



ISCOT
Group

SUSTAINABILITY REPORT 2024

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2,30 MWh/M€ - Energy intensity Iscot Group



13.021,56 tCO2e - Market-based GHG emissions
Iscot Group (Scope 1+2+3)



18,08 m3/M€ - Water intensity



13% - % Recovered waste Iscot Group



87% - Percentage of permanent contracts Iscot Group



37% - % Female presence Iscot Group



8 ore - Training hours provided to Group employees



186 - Workplace accidents



ESRS 2 - GENERAL DISCLOSURES

Iscot Group - Strategy, business model and value chain

Iscot Group is an international company with strong roots in **Italy** and an operational presence in **Argentina, Brazil, and Poland**. This multinational structure makes it possible to maintain consistent management while remaining open to the specific characteristics of each local context, adapting services with precision and timeliness.

The Group's strategy follows a clear direction: combining nearly forty years of experience with an operational approach that is always focused on continuous improvement. Innovation is not seen as a mere exercise in style, but as a concrete tool to effectively address customers' needs and to ensure quality even in complex situations or in evolving scenarios.

The business model is built around a logic of **ongoing collaboration**. The focus does not end with the activation phase of the service: each project is managed as a shared journey that evolves over time through continuous dialogue and careful performance management. Real value is created through the ability to adapt operational solutions to specific needs, not through rigid standardization, but with method and industrial vision.

The value chain also reflects this approach: every phase, from supplier selection to the daily management of services, is designed to ensure consistency and reliability. The digitalization of processes enables accurate and transparent monitoring, while continuous staff training makes it possible to deliver expertise and efficiency in every operational context. **Attention to the environment** and safety is not seen as a regulatory constraint to comply with, but as an integral part of the way we work.

Iscot is a group that has built its reliability on a **balanced combination** of international presence, attention to detail, and the ability to respond concretely to the expectations of its stakeholders. The guiding idea of the company is not to chase change, but to anticipate it, transforming it into simple, functional, and effective solutions.



ISCOT GROUP
ITALY
ARGENTINA
BRAZIL
POLAND

Stakeholder interests and perceptions

Within Iscot Group's operational context, characterized by its multinational presence in Italy, Argentina, Brazil and Poland, and by a portfolio of integrated, labor-intensive services, the management of stakeholder dialogue represents a fundamental strategic component. The heterogeneity of stakeholders, in terms of geographical location, legal nature, role within the value chain and degree of influence, requires a **structured** and differentiated **approach**, able to accurately capture expectations, critical issues and emerging priorities.

Clients represent one of the **key stakeholders** and, in the case of Iscot, they show a growing interest in service reliability, regulatory compliance, particularly regarding safety, hygiene and quality, customization capabilities, and the adoption of **ESG criteria**.

The focus on **sustainable contract management**, compliance with **Service Level Agreements (SLAs)**, and transparency in performance monitoring systems represent recurring evaluation aspects, especially in relations with public clients and large industrial groups

Employees represent the most significant internal stakeholder, due to the high level of **labor intensity** that characterizes the Group's activities. In a highly diverse context, with more than 60 nationalities represented, the most relevant issues concern job stability, contractual protections, workplace safety and the development of skills. The perception of the corporate climate is closely linked to the presence of continuous training programs, organizational clarity and the possibility of pursuing career paths consistent with merit and demonstrated professionalism.

The **supply system** plays a strategic role in the operational continuity and overall efficiency of the services provided. Suppliers show a growing interest in the clear definition of contractual conditions, punctuality of payments and the establishment of long-term relationships based on fairness and reciprocity.

At the same time, there is a gradual shift towards qualification logics oriented to sustainability, including environmental, ethical and compliance requirements along the subcontracting chain.

Public institutions, supervisory authorities and regulatory bodies represent highly influential stakeholders. Their areas of interest mainly concern **legislative compliance**, the fulfillment of safety obligations, alignment with environmental certification systems and administrative traceability. In an evolving regulatory context, the adoption of robust organizational safeguards, such as

- integrated management systems and internal controls
- strengthens the company's position as a reliable entity in line with national and international standards.

Finally, stakeholders connected to **corporate governance** – including shareholders, management and members of the administrative body – place particular attention on business profitability, the management of operational and reputational risks, and the ability to integrate sustainability issues into the corporate strategy. The availability of structured information, the adoption of advanced reporting tools and the presence of organizational models oriented towards transparency and integrity strengthen the oversight of this strategic component.



Double materiality assessment

ESRS 2 SBM-3 - MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH THE STRATEGY AND BUSINESS MODEL

The Iscot Group conducted a **double materiality** analysis on the entire value chain, with the aim of identifying material impacts, risks and opportunities (IRO).

The results of the analysis highlight relevant aspects in various areas of the business model, along the entire value chain, both upstream and downstream. Priority issues include climate change, water management, the circular economy, working conditions and the evolving regulatory environment.

SIGNIFICANT NEGATIVE IMPACTS

CLIMATE CHANGE

Iscot contributes to direct greenhouse gas emissions (Scope 1) through the use of fossil fuels in its plants and company vehicles, while indirect Scope 3 upstream emissions arise from the use of materials, logistics, business travel and employee commuting, and the consumption of electricity for the provision of services.

WATER AND MARINE RESOURCES

Although direct water consumption is limited, Iscot constantly monitors its operations. However, in the downstream value chain, water consumption by customers can have a significant impact, especially in areas with critical water availability, such as Brazil and Argentina.

CIRCULAR ECONOMY

The Iscot Group also uses materials containing non-biodegradable substances, which have an impact on waste management, including hazardous waste. However, the impact resulting from the use of these products is limited. Furthermore, the procurement of carbon-intensive resources constitutes an indirect impact, related to the production practices of suppliers.

OWN WORKFORCE

Accidents at work pose a significant risk to employee safety and entail social costs. To mitigate this risk, Iscot implements strict protocols and preventive measures to ensure a safe environment that complies with industry standards.

SIGNIFICANT POSITIVE IMPACTS

OWN WORKFORCE

The company protects workers' rights by regulating shifts and limiting overtime, thereby improving organisational well-being. It also ensures fair pay and includes the entire workforce in its health and safety management system, reducing the risk of accidents.

CORPORATE CONDUCT

Iscot promotes a culture of legality and transparency by implementing anti-corruption training programmes to raise employee awareness and strengthen corporate integrity.

SIGNIFICANT RISKS

CLIMATE CHANGE

The company is exposed to acute and chronic physical risks, such as extreme events (floods, fires, heat waves) and long-term phenomena (droughts, rising temperatures), with possible impacts on infrastructure and supplies. In addition, changes in environmental regulations could increase material costs and affect suppliers' activities.

ENERGY

The volatility of energy prices represents a financial risk that could affect the operational stability and economic planning of the company.

WATER AND MARINE RESOURCES

The risk of water scarcity and deterioration in water quality in the downstream value chain could hamper the provision of services to customers, increasing operating costs.

BIODIVERSITY AND ECOSYSTEMS - EXTREME TEMPERATURES

In addition to reducing the productivity of the resources used by Iscot and compromising the stability of the supply chain, rising temperatures could require investments in infrastructure and machinery to mitigate the effects of extreme temperatures, thus ensuring operational continuity and adequate working conditions for employees.

HEALTH AND SAFETY IN THE VALUE CHAIN

Failure by suppliers to comply with standards could result in reputational damage and legal implications, impacting the company's business continuity.

SIGNIFICANT OPPORTUNITIES

ENERGY

Reducing dependence on fossil fuels represents a significant financial opportunity for Iscot. Investments in renewable energy and self-generation not only improve operational efficiency, but also reduce energy cost volatility and generate revenue through the sale of surplus energy.

OWN WORKFORCE - DIVERSITY, INCLUSION AND TRAINING

Iscot sees the promotion of gender and wage equality as a strategic opportunity, also in view of the PdR 125 certification, which can facilitate access to diversity funds and reduce the risk of litigation. At the same time, it invests in upskilling and reskilling to optimise recruitment costs, retain talent and strengthen competitiveness, consolidating its presence on the market.

