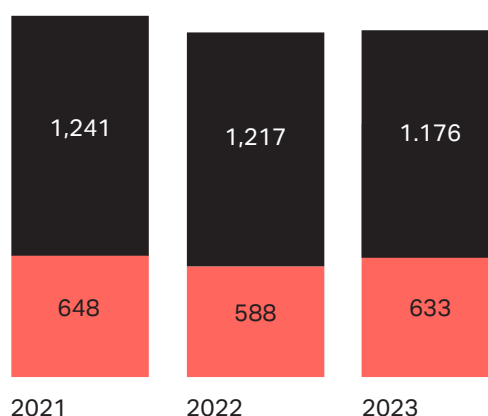
	2021	2022	2023
Scope 2 location-based	1,241	1,217	1.176
Scope 1	648	588	633

In 2023, and throughout the entire three-year period, approximately 60% of Scope 1 emissions were derived from natural gas employed primarily for heating and, to a lesser extent, as a source of fuel for company vehicles. These are followed, in order of significance, by emissions associated with electricity usage, which showed a steady increase over the three-year period, rising from 12% of Scope 1 emissions in 2021 to 23% in 2023.

Breakdown Scope 1 (t CO_2-eq) 2021–2023

■ Petrol
■ Diesel
■ Electricity
■ Natural gas
■ LPG

	2021	2022	2023
LPG	76.61	100.77	142.84
Natural gas	454.26	358.40	370.62
Electricity	0.66	0.39	0.89
Diesel	91.32	91.53	39.19
Petrol	24.73	36.46	39.19
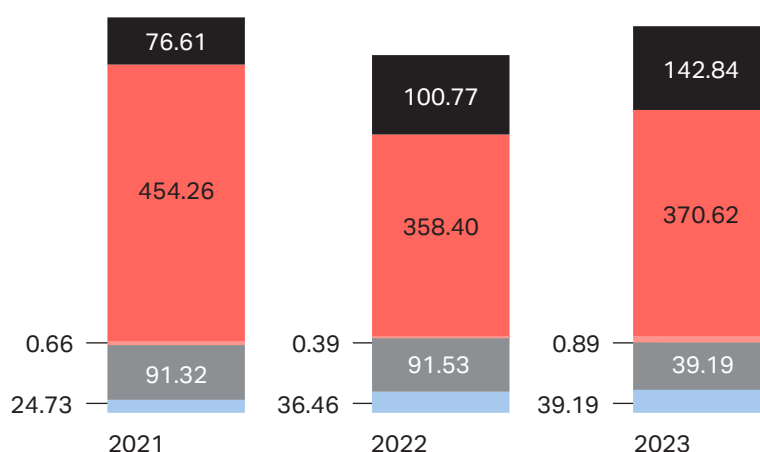
Scope 2 emissions were calculated following the two approaches outlined by the GHG Protocol: location-based and market-based.

The location-based method uses an emission factor corresponding to the national energy mix (equal to 0.252 kg CO_2-eq/kWh) in the country where the company operates. The greater the share of energy from renewable sources in a country's energy mix, the lower the emission factor associated with that mix. This method reflects energy-saving and efficiency initiatives undertaken at the national, community and international levels[13].

The market-based method, on the other hand, reflects the company's choices in terms of energy procurement, taking into account the sources actually used by the specific supplier and their energy mix. The emission factor used for the portion of energy covered by Guarantees of Origin (GdO) is zero, while the remaining energy is associated with the "*residual mix*" (equal to 457.15 g CO_2-eq/kWh[14]), which corresponds to the national energy mix minus the renewable fraction already redeemed through GdOs issued by the Gestore dei Servizi Energetici (GSE).

The graph below shows that emissions calculated using the market-based method are double those calculated using the location-based method, despite the consumption being the same. This is due to the different emission factors used in the two approaches, which, in the market-based method, is double. Considering that SCAME does not make use of GdOs and that, in both calculation methods, emissions from energy self-generated by photovoltaic systems have an associated emission factor of zero, it was deemed appropriate to consider the value expressed according to the location-based method.

Regardless of the method used, Scope 2 emissions decreased by 5.3% from 2021 to 2023.

14   https://www.aib-net.org/facts/european-residual-mix/2022

Scope 2_ Mb&Lb (t CO_2 eq) 2021–2023

2021: Location-based 1241, Market-based 2466
2022: Location-based 1217, Market-based 2417
2023: Location-based 1176, Market-based 2335

■ Location-based   ■ Market-based
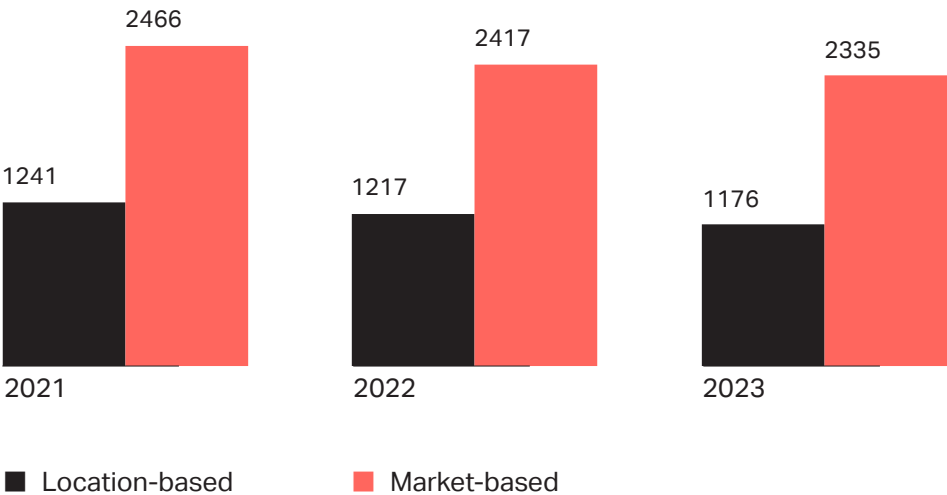
Finally, emission intensity calculated in relation to turnover (tCO_2-eq/M€) was 25 tCO_2-eq/M€ in 2023, compared to 20.9 tCO_2-eq/M€ in 2022 and 26.4 tCO_2-eq/M€ in 2021. The reduction in emission intensity in 2022 can be attributed to the same factors discussed for energy intensity, namely a significant increase in turnover (+20%) in 2022 and, to a lesser extent, an actual reduction in consumption. This consideration is deemed valid as no significant changes occurred in the energy mix used during the three-year period.

Energy intensity based on turnover (t CO_2eq/M€) 2021–2023

	2021	2022	2023
	26.4	20.9	25.0
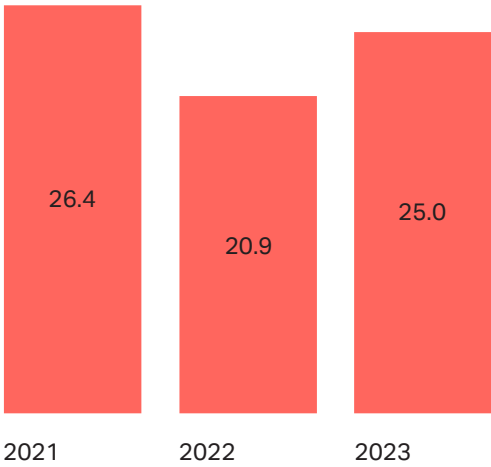
	2021	2022	2023
Turnover (€)	71,678,064	86,335,117	72,373,539
Emissions (tCO$_2$-eq)	1889	1804	1809
Emission intensity (tCO$_2$-eq/M€)	**26.4**	**20.9**	**25.0**

4.2   Water resource management

As suggested by the UN's 2030 Agenda, achieving sustainable development requires a set of objectives aimed at responsible management of water resources, which for companies primarily means improved efficiency. SCAME recognises the importance of a prudent approach to water withdrawal and consumption, as well as monitoring discharge quality, which can significantly impact ecosystems.

SCAME exclusively uses water supplied by the public mains[15]. At the via Campignano site, this water is used to supply the closed-loop cooling system for moulds during the moulding process, for washing nozzles, and for sanitary and cleaning purposes.

At the other facilities, water is used solely for sanitary and cleaning purposes.

Between 2021 and 2023, SCAME significantly reduced its water withdrawal, achieving a 22% decrease. Specifically, water consumption fell from 4.19 ML in 2021 to 3.27 ML in 2023.

15 This report does not consider rainwater, which is collected in soakaway pits and does not enter the production cycle.

16 This is an estimate of annual condensate production.

SCAME water withdrawal (ML)

4.19	3.74	3.27
2021	2022	2023
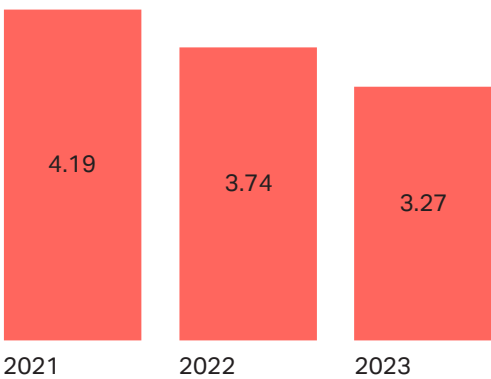
At the via Campignano site, a small amount of water used by the compressors is recovered as condensate[16]. This water, listed in the table below as "Water produced", is collected and discharged into the sewer system.

WATER WITHDRAWAL (ML)	2021	2022	2023
Water produced	0.07	0.07	0.07
Third-party water resources	4.12	3.67	3.20
Total	**4.19**	**3.74**	**3.27**

Water discharges over the three-year period decreased by 24%, from 3.56 ML in 2021 to 2.69 ML in 2023[17].

WATER DISCHARGE (ML)	2021	2022	2023
Third-party water resources (e.g. sewer system)	3.56	3.01	2.69
Total	**3.56**	**3.01**	**2.69**

At SCAME sites, black water is directed to the public sewer system, which is connected to the local wastewater treatment plant, while stormwater is partially routed into the sewer and partially directed to surface water bodies. At the via Campignano site, only the condensate from the compressors is conveyed through an industrial drain and, before being discharged into the sewer, is treated with an oil separator[18] to reduce the hydrocarbons present in the emulsion.

17 The quantity of discharged water is calculated based on a daily average measured manually

18 A condensate oil separator is designed to remove oil from the condensate produced by compressors. It begins by collecting the condensate (containing water and oil), which is then conveyed to the oil separator. Next, gravity separation occurs: the oil, being less dense than water, floats and accumulates at the top of the tank, while the water remains at the bottom. The oil is then collected in dedicated tanks or containers. The treated water, with a significantly reduced oil content, can then be discharged into the sewer system.

› **This discharge management system ensures that wastewater is properly treated and disposed of in compliance with current environmental regulations. In fact, no non-conformities (NC) have ever been identified.**

Water discharge (ML)

3.56	3.01	2.69
2021	2022	2023
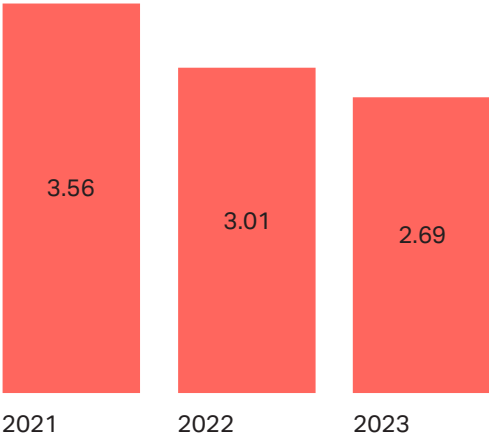
4.3 Waste and hazardous material management

At SCAME, special attention is afforded to the management of waste and by-products. To this end, a specific management plan has been developed to ensure compliance with current regulations. This plan covers all stages, from the collection, handling and temporary storage of waste and production scraps within the facility to their delivery to authorised external companies.

SCAME is committed to managing its operations efficiently to minimise negative environmental impacts. Nevertheless, its activities can still have significant effects. Specifically:

— **Raw materials:** Mainly sourced from suppliers within the European Union, undergo reception, inspection and storage procedures to ensure quality and compliance. However, improper management of these materials and their packaging can generate waste and the need for disposal, with associated environmental impacts.
— **Material processing:** Material processing operations, including the injection moulding of thermoplastics and the turning or blanking of brass, generate production scraps. These scraps must be properly managed to reduce the environmental impact of waste production.
— **Logistics management of semi-finished products:** The logistics management of semi-finished products, including their handling and storage, can affect the amount of waste generated, particularly if not optimally managed. Inefficient logistics can lead to an increase in waste and unused materials.
— **Management of office waste:** Office activities generate waste such as toner cartridges, WEEE (Waste Electrical and Electronic Equipment), and neon. This waste must be managed and disposed of through authorised companies to minimise environmental impact and comply with current regulations.

The waste produced by SCAME is managed by an authorised third-party company. In 2023, the waste generated amounted to 220 tonnes, approximately 26% less than in 2021. As shown in the chart, the amount of waste produced decreased by about 40 tonnes per year, also due to SCAME's reuse policy, which treats plastic and metal scraps as waste only when they can no longer be recovered as secondary raw materials.

Waste produced (t)

2021	2022	2023
297.04	259.70	219.95
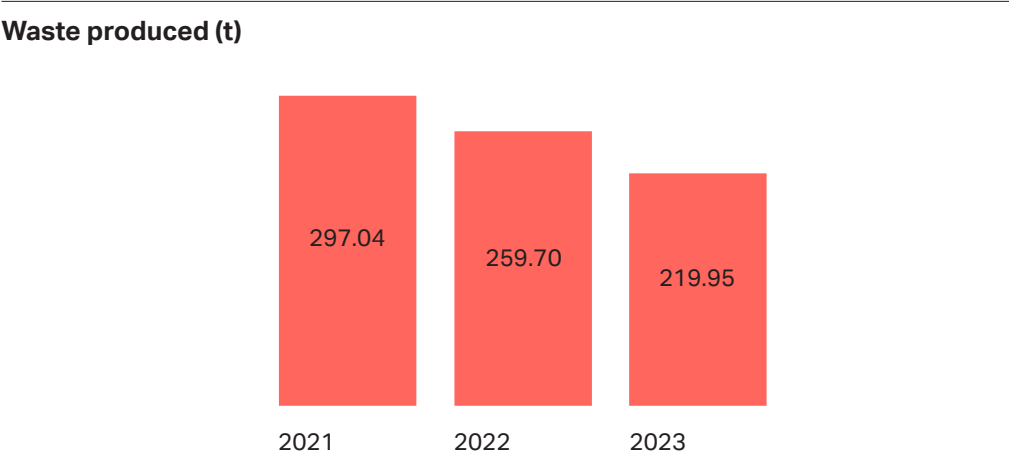
In 2023, 86% of the waste produced by SCAME was sent for recovery operations, including used printer toner cartridges (EWC code 080318), which are collected and recovered by a specialised disposal company. The majority of the waste produced – 83% – is classified as non-hazardous. In 2023, 37 tonnes of hazardous waste were collected, representing a slight increase compared to 2021, while 182.71 tonnes of non-hazardous waste were collected, a 30% reduction compared to 2021. In 2023, 14% of the waste generated was sent for disposal. This waste included aqueous washing solutions (EWC code 120301*).

SCAME waste category (t)

	2021	2022	2023
Non-hazardous	262	224	183
Hazardous	35.39	36.13	37.24

■ Non-hazardous   ■ Hazardous
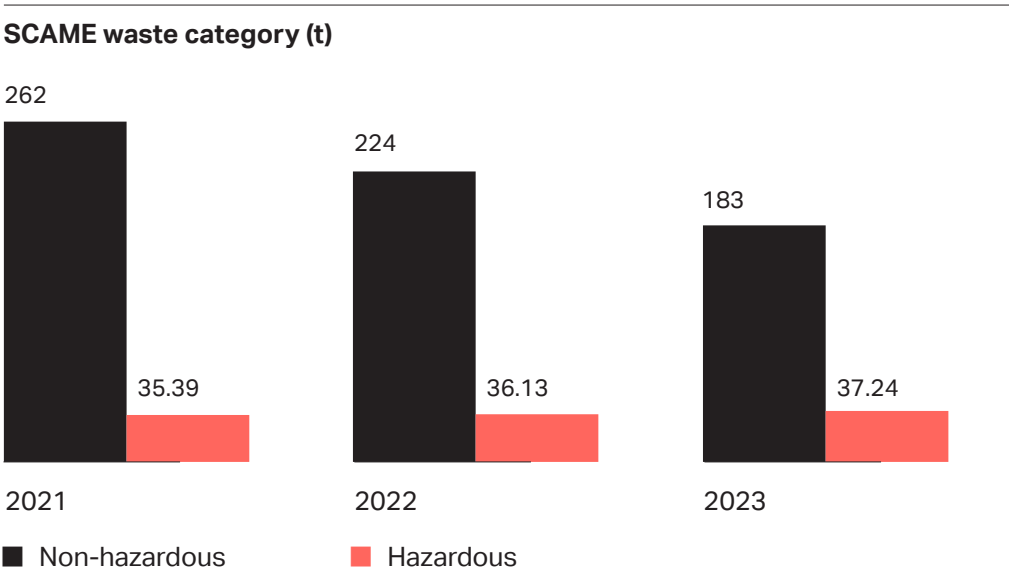
The main types of waste managed by SCAME include plastic waste and mixed material packaging. Additionally, metallic waste such as iron, steel and bronze is generated as a result of the company's production processes.

