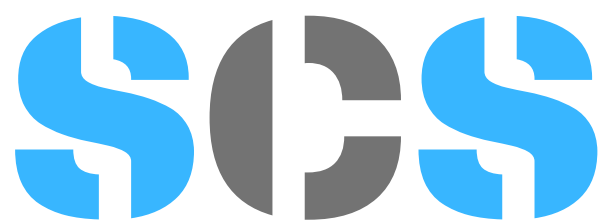


Sustainability Report

Year 2023



High Quality Italian Moulds

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Sustainability Report

2023



High Quality Italian Moulds





High Quality Italian Moulds

Organisation Profile

GRI 2-1 • GRI 2-2 • GRI 2-6

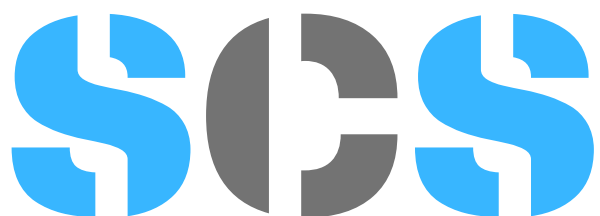
Since 1981 SCS Srl has been active in the production of industrial moulds and precision machining for Italian and international companies.

In 40 years of activity, the company has developed know-how and experience that, combined with a technologically advanced machinery park, make it a reference point for the development and realisation of projects for the automotive, industrial, furniture, construction, electrical and nautical sectors.

The design is managed by SCS with a co-engineering process, involving the end customer and the various internal departments, in order to precisely and reliably define the timing and processing steps. One of the company's priorities is the focus on environmental sustainability: SCS is ISO 14001 certified and has a photovoltaic system that allows it to produce the necessary energy for internal production processes in an environmentally friendly way.

This report refers to the company's operational headquarters in Via Milano, 12 - 25037 Pontoglio (BS).

The company has operational facilities (offices, factories, warehouses, land, etc.) for a total area of 8,000 square metres.



High Quality Italian Moulds

Sustainability Report 2023

Made by



Summary

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An aerial photograph of an industrial facility, likely a warehouse or manufacturing plant. The main building has a large, flat roof covered with a grid of solar panels. The building's exterior is light-colored with blue horizontal stripes and a large blue 'SCS' logo. In the background, there are other industrial buildings, parking lots with cars, and some greenery. The sky is overcast.

“

Sustainability means not only protecting the environment, but building growth that is ethical, lasting and capable of generating prosperity for all.

Rodegari Giovanni

QHSE Manager S.C.S. Srl



Reporting Information

GRI 2-3 • GRI 2-4 • GRI 2-5

The company publishes its results on environmental and social sustainability in a report, starting in 2023 and on an annual basis.

The Sustainability Report was prepared in accordance with the GRI Sustainability Reporting Standards, defined in 2016 by the Global Reporting Initiative (GRI Standards) and updated to 2022, in association with the Sustainability Accounting Standards Board (SASB) for the definition of material topics.

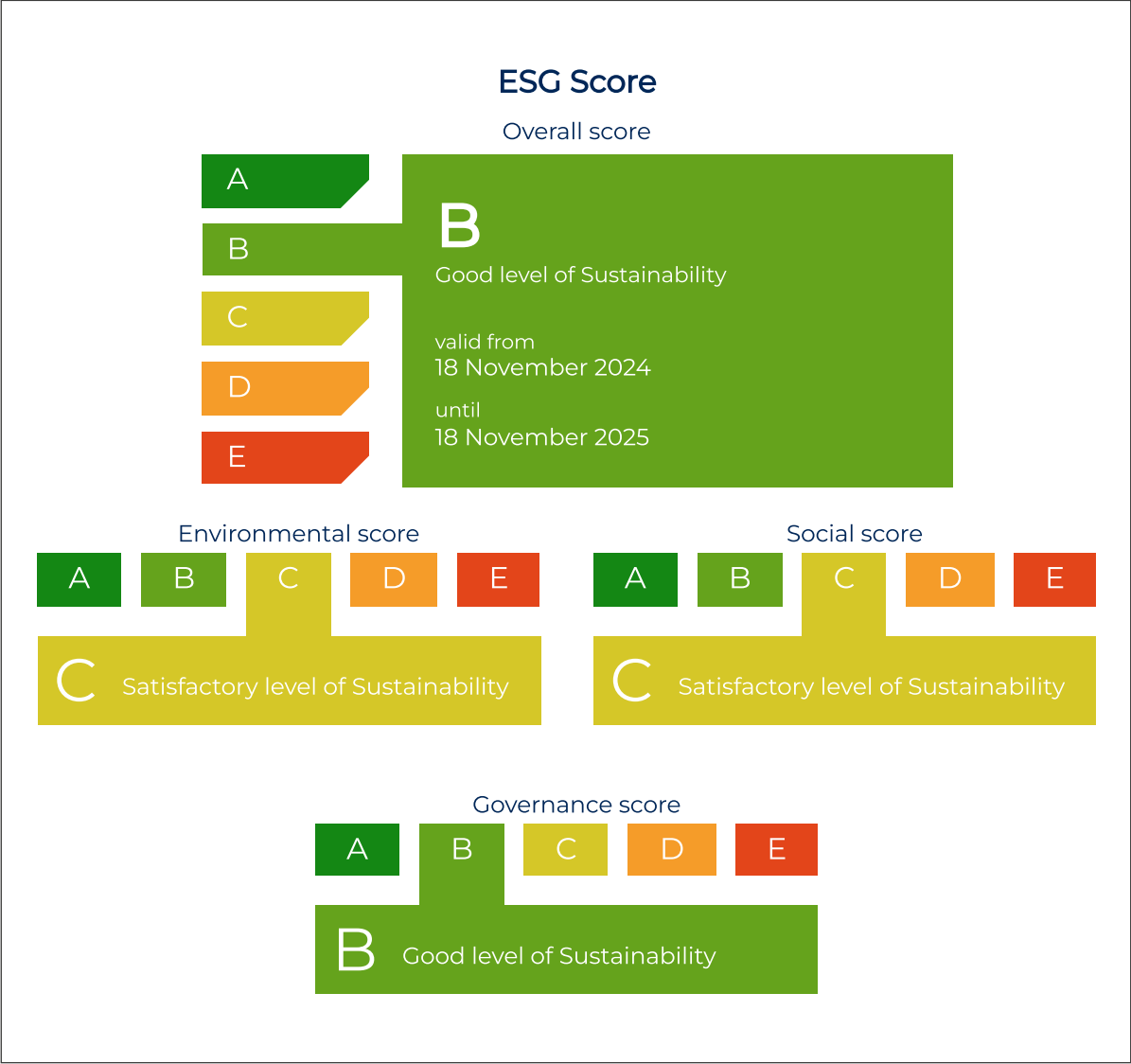
This sustainability report is prepared with reference to the GRIs by ESG-VIEW (www.esg-view.com).