Based on the analysis of the relevance of impacts, risks and opportunities along the value chain, some topics have been assessed as **non-material** for Iscot Group, as they do not generate significant effects on the organization, nor do they present relevant financial implications.



Pollution:

The analysis of subtopics related to pollution, including air emissions, water and soil pollution, as well as the use of substances of concern, has shown a negligible impact for Iscot. Given the nature of the service sector, the company does not generate significant emissions or contamination, nor have any material financial risks connected to these aspects been identified.



Affected communities:

The assessment of impacts on local communities has confirmed that this topic is not material for the organization. The results obtained are below the relevance threshold, indicating the absence of material effects for Iscot in relation to its reference communities.



Consumers and end-users:

Considering the nature of the business, the analysis has determined that this topic does not present a significant impact. In the absence of direct production activities, the reporting obligation on this matter is not applicable to the company.



Description of processes for identifying and assessing material impacts, risks and opportunities

Iscot Group has implemented a structured approach for the identification and assessment of significant impacts on the environment and society (IROs), based on a comprehensive impact assessment. In line with Application **Requirement 16 of ESRS 1**, potential and actual impacts have been recorded and analyzed, taking into account both risks and opportunities for sustainability.

The **double materiality** analysis carried out by Iscot Group is based on **two fundamental components**: the probability of occurrence and the magnitude of the event.

probability:

It has been divided into specific values for actual impacts (0% or 100%) and potential impacts (from 10% to 90%), with further classification levels based on frequency and technical complexity.

magnitude:

It was determined on a scale from 1 to 3 as the average of three key factors, severity (the immediate gravity of the impact), scope (the geographical or temporal extension), and irremediability (the difficulty of restoring the initial conditions).

The process of identification, assessment and prioritization is carried out annually with the involvement of internal experts from Iscot's various business functions and external consultants. This activity includes **continuous monitoring** of impacts on people and the environment, ensuring constant updating of information. In the initial phase, all activities and business relationships were considered without restrictions, analyzing the impact of both company operations and relationships with partners and suppliers.

The materiality analysis made it possible to identify the most relevant sustainability topics for Iscot, through the application of statistical criteria used to define a relevance threshold. For this purpose, the average of the values greater than zero was initially calculated, and their representativeness was verified using standard deviation and **interquartile range (IQR)**.

Since this parameter proved to be representative, the average was adopted as the relevance threshold

for the prioritization of impacts. In cases where these parameters were not adequate, the **median** was instead used, in order to ensure a more robust and reliable estimate, consistent with the distribution of the observed values.

In particular, the median was used as the relevance threshold for the prioritization of risks and opportunities, since these values were more likely to be distorted by the presence of *outliers*¹.



The update of the double materiality analysis in 2024 led to the identification of the most significant topics according to the perspectives of impact relevance and financial relevance, as required by the **ESRS Standards**.

The process of identifying and assessing impacts, risks and opportunities has undergone a significant evolution compared to previous periods, as the current methodology has been revised to ensure closer alignment with the provisions of ESRS 1. The relevance thresholds have been recalibrated through the use of advanced statistical metrics, and the analysis framework is updated on a regular basis, with an annual review.

¹ Outliers are anomalous values that deviate significantly from most of the other data. They can influence the average and distort the overall representation of results, which is why the median is preferred as a more stable indicator.

This new approach has made it possible to more accurately identify the most critical impacts – both positive and negative, current and potential – generated by Iscot Group on the economy, the environment and people, including the effects on human rights.

Although the current process did not include direct consultation with external stakeholders, their needs and concerns were nevertheless taken into account. In addition to sustainability and business management officers, a team of external consultants, experts in the sector, was involved. At present, the double materiality analysis has been presented to internal stakeholders, including **management**, the **ESG Committee** and **employees**.

To ensure a deeper understanding of the expectations of external stakeholders, a **dedicated analysis** has been carried out and, in the medium term, the company aims to extend the consultation process to external parties, with particular focus on banking institutions and suppliers, in order to promote broader engagement and a more inclusive assessment of impacts and expectations.

Within Iscot Group's **risk management** system, the double materiality analysis is being integrated into the **Enterprise Risk Management** (ERM) model, with the goal of contributing to the definition of the company's overall risk profile. This integration makes it possible to align corporate strategy with sustainability objectives, ensure regulatory compliance and effectively guide the planning of **ESG**-related investments.

COMMUNICATION REQUIREMENTS FOR COMPANIES COVERED BY THE CORPORATE SUSTAINABILITY STATEMENT

A list of disclosure requirements covered by this sustainability report is provided in the appendix on page 71.





DIMENSION <<E>>

ESRS E1 - CLIMATE CHANGE

Strategies, policies and actions for climate change

E1-2 - POLICIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

E1-3 - ACTIONS AND RESOURCES RELATED TO CLIMATE CHANGE POLICIES

E1-4 - CLIMATE CHANGE MITIGATION AND ADAPTATION TARGETS

Climate change, although not yet framed within a formalized corporate policy, is receiving increasing attention from the Group, which recognizes its cross-cutting impact at the operational, regulatory and reputational levels. The integration of this dimension into sustainability governance is already underway through the implementation of management tools and the definition of operational objectives aimed at mitigation and adaptation.

The **management of greenhouse gas emissions** is currently based on monitoring energy consumption and the systematic collection of environmental data, which support the construction of a reliable GHG inventory. At the same time, an internal analysis of physical and transition risks has been initiated, developed within the framework of double materiality and resilience assessments, to support the future definition of more structured climate strategies. Although quantitative emission reduction targets have not yet been set, the company has outlined some priority areas for action.

Among these are the completion of the **mapping of Scope 3 emissions** generated by the Group's foreign subsidiaries, the progressive increase in the purchase of electricity from renewable sources, and the adoption of fuel procurement criteria that take into account systems for offsetting associated emissions. These measures, although still at an early stage, reflect a management approach consistent with European decarbonization frameworks.

At present, no targets have been defined for 2030 or 2050, while 2024 has been identified as the baseline year for emissions calculations. The path towards the definition of validated climate targets, also in line with initiatives such as the **Science Based Targets Initiative**, is under evaluation and will be supported by the evolution of reporting capabilities and the adoption of shared methodologies. The actions already implemented – although lacking a formal quantification of emission effects – provide a concrete basis on which to build an integrated and transparent climate plan, aligned with reporting requirements and stakeholder expectations.



Impacts, risks and opportunities related to climate change

ESRS 2 SBM-3 – SIGNIFICANT IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH THE BUSINESS STRATEGY AND MODEL

ESRS 2 IRO-1 – DESCRIPTION OF PROCESSES FOR IDENTIFYING AND ASSESSING SIGNIFICANT CLIMATE-RELATED IMPACTS, RISKS AND OPPORTUNITIES

The company has developed a structured process for the **analysis of impacts**, risks and opportunities related to climate change, consistent with the principles established by the European Sustainability Reporting Standards (**ESRS**) and the methodological references of the Task Force on Climate-related Financial Disclosures (**TCFD**). The activity was carried out within the framework of the double materiality analysis, with an approach that integrated **environmental, economic and operational assessments** across the entire corporate perimeter.

Adaptation to climate change

OPPORTUNITIES

IMPACTS

DIRECT EMISSIONS SCOPE 1

Iscot Group generates direct greenhouse gas emissions mainly through the use of company-owned vehicles and, to a lesser extent, through the use of fossil fuels for the operation of facilities at some sites. This is a direct impact, attributable to daily management activities, with a limited but traceable contribution to climate change.

INDIRECT EMISSIONS SCOPE 3 UPSTREAM

Indirect emissions generated along the upstream supply chain represent the most significant impact for Iscot Group in terms of climate change. This includes emissions related to the production and transportation of materials used in services, external logistics, business travel, employee commuting and electricity consumption for service delivery. This is an indirect impact, less visible but substantial, which the company intends to progressively monitor and manage through environmental criteria in procurement processes and supplier engagement.

RISKS

ASSETS AT ACUTE PHYSICAL RISK - EXTREME WEATHER EVENTS

Iscot Group is exposed to the growing risk of intense and unpredictable weather events, such as floods, fires or heatwaves, which can compromise the operations of some sites and damage infrastructure or facilities. Such events may lead to possible service disruptions, extraordinary costs for restoration activities and increasing pressure on insurance premiums. This is a potential risk, associated with the intensification of extreme climate phenomena.