MAIN TYPES OF WASTE (T)	UOM	2021	2022	2023	Var 21 vs 23	Var 22 vs 23
070213 - Waste plastic	t	97.3	60.7	97.3	**-63%**	**-41%**
120199 - Wastes not specified otherwise		29.9	43.4	29.9	**31%**	**-10%**
150106 - Mixed materials packaging		88.0	75.3	88.0	**-24%**	**-11%**
170405 - Iron and steel		11.0	11.5	11.0	**76%**	**70%**
170411 - Cables, other than those mentioned in 170410		8.8	5.7	8.8	**-67%**	**-49%**
170401 - Copper, bronze, brass		6.4	11.4	6.4	**-3%**	**-45%**
Total		**235.0**	**207.9**	**235.0**	**-27%**	**-18%**

Fluctuations in the quantity of primary waste produced by SCAME over the three-year period are attributed to several factors. These include changes in disposal schedules, which can influence the increase or decrease of stockpiles at the end of the reporting period. Moreover, variations in certain types of waste, not listed in the table, are due to occasional interventions throughout the year, such as the decommissioning of equipment and machinery at various sites or the disposal of long-accumulated waste (EWC code 120199)[19].

Regarding specific EWC codes:

— **070213** - Waste plastic: In 2021, the large quantity of plastic waste was attributable to a reduction in stockpiles of unsold materials, returning to normal levels in 2022. In 2023, most plastic scraps were managed as thermoplastic material destined for regeneration (secondary raw material).
— **120301*** - Aqueous washing solutions*: The increase in washing water in 2023 is linked to the intensified use of water for machine tooling and replacement.

— **170405** - Iron and steel: The rise in iron and steel waste in 2023 is due to the scrapping of obsolete moulds.
— **170411** - Cables other than those mentioned in 170410: Fluctuations in cable waste in 2022 compared to 2021 and 2023 are related to increased production of wired products and warehouse clear-outs.

19 Waste not specified otherwise

4.3. Circularity

SCAME, long a proponent of circular economy initiatives, adopts a strategic approach to managing resources that are no longer usable by treating them as secondary raw materials rather than waste. This process involves identifying and collaborating with authorised partners for the management and recovery of such materials, enabling the reuse of scraps in new production cycles.

Specifically, SCAME has implemented a virtuous process for managing plastic and metal materials and scraps, which are not treated as waste but as secondary raw materials. These materials undergo an internal regeneration process to be reintroduced into the market and sold or sent to third parties for regeneration and subsequent reuse by SCAME. Only components that can no longer be recovered as raw materials are disposed of as waste (EWC codes 120105 and 070213).

Waste management involves the following:

— **Brass and copper scraps** (offcuts, shavings and chips) are transferred as by-products to third-party companies. These scraps, resulting from mechanical processing, are managed in compliance with current regulations (Article 184-bis introduced by Legislative Decree 205/2010), which defines the characteristics of by-products in accordance with the specifications set out in UNI EN 12861, 02/2001;
— **Thermoplastic material scraps** are managed internally as by-products (Article 184-bis of Legislative Decree 205/2010 and in compliance with UNI EN 10667-1 specifications), according to the cycle outlined.

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                        ┌─────────────────────────────────────┐
                        │     SPRUES GROUND AT THE PRESS       │
                        └─────────────────────────────────────┘