✔ **GRI Sustainability Reporting Standards**

✔ **Sustainability Accounting Standards Board (SASB)**

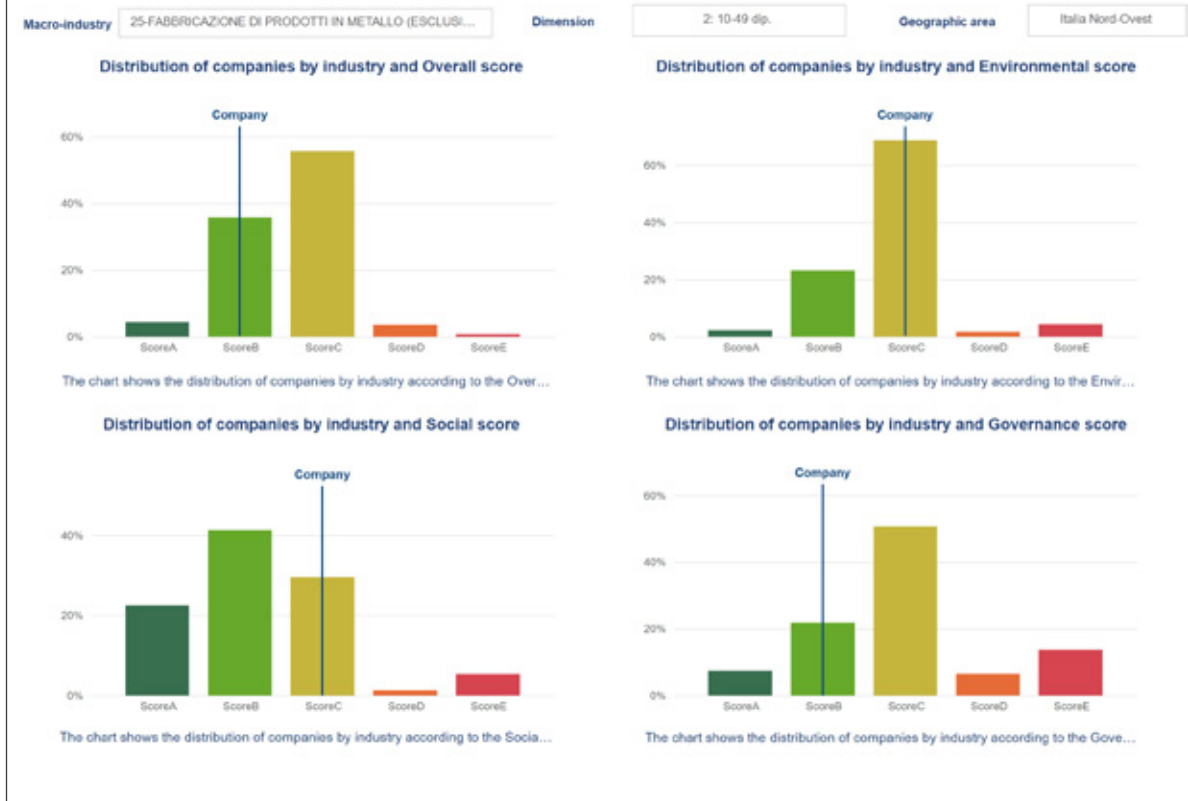
This declaration is published on the SCS Srl website at www.scsstampi.it.
You can request information at info@scsstampi.it.