ASSETS AT CHRONIC PHYSICAL RISK - LONG-TERM CLIMATE CHANGE

Some corporate assets of Iscot Group are potentially vulnerable to progressive climate changes, such as rising average temperatures, drought, reduced water availability or loss of biodiversity in the areas where the company operates. Although these changes develop over extended time horizons, they can generate lasting impacts on process efficiency, the quality of services provided and adaptation costs. This too is a potential risk, but with structural and cumulative effects.

Adaptation to climate change

IMPACTS		OPPORTUNITIES
RISKS		
-	CLIMATE-RELATED TRANSITION RISK – INCREASE IN MATERIAL COSTS The evolution of environmental regulations, combined with increasing pressure on supply chain sustainability, may lead to higher procurement costs for the materials used in Iscot's services. This potential risk translates into growing economic pressure on operating margins, particularly in the absence of flexible contracts or suppliers resilient to regulatory and market changes.	

Energy

IMPACTS		OPPORTUNITIES
RISKS		
-	ENERGY MARKET RISKS The company is exposed to fluctuations in energy prices, particularly electricity and fuels, linked to geopolitical dynamics, imbalances between supply and demand, or transitions in national energy mixes. Such volatility represents a potential risk in terms of higher operating costs and instability in economic planning, with direct impacts on supply contracts and on the economic sustainability of energy-intensive activities.	

During the analysis, four significant climate risks were identified

These have been distinguished between **physical risks** (related to weather events and gradual environmental changes) and **transition risks** (arising from regulatory and market developments towards a low-emission economy). Two risks have been classified as physical: the first, defined as acute, is associated with extreme events that occurred in the last year, with potential direct impact on operational continuity and staff safety; the second, defined as chronic, concerns long-term climate changes and their repercussions on natural resources and process efficiency. The estimated probability levels are 75% and 50% respectively, based on observed frequency and the structural nature of the phenomena.

Among **transition risks**, the expected increase in material costs has been included as a medium-term factor, on a precautionary basis, with a probability of 25%. Alongside this is the volatility of energy prices, already experienced by the company, which reflects the evolving dynamics of markets and the energy mix; for this risk, a probability of 75% has been estimated.

The **resilience analysis**, developed on an extended geographical and temporal scale, highlighted differentiated levels of vulnerability. High-probability risks, such as extreme weather events and energy volatility, are currently managed with reactive and adaptive measures, but without a formalized comprehensive plan. In these areas, response capacity needs strengthening, particularly at the infrastructural and contractual levels. Conversely, chronic risk, linked to the progressive deterioration of environmental conditions, appears more insidious in the long term, particularly with regard to heat stress, water availability and the resilience of physical assets. In this case, resilience is still sufficient, but exposed to deterioration in the absence of structural interventions.

The environmental impact analysis led to the identification of **two significant negative impacts**: one direct (Scope 1 emissions from internal energy consumption), of limited magnitude, and one indirect (upstream Scope 3 emissions, linked to the supply chain), classified as a medium-level impact. The latter will be progressively integrated into mitigation strategies, also through the introduction of environmental criteria in supplier selection and monitoring processes.

For the assessment of physical risks, the company adopted a **qualitative approach** based on empirical evidence and local climate observations, in the absence of standardized quantitative scenarios (e.g. IPCC SSP5-8.5). This approach made it possible to distinguish between immediate-onset impacts and longer-term systemic impacts, assessing the exposure of operational sites and assets according to their location and infrastructural vulnerability.

The analysis of transition risks and opportunities was also developed in line with ESRS standards, considering the implications of a scenario compatible with the objective of limiting global temperature rise to 1.5°C. Although no quantitative modeling is available, the company has incorporated assumptions consistent with a gradual decarbonization of the economy, anticipating stricter regulatory requirements and the evolution of markets towards products and processes with lower emissions impact.

In this context, the possibility of rising material costs and exposure to carbon pricing mechanisms or disclosure obligations along the supply chain have been considered elements to be closely monitored. The ability to respond to such pressures will be strengthened through the evolution of environmental procurement criteria and the adoption of strategies that enhance the resilience of the value chain.

E1-9 Potential financial effects



Climate change emerges as a factor capable of deeply affecting the Group's financial balance. Extreme events — fires, floods, heatwaves — do not simply cause temporary disruptions to operations: they call into question the integrity of assets, increase exposure to insurance costs and make structural interventions necessary, requiring resources, **timeliness and vision**. In the presence of recurring phenomena, the loss of value of buildings, facilities or entire operational sites is not a remote hypothesis, but a concrete possibility.

This is accompanied by **chronic risks**, slower but no less impactful: the progressive deterioration of environmental conditions in sensitive operational areas can generate increasing adaptation costs and make investments that today appear solid less attractive — or less bankable. In this sense, climate becomes a structural variable in capital management.

On the transition side, pressures manifest through equally insidious dynamics: instability in material prices, resource scarcity, changing supply conditions. The response to these imbalances entails costs, reactivity and at times compromises. Finding reliable alternatives quickly can safeguard production — but rarely without impacts on margins or on the **consistency of supply chains**.

In the short term, these dynamics may affect **operating profitability**. In the medium term, they expose the company to reputational or market risks in increasingly regulated sectors. In the long term, if not managed, they erode the company's ability to remain competitive, credible and stable.

At present, no opportunities have been identified that are capable of generating concrete, quantifiable or immediately actionable financial effects. However, the ecological transition remains a horizon to be explored carefully: the ability to capture benefits linked to new models of production, finance or consumption will depend on how quickly the organization can read the signals, **adapt and invest in advance**.

E1-5 Energy consumption and energy mix

In 2024, Iscot Group recorded a total **electricity consumption of 316.89 MWh**, distributed across its operational sites in **Italy, Argentina, Brazil and Poland**.

The Italian site remains the main consumption center, with **251.27 MWh**, accounting for about 80% of the total. This is followed by the sites in Brazil and Argentina, with consumption of **36.33 MWh** and **29.29 MWh** respectively. No consumption was recorded for the Polish site during the period considered.

The Group's energy intensity for 2024 is **2.3 MWh/M€**, calculated as the ratio between total electricity consumption and revenue.

At present, no disaggregated data are available regarding the **energy mix** supplied by distributors in the different countries where the Group operates. However, it should be noted that the electricity used in Brazil comes entirely from **renewable sources**, particularly **hydropower and solar**, as declared by the local supplier. Although the use of Guarantees of Origin certificates is not required under Brazilian regulations, the traceability of the renewable source is nevertheless documented.

Iscot Group intends to progressively strengthen the tracking of energy sources used, with the goal of increasing the share of energy from renewable sources and, where technically and contractually feasible, evaluating the adoption of certified supplies in the different geographical contexts in which it operates. This approach is part of a broader strategy aimed at reducing the environmental footprint associated with energy consumption.



E1-6 GHG emissions

In 2024, Iscot Group quantified and reported its **greenhouse gas emissions** according to the three scopes defined by the GHG Protocol: Scope 1 (direct emissions), Scope 2 (indirect emissions from purchased energy) and Scope 3 (indirect emissions along the value chain). The reporting **boundary includes all fully controlled and consolidated companies**, including operational sites in Italy, Argentina, Brazil and Poland.

Gross direct emissions (Scope 1), derived from sources owned or controlled by the company such as heating systems and company vehicles, amount to **1,200.14 tonnes of CO₂ equivalent (tCO₂e)**. None of these emissions are currently subject to emissions trading systems (ETS), and therefore regulatory coverage is equal to **0%**.

Indirect emissions from electricity (Scope 2) were calculated using both methodological approaches:

- **75,41 tonCO₂e** according to the location-based method, reflecting the national electricity mix;
- **135,66 tonCO₂e** according to the market-based method, which takes into account the contractual profiles of suppliers.