┌──────────────┐        ┌──────────────┐        ┌──────────────────┐
│ PART SCRAPS  │ ◄───── │   MOULDING   │ ─────► │  NON-CONFORMING  │
└──────────────┘        └──────────────┘        │     PARTS        │
                                                └──────────────────┘
```

| RECOVERABLE | NON-RECOVERABLE | | GRINDER | | RECOVERABLE | NON-RECOVERABLE |

| SALE (EWC 070213 and EWC 120105) | WASTE (EWC 150106) | | SRM REGENERATION | SALE (EWC 070213 and EWC 120105) | | |

Internal recycling within the process
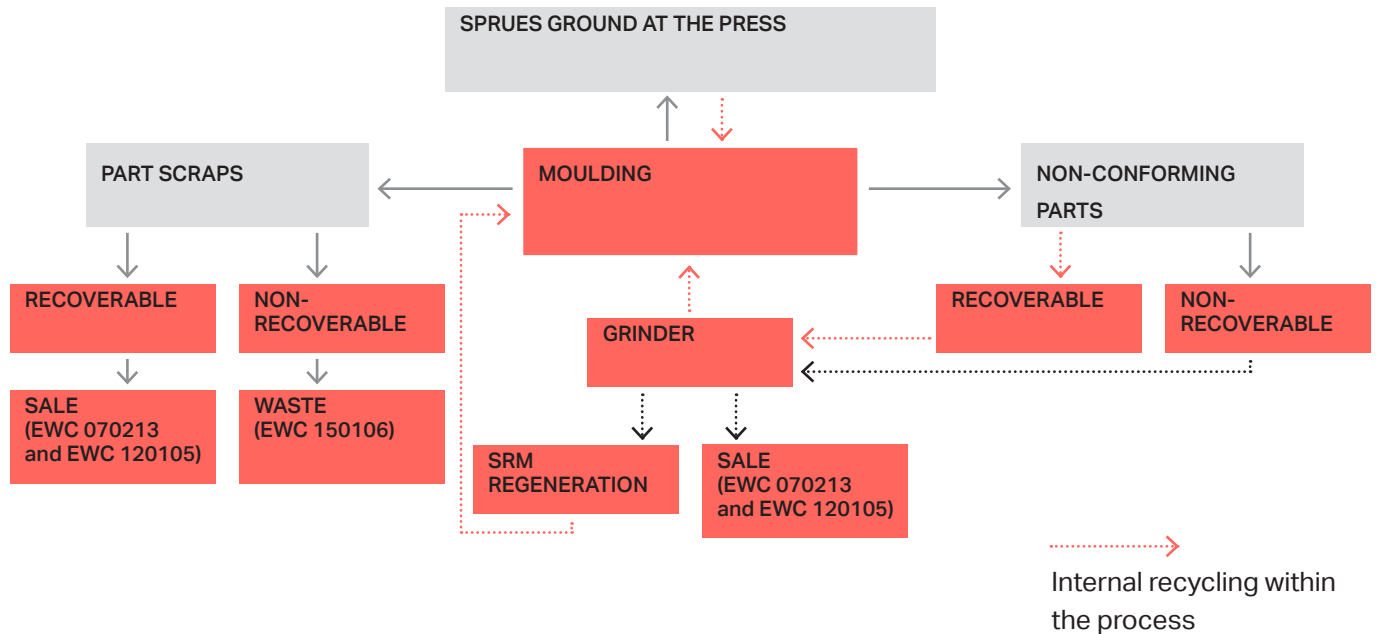
EXAMPLES OF CIRCULARITY INITIATIVES AT SCAME

Thermoplastic rubber generated as scrap or waste during the moulding process, along with brass offcuts and other thermoplastic material waste, is sent to specialised partners who transform these into reusable materials for other industrial applications. This practice not only reduces waste but also promotes resource efficiency and supports the circular economy.

Additionally, to further minimise waste production, washable and reusable cloths have been implemented for internal cleaning in departments. This replaces disposable paper and oil-soaked cloths, significantly reducing the amount of waste generated.

SCAME's commitment to sustainability also extends to the digitalisation of documents. Through a continuous improvement process, the need for paper printing has been reduced, contributing to a decrease in resource consumption and paper waste production.

Finally, there is an ongoing review of the packaging process. The aim is to reduce the use of plastic as a packaging material, favouring the use of paper instead. This step is crucial in lowering the environmental impact of SCAME's packaging and promoting the use of more sustainable materials.

4.4   Material procurement

SCAME manufactures and markets electrical materials intended for domestic, industrial and various installation uses, distributing its products through a wide national and international network.

The **c**hoice of suppliers is guided by market availability, the quality of raw materials and supplier characteristics, with a preference for geographical proximity. In particular, SCAME uses a qualification questionnaire to select its suppliers, based on the three pillars of management systems: Quality, Environment and Safety.

Specifically, SCAME evaluates suppliers on the following:

— **Environment:** Compliance with ISO 14001:2015, with a focus on air emissions, water discharges and waste management;
— **Safety:** Compliance with ISO 45001:2018, focusing on the presence of a Prevention & Protection Service (Prevention & Protection Service Manager, Occupational Physician and Workers' Representative), adherence to regulations regarding PPE and employee training;
— **Quality:** Compliance with ISO 9001:2015, focusing on inspections (at acceptance, during the process and on finished products), complaint management and the presence of a Quality Service.

In 2023, six new suppliers were introduced, two of whom were evaluated using specific environmental criteria related to air emissions, water and waste management. In the same year, SCAME did not apply social criteria for selecting new commercial partners.

Particular attention is afforded to direct subcontractors who are considered to have significant current or potential environmental impacts. Over the three-year period, four suppliers were identified as having particularly significant impacts. In 2022, specific environmental improvements were agreed upon with two suppliers, and with one in 2023.

Second-party audits are periodically conducted to evaluate and agree on improvement actions. In 2022, two environmental improvement actions were requested for one supplier and one for another. In 2023, SCAME agreed on three improvement actions with a subcontractor following a second-party audit.

DIRECT SUBCONTRACTORS IDENTIFIED AS HAVING SIGNIFICANT ACTUAL ENVIRONMENTAL IMPACTS AND POTENTIAL NEGATIVE ENVIRONMENTAL IMPACTS	2021	2022	2023
Number of suppliers	4	4	4
Number of suppliers with whom improvements were agreed upon	**1**	**2**	**1**

Regarding the origin of raw materials, over 90% of purchases are made from suppliers based in Italy. For key raw materials such as thermoplastic materials and brass, preference is given to multinational suppliers with headquarters and production facilities in Italy or Europe. When selecting partners identified as subcontractors, local organisations are preferred.

LOCAL SUPPLIERS	2021	2022	2023
Purchases from local suppliers (%)	89%	91%	95%
Number of local suppliers (%)	**90%**	**89%**	**90%**

In 2023, 90% of SCAME's suppliers were Italian companies, an increase of 7% compared to 2021. The number of local suppliers grew from 6,768 to 7,239, highlighting an increased preference for domestic suppliers.

› SCAME aims to prioritise "zero-km" sourcing, with 90% of suppliers being Italian companies.

4.4.1   Raw materials

The main raw materials purchased by SCAME are thermoplastic materials, copper and copper alloys.

NON-RENEWABLE MATERIALS (T)	2021	2022	2023
Thermoplastic materials	2,282.70	2,334.73	2,278.32
Copper and copper alloys	691.00	680.67	650.84
Total	**2,973.69**	**3,015.39**	**2,929.17**

SCAME also uses various auxiliary materials essential for the production of finished products. These include oils, detergents, lubricants and solvents. The chart shows the economic breakdown of materials purchased in 2023.

Breakdown of supply chain value - 2023

- Other
- Other specific marketed products
- Cables
- Marketed products
- Electronic components
- Labels
- Packaging
- Switches
- Metal
- Metal hardware
- Brass and copper
- Semi-finished products
- Thermoplastics
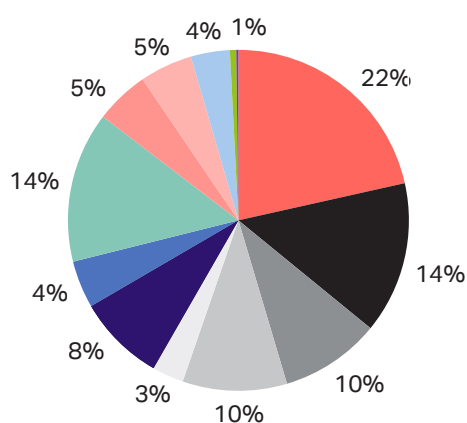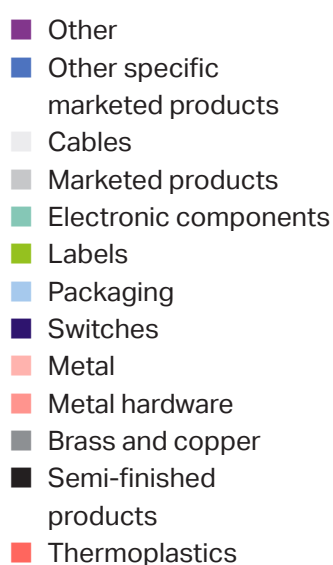
The company also uses recycled materials, some of which come from internal processes, as explained in the previous chapter.

In 2023, SCAME utilised 129.81 tonnes of recycled material, up an impressive 40% compared to the 2021 figure of 92.63 tonnes. This increase reflects SCAME's commitment to enhancing internal recycling practices. Specifically, the quantity of internally recycled material rose from 12.69 tonnes in 2021 to 33.37 tonnes in 2023, demonstrating notable progress in this area.

Recycled materials (t)

- ■ SCAME's Secondary Raw Materials
- ■ Materials from Other Sources

3 GOOD HEALTH AND WELL-BEING

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

11 SUSTAINABLE CITIES AND COMMUNITIES

17 PARTNERSHIPS FOR THE GOALS
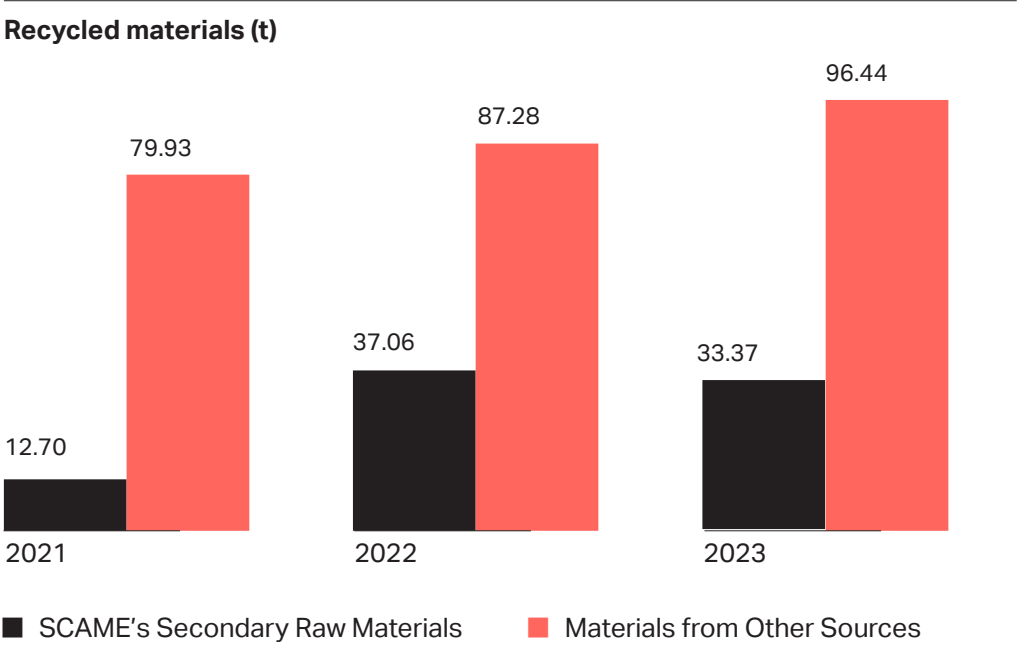
Human capital management

Highlights

12,4
Training hours per employee 2023

3,336
Training hours dedicated to health and safety in three-year period

−40%
Injuries in 2023/2021

334
Employees 2023

7,65%
Hiring rate in 2023

5.1   Our employees

Employees are an important resource for a company's success, directly contributing to the achievement of its goals. Investing in employee well-being and training improves productivity, work quality, and helps create a positive work environment. Additionally, a diverse and inclusive workforce brings a range of ideas and perspectives that contribute to innovation and adaptability in a competitive market. For these reasons, ensuring equal opportunities and recognising the value of each individual is essential in building a strong and successful organisation.

In over 60 years of operations, SCAME has maintained its original spirit, continuing to grow and expand thanks to the significant contributions of its employees, whose well-being and professional development are central to the company's success.

Composition and characteristics of personnel by gender and professional qualification

	2021			2022			2023		
Qualification	Women	Men	%	Women	Men	%	Women	Men	%
Executives		7	2%		5	2%		5	1%
Managers	1	7	3%	1	9	3%	1	9	3%
Clerical staff	36	96	43%	39	102	43%	41	106	44%
Workers	57	105	52%	63	108	52%	62	110	51%
Grand total	**94**	**215**	**100%**	**103**	**224**	**100%**	**104**	**230**	**100%**

▼ 2021
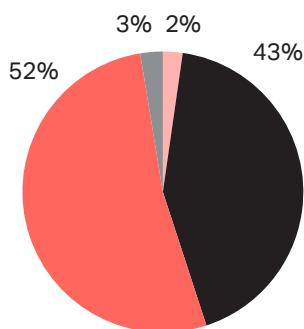
▼ 2022
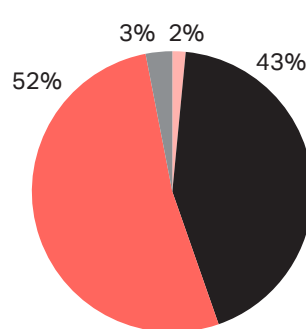
▼ 2023
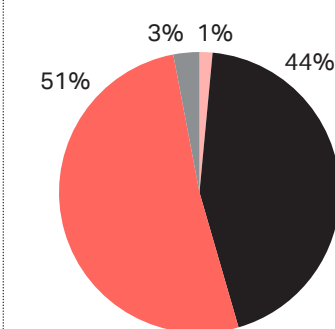
■ Executives   ■ Managers   ■ Clerical staff   ■ Workers

From 2021 to 2023, SCAME reaffirmed its commitment to employee growth and development, increasing its number of employees from 309 to 334. Notably, the number of female staff grew by approximately 14%, from 36 to 41.

SCAME is working to promote gender equality, particularly in managerial and executive roles where female representation is still limited, offering greater opportunities for professional advancement to all employees. The 10% increase in women among manual workers reflects an interesting shift in professions traditionally perceived as male-dominated. Despite the company's openness in hiring, women applicants for STEM roles have always been a minority, largely due to traditional educational patterns. A lack of specialised candidates in STEM and mechanical fields has effectively been observed, both at higher and lower levels. Roles such as department operators, however, which do not require heavy lifting or technical qualifications, are mostly filled by women.

The company recognises the importance of an inclusive work environment and is implementing targeted initiatives to promote diversity and inclusion, particularly at higher management levels.
As part of this effort, a project was initiated in collaboration with the UNHCR, leading to the employment of two young migrants in production departments, who were later given roles as resident caretakers in a property near the production site.

TYPES OF CONTRACTS

SCAME places great importance on legality and transparency in employment relationships, ensuring that all staff are hired with official contracts in compliance with current regulations. The company firmly rejects any form of undeclared or exploitative work, promoting an ethical and responsible work environment. During recruitment, career management and development, SCAME adopts policies that ensure equal opportunities, preventing any discrimination based on gender, ethnicity, religion or other factors. This commitment to equality extends to treating all employees with fairness, respect and dignity, regardless of their role or position.

Best practices include promoting an inclusive work environment where authority is exercised with moderation and respect, avoiding behaviour that could undermine the dignity and autonomy of employees. SCAME is committed to respecting contractual regulations and the principles set out in the Workers' Statute and National Collective Labour Agreements, ensuring safe and respectful working conditions. These principles not only protect workers' rights but also contribute to creating a harmonious and productive work environment, which is essential for business growth and success.

Number of employees on permanent and fixed-term contracts by gender

▼ 2021

	Women	Men
Fixed-term	1	6
Permanent	93	209

▼ 2022

	Women	Men
Fixed-term	3	7
Permanent	100	217

▼ 2023

	Women	Men
Fixed-term	2	9
Permanent	102	221

■ Fixed-term   ■ Permanent
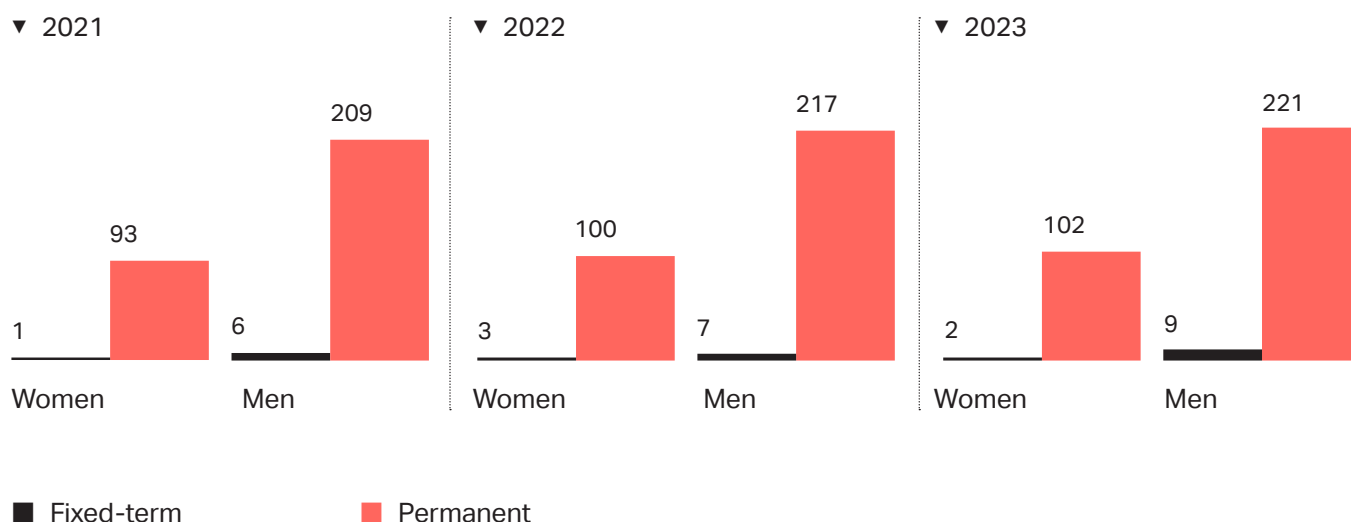
Between 2021 and 2023, SCAME demonstrated a positive trend in workforce stabilisation, with an increase in permanent contracts for both genders. Women rose from 93 to 102, while men increased from 209 to 221, reflecting a more stable and secure work environment. Fixed-term contracts also grew, albeit more variably, suggesting their strategic use for specific needs. Notably, throughout the company's history, all temporary employees – except in rare cases – have been transitioned to permanent contracts, including agency workers. Overall, the company has expanded its workforce, promoting balanced and inclusive growth.

Type of contract relative to total employees (%) 2021-2022-2023

■ Full-time
■ Part-time

	2021	2022	2023
Part-time	60	59	61
Full-time	249	268	273
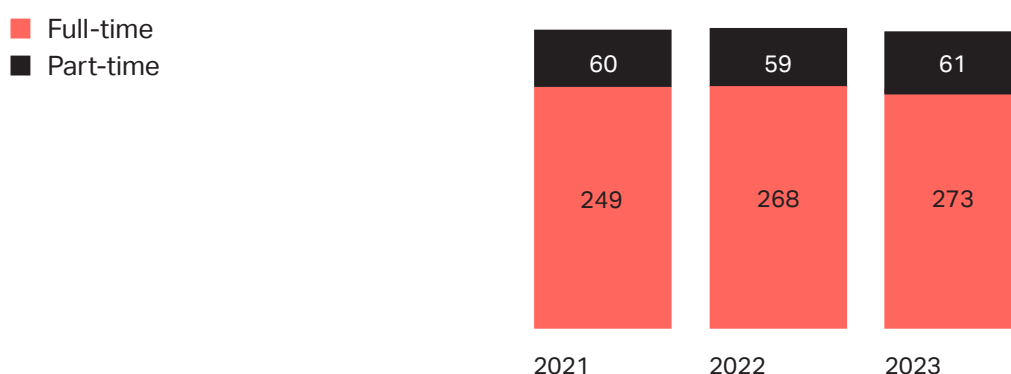
As noted earlier, the increase in employee numbers indicates sustained growth during the three-year period under review. This growth was primarily driven by full-time workers, whose numbers increased from 249 to 273. The number of part-time employees remained relatively stable. These figures indicate company expansion and a trend towards more stable and full-time employment, reflecting a growing need for personnel to support business operations.

TURNOVER

Staff turnover is a crucial indicator in assessing a company's stability and organisational health. It refers to the rate at which employees join and leave a company. A high turnover rate can indicate issues such as job dissatisfaction, a poor company culture or suboptimal working conditions, while a very low turnover rate may suggest a stable workforce but also potential stagnation or a lack of new skills.

For a company like SCAME, which has recently recorded an overall increase in staff numbers, monitoring turnover is essential in ensuring that quantitative growth is accompanied by qualitative growth. This means not only attracting new talent but also retaining existing employees, promoting skills development and job satisfaction. Effectively managing turnover therefore requires a balance between staff retention and the integration of new resources, promoting an inclusive and stimulating work environment.

In SCAME's specific context, it is important to consider both voluntary turnover, related to employee resignations, and involuntary turnover, such as retirements. A thorough analysis of this data helps to better understand internal dynamics and develop strategies to improve employee engagement and satisfaction.

	2021		2022		2023	
HIRES	Women	Men	Women	Men	Women	Men
< 30	1	10	7	16	3	7
30 - 50	4	12	9	7	5	10
> 50	1	1	1	1		
Grand total	**6**	**23**	**17**	**24**	**8**	**17**

	2021		2022		2023	
RESIGNATIONS	Women	Men	Women	Men	Women	Men
< 30		0	1	1	1	3
30 - 50		2	0	11	0	5
> 50		1	0	1	0	1
RETIREMENTS	Women	Men	Women	Men	Women	Men
> 50	7	9	7	2	6	2
Grand total	**7**	**12**	**8**	**15**	**7**	**11**

Between 2021 and 2023, SCAME showed a positive recruitment trend, with a particular focus on younger generations. Staff terminations were minimal over the three-year period, with a moderate increase only in recent years, mainly among younger employees and middle-aged men. Retirements among senior employees accounted for the majority of terminations, reflecting a natural generational turnover process. Overall, the stability in terminations and the continuous renewal of the workforce indicate a period of positive transition for the company, with a favourable effect on balancing experience and new skills.

TURNOVER RATES

The positive turnover, negative turnover, total turnover, and turnover compensation rates are reported below.

POSITIVE TURNOVER RATE
New hires during period/workforce at start of period * 100

YEAR	TURNOVER
2021	9.70%
2022	13.27%
2023	7.65%

NEGATIVE TURNOVER RATE
Departures during period/workforce at start of period* 100

YEAR	TURNOVER
2021	6.35%
2022	7.44%
2023	5.50%

OVERALL TURNOVER RATE
(New hires + departures during period) / average workforce for the period* 100

YEAR	TURNOVER
2021	16.05%
2022	20.71%
2023	13.15%

TURNOVER COMPENSATION RATE
New hires/departures during period * 100

YEAR	TURNOVER
2021	152.63%
2022	178.26%
2023	138.89%

During the reporting period, SCAME demonstrated positive turnover management. Positive turnover rates, reflecting new hires, rose significantly in 2022 compared to the previous year and then declined in 2023, suggesting a period of strong expansion followed by consolidation. Negative turnover rates also recorded a decrease in 2023 compared to previous years, indicating a decline in undesirable terminations. Finally, the turnover compensation rate remained high, showing that new hires more than compensated for terminations, ensuring a good balance between new resources and existing staff.

These overall results demonstrate effective human resource management, with a positive balance between renewal and stability, promoting sustainable growth and efficient workforce management.

WORKERS WHO ARE NOT EMPLOYEES

In addition to direct employees, SCAME extends its activities to workers who are not employees, including temporary staff, freelancers and interns/trainees. As observed below, the table data highlights a positive contribution from external personnel within the company. Freelancers – two IT specialists: a *software developer* and a *firmware developer*, assigned to specific projects – maintained a stable presence over the three-year period, flexibly contributing their specialised skills.