The reporting was based on the questionnaire administered to SCS Srl by Synesgy and is covering the period 01/01/2023-31/12/2023.



Benchmark

Benchmark statistics



Why was it important to complete the Synesgy questionnaire?

- ✓ It has enabled the company to create a virtuous circle with its customers, suppliers and all stakeholders.
- ✓ It relies on a platform that allows the validation of data already in the CRIF Ratings database.
- ✓ It is a questionnaire that can be used in all recognised banking circuits, as it is based on international measurement criteria (GRISDGs).
- ✓ It is constantly updated according to evolving reporting regulations.
- ✓ You can distribute the questionnaire to your suppliers to track the supply chain score.
- ✓ Data is shared in real time.



Stakeholder Engagement

GRI 2-29

The Goal of Stakeholder Engagement

The objective of strengthening a sustainable business model involves not only monitoring and improving environmental and social impacts, but also the need for dialogue and discussion with stakeholders. The ability to understand and assess the needs and expectations of stakeholders is particularly important with a view to sharing a common value aimed at improving the impact, quality and efficiency of corporate services and, at the same time, the well-being of stakeholders that directly or indirectly relate to the company. Thanks to the activity of listening to/confrontation with the various stakeholders and local actors, it is possible to create the conditions for orienting the sustainability strategies of the company itself, defining objectives in the common interest. SCS Srl has identified the stakeholders and the relative activities, defining the level of involvement in consideration of the functions and instruments of comparison and dialogue. SCS Srl's system of relations with its stakeholders envisages activities, tools, channels and methods of involvement that take into account the different profiles and needs of the stakeholders and the overall structure of the institutional system.

Stakeholder	Functions involved	Expectations	Activities	Engagement tools	Answer
Company: Investors and partners	Directorates, general affairs, commercial area, communication and PR	Sharing quality standards, planning services and activities, comparing impacts and results	Several meetings during the year	Assemblies, presentations, communication exchanges, surveys on environmental sustainability issues	Presentation of projects, plans, reports and budgets
Employees and trade union representatives	Human Resources	Sharing values, objectives	Meetings and activities, scheduled meetings with trade union representatives	Assemblies, training sessions, dedicated meetings, refreshment areas, dedicated surveys, observatory	Trade union agreements
Customers	Commercial area	Greater knowledge of expectations	Meetings and activities, scheduled during the year	Customer satisfaction surveys, newsletters, meetings and surveys on the subject of environmental sustainability	Presentation of investigation results
Suppliers of goods and services	Purchases	Large demand guarantee	Several meetings and contacts during the year	Selection procedures, exchange of documentation, meetings	Contracts
Institutions	Directions	Compliance with rules and regulations, respect for contracts and regulatory updates	Periodic meetings	Meetings and exchange of communications also in relation to regulations in contracts	Reports, surveys, budgets
Banks and lenders	Direction	Economic, financial and asset soundness and sustainability	Not periodic, but targeted to specific projects	Meetings and exchange of communications	Analysis reports, trade agreements
Local communities and community	Communication and pr	Creating shared value	Various analysis and comparison activities	Communication and marketing campaigns	Events, open spaces, initiatives open to the public

SDGs: UN Sustainable Development Goals



On 25 September 2015, the governments of 193 UN member states signed the 2030 Agenda for Sustainable Development.

A programme of action approved by the UN General Assembly, which includes 17 specific Sustainable Development Goals (SDGs), framed within a broader programme of action with a total of 169 targets or goals.

The 17 Goals commit governments and nations but also every single company. ESG principles are the declaration of what companies must do.

Environmental

- ✓ Dependence on fossil fuels
- ✓ High water footprint
- ✓ Complicity in deforestation
- ✓ Waste Disposal

Social

- ✓ Conflicts with local communities
- ✓ Attention to employee health and safety
- ✓ Protection of diversity
- ✓ Proper interpersonal relations between employees

Governance

- ✓ Bonuses disproportionate to employees' salaries
- ✓ Involvement in corruption scandals
- ✓ Opening offshore subsidiaries for the purpose of avoiding taxation

The SDGs of SCS Srl

The Synesgy questionnaire has allowed SCS Srl to map the materialities and issues in the field of sustainability, thus highlighting the most relevant facts realised in the reporting year under consideration and providing its stakeholders with an immediate, but above all certified picture - since it responds to internationally recognised parameters - of its activities. The path of awareness undertaken has led to the highlighting of a virtuous path by SCS Srl and witnessed by the concordance of its actions with 6 of the 17 SDGs (Sustainable Development Goals) parameters recognised by the United Nations.



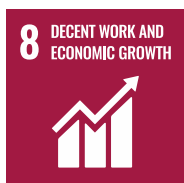
Health and Well-being

Ensuring health and well-being for all.



Clean and accessible energy

Integrate low-impact solutions into your production cycle by using sustainable energy sources.



Decent work and economic growth

Promote full and productive employment, decent working conditions and sustained economic growth.



Business, innovation and infrastructure

Resilient infrastructure, sustainable industrialisation and innovation.



Responsible Consumption and Production

Ensuring sustainable patterns of production and consumption



Fighting climate change

Promoting actions, at all levels, to combat climate change.