Scope 3 emissions, relating to upstream and downstream activities in the value chain, constitute the most significant component of the company's carbon footprint. They have been calculated by including the categories applicable to the integrated services sector, in accordance with the GHG Protocol guidelines. The overall results are:

- **10.132,56 tonCO₂e** according to the location-based approach;
- **11.685,76 tonCO₂e** according to the market-based approach.



The **breakdown by category of Scope 3 emissions** is as follows:

CATEGORIES Scope 3	UoM	LOCATION BASED	MARKET BASED	CALCULATION MODE
 1 / Purchase goods and services	tonCO ₂ e	3.754,64	3.754,64	Expenditure method
 1 / Chemical products	tonCO ₂ e	1.237,42	1.237,42	Average data method
 2 / Capital goods	tonCO ₂ e	220,28	220,28	Expenditure method
 3 / Energy-related activities not included in Scope 2	tonCO ₂ e	0,38	0,38	Average data method
 4 / Upstream logistics	tonCO ₂ e	708,36	708,36	Expenditure method
 5 / Operational waste	tonCO ₂ e	16,08	16,08	Expenditure method
 6 / Business travel	tonCO ₂ e	126,90	126,90	Expenditure method
 7 / Commuting of employees	tonCO ₂ e	1.857,41	1.857,41	Average data method
 11 / Use of services sold	tonCO ₂ e	2.211,10	3.764,29	Average data method

Overall, the **Iscot Group's total GHG emissions for 2024** amount to:

- **11.408,11 tonCO₂e with Scope 2** calculated on a location-based basis.
- **13.021,56 tonCO₂e with Scope 2** calculated on a market-based basis.

GHG inventory 2024 - *Market based*

	Scope 1	Scope 2	Scope 3	Total company
Italy	1.116,80	125,78	8.147,24	9.389,82
Argentina	7,16	9,60	2.658,34	2.675,10
Brazil	46,00	0,28	708,32	754,61
Poland	30,18	0,00	171,85	202,03
Total Group	1.200,14	135,66	11.685,76	13.021,56

GHG inventory 2024 - *Location based*

	Scope 1	Scope 2	Scope 3	Total company
Italy	1.116,80	64,41	6.549,93	7.731,13
Argentina	7,16	9,60	2.658,34	2.675,10
Brazil	46,00	1,40	752,44	799,84
Poland	30,18	0,00	171,85	202,03
Total Group	1.200,14	75,41	10.132,56	11.408,11

The Group's emissions intensity, calculated as the ratio between total GHG emissions and turnover, is shown below:

Detail	UoM	GHG intensity
<i>Location Based</i>	tCO ₂ e/M€	82,87
<i>Market Based</i>	tCO ₂ e/M€	94,59

In 2024, the reporting scope was expanded to include the Group's foreign offices (Argentina, Brazil, Poland), which were previously excluded. Starting this year, 2024 has been identified as the base year for calculating emissions, in line with the new consolidation scope.

However, in order to ensure data comparability and continuity of historical series, Iscot has recalculated emissions for 2023 retrospectively according to the same scope. This allows for a more robust and consistent analysis of environmental performance. Finally, it should be noted that the 2023 GHG inventory does not report the breakdown between market-based and location-based values.

GHG inventory 2023

	Scope 1	Scope 2	Scope 3	Total company
Italy	1.024,070	108,460	7.799,913	8.932,443
Argentina	8,315	9,173	2.785,746	2.803,234
Brazil	70,888	0,006	902,152	973,046
Poland	25,604	0,000	293,460	319,065
Total Group	1.097,240	113,233	10.092,274	11.302,748



ESRS E3 - WATER AND MARINE RESOURCES

Strategies, policies and actions for water and marine resources

E3-1 - POLICIES RELATED TO WATER AND MARINE RESOURCES

E3-2 - ACTIONS AND RESOURCES RELATED TO WATER AND MARINE RESOURCES

E3-3 - OBJECTIVES RELATED TO WATER AND MARINE RESOURCES

The Iscot Group has incorporated specific commitments for responsible water management into its QHSE and SA8000 corporate policy, recognising its strategic value both for environmental balance and as a factor of resilience in the most vulnerable operating contexts. The approach adopted is based on a preventive vision and practices aimed at reducing consumption, despite the fact that the company's activities do not involve the direct use of this resource in production nor generate industrial waste.

The company policy states:

"Iscot recognizes the importance of water resources for the sustainability of the planet and the need to preserve them. Although the company's activities are not directly related to significant use of water resources or the production of wastewater, the company is committed, in all its operational sites, to adopting practices aimed at reducing water consumption and continuously monitoring it."

This approach meets several objectives outlined in the **ESRS E3 application requirements**, including:

- promote sustainable and responsible water use, aimed at protecting resources in the long term;
- take preventive measures against waste, raising awareness among staff through everyday behaviour and good operating practices;
- constantly monitor civil water consumption and take prompt action in the event of anomalies or inefficiencies;
- indirectly contribute to the protection of aquatic ecosystems by minimising impact and promoting efficient use.

Although Iscot does not operate in water-intensive sectors (e.g. manufacturing, agriculture or fisheries), it has chosen to adopt a **policy consistent with the principles of sustainability**, extending it also to areas with water-related challenges, such as Argentina and Brazil, where the company operates.

To date, no policies have been developed exclusively for the management of localized water risk, as potential impacts have been assessed as indirect and systemic. However, the integrated management system provides for periodic updates of environmental policies, which may include, in the short term, targeted actions in the most vulnerable areas. The company has not implemented specific policies or practices related to the protection of oceans and marine environments.



Main actions implemented

- Internal procedures for optimizing consumption, with specific instructions to avoid waste during washing activities.
- Controlled disposal of degreasing water at the Suzzara plant: wastewater from technical processes is collected separately and managed as special waste, with the aim of reducing its volume and environmental impact.
- Awareness initiatives for staff on the conscious use of water, through informational posters at worksites and periodic training activities.
- Qualitative monitoring of internal behaviors, in the absence of precise consumption measurement systems across different sites.

Allocated resources and current limitations

Currently, no quantitative targets for consumption reduction have been set due to the discontinuous nature of withdrawals and the absence of specific meters for individual activities. However, the actions undertaken are part of the integrated QHSE management system and are implemented with internal resources, without requiring large-scale dedicated investments.

Geographical context and water risk

Even at sites located in medium-high water risk areas, such as Brazil and Argentina, the company's activities do not involve significant withdrawals nor exert direct pressure on local resources. Therefore, no specific containment actions are planned, but **continuous monitoring of the water scenario** is in place to promptly assess any evolution of critical issues.



Impacts, risks and opportunities related to water and marine resources

ESRS 2 IRO-1 – DESCRIPTION OF PROCESSES FOR IDENTIFYING AND ASSESSING SIGNIFICANT IMPACTS, RISKS AND OPPORTUNITIES RELATED TO WATER AND MARINE RESOURCES

Iscot Group does not identify material negative direct impacts related to the use of water and marine resources. However, along the downstream value chain, water consumption by clients may generate significant effects, especially in areas subject to water stress such as Brazil and Argentina. In these contexts, a risk has been identified related to water scarcity and quality deterioration, which could hinder service delivery and increase operating costs.

Although such dynamics are not directly mitigable by Iscot, as they are linked to exogenous factors (such as climate change), the company considers them within its risk management system. As a preventive measure, it is evaluating the integration of environmental criteria into supplier selection and monitoring processes, with the aim of strengthening the resilience of the supply chain against potential environmental issues.

This commitment translates into a process of strategic and progressive adaptation, which aims to safeguard the reliability of services and contain indirect costs, even in the absence of already measurable mitigation results.

The company's activities do not have impacts on the marine environment and do not fall within the fishing or blue economy sectors. Consequently, Iscot does not fall within the scope of application of European Directives 2008/56/EC and 2014/89/EU. Similarly, with regard to the **Water Framework Directive** (2000/60/EC), the company operates in compliance with the regulation, without exerting significant pressure on the resource: water consumption is limited, there are no withdrawals from vulnerable sources and no industrial discharges.

While not directly contributing to the Green Deal objectives related to water, soil and biodiversity, Iscot promotes a corporate culture oriented towards sustainability, also encouraging suppliers to manage environmental resources responsibly.