Interns, distributed across various departments, have the opportunity to gain experience and acquire specific skills. In production, they are responsible for documentation, production scheduling and production control, while in logistics, they help to create operating manuals and assist with packaging and transport operations. In the office, their tasks include data entry, filing and customer assistance, thus acquiring organisational and management skills.

Finally, temporary staff during the three-year period included individuals hired through staffing agencies, with technical apprenticeships in STEM, mechanical or electrical fields, as well as female operators brought in to manage workload peaks, all of whom were later confirmed with permanent contracts.

The company reports the mean occupancy per category throughout the year, based on the time spent at the company premises.

20 A dual apprenticeship is a mixed-purpose contract type combining education and professional training

AVERAGE NUMBER OF PEOPLE/YEAR		2021		2022		2023
WORKERS WHO ARE NOT EMPLOYEES	Women	Men	Women	Men	Women	Men
Dual apprentices[20]				1.75		
Temporary/Agency workers	4.33	3.33	1.748	5.582	1	5
Freelancers		1		2		2
Interns		1.33	0.75	0.166	0.25	
Grand total	**4.33**	**5.66**	**2.498**	**9.498**	**1.25**	**7**

SCAME recognises the importance of collaborators, temporary workers, suppliers and consultants in achieving its corporate objectives. To ensure a positive and productive work environment, it is essential that all these individuals adhere to shared ethical principles and standards of conduct. The company expects every individual and external partner to uphold integrity and professionalism, making a significant contribution to shared success. Their commitment to promoting quality relationships and managing interactions with colleagues, clients and public authorities is key to maintaining the company's high standards. In this way, SCAME not only ensures effective cooperation but also strengthens its reputation as an industry leader, creating shared value and growth opportunities for all parties involved.

5.2   Human capital development

GENDER EQUALITY

SCAME considers gender equality to be a core value in its policies and business practices. The company firmly believes that equality between men and women is not only a matter of fairness but also a crucial factor for long-term success and sustainability. The company is committed to creating an inclusive work environment where all individuals, regardless of gender, can enjoy the same opportunities for professional growth and development.

SCAME recognises that a diverse workforce brings a wealth of perspectives and ideas, which are essential for innovation and continuous improvement. For this reason, SCAME promotes equal opportunities at every stage of individuals' careers, from recruitment and promotion to ongoing training. Company policies and remuneration practices are designed to be fair and transparent, ensuring that every employee's skills and contributions are properly acknowledged.

Moreover, SCAME also extends its commitment to gender equality to suppliers and external partners, who are selected not only for their professional excellence but also for their dedication to ethical and inclusive practices. The company views the promotion of gender equality as an investment in the future, contributing to a fairer and more productive workplace and a more equitable and prosperous society.

Employee gender and age breakdown

	Women	Men
2021	6 / 75 / 12	26 / 152 / 38
2022	11 / 82 / 10	26 / 155 / 43
2023	11 / 80 / 11	40 / 149 / 41

■ < 30   ■ 30 - 50   ■ > 50
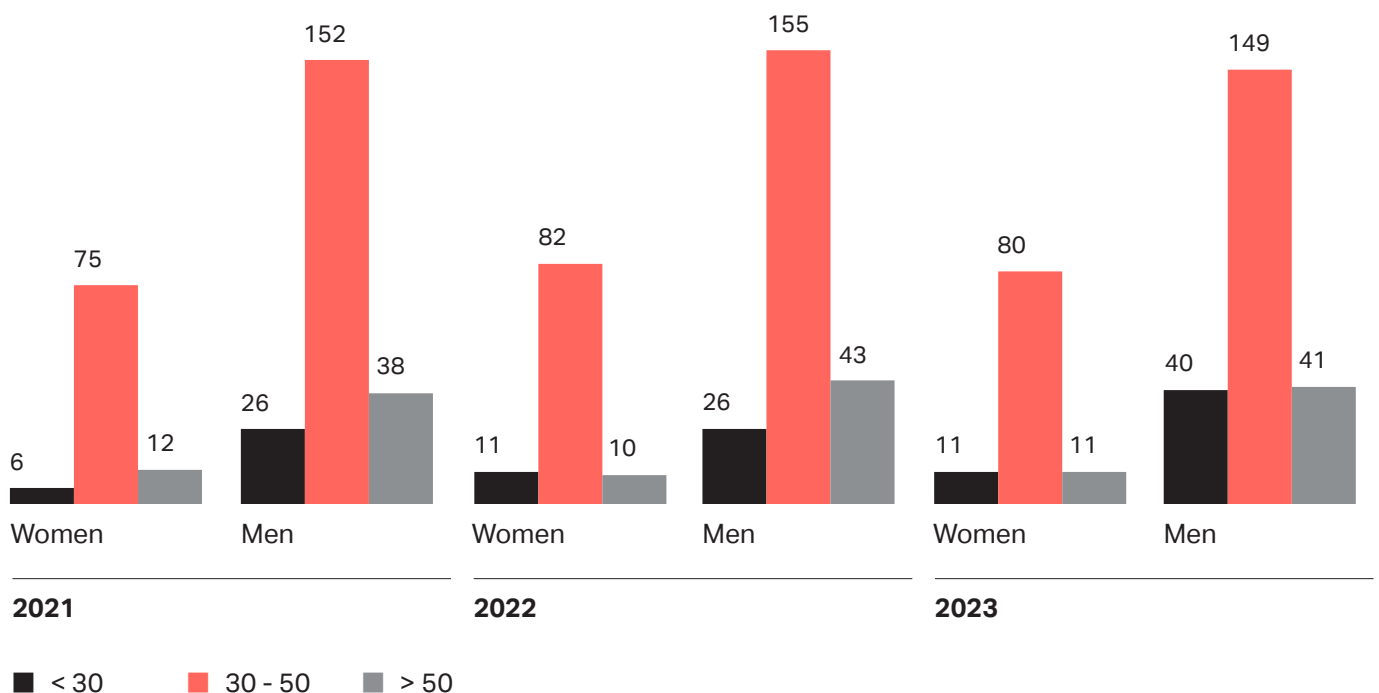
QUALIFICATION BY AGE GROUP	2021		2022		2023	
	Women	Men	Women	Men	Women	Men
▼ **EXECUTIVES**						
> 50		7		5		5
▼ **MANAGERS**						
30-50		2		2		2
> 50	1	5	1	7	1	7
▼ **CLERICAL STAFF**						
<30	1	10	3	7	4	20
30-50	23	61	27	64	26	58
>50	11	26	9	31	10	29
▼ **WORKERS**						
<30	5	16	8	19	7	20
30-50	25	57	45	52	34	49
>50	28	31	10	37	22	40
Grand total	**94**	**215**	**103**	**224**	**104**	**230**

The table provides an overview of the composition of SCAME's workforce from 2021 to 2023, broken down by gender, age and professional categories. During the period under review, the company maintained a significant female and male occupancy across all age groups and categories, demonstrating a commitment to inclusivity and diversity.

The growth in the number of female clerical staff under the age of 30 is a positive sign, highlighting the company's appeal to young female professionals. Among workers under 30, there is also strong participation by both men and women, indicating a good gender balance in operational roles. This is a strength, as it suggests an open and inclusive working environment.

For those aged between 30 and 50 – the most represented group in the company – there is broad representation of both clerical staff and workers, with a growing number of women. This indicates that the company not only attracts but also retains female talent, contributing to a balanced and diverse workplace.

In the over-50 age group, the company shows a strong male occupancy in managerial roles; however, it is encouraging to note the consistent presence of female clerical staff and middle managers, a sign of the growing recognition of female skills in roles of greater responsibility. This trend can be seen as an opportunity for further progress in achieving gender equality at leadership levels.

Overall, the data reflects a robust and diverse workforce, with a balanced distribution across genders and age groups. This is a positive indicator for SCAME, as a diverse workforce is often associated with a more innovative and resilient work environment. The company therefore has the opportunity to continue promoting gender equality, further enhancing inclusivity and increasing female representation in leadership roles.

Employee categories by gender (2023)

■ Women
■ Men

	Executives	Managers	Clerical staff	Workers
Men	0.05	0.09	1.06	1.1
Women		0.01	0.41	0.62
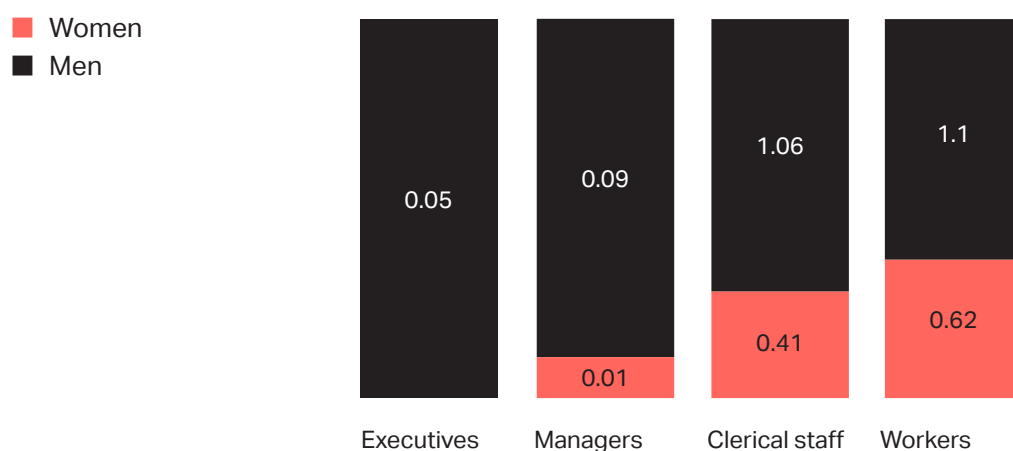
Employee categories by age group (2023)

■ < 30
■ 30 - 50
■ > 50

	Executives	Managers	Clerical staff	Workers
> 50	5	8	39	62
30 - 50		2	84	81
< 30			24	27
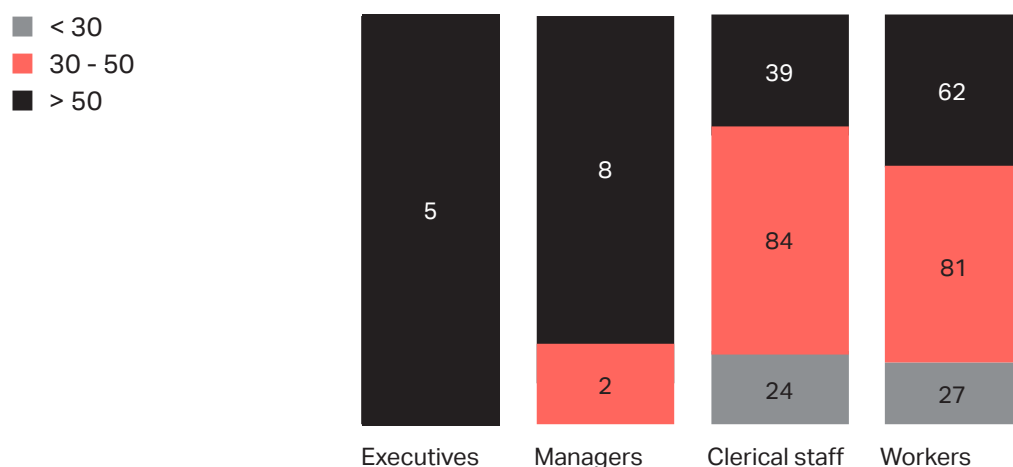
Equal pay is a fundamental element in promoting gender equality within a company and represents a key principle for SCAME, embedded in its code of ethics and corporate policies. Equal pay values the contributions of all employees – regardless of gender – and demonstrates the company's commitment to fostering an organisational culture that respects and promotes each individual's talent and skills. In this context, equal pay becomes an essential component of the company's strategy to attract, retain and develop talent, while promoting an environment of trust and collaboration.

Male/female full-time pay ratio (%) (2023)

10.07%   10.02%

6.31%

3.67%

2.91%

2.21%

3.59%

1.43%

0.38%

0.49%

1.24%

0.00%

■ Women
■ Men

Managers A1 · Clerical staff B3 · Clerical staff B2 · Clerical staff B1 · Clerical staff C3 · Clerical staff C2 · Clerical staff C1 · Workers C3 · Workers C2 · Workers C1 · Workers D2 · Workers D1
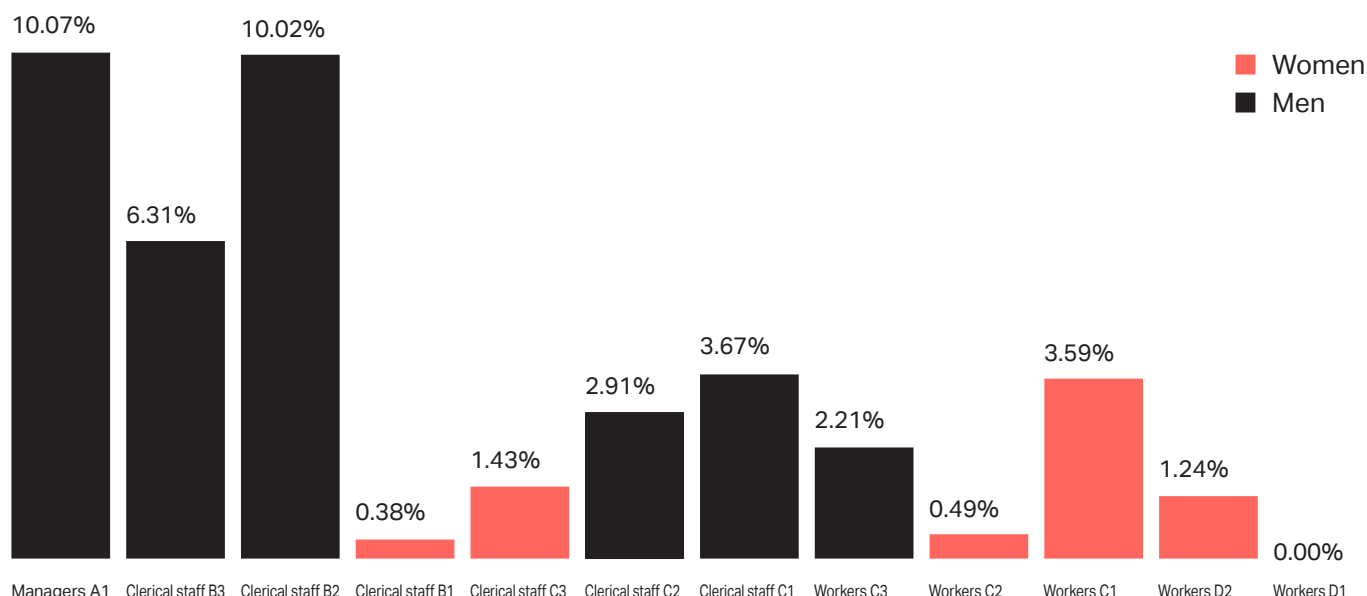
The table highlights full-time employee salaries at SCAME, broken down by gender and professional category, and shows the relative percentages between men and women. The data indicates a general pay equity, with often minor percentage differences, but also reveals areas where significant discrepancies exist.

In the B1 clerical staff, D1 worker and C2 worker categories, pay differences between men and women are minimal, indicating near parity. However, in other categories, such as A1 managers and B2 clerical staff, men's salaries are significantly higher than women's, with a difference of 10.07% and 10.02%, respectively (due to a higher number of men and differences in role). Among B3 clerical staff, there is a 6.31% difference, again in favour of men.

Conversely, in some categories, women earn slightly higher salaries than men, such as among C1 workers and C3 clerical staff, with differences of 3.59% and 1.43%, respectively. These data suggest that while the company has made significant progress towards pay equity, certain disparities still remain that could be addressed to ensure full equality. This is a key step in promoting a fair and inclusive work environment, in line with the company's principles.

Male/female full-time base salary ratio (%) (2023)
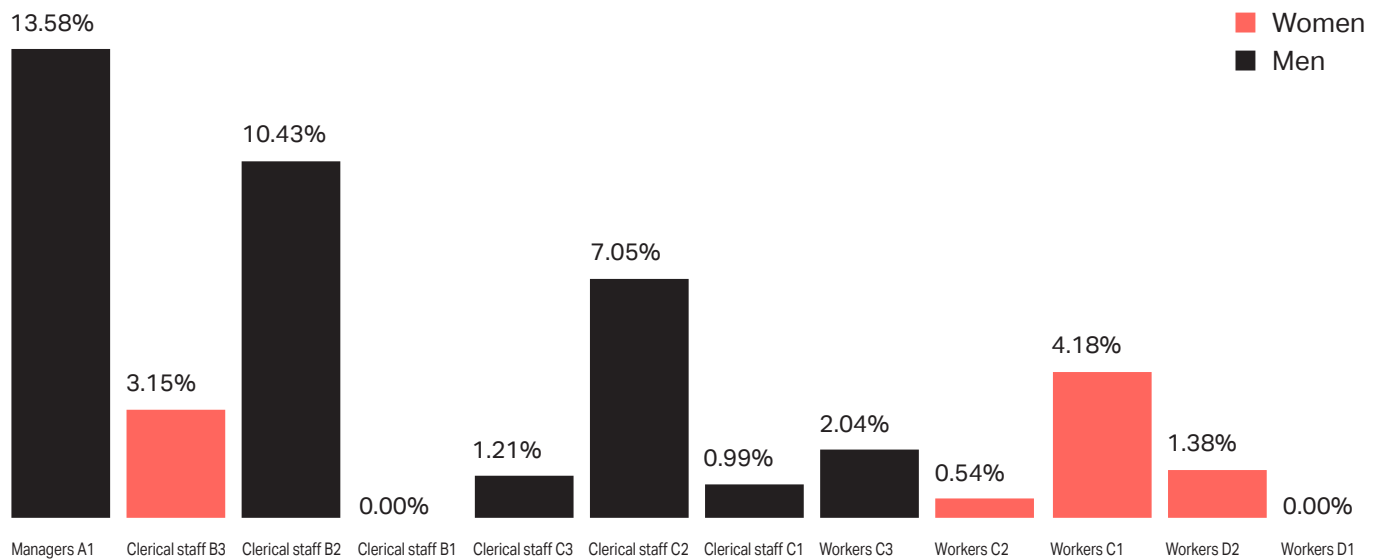
The table shows the pay ratio between full-time men's and women's base salaries across the various professional categories at SCAME. The data highlights a general parity between genders, with minimal percentage differences in many categories: for example, in the B1 clerical staff, C1 clerical staff and D1 worker positions.

However, in some categories, such as A1 managers, B2 clerical staff and C2 clerical staff, a male prevalence is observed, with differences of 13.58%, 10.43% and 7.05%, respectively.

In other categories, such as B3 clerical staff and C1, C2 and D2 workers, pay differences remain minor, ranging between 4.18% and 0.54%, and in some cases are positive for women.

Overall, the analysis of the data presented here reflects an ongoing process within the company regarding gender equality, not only in terms of policies and training but also in the management of pay, demonstrating a continued effort to create a more inclusive and equitable workplace while identifying opportunities for further improvement towards full pay equality.

VULNERABLE CATEGORIES

The inclusion of vulnerable categories represents a priority for SCAME, in line with the GRI 2021 standards, which promote equality and inclusiveness in the workplace. The company recognises that including individuals from vulnerable categories not only enriches diversity but also reflects an ethical commitment to social responsibility. SCAME implements specific policies to ensure equal employment and professional development opportunities for all, promoting a work environment that supports and values diversity. This approach is essential not only in complying with regulations but also in building a corporate culture that respects and integrates diverse experiences and perspectives.

	2021		2022		2023	
VULNERABLE CATEGORIES	Women	Men	Women	Men	Women	Men
< 30				1	1	2
30 - 50		9	1	6	2	4
> 50	5	5	3	8	3	11
Grand total	**5**	**14**	**4**	**15**	**6**	**17**

The table shows the representation of vulnerable categories, broken down by gender and age group, within SCAME. Over the past three years, the company has shown a growing commitment to the inclusion of individuals from these categories. In particular, the number of individuals over the age of 50 has steadily and significantly grown. Furthermore, the company has increasingly hired young people under the age of 30 while maintaining a balanced representation in the 30 to 50 age group.

TRAINING

SCAME has developed a staff training system that comprises two key components:

— A program dedicated to the Organisational, Management and Control Model, in compliance with Legislative Decree 231/2001.

— A specific program based on the tasks performed.

The first is essential in ensuring a proper understanding of the relevant regulatory framework, the Model adopted by the company, the Code of Ethics, corporate case studies on applying the legislation and the protocols introduced, including an initial classroom session for those working in Sensitive Processes, held at the time of the Model's adoption. For the rest of the staff and new hires, supplementary sessions are provided to ensure that everyone is adequately prepared to prevent irregularities and maintain legal compliance.

With the second component, the company ensures a periodic and systematic training plan for employees and collaborators, ensuring they have the necessary skills to perform their activities correctly. Technical training is tailored to the specific areas in which the recipients work. SCAME keeps accurate records of all training activities and participants.

The organisation offers a wide range of voluntary training courses for its employees, aimed at developing both cross-disciplinary and specialised skills. These courses cover various areas, such as:

Languages

Qualities

Soft skills

Environment

Managerial skills

Specific technical aspects

Safety (first aid)

Training for supervisors and fire safety personnel

Artificial intelligence

Public speaking

Behavioural courses with a psychologist

Distribution of training types by year (%)

▼ 2021　　　　　　　▼ 2022　　　　　　　▼ 2023

11%	2%	1%
43%	59%	79%
46%	39%	20%

■ Model 231　　　■ Health and safety　　　■ Voluntary
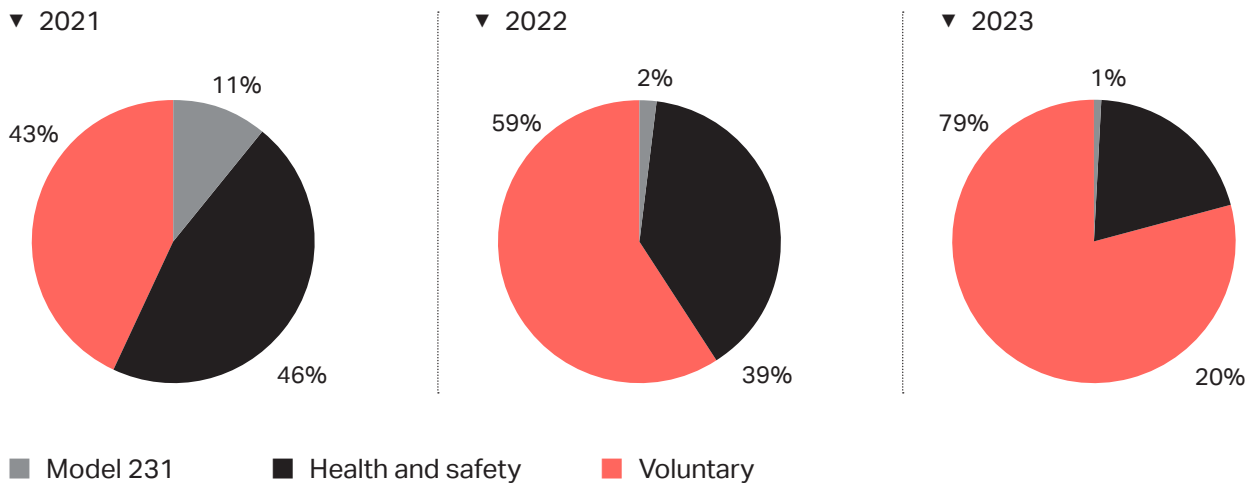
The tables provide an overview of the training delivered by SCAME over the three-year period, broken down into Model 231 (including the Code of Ethics), Health and Safety and voluntary training.

A clear trend is the importance the company places on voluntary training, which represents the largest and fastest-growing share of the total. In 2021, voluntary training already accounted for 43% of the total, rising to 59% in 2022 and reaching 79% in 2023. This significant increase highlights the company's strong commitment to offering professional development opportunities that go beyond mandatory requirements.

Training in health and safety, an essential and consistently well-managed area, shows an apparent decline, decreasing from 46% in 2021 to 39% in 2022, and further to 20% in 2023. This reduction does not imply less attention to these critical aspects (which, in any case, follow different schedules – 3 to 5 years – depending on the topics and target audiences). Rather, it highlights how SCAME is expanding the scope of its training activities to include a broader range of topics, reflecting an integrated approach to the development of employee skills.

Regarding Model 231, training has carried less weight in percentage terms, dropping from 11% in 2021 to 1% in the following two years. This reflects the initial effort to align all employees with the new model, followed later by targeted interventions for new hires.

Overall, the tables illustrate how SCAME not only fulfils but exceeds its legal and regulatory responsibilities in the field of training, offering employees a wide range of opportunities and promoting an environment of continuous learning and professional growth.

Average training hours per employee

■ 2021
■ 2022
■ 2023

	Model 231	Health and safety	Voluntary
2023	0.08	2.50	9.82
2022	0.15	4.05	6.14
2021	0.92	3.90	3.69
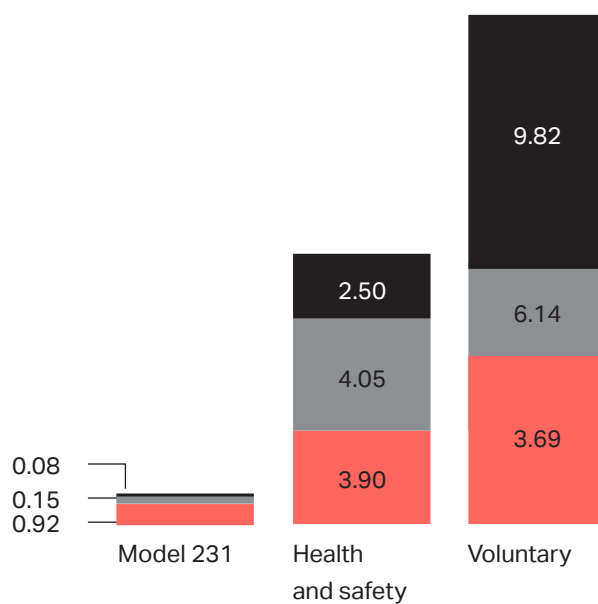
Voluntary training

▼ 2021 ▼ 2022 ▼ 2023

2021

Women: 2, 130, 12.5
Men: 34, 20, 845, 95.5

2022

Women: 14, 212, 106
Men: 36, 86, 1278, 275

2023

Women: 15.5, 302.5, 135.5
Men: 106.5, 153, 1856, 712.5
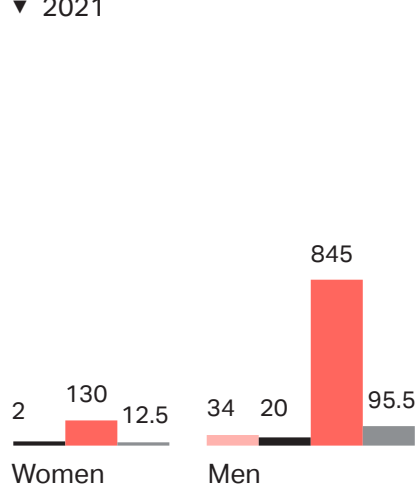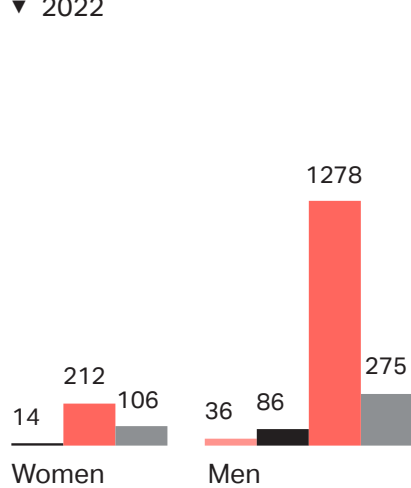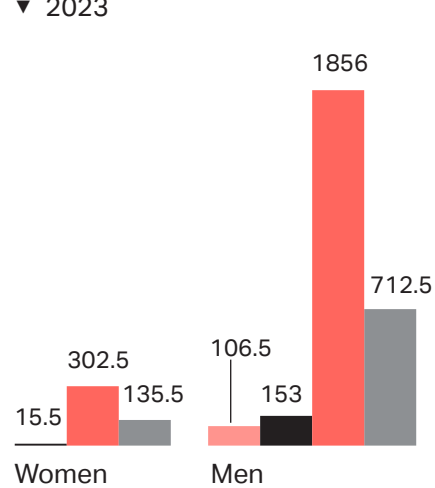
■ Executives ■ Managers ■ Clerical staff ■ Workers

5.3   Workplace safety

SCAME management ensures the availability of adequate human, instrumental and economic resources to turn its commitment to improving workers' health and safety conditions into a measurable strategic objective that aligns with the company's overall goals.

In line with this commitment, the company has certified its occupational health and safety management system – initially compliant with OHSAS 18001 – according to UNI ISO 45001:2018.[21], which applies to all employees.

In compliance with current regulations, including Legislative Decree 81/08 and subsequent amendments, the company has developed a detailed Risk Assessment Document (DVR). The Risk Assessment is a key element of the company's risk management strategy, identifying and assessing hazards in work activities and defining appropriate preventive and protective measures.

The document, updated in June 2023, integrates the assessment of risks related to fire, chemicals, explosions, biological agents, noise exposure, load handling, vibrations, electromagnetic fields and work-related stress, demonstrating the company's proactive approach to protecting health and safety in the workplace.

The document includes the following main sections:

21 See Chapter 3.5 for further details and insights

▼ FOREWORD	General introduction to regulations and the importance of worker health and safety.
▼ RISK IDENTIFICATION	Detailed description of the various risks associated with company operations, such as physical, chemical, biological and ergonomic risks.
▼ RISK ASSESSMENT	Methodologies and criteria used to assess the identified risks.
▼ PREVENTION AND PROTECTION MEASURES	Actions and tools implemented to prevent and mitigate risks, including emergency plans and worker training.
▼ UPDATE AND REVIEW OF RISK ASSESSMENT	Procedures for the periodic update of the document and review of safety measures, including emergency plans and worker training.

SCAME adopts an integrated and participatory approach to ensure workplace health and safety, recognising the importance of actively involving workers. The company has implemented various participation and consultation methods, as well as effective communication tools, such as:

— Reporting of suggestions or safety-related issues using specific forms;
— Communicating directly with key figures such as the Workers' Safety Representative, the Prevention & Protection Service Manager, department managers and department heads;
— Reports can also be sent to the Supervisory Body (SB) through L.231/2001 mailboxes placed in strategic locations.

Active worker participation is strongly encouraged, particularly through the reporting of "near misses". These reports are initially assessed by the supervisor of the department where the event occurred and subsequently analysed by the Prevention & Protection Service Manager. This process allows potential risks to be identified and corrected before they result in actual injuries and ensures corrective actions are planned to prevent the recurrence of such events, safeguarding the safety of colleagues.

To enhance employee safety, in addition to the audits required by the ISO 45001:2018 standard, internal audits are also conducted. Unlike the system-wide scope, which involves all employees, these audits focus only on workers exposed to specific risks (e.g., production departments and warehouses).

Internal department audits involve workers from the following divisions:

— Assembly;
— E-mobility assembly;
— Shipping warehouse;
— Raw materials warehouse;
— Tooling;
— Machining;
— Moulding.

During the 2021–2023 period, all departments underwent internal audits. Therefore, the figures indicated in the table below refer to all personnel performing activities in these areas.

HEALTH AND SAFETY MANAGEMENT SYSTEM	2021	2022	2023
No. employees subject to the system	309	327	334
No. employees subject to internal audits	151	167	165
No. employees subject to certification audits	309	327	**334**

To identify potential workplace hazards and systematically assess risks, additional analyses are conducted, which may result in subsequent updates to the Risk Assessment Document. The analysis of "*near misses*"[22] is promoted, along with departmental inspections carried out by the Prevention & Protection Service Manager, and oversight by supervisors within their areas of responsibility.

The quality of these processes is ensured through monthly departmental safety audits carried out by supervisors, focusing on the activities performed by workers, departmental audits conducted throughout the year by the Prevention & Protection Service Manager, and an annual audit performed by the certifying body for ISO 45001. The quality of skills is ensured through training, further explored below, and through experience gained over the years. This quality is certified by third-party organisations.

The results of these processes serve as a foundation for research and analysis to develop continuous improvement objectives for the occupational health and safety management system.

22 In the context of safety, a "near miss" refers to an incident that did not result in harm to people or the environment, but had the potential to do so.

INJURIES

Voluntary training

■ Women
■ Men
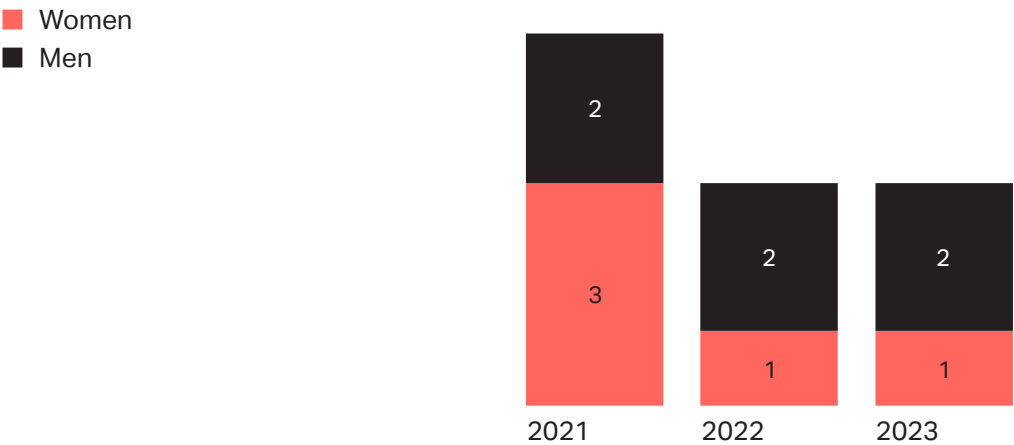
The number of injuries during the three-year period remained largely stable, decreasing by 2 cases from 2021 to 2022 and remaining unchanged in 2023.

Conversely, the number of near misses increased over the three-year period, rising from 6 in 2021 to 14 in 2023. The company has strongly encouraged all workers to report any situation that could be considered a potential hazard in their department or within the company. This initiative has been positively received, leading to an increase in near miss reports.

An additional step planned for 2024 will be to encourage employees not to underestimate potential hazards, further improving the reporting system.

Injury rates provide useful information on risk levels and help identify departments, worker groups, operations or working conditions that are particularly critical and where preventive measures need to be prioritised.

Below are the results of the calculations for the injury frequency and severity indices recorded by SCAME during the reporting period.

	2021		2022		2023	
SCAME PERSONNEL	Women	Men	Women	Men	Women	Men
Total number of work-related injuries	3	2	1	2	1	2
In the workplace	3	2	1	1	1	1
En route				1		1
Near miss	**1**	**5**	**3**	**9**	**4**	**10**
Lost days due to injury	113	17	5	45	233	8
Hours worked	**107,788**	**362,814**	**121,164**	**373,365**	**123,501**	**379,469.5**

	2021	2022	2023
Recordable work-related injury frequency rate[23]	10.62	6.07	5.96
Severity rate[24]	0.28	0.10	0.48

The data shows a downward trend in the frequency of work-related injuries. The severity of injuries, on the other hand, remains relatively stability from 2021 to 2023, at an overall low level, given that no injuries with serious consequences were recorded.

Occupational health services play a crucial role in identifying and eliminating workplace hazards, as well as minimising health risks for workers. These services are broken down into several key functions. Health surveillance is an essential component, comprising specific medical examinations tailored to each role. This process aims to monitor workers' health over time, promptly identifying any issues related to working conditions and implementing appropriate preventive measures.

Periodic meetings are held with the company's occupational health physician, during which workers' medical prescriptions and limitations are reviewed. These meetings provide an opportunity to discuss employees' health conditions and plan targeted interventions to ensure a safe work environment. It is the occupational physician's responsibility to manage health records; these documents are not accessible to the Prevention & Protection Service, thus ensuring the confidentiality of workers' personal medical information.

Periodic check-ups and the management of the health plan are coordinated in collaboration with an external consultant. This cooperation ensures that all prevention and monitoring measures are up to date and compliant with current regulations, further contributing to a safe and healthy work environment.

23 (Number of recordable work-related injuries / Number of hours worked) *1.000.000

24 (Total number of days of absence due to injury / Total number of hours worked) *1.000

SCAME also provides for containment measures in managing department activities, implemented by supervisors, particularly for workers subject to medical prescriptions. These measures include task modifications or reducing exposure to specific risks, based on the recommendations provided by the occupational health physician in the fitness certificates issued following health surveillance.

Finally, health surveillance clinics are available in two of the company's three operational sites. These clinics facilitate access to medical services and enable more effective health monitoring of workers.

Through these integrated functions, occupational health services play a significant role in protecting workers' health, eliminating hazards and minimising risks, thereby creating a safer and more sustainable work environment.

Moreover, the organisation implements various methods to facilitate workers' access to medical and healthcare services unrelated to work. These include the Metasalute[25] healthcare fund for metalworkers, as established by the national labour contract. This fund offers healthcare coverage that supplements the national health system, ensuring workers greater protection and access to specialised medical care.

SCAME also voluntarily provides a series of services and programs to promote workers' health. The initiatives offered include:

— **Recreational activities,** such as mountain walks and cultural trips, to promote an active and healthy lifestyle;
— **E-bikes,** made available to workers to encourage sustainable and healthy mobility;

— **Posture training:** training activities focused on correct posture are offered, accompanied by physical exercises to prevent musculoskeletal issues and improve overall physical well-being.

During the reporting period, no cases of occupational illness were recorded. In this regard, the main hazards relate to noise, chemical risks, vibrations, manual load handling, thermal microclimate and work with display screen equipment.

25 Metasalute is the Supplementary Healthcare Fund for workers in the metalworking and plant installation industries, as well as for workers in the gold and silver sectors. https://www.fondometasalute.it/chi-siamo/

HEALTH AND SAFETY TRAINING

At SCAME, health and safety training courses are essential in ensuring a safe work environment in compliance with regulations. These programs are designed to provide employees with the necessary skills to prevent injuries and manage risks associated with their day-to-day tasks. Through continuous and targeted training, the company is committed to strengthening its safety culture, ensuring that all employees are well-informed and prepared to uphold high workplace safety standards.

In the past year, health and safety training accounted for 20% of the total training delivered, amounting to 836 hours. These hours were primarily allocated to workers and clerical staff.

The average number of health and safety training hours per employee was 3.9 in 2021, 4.05 in 2022 and 2.5 in 2023. The downward trend is due to the fact that worker training depends on various requirements set out by the State-Regions Agreement. For example, refresher training for first aid personnel occurs every three years, while training for forklift operators takes place every four years. These variables can affect the trend over time.

Hours of health and safety training by year and gender

■ Women ■ Men

Health and safety training

■ Executives ■ Managers ■ Clerical staff ■ Workers
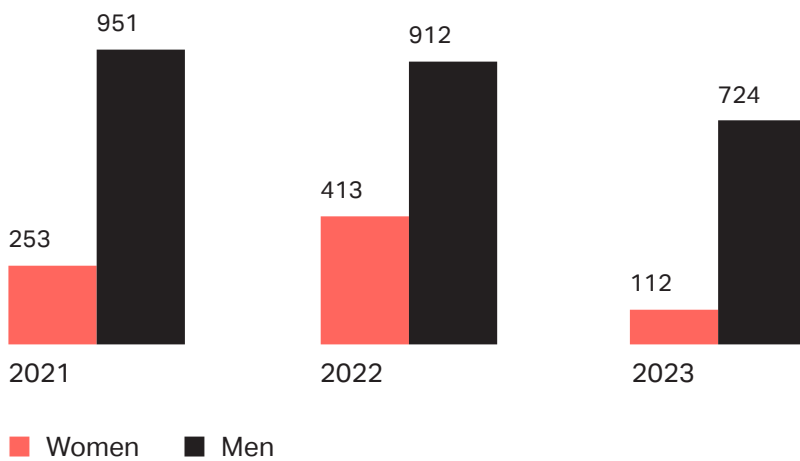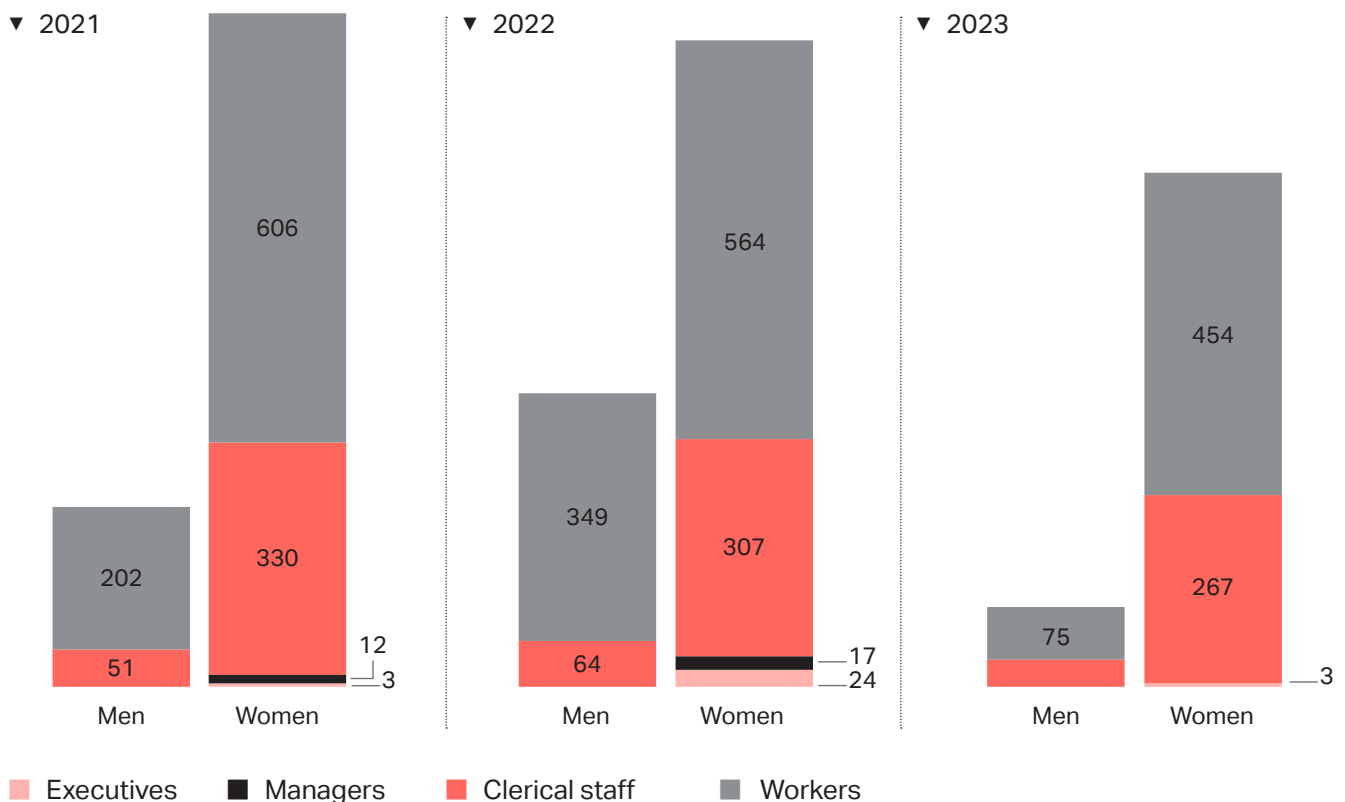
The courses provided mainly cover the following topics:

— Fire Safety;
— First Aid;
— Basic and Refresher Courses on the use of automated external defibrillators;
— Training and Refresher Courses on PES (expert person) and PAV (informed person) certifications (required for carrying out installation, repair and maintenance work on live or potentially live parts: essential for electricians and technicians);
— Worker Safety Representative Refresher Course;
— Prevention & Protection Service Manager and Prevention & Protection Service Officer Refresher Courses;
— General and specific training as per Article 37, paragraph 1, letter A) of Legislative Decree 81/2008 - State-Regions Agreement of 21/12/2011[26];
— Training and updates on the use of self-propelled forklifts and overhead cranes;
— Safe use of pallet jacks.

In compliance with the State-Regions Agreement, worker training is structured into several key phases to ensure a safe and healthy work environment. Workers receive specific training within their assigned departments, with a particular focus on health and safety aspects. This training includes identifying potential risks associated with their tasks and instructions on safe operational procedures to adopt. Each worker is provided with the necessary Personal Protective Equipment (PPE) to perform their tasks safely. The PPE is issued by the supervisor, who provides detailed instructions on its correct use and maintenance. Workers then sign a dedicated register to confirm receipt. Additionally, every worker is supplied with an emergency evacuation plan, which includes available escape routes, evacuation procedures and external assembly points.

Workers are assigned to their respective departments where all equipment has been subjected to safety checks. The equipment used complies with current regulations, ensuring a safe work environment. Worker health is monitored through periodic medical examinations conducted by the appointed physician, including specific health assessments related to their job roles, to identify any adverse effects on health due to exposure to particular occupational risks.

Environmental investigations are also carried out to assess risks related to noise, chemical exposure and vibrations. The results of these investigations are communicated to workers, ensuring transparency and awareness of the risks present in their work environment.

26 The State-Regions Agreement of 21/12/11 requires employers to provide workers with at least 6 hours of updated health and safety training every 5 years.

5.4   Work-life balance and well-being

Work-life balance and well-being are considered fundamental aspects of the corporate culture. The company promotes a balanced work environment and implements initiatives aimed at ensuring the physical and mental well-being of employees, promoting a fulfilling professional and personal life.

27 https://double-you.it/welfare

EMPLOYEE BENEFITS

The employee benefits scheme at SCAME is regarded as a strategic pillar for corporate and family well-being.

In an increasingly dynamic and competitive corporate environment, employee benefits represent a set of initiatives aimed at enhancing the well-being of employees and their families. The company has fully embraced this philosophy, recognising welfare not only as a social responsibility but also as a genuine strategic tool for business success.

The employee benefits scheme thus provides a tangible advantage for both employees and the company itself. Today, it is considered a true corporate and remuneration tool that significantly contributes to improving the workplace atmosphere and employee well-being. The positive effects directly impact employee productivity and motivation, creating a virtuous cycle that drives SCAME's growth and competitiveness.

At SCAME, the benefits offered make no distinction between full-time and part-time employees or between those on fixed-term or permanent contracts.

The employee benefits scheme provides an amount defined by the National Collective Labour Agreement (CCNL) and a performance-related bonus, which can be converted through a dedicated corporate platform. SCAME uses this platform to offer its employees a wide range of employee benefits, cultivating a positive and motivating work environment. The platform includes:

— **Reimbursements and pensions area**: reimbursement for school expenses, elderly care, babysitting services and pension contributions;
— **Leisure area**: vouchers for gyms, cinemas, travel and non-professional courses;
— **Healthcare area**: vouchers for specialist visits, medical check-ups and dental care;
— **Shopping voucher area**: vouchers for groceries, fuel, clothing and technological products;
— **On-Demand vouchers**: personalised services for recreational, cultural and sports activities[27].

In addition to the above, benefits also include meal vouchers (part-time employees working up to four hours a day receive half the daily meal voucher), extra insurance for risks during international travel, and an amount stipulated by the National Collective Labour Agreement for the metalworking sector.

The resources allocated to the employee benefits scheme amount to €200 per employee, as established by the National Collective Labour Agreement, provided in the form of pure welfare[28]. Additional amounts are granted in the form of welfare through the aforementioned platform, including the possibility to convert performance bonuses into welfare, a choice left to the employee without any distinctions.