The tracking of issues thanks to Synesgy and the 26 materialities, which can be traced back to the ESG areas, on the basis of this emergence, started a real path of awareness involving, through several communication channels, all stakeholders.





Environment



Managing Environmental Impacts

Organisations may be affected by impacts either through their own activities or because of their business relationships with other entities. It is therefore crucial for the company to identify the impacts it causes, but also those that it contributes to causing and that are directly related to its activities, products or services through a business relationship. In this context, the virtuous company is the one that highlights these impacts and identifies strategies to avoid, mitigate, remedy the negative impacts or further improve the positive ones.

The company holds ISO 14001 (Environmental Management) certification.



ISO 14001 Environmental Management

Materials

GRI 301-1 • GRI 301-2 • ESRS E5-4 • ESRS E5-5

The company's focus on the materials used and their impact on the environment is of paramount importance, not only with regard to the production phase of the products, but also throughout their entire life cycle.

The raw materials used as production input and the overall quantities used in the company are:

Metals	662.92 tonnes
--------	---------------

Recycled or reused raw materials used as production inputs in the company are less than 20% of the total raw materials used.

The company’s main product/service (in the sense of production process output) is metal alloy die-casting moulds and plastic injection moulds. Products 99% of which are made of steel.

The percentage of company products that can be considered recyclable/reusable is over 50%.

Energy

GRI 302-1 • ESRS E1-5

Energy consumption for the company, combined with rationalisation, is a fundamental parameter to describe the impact it has not only in terms of efficiency, but also in terms of its impact on the environment.

The monitoring system in terms of energy used/distributed/saved allows the company to identify the areas where it is most necessary to intervene for a better rationalisation of resources, with a view to an everimproving strategy for its efficiency.

Electricity consumed in owned and rented company premises in the last reporting period budget (e.g. 1 January - 31 December) is 701,938 kWh.

The value of energy used by the company from fossil sources is 18%.



701,938 kWh
Annual electricity
consumption

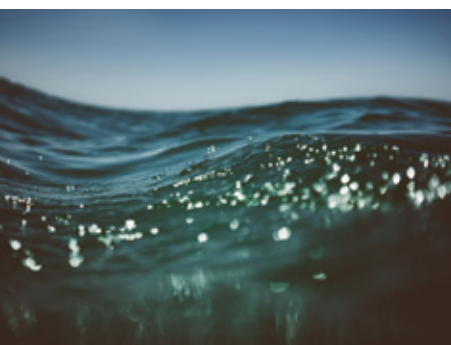
Water and waste water

GRI 303-5 • ESRS E3-4

The sustainable management of water resources is of paramount importance for the organisation's impact on the environment, considered as a shared asset to be preserved.

Working with stakeholders in this context is essential for the organisation to manage water resources sustainably as a shared good and to take into account the needs of other river basin users. Together with stakeholders, the organisation can define collective goals for water use, increased investment in infrastructure, policy promotion, capacity building and awareness-raising. It is therefore important, in this context, to involve its stakeholders, starting with those internal and closest to the company - employees, non-employee workers, consultants, suppliers, first and foremost - in order to share best practices in terms of rationalising water resources and making better use and exploitation of them.

The company's water consumption in the last reporting period was 1,542 m³.



1.542 m³ Annual water consumption

Emissions

GRI 305-1 • GRI 305-2 • GRI 305-3 • ESRS E1-6

Direct or indirect GHG emissions, emissions of other ozone-depleting gases and their monitoring, as well as actions aimed at their reduction, confirm the organisation's attitude towards reducing its production impact on the ecosystem.

Also influencing the level of direct emissions are the energy sources owned or controlled by the organisation, such as electricity generation, heating, cooling and steam, as a result of the combustion of energy sources. Hence the importance of the company's monitoring of emissions, but also, and above all, its contribution to the increasing efficiency of energy resources influencing the levels of air emissions.

The company measures emissions related to air pollution.

The company's total SCOPE 1 greenhouse gas emissions (direct emissions) are 28.7 t CO₂ eq.

The total SCOPE 2 greenhouse gas emissions (indirect emissions from electricity generation/purchase) measured by the company is 254.01 t CO₂ eq.



Waste

GRI 306-2 • ESRS E5-1 • ESRS E5-5

In the context of the GRI Standards, the environmental dimension of sustainability concerns the impacts of an organisation on living and non-living natural systems, including soil, air, water and ecosystems. This includes the issue of waste, which may be generated by the organisation's own activities, but may also be generated by upstream and downstream actors in the organisation's value chain.

Waste, therefore, can have significant negative impacts on the environment and human health if poorly managed.

The total amount of company waste produced in the last reporting year (e.g. 1 January - 31 December) was 131 tonnes.

The company, in its locations, differentiates:

- plastic;
- computer equipment;
- glass;
- paper.





People





Employment

GRI 2-7-a • GRI 2-7-b • GRI 401-2 • GRI 403-9 • GRI 405-1 • GRI 405-2 • ESRS S1-6 • ESRS S1-9 • ESRS S1-11 • ESRS S1-12 • ESRS S1-14 • ESRS S1-15 • ESRS S1-16

Fundamental is to understand the organisation's approach to employment and job creation, as well as to recruitment, selection and retention of personnel and related practices, including the working conditions it offers.