In this perspective, it recognizes the value of Sustainable Development Goal No. 6 ("Clean water and sanitation"), to which it contributes indirectly through low water impact practices and the engagement of partners with environmental certifications.

Internally, the company promotes **responsible behaviour** through awareness-raising activities, reporting leaks or malfunctions, and adopting small daily actions aimed at reducing waste. Although no adaptation plan has been formalised, the issue is gradually being integrated into operational processes, in line with the structure and nature of the services offered.





Double materiality and water risk analysis

E3-5 – EXPECTED FINANCIAL EFFECTS ARISING FROM SIGNIFICANT RISKS AND OPPORTUNITIES RELATED TO WATER AND MARINE RESOURCES

The double materiality analysis carried out by Iscot Group followed the LEAP approach provided by ESRS E3 and is compliant with ESRS 2 IRO-1 and IRO-2 standards. The process was structured in three phases:

- **Phase 1 – Mapping interactions with nature:** The points of interaction with water resources were identified, focusing on the operational sites in Argentina, Brazil and Poland, which were identified as areas exposed to water stress or risk of water quality deterioration (source: Aqueduct Water Risk Atlas – WRI).
- **Phase 2 – Impact and dependency analysis:** No direct dependencies or significant environmental impacts have emerged, considering that the company's activity does not involve a productive use of the resource. However, an indirect and systemic dependency on the availability and quality of water has been recognized, with particular attention to the most vulnerable areas.
- **Phase 3 – Risk assessment:** The relevant risks identified are physical, linked to water scarcity and the qualitative deterioration of the resource. Although not currently observed, they could affect operational regularity or increase the costs of outsourced services. The magnitude of the risk has been classified as maximum (level 3), and the probability of occurrence estimated at 50%, falling within the "probable" range, especially with reference to non-European contexts.

The assessments are based on secondary data (international sources and environmental reports) and regulatory references, including the Water Framework Directive. Marine resources were not found to be involved in the company's processes. No consultations with local communities were carried out, as no material impacts generated or experienced were identified.

However, Iscot intends to progressively **strengthen dialogue with stakeholders**, particularly in non-EU countries, to improve environmental oversight and the ability to respond to potential risks.

Water consumption

OPPORTUNITIES

—

IMPACTS

HIGH WATER CONSUMPTION IN THE
DOWNSTREAM VALUE CHAIN

Water consumption by customers, particularly in highly vulnerable geographical areas such as Brazil and Argentina, can have a significant indirect impact on local water resources, compromising environmental sustainability and affecting the continuity of services provided.

RISKS

PHYSICAL RISK
LOSS OF WATER QUALITY

The deterioration in the quality of water resources in the areas where value chain operators are active can hinder service provision, increase operating costs and generate critical issues in the most sensitive contexts.

Water abstraction

OPPORTUNITIES

—

IMPACTS

—

RISKS

PHYSICAL RISK – SCARCITY OF WATER
RESOURCES

The decrease in water availability in countries experiencing high stress, such as Argentina and Brazil, represents an indirect risk to the operational continuity of strategic suppliers, with possible effects on service times, costs and reliability.

Although Iscot Group's activities do not imply intensive use of water resources or generate significant direct impacts on their quality or availability, the company has identified certain **systemic and cross-cutting risks** related to water scarcity and degradation, particularly due to the indirect effects that may occur along the value chain.

The main **expected financial effects**, prior to the adoption of mitigation measures, have been analyzed qualitatively in the following areas:

- **Loss of water quality:** increase in operating costs for suppliers and logistics partners; service disruptions or inefficiencies; reduction of profitability in case of the need to replace suppliers or reschedule activities.
- **Water scarcity:** reduction in revenues in areas affected by restrictions; higher supply costs and greater complexity in procurement; indirect investments to update contractual tools or specifications; reputational and competitive risks related to the ability to operate responsibly in critical contexts.

These risks are systemic, as they are linked to global dynamics (such as climate change), and cross-cutting, as they can potentially impact several operational areas of the company, from supplier management to service continuity and quality.

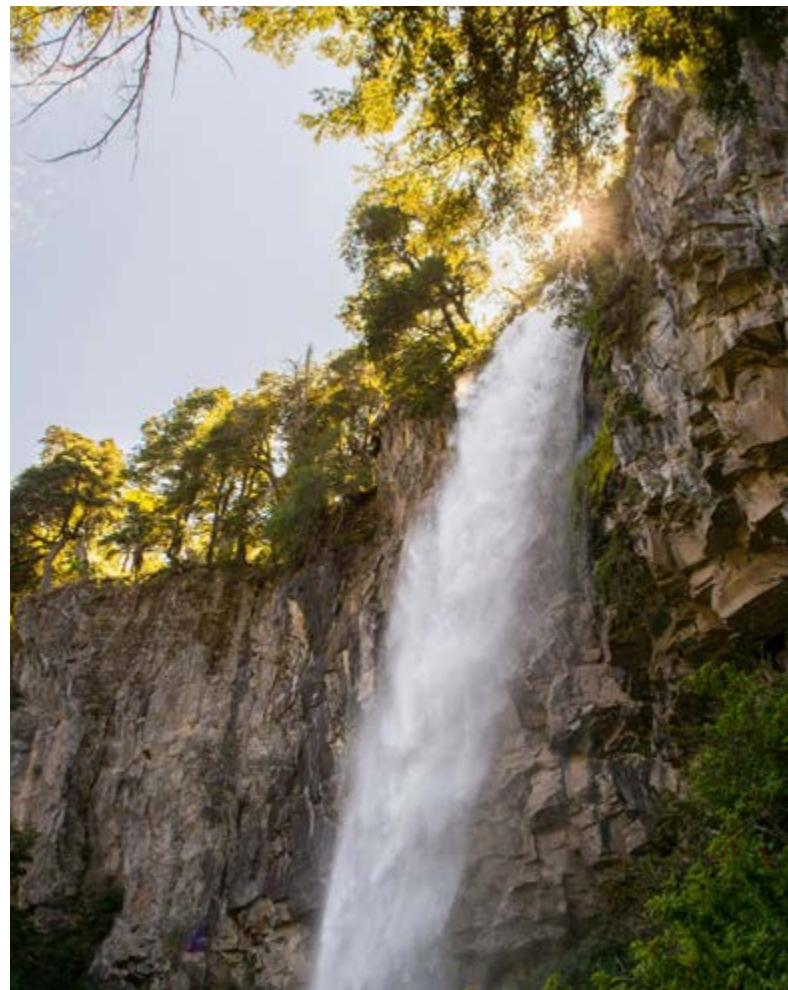
The time horizons considered are:

- **Short term:** increase in operating costs in the most vulnerable contexts;
- **Medium term:** risks of contract renegotiation or disruptions in relations with suppliers;
- **Long term:** lower competitiveness in areas affected by water stress, with possible impacts on commercial development and market share.

The analysis was conducted on a qualitative basis, using public sources (e.g. Aqueduct WRI), internal assessments of dependencies on third-party suppliers, and forecast scenarios related to the climate crisis.

At present, no monetary quantification of the impacts has been carried out, as the risks are indirect, prospective and do not structurally affect **economic and financial soundness** in the short term.

For this reason, Iscot did not deem it necessary to introduce advanced modelling or sensitivity analysis tools, while continuing to monitor the water situation in order to strengthen, if necessary, its ability to adapt and oversee the supply chain.



E3-4 Direct water consumption and operational management

As a service company, Iscot Group has a limited water consumption profile, attributable exclusively to civil uses at its operational sites. The activities carried out do not involve industrial uses nor generate significant direct impacts on the quality or availability of water resources. Despite the low level of direct use, the company recognizes the growing importance of risks related to water availability and quality, especially in relation to the geographical contexts in which clients and suppliers operate. In this perspective, Iscot adopts a prevention-oriented approach and strengthens the resilience of its service model, promoting responsible resource management even in the absence of direct material impacts.

Water consumption is monitored through direct reading of meters installed at each site, either by the water service provider or, where applicable, by authorized internal staff. The data collected in this way represent the official primary source and are used both for management purposes and for environmental reporting. No estimates, modeling or correction factors are applied: the information is based exclusively on instrumental measurements, updated and verifiable. For each site, the data are linked to the corresponding intended use, in order to ensure an accurate analysis of withdrawals.