All workers, except for managers, are included in the employee benefits scheme. Managers are not entitled to the benefits scheme under contract. However, life and accident insurance policies are in place, including coverage for non-work-related accidents, fully paid for by the company without deducting any amount for taxes from employees. Moreover, the value of benefits is not subject to taxation by way of the insurance coverage.

In summary, SCAME's employee benefits scheme is not merely a set of initiatives that supplements remuneration, but a cornerstone of the corporate strategy – a development opportunity reflecting the company's commitment to a sustainable and prosperous future.

28 This is a flexible solution designed for homogeneous categories of workers, defined through a unilateral corporate regulation. It is also referred to as "incentive-based" as it can be awarded based on the achievement of corporate objectives.

CORPORATE SUSTAINABILITY INITIATIVES

SCAME S.p.A. firmly believes that sustainability is not merely a goal to pursue but a shared responsibility integrated into every aspect of its operations. The following initiatives highlight the company's ongoing commitment to the environment, the community, its employees and the local area.

Through a holistic approach, the company promotes environmental conservation, the well-being of its employees and their families, cultural enrichment, professional growth and active participation. Each initiative described below serves as a tangible demonstration of SCAME's dedication to creating a positive and lasting impact.

› Each initiative described serves as a tangible demonstration of SCAME's dedication to creating a positive and lasting impact.

» 1. Environment

⬜ Each year, during the summer, SCAME organises a clean-up initiative around the Campignano facility. This event is more than just an ecological activity; it represents a moment of collective commitment and social responsibility, culminating in a shared aperitif for participants. This initiative not only helps to preserve and enhance the surrounding area but also strengthens employees' sense of belonging and community.

» 2. Focus on families

⬜ As part of its commitment to employees' families, the "Coach with us" initiative was implemented from 2020 to 2022 in collaboration with Confindustria Bergamo.

This project provided guidance services for employees' children, equipping them with tools and support to face future challenges with greater awareness and confidence.

» 3. Culture

⬜ The company has shown strong commitment to cultural promotion by sponsoring the exhibition "Understanding Climate Change" at the Natural History Museum of Milan. Free tickets were offered to employees, and guided visits were arranged for 4th and 5th-grade students from the Parre primary school, promoting environmental education among younger generations. Additionally, in collaboration with Accademia Carrara, free tickets were distributed and guided tours arranged throughout the cities of Lombardy, promoting access to art and culture for employees and their families.

» 4. Socialisation

⬜ Social events, such as the Christmas Party or evening outings to mountain lodges, are opportunities for team bonding that strengthen camaraderie and cohesion among employees, promoting a more harmonious and collaborative work environment.

» 5. Financial education

▢ Since 2023, the company has expanded its meetings with Family Bankers to include the entire workforce, offering financial education opportunities to anyone interested. This initiative aims to improve awareness and skills in managing personal economic resources, contributing to employees' financial well-being.

▢ Among the numerous services provided to employees, the company also hosted the Caf Cisl (tax assistance centre) at its premises to assist with tax filing (Form 730), offering practical support highly valued by all collaborators.

» 6. Community

▢ The company's attention to the local area is evident in the opportunities offered to students through PCTO* pathways, internships and apprenticeships. A particular focus is afforded to requests from employees' children, supporting young people's professional development and strengthening ties with the local community.

▢ SCAME is actively committed to solidarity, making donations to organisations and associations that promote research, aid and support projects, both internationally and within the Bergamo area. This spirit of altruism highlights the company as not just a workplace but a caring community attentive to the needs of others.

(*) Pathways for cross-disciplinary skills and orientation

» 7. Inclusion

▢ Two refugees, one from Guinea-Bissau and the other from Nigeria, with diverse skills and unique stories, have become integral members of the company community. They have shown exceptional ability to integrate and contribute to the company's daily operations. "When stereotypes become faces and people, everything changes," says Sonia Piccinali, HR assistant and training manager. The foreigner ceases to be an abstract entity and

becomes a colleague, a fellow traveller. Looking ahead, the company plans to extend its focus: "Now we want to support immigrant women, giving them opportunities. And then the second generation of immigrants," Sonia Piccinali states, underscoring an ongoing commitment to authentic and deep inclusion capable of transforming not just the company but the surrounding community.

In line with tradition, in 2023, SCAME S.p.A. enthusiastically participated in PMI DAY (SME Day), an initiative promoted by Confindustria Bergamo for middle school students in the province. The company opened its doors to welcome students from the Ponte Nossa Comprehensive School.

During the event, 18 young visitors toured the production departments and attended a brief but valuable lesson on electric vehicle charging systems.

Employee participation is encouraged through the "Ideas Box", which allows all workers to propose innovative ideas. These proposals are evaluated by a committee comprising management and colleagues with specific expertise relevant to the ideas presented. Feasible suggestions are rewarded with financial incentives, fostering creativity and continuous improvement within the company.

In summary, SCAME's facilities represent a virtuous model of integration between production activities and sustainability initiatives, valuing the environment, family, culture, education, local area and active participation, while promoting solidarity and collective well-being.

› SCAME enthusiastically participated in PMI DAY (SME Day) 2023, an initiative promoted by Confindustria Bergamo and dedicated to middle school students throughout the province.

EVENTS FOR THE COMMUNITY AND EMPLOYEES

Sustainability and territoriality are the key drivers of **events** organised by SCAME, whether directly for internal and external stakeholders or through sponsorships supporting numerous local associations.

Focusing on direct events, the aim is always to promote culture, adding value to occasions that aim to go beyond pure entertainment. This explains the inclusion of performances by comedians or professional actors in events for employees, designed to convey information and best practices in an engaging manner – whether related to combating climate change or workplace safety.

Similarly, in periodic events aimed at external stakeholders, be they entrepreneurs, clients or strategic partners in the supply chain, renowned figures from the fields of research or geopolitics are involved with a view to providing insights into a present and shared future that is not always easy to interpret.

It is worth highlighting that, wherever possible, the choice of venues for these events follows criteria of territoriality and sustainability. SCAME believes that the alignment of words and actions is the foundation of credibility.

Regarding sponsorships, in addition to numerous activities in support of local associations, notable examples include acting as the main partner for the exhibition "Capire il Cambiamento Climatico" (Understanding Climate Change), hosted in Milan in 2019 and sponsored by National Geographic, and the photo-painting exhibition "Vette di Luce" (Peaks of Light), held in Bergamo in 2023 as part of the Bergamo-Brescia Capitals of Culture initiative. The latter was a true homage to the Orobie Bergamasche, the mountains where SCAME was born, has grown and continues to operate with pride and determination.

› Focusing on direct events, the underlying aim is always to promote culture.

← Lonato del Garda (BS), 22 October 2021. "Futuro Condiviso" (Shared Future) event with Italian business partners.

↓ Venice, 7 September 2023. 60th anniversary celebration with foreign business partners.

Alpi Orobie / Naoki Ishik...

dal 23 giugno /

Accademia Carrara (BG), 26 June
2023. 60th anniversary celebration
aimed at entrepreneurs and utilities.

On Thursday, 12th, and Friday, 13th October 2023, SCAME held its 60th anniversary celebration in the prestigious setting of the Golf Resort La Bagnaia in the province of Siena and the Tenuta Ammiraglia Frescobaldi. This event was dedicated to national partners and sales agencies. Numerous prominent figures from the distribution market accepted the invitation, while many others who could not attend in person sent messages of appreciation and friendship.

SCAME's
60th anniversary

→

The year 2023 marked the 60th anniversary of SCAME's founding.

A significant milestone achieved with a sense of pride in what has been accomplished so far – reinforced by recent recognition as an Historic Brand of National Interest – coupled with the certainty that there is still much more to say and do.

Reflecting this vision, the commemorative logo for the event symbolised a cycle that remains graphically open, representing a story still being written.

A story built on pillars of perseverance, respect, curiosity, openness and innovation.

Solid foundations upon which the company has been able to continuously look towards the future and strive to make it more accessible, safe and sustainable for all.

An anniversary that marked not an endpoint, but a new beginning.

It also served as an occasion to reconnect with those who, in various ways, have accompanied the company on this initial yet meaningful part of its journey.

The celebrations for SCAME's 60th anniversary concluded with an Open Day at its facilities in Ponte Nossa, Parre and Campignano. Friends, family members and curious visitors were welcomed, offering them the opportunity to tour the production departments. The Open Day reaffirmed the company's strong ties with its local area, receiving unanimous praise for its ability to look to the future while maintaining strong roots. This event was a testament to a deep and enduring connection with the community.

› The celebrations for SCAME's 60th anniversary concluded with an Open Day at its facilities in Ponte Nossa, Parre and Campignano. Friends, family members and

curious visitors were welcomed, offering them the opportunity to tour the production departments.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Smart in everything

6.0   Smart in everything

SCAME considers Research & Development (R&D) to be the cornerstone of its processes and business strategy: the R&D Centre is a testament to its commitment to innovation and quality.

The primary goal of SCAME's R&D department is to develop advanced and safe electrical systems. This includes the use of new materials, technologies and design to enhance the efficiency, reliability, durability and safety of its products. R&D activities also enable the company to maintain a competitive edge and respond to market demands, particularly in the fields of electric mobility, industrial applications and smart solutions.

By investing in R&D, SCAME continues to innovate and improve its products and related services, adapting to technological advancements and evolving regulations. This approach facilitates not only the launch of new products but also the improvement of existing ones, better meeting customer needs and enhancing overall efficiency.

6.1   Product lifecycle management

Product lifecycle management at SCAME represents a key element of its business strategy, aimed at ensuring the quality, safety and sustainability of its various product ranges. This approach optimises every stage of the product lifecycle (design, engineering, production, marketing, usage and end-of-life recovery/recycling) while reducing environmental impact and improving overall efficiency.

In the design and development of new products for electric vehicle charging, SCAME has adopted a packaging rationalisation principle, eliminating plastic and using strictly paper and cardboard packaging.

Similarly, for traditional products, the company is pursuing objectives to reduce plastic packaging – such as shrink films – by rationalising and reducing their thickness.

Another significant aspect of SCAME's strategy concerns material recovery. The company has implemented processes for 100% recovery of brass and copper scraps and, where possible, has activated procedures to recover thermoplastic materials. This includes selling secondary raw materials for regeneration and returning them to suppliers for direct production of regenerated materials to be reused in SCAME's component manufacturing.

However, product lifecycle management also presents challenges. The short lifecycles of products for electric vehicle charging, such as Wallboxes and charging stations, lead to rapid obsolescence. Additionally, the company must manage a natural percentage of discarded products due to obsolescence or replacement by more updated versions, which are not reintegrated into the production cycle.

Despite these challenges, SCAME continues to improve its product lifecycle management processes, maintaining a strong commitment to sustainable innovation and reducing negative environmental impacts. This balance between operational efficiency, product quality and environmental responsibility has driven the implementation of SCAME's Product Lifecycle Management system, which incorporates the following actions:

1. **Implementation of the PLM (Product Lifecycle Management) System:** SCAME has begun implementing a management system that will allow it to monitor the entire product lifecycle, from design through centralised and organised 3D models and test reports, to production management, quality control, sales, after-sales support, and the product's end of life.

2. **Procedural Workflows:** The adoption of procedural workflows through the PLM system will help significantly improve internal efficiency. These workflows reduce the time spent on communication via email and phone, automating and standardising operational procedures.

3. **Rapid and Up-to-Date Access to Information:** The PLM system facilitates rapid and constantly up-to-date access to technical information and project specifications. This is crucial for communication between various company departments, such as the Technical, R&D, Purchasing and Production Departments.

4. **Management of 3D Models and Documentation:** The CAD NX software enables efficient management of 3D models and technical documentation. This ensures that all product-related data is accurate, up to date and easily accessible to all team members.

5. **Automation of Calibration Calculations and ISO Compliance:** SCAME's technical development laboratory has implemented new software to manage the calibration of all measuring instruments used in the company, ensuring compliance with ISO/IEC 17025 requirements, including uncertainty calculations.

6. **Reduction in Development Times:** The implementation of the PLM system will allow SCAME to reduce product development times. Standardising and automating processes will accelerate the design and testing phases, allowing products to reach the market more quickly.

These aspects of the product lifecycle management system in the process of being adopted by SCAME demonstrate how technology can enhance operational efficiency and information accuracy, contributing to the company's overall success.

› Careful product lifecycle management enables the optimisation and maximum recovery of raw materials used in production (100% recovery of brass and copper scraps).

6.2   Product safety