The stability of its workforce from a contractual point of view, linked to internal welfare policies, is a key element for the organisation to ensure high productivity performance.

An appropriate working environment that fosters social inclusion and work - life balance of employees, values diversity and offers equal opportunities, accompanied by welfare tools, improves company performance and strengthens the organisation's ability to adapt to extraordinary events.

The company measures employee satisfaction with a regular, periodic survey.

The company has adopted and made public on its website policies and procedures on issues of fairness, diversity and inclusion (issues covering discrimination based on gender, race, religion, sex or sexual orientation) and respect for human rights (child, forced or compulsory labour).

The number of female employees, interns/trainees and self-employed women by professional category:

Employees	3
Workers	1

The number of male employees, interns/trainees and self-employed workers by occupational category:

Managers	4
Middle managers	1
Employees	4
Workers	32

The percentage difference in average taxable gross pay per most represented occupational category between men and women is 12%.

The percentage of the total number of employees belonging to protected categories under Law 68/99 or disadvantaged persons ex L. 381/91 and/or underrepresented minorities is 2.22%.

The percentage of total employees by contract type:

Open-ended	98
Fixed-term	2
Part-time	4

The number of accidents in the last five years has been between four and nine.

Days lost due to accidents that resulted in temporary incapacity for work in the last budget reporting period (e.g. 1 January - 31 December) totalled 35.

The number of hours worked during the last reporting period (e.g. 1 January - 31 December) by all employees is 71,771.



71,771 hours worked in one year

The company with a view to corporate welfare:

- awards productivity bonuses;
- provides agreements with local businesses (fuel vouchers/spending vouchers/discounts);
- provides incentives for men to share the burden of care (e.g. parental leave).

Training

GRI 403-5 • GRI 404-1 • ESRS S1-13

The development and maintenance of professional skills and competencies are conditions that enable companies to pursue their strategic objectives of creating value for the organisation.

There is a programme for appropriate training on the Code of Ethics for employees, consultants and suppliers.

The main topics covered by the training provided during the last reporting period budget (e.g. 1 January - 31 December) affected:

- predominantly environmental content (e.g. combating waste of materials and natural resources, waste management, water resource management, energy use efficiency, etc.);
- the area of digital innovation for sustainable transformation;
- the area of health and safety at work.









Network and Territory



High Quality Italia





Customer relations

GRI 418

In terms of customer relations, it is of great importance how the company considers the impacts on the health and safety of its customers, starting with the products and services it produces, and how these impacts are assessed in the different phases of the life cycle of its business, from the development of the product concept, to the research and development phase and possible subsequent certification. The same impact is to be sought in the realisation phases, then in manufacturing and production, but also in marketing, up to supply, use and the attention that the company pays afterwards, including an after-sales support phase up to the end-of-life cycle of the product or service.

In this logic, the initiatives taken by the organisation to address the issue of security during the entire life cycle of a product or service and the evaluations pertaining to this issue, including the increasingly important privacy and data security, become relevant.

The company has a Privacy and Data Security policy/procedure.