In 2024, Iscot recorded a total water consumption of **2,490.00 m³**. Although no quantitative reduction targets have been formalized, the company has implemented structured actions for centralized monitoring of data from meters and initiated staff awareness activities aimed at promoting responsible use of the resource at the various operational sites. Water consumption in **risk areas** amounts to **1,066.00 m³**, corresponding to the volumes recorded at the **Córdoba** site (Argentina) and **Savassi** site (Belo Horizonte, Brazil).

- Córdoba is located in a semi-arid region, subject to drought and contamination of the Suquía River, the main local basin, compromised by agricultural and industrial discharges. Extreme climate events and wildfires have further reduced the soil's water retention capacity.¹
- Savassi, although not falling within an area formally classified as "*high water stress*," shows urban vulnerabilities related to soil impermeabilization, insufficient stormwater management, and an increased risk of flooding².

Given the nature of the activities carried out, **there are no significant volumes** of recycled or reused water, nor is water accumulated or stored. Water is supplied solely through the public water network, with no withdrawals from natural sources or direct discharges into water bodies. Therefore, no further information is required regarding the quality or quantity of water in the river basins concerned.

Looking ahead, Iscot will assess the opportunity to define **improvement targets**, in line with the non-productive nature of its core business, while recognizing the systemic relevance of water issues within the broader context of environmental sustainability.

¹ Source: Paná, S., Marinelli, M.V., Bonansea, M. et al. The multiscale nexus among land use-land cover changes and water quality in the Suquía River Basin, a semi-arid region of Argentina. Sci Rep 14, 4670 (2024). <https://doi.org/10.1038/s41598-024-53604-0>

² Source: Seidl, M., Palmier, L., Petrucci, G., & Nascimento, N. (2018). Impact of urbanization (Trends) on hydrological behaviour of Belo Horizonte watersheds (Brazil). In Green energy and technology (pp. 539 – 543) https://doi.org/10.1007/978-3-319-99867-1_93

Water consumption	Unit of measurement	2024
Total water consumption	m3	2.490,00
Total water consumption of sites in water-stressed areas, including areas with high water stress	m3	1.066,00
Argentina	m3	605,00
Brazil	m3	461,00
Total water recycled and reused by the organisation	m3	0
Total water stored and changes in storage	m3	0
Water intensity of the Group	m3/M€	18,08

ESRS E4 - BIODIVERSITY AND ECOSYSTEMS

Strategies, policies and actions for biodiversity

E4-2 – POLICIES RELATED TO BIODIVERSITY AND ECOSYSTEMS

E4-3 – ACTIONS AND RESOURCES RELATED TO BIODIVERSITY AND ECOSYSTEMS

E4-4 – BIODIVERSITY AND ECOSYSTEM TARGETS

Biodiversity is an increasingly relevant topic even for companies such as Iscot Group, operating in a sector with low direct environmental impact. Although it does not represent a critical area for the company's activities, it is considered for its cross-cutting value: the health of **natural ecosystems** can in fact influence environmental quality, people's well-being, and long-term operational continuity.

To date, Iscot has not adopted a specific biodiversity policy, but has included this topic in its Integrated Quality, Health and Safety, Environment and Energy (QHSE) Policy, updated in 2024. In this document, the company states that it does not generate significant direct impacts on ecosystems, while acknowledging the need to act responsibly to avoid or contain potential indirect effects.

Attention is focused on certain environmental dynamics relevant to the operational context. Climate change, in some areas, may contribute to more extreme weather events and a gradual increase in temperatures, with possible impacts on local ecological balances. The use of water resources is also monitored to ensure their sustainability, while the company is committed to avoiding the indirect release of pollutants that could compromise **aquatic ecosystems**.

In 2024, a more structured environmental monitoring was launched, particularly in contexts considered more vulnerable, such as Brazil, with the aim of identifying potential risks and assessing the adoption of corrective or preventive measures. At the same time, Iscot is evaluating the introduction of environmental criteria in supplier selection processes, although a traceability system for materials based on their impact on biodiversity has not yet been implemented.

At present, no specific measures have been adopted to ensure sourcing from certified ecosystems, nor have any social impacts directly linked to biodiversity loss been identified. No dedicated policies for the protection of biodiversity in sensitive areas are in place, as no operational site is located in territories formally recognized as such. Similarly, no initiatives have been developed

regarding soil management, agriculture, or the protection of marine ecosystems, as they are not relevant to the company's business sector. However, **deforestation has been identified as a possible area of concern**, particularly in the evaluation of suppliers operating outside the European Union.



The inclusion of biodiversity in the QHSE Policy represents a first formal step, in line with the company's environmental risk profile. Although no specific objectives, indicators or dedicated plans have yet been defined, an exploratory and monitoring process has been initiated that may evolve over time, also in response to regulatory changes. Biodiversity is not yet managed through a structured system nor framed in a formal mitigation hierarchy. However, the activities already underway provide a useful basis for developing more advanced and targeted tools. Should new evidence or issues arise, the company is ready to consider the introduction of more specific measures, consistent with the objectives of the ecological transition and with the European biodiversity strategy.

The goal is to build increasingly conscious management of natural resources, capable of strengthening operational stability and anticipating environmental challenges that may arise over time.

Impacts, risks and opportunities related to biodiversity

SBM-3 – SIGNIFICANT IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH THE BUSINESS STRATEGY AND MODEL

ESRS 2 IRO-1 – DESCRIPTION OF PROCESSES FOR IDENTIFYING AND ASSESSING SIGNIFICANT IMPACTS, RISKS, DEPENDENCIES AND OPPORTUNITIES RELATED TO BIODIVERSITY AND ECOSYSTEMS

In the course of the double materiality analysis carried out by Iscot Group, no material impacts, either actual or potential, were identified on biodiversity and ecosystems, neither at the company's operational sites nor along the value chain. The company's activities do not generate direct interferences with natural habitats, protected species or relevant ecosystem services, nor critical dependencies on specific ecosystems.

Although no indirect dependencies on specific ecosystems have been identified with regard to the sourcing of agricultural materials, a chronic physical risk has been identified related to **rising temperatures** in certain geographical areas, particularly in Brazil. In these territories, the impacts of climate change – such as prolonged heatwaves and drought – do not directly interfere with biodiversity, but may negatively affect the productivity and stability of local operational activities. Based on extreme climate events that occurred in the past year, this risk has been assessed with a probability of occurrence of 75% and classified as systemic, due to its broad scope and potential impact on infrastructure, working conditions and ecosystem services in **fragile socio-environmental contexts**.

In this context, the issue of biodiversity was considered relevant in terms of risk, particularly due to the operational repercussions associated with extreme weather events.

In Brazil, where one of the company's units operates, exceptional heatwaves have occurred, with temperatures reaching up to 60°C in the Rio de Janeiro region. These conditions represent a systemic physical risk, affecting the stability of the supply chain and the health and safety of exposed personnel, with potential impacts on operational continuity and production efficiency.



INTERACTION WITH OTHER ESRS STANDARDS

La gestione dei temi legati alla biodiversità e agli ecosistemi si integra con gli altri standard ambientali previsti dagli ESRS:

- **ESRS E1 - Climate change:** At our operational headquarters in Brazil, rising extreme temperatures pose a risk to business continuity and the integrity of local ecosystems. This is compounded by recurring phenomena such as fires and environmental degradation, which can be attributed to the structural fragility of the territory.
- **ESRS E2 - Pollution:** Iscot’s activities do not generate emissions or discharges that are potentially harmful to terrestrial or aquatic fauna. The company operates in compliance with environmental regulations and no significant impacts from soil, air or water pollution have been identified.
- **ESRS E3 - Water and marine resources:** Although the company’s water consumption is limited, it is distributed across areas such as Brazil and Argentina which, although not officially classified as areas of high water stress, show signs of vulnerability. No water discharges are generated by the company’s activities, thus excluding any direct impact on marine or river biodiversity.
- **ESRS E5 - Resource use and the circular economy:** Iscot promotes practices aimed at efficient use of resources and waste reduction throughout the life cycle of the products used. Although it has not yet integrated specific environmental criteria into its supplier selection process, the company is considering adopting them in the medium term, with the aim of also limiting indirect impacts on natural ecosystems.