SCAME places great emphasis on product safety, ensuring that every stage of the production process adheres to international regulations and standards. This commitment is reflected in a series of practices and protocols aimed at maintaining the highest safety levels.

One key element is design and rigorous safety testing. Each product undergoes durability tests and electrical testing to ensure compliance with the required standards. No SCAME products were found to be non-compliant with regulations and/or self-regulation codes concerning health and safety impacts during the reporting period. This testing process is supported by an equally rigorous quality control system, monitoring every stage of production to identify and resolve any issues before the product reaches the market.

To ensure continuous updates on regulatory developments and correct application of the standards and testing requirements, numerous R&D technicians from SCAME participate in national (CEI), European (CENELEC) and international (IEC) technical committees. Here, they contribute their technical knowledge and expertise to develop standards for electrical products and systems, aiming to ensure the health and safety of people, pets and property.

The use of safe materials is another cornerstone of SCAME's philosophy. The company selects only tested and certified materials, ensuring they are non-toxic and resistant to the expected operating conditions. This commitment extends to technical documentation and product traceability. Through the centralised management of documentation via the company's software, all safety-related information is always up to date and easily accessible, allowing for the traceability of each component and verification of its compliance.

Moreover, as part of the component procurement process, suppliers are required to comply with health and safety directives, such as REACH and RoHS. Most of the products sold by SCAME are certified in accordance with international safety standards by accredited third-party laboratories. These products are labelled as required by the relevant standards and, where necessary, are accompanied by instruction sheets or manuals containing all necessary guidance for safe use.

Staff training is a crucial element in maintaining high safety standards. SCAME invests in the continuous training of its employees, raising awareness of safety practices and the importance of compliance with regulations. This commitment extends to customers and partners, with whom the company collaborates closely to ensure that all components and finished products meet safety standards.

Another significant aspect concerns product disposal. Clear instructions on the proper end-of-life disposal of products sold by SCAME are provided on the labelling or instruction sheets accompanying the product, such as the crossed-out wheelie-bin symbol for WEEE.

SCAME has established several customer reporting channels, aimed at providing technical and quality support and taking corrective actions in response to identified issues. These activities are managed through specific procedures, and the effectiveness of the reporting management process is monitored using specific indicators that assess response times. The company has implemented customer satisfaction analysis processes, including external support such as a brand reputation analysis conducted in 2022, with the possibility of repeating it in 2024/2025.

The process for verifying the quality of incoming goods follows established standards and methodologies, with planned acceptance inspections and recorded data available in the system. SCAME operates a laboratory certified by a third-party body (IMQ), equipped with advanced instruments that allow for testing materials and products in compliance with international standards. This supports the design and R&D areas, ensuring that all products introduced to the market consistently meet quality and safety requirements.

In conclusion, safety is a continuous process at SCAME, integrated across all company operations, from design to production, through to training and feedback. This ongoing commitment ensures that SCAME products are always safe and reliable, protecting end-users and maintaining customer trust.

6.3　Research and innovation

STRUCTURE AND FUNCTIONS OF R&D

SCAME's Research and Development (R&D) department is strategically organised to address the challenges of innovation and the global market, focusing on two main areas: the Electromechanical Area and the E-Mobility Area. Each sector is managed by key figures who coordinate projects, resources and collaborations to drive growth and business success.

A key project for this area is the PLM (Product Lifecycle Management) system, designed to modernise work organisation and improve integration between technical design and business operations.

ELECTROMECHANICAL AREA

SCAME's electromechanical area is responsible for developing the mechanical and electromechanical components of its products. This division primarily focuses on mechanical design and electrical engineering for a wide range of products in the company's catalogue. The team's responsibilities also include metalworking, structural components and cable connectors for charging stations, while the E-Mobility Area manages hardware, software and firmware aspects.

The team is composed of engineers and technicians with diverse expertise spanning mechanical design, electrical engineering and hardware. A critical aspect of the team's work is collaboration with the marketing department to define priority projects and estimate the cost of investments, particularly those related to the purchase of production moulds.

E-MOBILITY AREA

The E-Mobility area focuses on the development of hardware, software and firmware used in charging stations or designed for their management and control. This area is not limited to standard products but also handles projects for clients with specific requirements, although these represent a smaller portion of the SCAME catalogue. The company closely collaborates with electronics experts and software developers to create and enhance products related to charging stations and other electric mobility solutions.

The E-Mobility team works in synergy with the electromechanical division to manage complex projects and collaborates closely with the technical department to estimate internal investment costs and manage projects requiring specific certifications.

TECHNICAL DEVELOPMENT LABORATORY

The technical development laboratory is divided into three main departments:
1. **Standards and Product Certifications Department:** Manages product certifications and liaises with third-party bodies.
2. **Technical Development Laboratory:** Tests products and contributes to their development, working closely with the Technical Department.
3. **Metrology and Calibration Laboratory:** Conducts metrological checks and calibrations using advanced software to ensure precision and compliance with international standards.

The Optimu software is used to manage calibrations, and the laboratory is continually updated with new equipment to maintain its technological edge.

DIVISION OF FUNCTIONS AND TEAM COLLABORATION

SCAME's R&D department represents a dynamic and integrated ecosystem where the Electromechanical Area and E-Mobility Area work together with marketing to plan new projects, estimate the cost of investments and ensure the necessary certifications. This collaboration is crucial for purchasing moulds, materials and services, as well as for the efficient use of planning tools like SAP. Liaison with marketing ensures that development strategies align with market needs.

The technical development laboratory plays a crucial role in keeping the company at the forefront, supported by advanced equipment and metrological management software.

6.4   Projects and development

DESIGN PROCESS AND INVESTMENT ASSESSMENT

The design process at SCAME begins with discussions with the Marketing department to review projects for short- or long-term development. Once the list of projects is received, the Technical Department estimates the necessary investments and internal hours, relying on a record of past projects archived in the SAP system.

During the preliminary design phase, prototypes are created and costs evaluated by requesting quotes from external suppliers for moulds or components that cannot be developed in-house. Cost analyses are also performed for in-house industrialisation. The outcome of this preliminary phase is an investment approval request, which includes all estimated costs and sales forecasts provided by marketing.

The final decision on investments is made by Management, taking into account the expected return on investment times. There are, however, strategic exceptions for projects that may complement and expand existing product ranges, even if the economic return is projected over a longer period.

EXTERNAL SUPPLIERS

For mass production, SCAME occasionally relies on external suppliers for the creation of moulds required for thermoplastic injection, a critical part of the production process. During the preliminary design phase, quotes are requested from suppliers for the necessary moulds and components. This process enables an accurate estimation of industrialisation costs and allows for the selection of suppliers offering the best quality-to-price ratio.

INVESTMENTS AND INDUSTRY 4.0

Research and development projects are planned annually with a budget that includes significant investments for purchasing moulds and other essential equipment. Costs for product certifications and the renewal of existing certifications are also estimated. The company has invested in advanced laboratory equipment and tools, including 3D scanning and 3D measuring machines.

Future investments include the continued development of PLM software and the acquisition of advanced equipment such as a five-axis milling machine for creating electrodes, enabling mechanical processing for die-sinking EDM. These investments aim to maintain high production and innovation standards while improving process efficiency.

Future factory

The Ponte Nossa facility exemplifies innovation in production, boasting investments in Industry 4.0 technologies to optimise logistical and production flows. Software such as MODEX 3D for injection moulding simulation and equipment for heating tests and IP testing has been acquired. Investments also include industrial presses and other advanced technologies.

Software and tools

The implementation of Product Lifecycle Management (PLM) is a major project that modernises work organisation and improves integration between technical design and business operations, reducing update times. The PLM software is custom-designed to manage the product lifecycle, integrating functionalities between CAD and the company's ERP systems.

The laboratory uses advanced metrology software, such as Optimu, to manage calibrations and ensure compliance with ISO 17025 standards. These tools are part of a modernisation plan to keep the laboratory at the cutting edge

COLLABORATION AND COMMUNICATION

Collaboration and communication among departments are essential elements of SCAME's success.

Beyond internal departmental collaboration, a key aspect is liaison with international subsidiaries, which provide valuable feedback on product specifications while considering local habits and regulations. This input is crucial in ensuring products are suitable for various international markets.

Externally, SCAME maintains regular contact with schools, universities and local educational institutions, promoting interest in technical and engineering careers. This collaboration facilitates the entry of new talent into the company, often through standard and dual internships.

One of the primary challenges faced by SCAME – and shared by many other organisations – is the difficulty in sourcing qualified talent. To address this, the company focuses on attracting local talent and collaborating with technical institutes to train new employees. The R&D team actively participates in training and orientation activities for students, facilitating their integration into the company through internships and apprenticeships.

› SCAME maintains strong ties with local schools to facilitate the entry of new talent into the company.

The sustainability strategy

	TOPICS	GOALS	TIMELINE	NOTES
↓ **GOVERNANCE TOPICS**				
	Responsible governance	Increase in gender diversity in governing bodies.	Since 2023	
		Integration into the sustainability reporting scope of all SCAME group companies in Italy and the main foreign subsidiaries.	2026-2027	
	Strategic and sustainable investments	Investments in machinery and equipment for the R&D laboratory and Industry 5.0, energy savings (photovoltaic) and storage systems. Investments to upgrade the consumption data collection system.	2025-2026	
	Certifications and ratings	Evaluate obtaining UNI/PdR 125:2022 certification for Gender Equality or implementing related policies and initiatives.	2026	
		Participation in a recognised sustainability rating protocol (Ecovadis, CDP, SBTi).	2025	
↓ **SOCIAL TOPICS**				
	Product safety	Strengthening internal policies to further ensure the safety and legal compliance of sold products. Adopting an indicator to monitor the percentage of product codes certified to recognised standards, with goals planned around this metric. Periodic confirmation of certification for the internal laboratory dedicated to product testing.	2025-2026	
	Human capital management	To promote additional initiatives aimed at retaining human capital within the local area, SCAME plans to consolidate regulated remote working arrangements for employees living at greater distances or needing to ensure regular family care, including an increased capacity for those residing far from the workplace. Evaluation and implementation of additional health services for employees by enhancing existing health insurance policies.	2025-2026	
	Employee development and well-being	Implementation of a training plan (covering both hard and soft skills) on sustainability and digitalisation (twin transition), cybersecurity (for all users with IT tools) and AI (for top and middle management).	2024-2025-2026	
		Raising awareness and involving employees at all levels in environmental protection, and health and safety prevention, including additional training beyond legal obligations.	2025-2026	
		Greater inclusion of vulnerable individuals by collaborating with local organisations that support people in difficulty (migrants, individuals with dependencies, women experiencing abuse).	2025-2026	
		To further encourage team-building and corporate volunteering activities, SCAME will continue organising company outings to clean the areas surrounding its offices, as well as cultural and sporting trips aimed at improving this aspect.	2025-2026	

	TOPICS	GOALS	TIMELINE	NOTES
↓ **SOCIAL TOPICS**				
	Worker health and safety	The reduction of workplace injuries and accident rates with the long-term goal of achieving zero injuries, engaging personnel at all levels in order to raise awareness of the safety hazards and risks associated with their activities, achieved through training courses and analysis methods such as the reporting of near misses by employees, also by transforming these into short training modules.	2025-2026	
	Community investments	Definition of a multi-year investment program targeting local charitable associations.	2025-2026	
		With a view to contributing to the sustainable development goals of the UN's 2030 Agenda (SDGs), SCAME aims to support the community by providing quality education through scholarships and supporting women in STEM professions.	2025-2026	
↓ **ENVIRONMENTAL TOPICS**				
	Energy consumption management	Expansion of the photovoltaic system at the Ponte Nossa site.	2024	
		Creation of a photovoltaic park that will benefit the community and the region by optimising energy use and sharing renewable energy with the community.	2025-2026	
		Optimisation of the vehicle fleet by encouraging the use of electric vehicles for company cars and experimenting with lower-impact transportation methods for employees (carpooling, public transport, etc.).	2025-2026	
		Replacing lighting within facilities and implementing additional energy and production efficiency measures, such as using inverters, compressed air networks, heat recovery systems and Industry 5.0 technologies.	2024-2025	
		Covering 30% of energy consumption with self-generated energy, moving towards gradual energy self-sufficiency.	2025	