Infrastructure investments and funded services

GRI 203-1

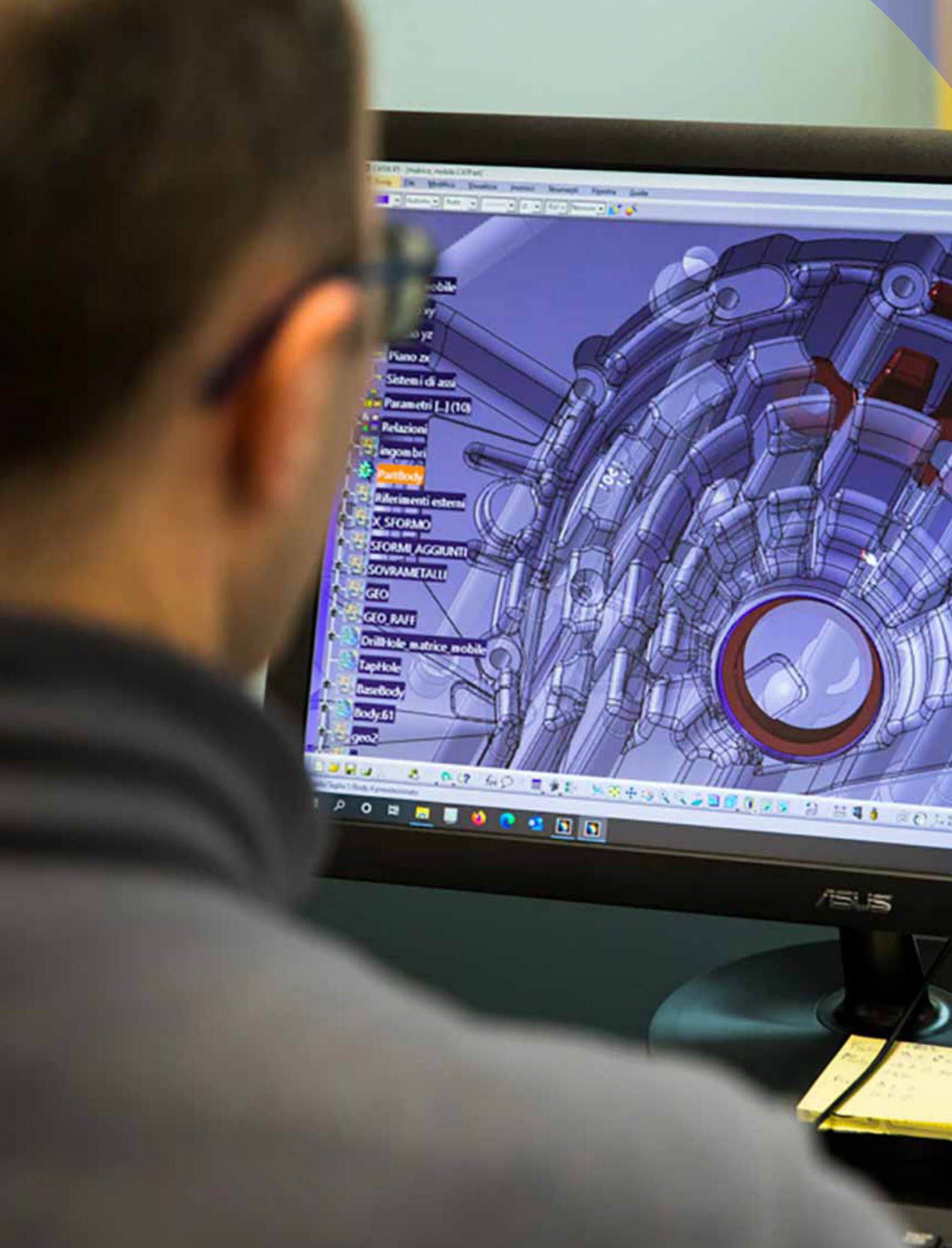
The economic dimension of sustainability concerns the impacts of an organisation on the economic conditions of its stakeholders. It also concerns the impacts of an organisation on local, national and global economic systems. Economic impact can be defined as a change in the productive potential of the economy, which has an influence on the well-being of a community or stakeholders, as well as on long-term development prospects.

When we speak of indirect economic impacts, we refer to the consequences of financial transactions and the flow of money between an organisation and its stakeholders and are particularly important when assessed in relation to the improvement of stakeholder conditions, not only directly related to the company's own activities, but connected to the further impacts these may have.

The investments made by the company respond to national and international sustainable development objectives. Investment, innovation, technology development and the pursuit of quality are key elements of economic strategies, as they create a real multiplier effect that benefits a wide range of stakeholders.

The company makes donations, sponsorships and donations to benefit the community in the area in which it operates.