Factors directly impacting biodiversity loss

IMPACTS	RISKS
-	CHRONIC PHYSICAL RISK – EXTREME TEMPERATURES In addition to negatively affecting the productivity of the resources used by Iscot and the stability of the supply chain, rising temperatures could necessitate investments in infrastructure and machinery to mitigate the effects of extreme heat. Such measures would be essential to ensure operational continuity and protect safe and adequate working conditions for staff.

OPPORTUNITIES

E4-6 Potential financial effects

Although no current financial impacts directly attributable to biodiversity loss or ecosystem degradation have been recorded, potential medium- to long-term impacts have been considered, such as:

- increase in operating costs related to disruptions or inefficiencies in the supply chain;
- need for investment in adaptive technologies or resilient infrastructure at suppliers' production sites;
- adjustment of working conditions to protect health and safety in environments with high thermal risk.

The assessment of these impacts, still under review, does not currently allow for a reliable economic quantification. The analyses are based on observed climate scenarios (e.g. heatwaves in Brazil), structural vulnerabilities of the territories, and preliminary estimates of the technical requirements for adaptation.

At this stage, no direct financial opportunities related to biodiversity have been identified, but it is expected that the adoption of more advanced environmental practices could strengthen the **company's ESG positioning**, particularly with clients sensitive to sustainability criteria.

Risk scenarios and future planning

The company currently does not use specific biodiversity scenarios for risk assessment. However, medium-term climate scenarios focused on rising temperatures have been adopted, selected based on geographical and sectoral relevance (e.g. Brazil). The scenarios are based on local observational data and climate trends, without yet referring to international frameworks such as IPBES or the **Convention on Biological Diversity**.

Community impacts and consultations

No negative impacts on habitats or protected species have been identified, nor interferences with areas of high ecological value (e.g. Natura 2000 sites, nature reserves or critical habitats).

Consequently, it has not been necessary to adopt mitigation measures under EU directives (92/43/EEC, 2009/147/EC) or international standards such as IFC Performance Standard 6.

The company's activities do not generate effects on biodiversity that result in negative impacts for local communities. However, as part of the risk assessment along the value chain, potential consequences for workers and populations in areas exposed to extreme events have been considered.

In particular, in Brazil, **high temperatures** could compromise worker safety and the availability of natural resources essential for production. These assessments are integrated into the company's internal risk management processes, with the aim of ensuring operational continuity and promoting adaptation measures shared with suppliers.

To date, no consultations with local communities have been carried out and there are no areas or sourcing activities with current or potential impacts on the biodiversity of the affected populations.

ESRS E5 - USE OF RESOURCES AND CIRCULAR ECONOMY

Strategies, policies and actions for the circular economy

E5-1 – POLICIES RELATING TO THE USE OF RESOURCES AND THE CIRCULAR ECONOMY

E5-2 – ACTIONS AND RESOURCES RELATED TO THE USE OF RESOURCES AND THE CIRCULAR ECONOMY

E5-3 – OBJECTIVES RELATING TO THE USE OF RESOURCES AND THE CIRCULAR ECONOMY

Although operating in a sector with low direct environmental impact, Iscot Group has integrated into its **Integrated Corporate Policy** explicit commitments aimed at managing resources responsibly and promoting the principles of the circular economy. The goal is to minimize environmental impacts along the entire value chain while at the same time improving operational efficiency.

The actions undertaken are based on a preventive and adaptive approach, aimed at reducing waste, reusing resources and making conscious choices in the selection of materials used. In particular, Iscot is committed to:

- improve **waste management**, aiming to reduce the amount produced and increase recycling rates;
- adopt, where technically feasible, **eco-friendly** technologies and materials, with specific attention to reducing the use of high-impact chemicals;
- prioritise the use of **certified products** with low environmental impact, such as those with the Ecolabel, thereby reducing dependence on virgin resources and helping to limit pressure on ecosystems.

Although not central to the business model, these policies are concretely applied both in direct activities and in procurement processes. At the operational level, the company promotes the reuse of work tools, periodic maintenance of equipment and the optimization of internal consumption. At the same time, in upstream activities, Iscot has initiated a progressive supplier selection process, giving priority to products with lower environmental impact and recognized certifications.

The actions implemented include:

- systematic monitoring of waste production through centralised data collection for each operating site;
- the rationalisation of the materials used, in order

to reduce waste already at the consumption stage;

- the adoption of products with reduced environmental impact for the services provided, with particular reference to those used in cleaning activities;
- promoting the internal reuse of non-disposable materials, where applicable, and efficient management of internal logistics to minimise waste and optimise resources.

The systematic maintenance and repair of operational equipment is a cornerstone of the company's circular practices, aimed at **extending the useful life** of assets and reducing the need for new purchases. Furthermore, although the company's activities do not directly involve the use of industrial materials, it favours, where possible, the purchase of goods and materials with recycled content, particularly with regard to packaging.

Waste management is based on the principles of the European hierarchy, which prioritises prevention and reuse, followed by recycling and recovery, and only resorts to disposal as a last resort. In this sense, staff training and awareness-raising activities play a strategic role in promoting responsible behaviour and consolidating a corporate culture geared towards sustainability.

The resources dedicated to these measures include investments in lower-impact materials, costs for internal training on environmental issues, and operating expenses related to environmental monitoring and maintenance. All measures adopted are consistent with the objectives outlined in Iscot's Integrated Policy, contributing to the reduction of environmental impacts, the strengthening of operational performance, and the progressive adoption of more sustainable business models.

Impacts, risks and opportunities related to circularity

ESRS 2 IRO-1 – DESCRIPTION OF PROCESSES FOR IDENTIFYING AND ASSESSING SIGNIFICANT IMPACTS, RISKS AND OPPORTUNITIES RELATED TO RESOURCE USE AND THE CIRCULAR ECONOMY
E5-6 – EXPECTED FINANCIAL EFFECTS ARISING FROM SIGNIFICANT RISKS AND OPPORTUNITIES RELATED TO THE USE OF RESOURCES AND THE CIRCULAR ECONOMY

The double materiality analysis carried out by Iscot confirmed that, although some environmental impacts related to resource use and waste generation are present, these aspects are not considered material either from a financial perspective or in relation to stakeholder expectations. The assessments were conducted according to the LEAP approach, as required by the Application Requirements of the ESRS, integrating the results of environmental analyses developed within the framework of ESRS E1–E4 standards.

In the context of the double materiality analysis, the sub-topics '**Resource inflows, including resource use**' and '**Waste**' were examined with the aim of identifying the associated negative environmental impacts.



PeWith regard to resource inflows, the impacts identified include both the incoming flows — consisting of the materials used in services, particularly **chemicals** and consumables — and the indirect upstream impacts, linked to sourcing from suppliers that use carbon-intensive resources.

With reference to the sub-topic 'Waste', the impacts identified mainly concern the production of operational waste, including special and **hazardous waste** generated in specific contexts.

In detail, the negative impacts observed include:

- the use, in certain operational phases, of non-biodegradable **chemicals**, which affect the composition and quality of the waste produced;
- the production of special waste at the Suzzara plant (Italy), including paints, varnishes, aqueous solutions and metal powders, managed in accordance with current legislation, through authorised temporary storage and disposal by qualified operators;
- the lack of environmental certifications along certain sections of the supply chain, resulting in indirect exposure to the use of materials with a high carbon footprint.