		Ensuring that 100% of purchased energy comes from certified renewable sources.	2026	
		Calculation of the organisation's Carbon Footprint as a foundation for future decarbonisation strategies.	2025-2026	

TOPICS	GOALS	TIMELINE	NOTES
Waste and hazardous material management	Maintaining and monitoring the recycling rate at no less than 90% of total waste.	2027	
	Increasing the amount of material destined for regeneration and reuse within internal production cycles, instead of selling it to third parties as previously done, such as the use of recycled plastic in products. Identification of a percentage-based indicator to monitor the above.	2025	
	Activation of new research projects for reusing scraps and by-products of thermoplastic material processing, involving the "Materials Research" department.	2025	
	Utilisation of lead-free brass for turning components related to electric vehicle charging.	2025	
	Utilisation of lead-free brass for turning all other SCAME products.	2026-2027	
	Elimination of PFAS content from the thermoplastic materials used by SCAME ahead of legal requirements.	2025	
	Increasing the percentage of packaging with low environmental impact, aiming for 100% in the case of traditional products (the e-mobility line is already plastic-free), through collaboration with stakeholders, including the associate company Polypool and suppliers.	2025-2026	
	Systematic approach to calculating product EPDs (EPD process) to assess the environmental impact of raw and auxiliary materials.	2026	
Material procurement	Improvement of the supplier qualification system to include social aspects alongside environmental criteria during selection and approval.	2025-2026	
	Undertaking to define certifications, recognitions and/or reward mechanisms for suppliers meeting ESG criteria. Development of policies and strategies to progressively reduce the environmental and social footprint of the supply chain.	2026	
	Strengthening existing partnerships and establishing new ones with other suppliers, while increasing and formalising the use of second-party audits.	2026-2027	

Methodological note

SCAME's decision to start drafting a Sustainability Report (hereafter referred to as the Report) represents a significant step forward for the Organisation in terms of socio-environmental reporting. This document provides a comprehensive overview of the organisation's values, policies, strategies, results, projects and initiatives for the 2023 financial year, focusing solely on the company's operations within Italy. It lays a solid foundation for a sustainability journey, promoting internal evolution and change in corporate social responsibility. Where available, comparative data for the previous years, 2021 and 2022, have been included to present performance trends over a longer timeframe – a three-year period – with a forward-looking perspective into 2024.

The Report has been prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards issued in 2016 and their subsequent updates, using the "with reference to" reporting option. The document has been prepared on a voluntary basis, and the topics selected for reporting were identified through a materiality analysis. This process involved engaging stakeholders to identify the areas of interest where the Organisation aims to focus its efforts and quantify their significance based on the logic of substantial impacts (material topics). The specific topics addressed in the Sustainability Report were determined through a stakeholder mapping and engagement process developed according to GRI 3.

The GRI Standards define material topics as those that can reasonably be considered important insofar as they "represent the organisation's most significant impacts on the economy, environment and people, including impacts on their human rights" or influence the decisions of stakeholders.

On 28 November 2022, the European Council definitively approved the Corporate Sustainability Reporting Directive (CSRD), Directive 2022/2464/EU, which was published in the Official Journal of the European Union on 14 December 2022. To enhance reporting and ensure data comparability, the sustainability disclosure required by the CSRD will need to be prepared following a unified European standard defined by the European Financial Reporting Advisory Group (EFRAG).

The Directive underscores and significantly advances the principle of double materiality, originally introduced by Directive 2014/95/EU on non-financial reporting (NFRD).

The ESRG 1 Conceptual Guideline on "Double Materiality" and the draft ESRS 2 outline the process for conducting the materiality analysis with the aim of identifying "sustainability impacts, risks and opportunities", introducing the concept of double materiality, which combines: impact materiality (significant actual or potential impacts on people and the environment directly related to an organisation's activities, products and services, including upstream and downstream activities in its value chain), and financial materiality (sustainability risks and opportunities that can positively or negatively influence future cash flows, thereby creating or eroding the company's value over the short, medium or long term, affecting its development, performance and market positioning).

A sustainability aspect or piece of information shall be deemed to meet the double materiality criteria if it is material from the impact perspective, the financial perspective, or both. In this report, an impact materiality analysis was conducted, with the goal of performing a full double materiality analysis in the near future.

Through the concept of double

materiality, the CSRD aims to create a framework where companies communicate their progress in the complex realm of sustainability, encouraging them to enhance their due diligence processes for ESG risks and, consequently, improve their long-term performance. It is worth noting that responsible investment in ESG factors enables companies to mitigate sustainability risks that, depending on the circumstances, could result in economic, financial or even legal consequences for company leadership, given the strong connection between ESG risks and the Organisation, Management and Control Model pursuant to Legislative Decree 231/2001. The risks associated with ESG factors can include contamination of groundwater, violation of human rights, unsuitable working conditions, as well as cases of corruption or non-compliance with tax regulations. All of these are potential risks already addressed, for various reasons, under the 231 Model.

Moreover, the increasing importance of due diligence processes for sustainability factors is highlighted by European regulations such as the Corporate Sustainability Due Diligence Directive (CSDDD). This directive, designed to complement the CSRD, aims to govern and standardise corporate verification activities across the entire value chain. Not only direct suppliers but all entities involved, in any capacity, in a company's business. Such an analysis will indirectly identify impacts on the environment and society, as well as business risks.

SCAME's journey has reinforced the involvement of its management and collaborators, supported by IMQ eAmbiente, with the goal of effectively communicating the organisation's commitment to sustainable social, environmental and economic development to both internal and external stakeholders.

The organisation, in adherence to the Reporting Principles for defining the content and quality of the Sustainability Report, provides general contextual information and details on its sustainability reporting practices, including profile, strategy, ethics and integrity, governance, and stakeholder engagement and dialogue.

The company shares its approach to managing significant issues, technically referred to as material topics, with the reader of the Report. Each material topic is accompanied by a textual explanation of why it is considered material, examining its impact and how it is managed by the organisation.

To minimise or avoid the negative impacts of the organisation's activities on the environment, SCAME's approach to managing environmental risks adheres to the Precautionary Approach as outlined in Principle 15 of the United Nations' Rio Declaration on Environment and Development: "In order to protect the environment, the precautionary approach shall be widely applied by States according to their capabilities. Where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation."

Regarding the pursuit of social justice and the universal recognition of human rights in the workplace – through the promotion of opportunities for men and women to obtain decent and productive work under conditions of freedom, equity and security – the Organisation refers to the International Labour Standards established by the Conventions of the International Labour Organization (ILO). These "International Labour Standards" outline the path towards decent work, ensuring economic and social development. As such, they are an essential component in ensuring that economic growth goes hand in hand with social well-being.

Moreover, the Principles of Corporate Governance of the G20/OECD (Organisation for Economic Co-operation and Development) have been taken into account, as they represent the international standard for corporate governance. These principles assist policy-makers in evaluating and improving the legal, regulatory and institutional framework for corporate governance, aiming to support economic efficiency, sustainable growth and financial stability.

The guidelines were revised in 2023 to reflect recent developments in capital markets and corporate governance policies and practices. They offer new and updated recommendations on shareholder rights, the role of institutional investors, corporate disclosure and reporting, the responsibilities of Boards of Directors, and, for the first time, sustainability and resilience. These updates aim to help companies manage risks and opportunities related to climate change and sustainability. The Principles were first issued in 1999 and subsequently revised and approved by G20 leaders in 2023.

GRI correlation index

This document has been prepared based on the following reporting principles established by the GRI Standards:

- — Accuracy;
- — Balance;
- — Clarity;
- — Comparability;

- — Completeness;
- — Sustainability context;
- — Timeliness;
- — Verifiability;

STATEMENT OF USE	SCAME has reported the information cited in this GRI content index for the period from 1 January 2023 to 31 December 2023, with reference to the GRI Standards using the "with reference to" method.
GRI 1 USED	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	NOTES - PAGE	
GRI 2: General Disclosures 2021			
2-1	Organisational details		p.31
2-2	Entities included in the organisation's sustainability reporting	Methodological note	
2-3	Reporting period, frequency and contact point	Methodological note	
2-4	Restatements of information	Methodological note	
2-5	External assurance	Not provided	
2-6	Activities, value chain and other business relationships		p.11
2-7	Employees		p.84
2-8	Workers who are not employees		p.89
2-9	Governance structure and composition		p.32
2-10	Nomination and selection of the highest governance body		p.31
2-11	Chair of the highest governance body		p.31
2-12	Role of the highest governance body in overseeing the management of impacts		p.31
2-13	Delegation of responsibility for managing impacts		p.32
2-14	Role of the highest governance body in sustainability reporting		p.31
2-15	Conflicts of interest		p.32
2-16	Communication of critical concerns		p.38
2-17	Collective knowledge of the highest governance body		p.31
2-18	Evaluation of the performance of the highest governance body		
2-19	Remuneration policies	Not reported	
2-20	Process to determine remuneration	Not reported	
2-21	Annual total compensation ratio	Not reported	
2-22	Statement on sustainable development strategy	Letter to the stakeholders	
2-23	Policy commitments	Methodological note	
2-24	Embedding policy commitments		p.35
2-25	Processes to remediate negative impacts	Methodological note	
2-26	Mechanisms for seeking advice and raising concerns		p.39
2-27	Compliance with laws and regulations		p.32
2-28	Membership associations		p.34
2-29	Approach to stakeholder engagement	Letter to the stakeholders	
2-30	Collective bargaining agreements		p.84

GRI STANDARD	DISCLOSURE	NOTES - PAGE
GRI 3: Material topics 2021		
3-1	Process to determine material topics	p.20
3-2	List of material topics	p.18
3-3	Management of material topics	p.23
GRI 201: Economic performance 201		
201-1	Direct economic value generated and distributed	p.48
GRI 204: Procurement practices 2016 499		
204-1	Proportion of spending on local suppliers	p.79
GRI 205: Anti-corruption 2016 508		
205-3	Confirmed incidents of corruption and actions taken	p.39
↓ ENVIRONMENTAL TOPICS		
GRI 301: Materials 2016		
301-1	Materials used by weight or volume	p.80
301-2	Recycled input materials used	p.81
GRI 302: Energy 2016		
302-1	Energy consumption within the organisation	p.56
302-3	Energy intensity	p.62
302-4	Reduction of energy consumption	p.62
GRI 303: Water and effluents 2018		
303-1	Interactions with water as a shared resource	p.69
303-3	Water withdrawal	p.69
303-4	Water discharge	p.70
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	p.65
305-2	Energy indirect (Scope 2) GHG emissions	p.65
305-3	GHG emission intensity	p.68

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GRI 306: Waste 2020			
306-1	Waste generation and significant waste-related impacts		p.73
306-2	Management of significant waste-related impacts		p.74
306-3	Waste generated		p.74
306-4	Waste diverted from disposal		p.74
306-5	Waste directed to disposal		p.74
GRI 308: Supplier environmental assessment 2016			
308-1	New suppliers that were screened using environmental criteria		p.78
308-2	Negative environmental impacts in the supply chain and actions taken		p.78

↓ SOCIAL TOPICS

GRI STANDARD	DISCLOSURE		NOTES - PAGE
GRI 401: Employment 2016			
401-1	New employee hires and employee turnover		p.87
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		p.106
GRI 403: Occupational health and safety 2018			
403-1	Occupational health and safety management system		p.99
403-2	Hazard identification, risk assessment, and incident investigation		p.100
403-3	Occupational health services		p.103
403-4	Worker participation, consultation, and communication on occupational health and safety		p.103
403-5	Worker training on occupational health and safety		p.103
403-6	Promotion of worker health		p.106
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		p.101
403-8	Workers covered by an occupational health and safety management system		
403-9	Work-related injuries		p.101
403-10	Work-related ill health		p.103
GRI 404: Training and education 2016			
404-1	Average hours of training per year per employee		p.98
404-2	Programs for upgrading employee skills and transition assistance programs		p.103
404-3	Percentage of employees receiving regular performance and career development reviews	Not reported	

GRI STANDARD	DISCLOSURE	NOTES - PAGE	
GRI 405: Diversity and equal opportunity 2016			
405-1	Diversity of governance bodies and employees	Not reported for diversity in governance bodies; only for employees	p.93
405-2	Ration of basic salary and remuneration of women to men		p.93
GRI 406: Non-discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken	Not reported	
GRI 413: Local communities 2016			
413-1	Operations with local community engagement, impact assessments, and development programs		p.111
413-2	Operations with significant actual and potential negative impacts on local communities		p.111
GRI 414: Supplier social assessment			
414-1	New suppliers that were screened using social criteria		p.78
GRI 416: Customer health and safety 2016			
416-1	Assessment of the health and safety impacts of product and service categories		p.120
416-2	Incidents of non-compliance concerning the health and safety of products and services		p.120
GRI 417: Marketing and labelling 2016			
417-1	Requirements for product and service information and labelling		p.120
417-2	Incidents of non-compliance concerning product and service information and labelling		p.120
417-3	Incidents of non-compliance concerning marketing communications	Not found	
GRI 418: Customer privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		p.41