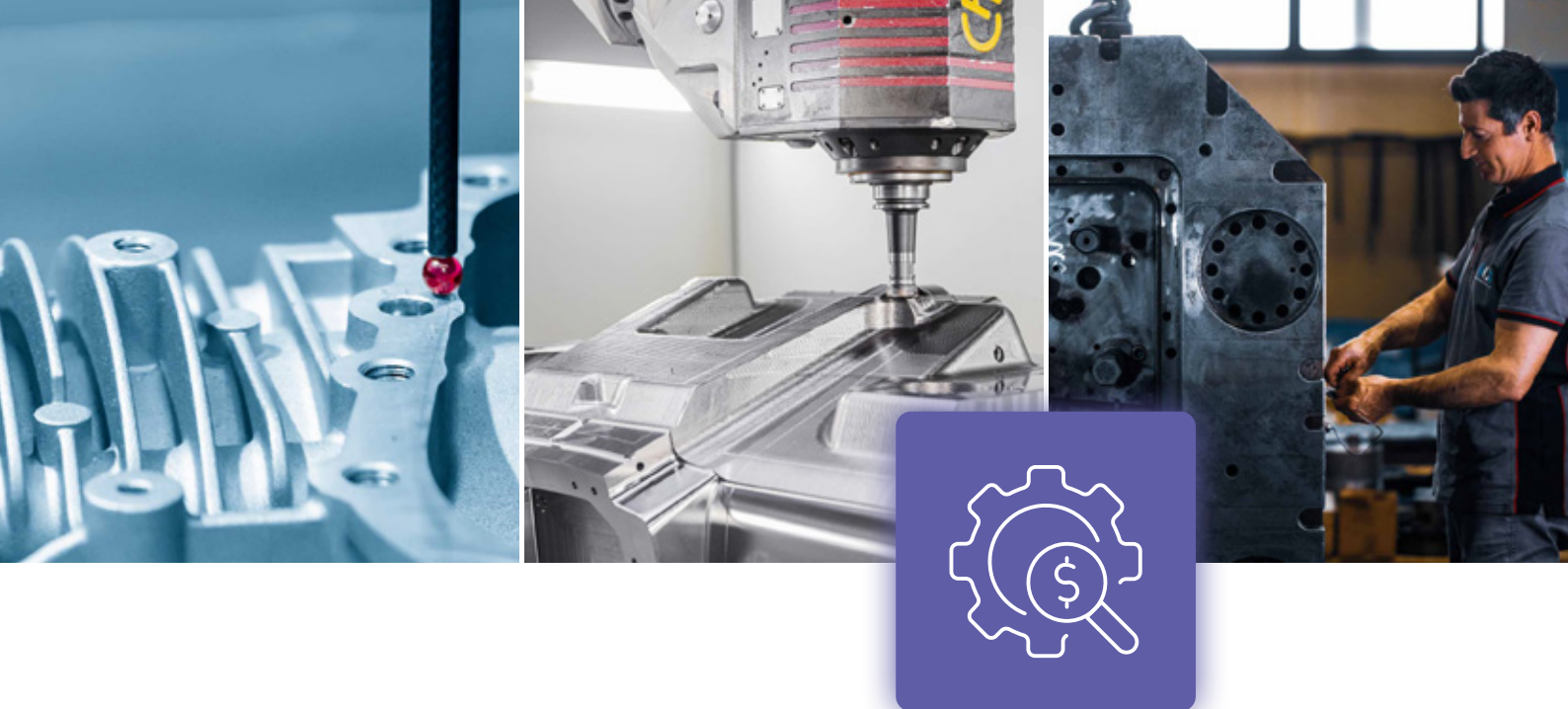






Business Model and Innovation





Suppliers and procurement practices

GRI 2-22 • GRI 2-23 • GRI 204-1 • GRI 308 • GRI 414-1 • ESRS S2-1 • ESRS 2 GOV-1 • ESRS 2 G1-2

Within the framework of the organisation's relationships with its suppliers, an extremely important chapter concerns their environmental assessment, meaning the commitments that suppliers make in terms of sustainability and behaviour consistent with these issues. With a view to constant improvement of impacts and mitigation of negative ones, the organisation is increasingly inclined to assess the compliant behaviours of suppliers in terms of social, economic and environmental impacts as these impacts directly and indirectly reflect on the value chain of the company itself.

Therefore, on the one hand, the organisation is driven to monitor the behaviour of suppliers and, on the other hand, to define strategies and actions to limit the scope of those with negative impacts.

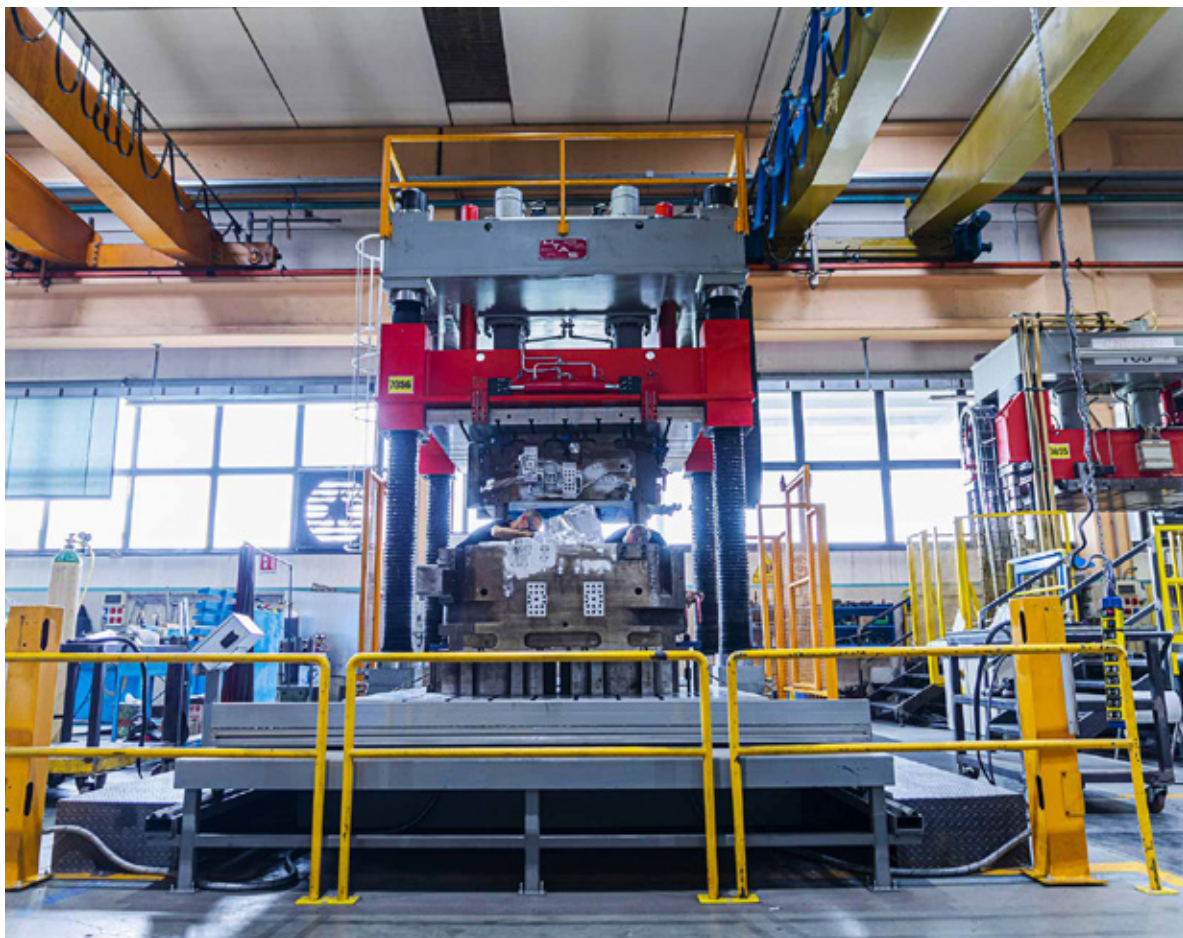
The company revised its strategy to seize the opportunities of the new development model focused on sustainability: in particular, it implemented investments aimed at technological improvement.



ISO 9001 Quality Management System

The company holds ISO 9001 (Quality Management System) certification.

The company provides an assessment of suppliers on ESG areas, in particular on the possession of certifications environmental and social (health and safety).







Leadership and Governance





Governance

GRI 2-22 • GRI 2-23 • ESRS 2 GOV-1

The organisation's governance structure, composition, knowledge and roles are important to understand how the management of the organisation's impacts on the economy, the environment and people, including the impact on their human rights, is integrated into the organisation's strategy and operations, also emphasising how well the company itself is 'equipped' to oversee the management of impacts.

The company revised its strategy to seize the opportunities of the new development model focused on sustainability:

- implemented an ESG impact assessment process;
- implemented a change of organisational model;
- has appointed a dedicated sustainability figure;
- implemented an analysis of regulatory impacts.

The company is insured against physical risks.

Professional Ethics

GRI 1 • GRI 2-22 • GRI 2-23 • ESRS 2 SBM-3 • ESRS 2 MDR-P • ESRS 2 IRO-1

The organisation's political commitments must be aimed at responsible business conduct, including a commitment to respect human rights. These commitments constitute the company's values, principles and standards of behaviour and the mission embedded within its business objectives. The human rights enshrined in national and international standards, coupled with the organisation's actions to prevent or mitigate potential negative impacts for each material issue, are the grid through which the company's activities must pass, with political commitment as an integral part of the company's strategy.

It is therefore appropriate for the company to identify its risk factors and equip itself with strategic tools to deal with them.

The company conducted an analysis of its sustainability impacts on E and S factors.

On a scale of 1 to 10, the accuracy of the analysis is 7.

The company carried out a risk analysis of the E and S factors by implementing an Environmental Risk Matrix.

The company has adopted a Code of Conduct.

Regulatory Compliance

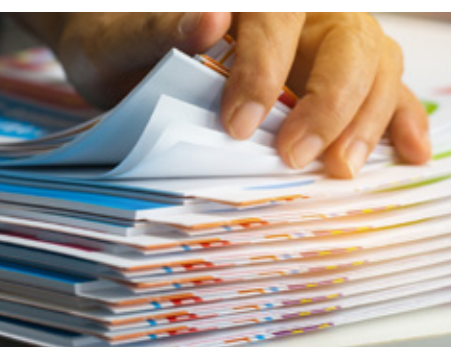
GRI 1 • GRI 2-3 • GRI 2-4 • GRI 2-22 • GRI 2-23 • GRI 2-26 • ESRS 2 MDR-P • ESRS 2 IRO-2 • ESRS 2 BP-1 • ESRS 2 BP-2 • ESRS S1-3

The compliance of an organisation indicates the ability of its governing bodies to ensure that operations comply with certain performance parameters or universally recognised standards. In this context, obtaining certifications attesting to the high degree of compliance of a company's activity, sector or procedure becomes a guarantee in the eyes of stakeholders and those directly or indirectly involved in the company's value chain, with a view to reducing or mitigating negative impacts on particular sustainability-related issues, thus in the social, environmental and economic spheres.

The company publishes its results on environmental, social and economic sustainability in a special report.

There is a figure within the company who receives negative evidence of possible wrongdoing, violations of laws or offences in the course of their activities (e.g. Whistleblowing).

The company has adopted a Code of Ethics.



The Corporate Code of Ethics

Recommended actions



Business and corporate governance

- Strengthening Governance Principles.
- Consider joining Benefit Societies.
- Strengthening its strategy to seize the opportunities of the sustainable development model.



Water, energy and waste

- Implement initiatives aimed at reducing its environmental impact.
- Implement a water recovery and/or reuse system.
- Implement initiatives, measures or actions to limit the impact of climate change.
- Take measures to increase recycled/reused raw materials as production inputs.
- Offer their employees incentives (e.g. season tickets/conventions) to encourage the use of public transport or eco-friendly vehicles to get to work.

Environmental Certifications

- Adopt ISO 50001 certification on energy management systems.



Personnel Management, Certifications and Standards

- Evaluate the possibility of adopting the guidelines of ISO 45001 on worker health and safety management.
- Implement regular consultations with key stakeholders.
- Strengthen regular consultations with key stakeholders.
- Broaden the topics of training to include, for example, anti-corruption.
- Broaden the topics of training to include, for example, privacy issues.



Regulatory Certifications

- Adopt ISO 37001 certification on prevention management system of corruption.



Relationship with Stakeholders and the Territory

- Carrying out projects in schools or the community on sustainability issues.

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