Resource inflows, including resource use

IMPACTS	RISKS	OPPORTUNITIES
CONSUMPTION OF PRODUCTS CONTAINING TOXIC AND NON-BIODEGRADABLE SUBSTANCES The use of non-biodegradable chemical products represents a direct and actual medium-level impact, linked to the composition of the products used in services. Such substances may contribute to the persistence of residues in waste and wastewater. Iscot mitigates this impact by prioritizing Ecolabel-certified products or those compliant with CAM requirements.	—	—
SUPPLY OF HIGH-CARBON-INTENSITY RESOURCES The purchase of carbon-intensive products, particularly chemicals, represents an indirect upstream impact in the value chain of medium magnitude. Although these emissions are not generated directly by Iscot, the company monitors the supply chain and favors suppliers with lower climate footprint production practices.	—	—

Waste

IMPACTS	RISKS	OPPORTUNITIES
WASTE GENERATION The production of waste, mainly similar to urban waste, has a direct and effective impact of medium severity. The disposal of non-recyclable materials in landfills is the most significant aspect. Iscot adopts prevention, separate collection and recovery measures to reduce environmental pressure.	—	—

Waste

IMPACTS	RISKS
GENERATION OF HAZARDOUS WASTE The generation of hazardous waste has a direct and effective impact of low magnitude, limited to the Suzzara site. This waste consists of residues from technical activities (paints, solvents, metal powders), which are managed in accordance with regulations through controlled storage, traceability and disposal by authorised operators.	-

OPPORTUNITIES

-

All waste disposal operations are tracked through forms and, in Italy, through the annual MUD declaration. The internal **environmental analysis** has ruled out the presence of accidental contamination risks, thanks to the robustness of procedures and the reliability of the suppliers involved in waste management.

At the same time, the company has assessed the possible existence of opportunities related to the adoption of circular practices, without however identifying any significant elements. In light of this, no significant financial effects are expected in the short, medium or long term related to impacts, risks or dependencies linked to resource use or the circular economy.

Despite the overall low materiality of the topic, Iscot continues to monitor the regulatory context and supply chain dynamics, while strengthening its environmental practices. Building on its **Integrated Policy**, the Group adopts measures aimed at resource efficiency and the progressive integration of circular economy principles. Among these:

- the selection of chemical products with stringent environmental criteria: approximately 30% are **certified with the Ecolabel mark** and the remainder comply with the Minimum Environmental Criteria (CAM);
- the rationalisation of consumables to reduce waste and optimise the resources used in services;
- the reuse and systematic maintenance of operational equipment to extend its useful life and avoid premature replacement;
- **centralised waste monitoring** for each operating site, supporting integrated and efficient management.

Finally, although no consultations with external stakeholders have been held – in the absence of significant direct impacts on local areas or communities – the company recognises the importance of dialogue and declares its willingness to expand the scope of assessment in the future, with a view to continuously improving its decision-making processes.

INTERACTION WITH OTHER ESRS STANDARDS

As part of its reporting on the topic of 'Resource use and circular economy', Iscot considered the **systemic interconnections** with other environmental standards, in line with an integrated approach and the principles of ESRS 1.

This cross-cutting assessment highlighted synergies, consistencies and potential overlaps with other environmental sustainability issues. In particular:

- In relation to **ESRS E1 (Climate Change)**, the use of carbon-intensive materials in procurement processes is indirectly linked to Scope 3 GHG emissions and represents a lever for improving climate performance along the value chain;
- In relation to **ESRS E2 (Pollution)**, the use of chemicals in the services provided involves potential emissions of pollutants, which are managed through safety, control and disposal procedures in accordance with regulations;
- For **ESRS E3 (Water and Marine Resources)**, despite limited water consumption, Iscot has implemented a system to monitor water usage via meters, while also promoting water conservation in its operational processes.
- In relation to **ESRS E4 (Biodiversity)**, no direct interactions with vulnerable natural ecosystems have been identified, but it is recognised that waste reduction and the phasing out of hazardous substances contribute indirectly to biodiversity protection by mitigating potential pressures on ecosystems.

Although Iscot's activities do not have a significant impact on a territorial or community scale, it has been recognised that the use of non-circular resources and the production of waste, when extended on a large scale or in fragile environmental contexts, can have indirect effects on local communities, shared resources and collective well-being. At the same time, the adoption of circular economy practices can generate positive effects in terms of efficiency, innovation and sustainability in the supply chains to which the company belongs, contributing to **strengthening the resilience** of its operating model.

With this in mind, even in the absence of direct material impacts, Iscot continues to monitor and refine its management and evaluation processes, promoting continuous improvement based on a **systemic view** of environmental and social interdependencies.

The treatment of the topic was consistent with the general principles of **ESRS 1**, adopting:

- an **approach based on double materiality**, which considers both the financial and impact perspectives;
- the **integration of environmental and social dimensions**, in line with the cross-cutting nature of sustainability;
- an extensive analysis along the entire **value chain**, both upstream and downstream, to fully understand the scope of impacts and dependencies.

Furthermore, in accordance with **ESRS 2**, structured information was provided on the processes for assessing impacts, risks and opportunities, even when not identified as material, ensuring maximum transparency on the level of relevance attributed to individual sub-topics.

Operational management of resource use and the circular economy

E5-4 – INFLOWS OF RESOURCES

E5-5 – OUTFLOWS OF RESOURCES

Iscot Group, as a company operating in the service sector, is not involved in industrial production processes but uses materials functional to the delivery of its activities, particularly cleaning chemicals and operational tools.

The company monitors **incoming resource flows** with the aim of assessing their indirect environmental impact, particularly in the procurement phase. Although no significant material impacts emerged from the double materiality analysis, these flows are subject to scrutiny, especially due to the presence of chemicals and the carbon intensity associated with certain technical materials.

In 2024, systematic monitoring was fully implemented at the Italian operational headquarters, while it is being progressively extended to the offices in Argentina and Brazil. The headquarters in Poland, used for **logistics**, has negligible volumes of resources for the purposes of analysis.

For the reporting year, Iscot Italy recorded a total weight of **155 tonnes of materials and technical products** used, mainly of a chemical nature. Of these, 3.10 tonnes (about 2%) consisted of secondary materials reused or recycled, such as packaging or reusable tools. No biological materials or biofuels for non-energy purposes, nor critical materials or rare earths, are in use. The data were collected through internal management systems, calculated on the basis of the net weight of purchased products. For secondary materials, the estimate was based on technical documentation and supplier declarations.

Resource outflows, on the other hand, are mainly reflected in waste generation, the only component assessed as potentially impactful within the double materiality analysis. Waste production has been classified as a medium-level impact, particularly in relation to the share destined for landfill disposal. The Italian and Argentine sites are the only ones generating significant waste, while in Brazil and Poland no outflows were recorded in 2024. The waste is predominantly similar to municipal waste and is managed according to a strategy based on prevention, source reduction and maximization of recovery.

In 2024, the Group produced a total of 218.036 tonnes of waste, of which **13%** (29.036 tonnes) was sent for **recovery operations**. This non-hazardous waste comes largely from the Argentine site (22.036 tonnes) and, to a lesser extent, from the Italian site (7 tonnes).

87% of the waste (189 tonnes) was instead disposed of, including both non-hazardous waste (48 tonnes) and hazardous waste (141 tonnes), generated exclusively by the Suzzara plant. This waste — including paints, varnishes, aqueous solutions and metal powders — is managed in dedicated storage areas, tracked through FIR (Waste Identification Form) and entrusted to authorized operators for treatment operations in compliance with environmental regulations.



Total waste Iscot Group - *Types and division by location*

Waste	Unit of measurement	2024	2023
Total waste of the Group	ton	218,036	128,266
Italy	ton	196	98,102
Argentina	ton	22,036	30,164
Brazil	ton	0	0
Poland	ton	0	0
Total non-hazardous waste Group	ton	77,036	120,553
Italy	ton	55,000	90,389
Argentina	ton	22,036	30,164
Brazil	ton	0	0
Poland	ton	0	0
Total hazardous waste Group	ton	141,000	7,713
Italy	ton	141,000	7,713
Argentina	ton	0	0
Brazil	ton	0	0
Poland	ton	0	0

Total waste Iscot Group - *Types and division by location*

Waste	Unit of measurement	2024	2023
Total waste sent for disposal Group	ton	189,000	88,16
Italy	ton	189,000	88,16
Argentina	ton	0	0
Brazil	ton	0	0
Poland	ton	0	0
Total waste sent for recovery Group	ton	29,036	39,384
Italy	ton	7,000	9,22
Argentina	ton	22,036	30,164
Brazil	ton	0	0
Poland	ton	0	0
Group waste intensity	t/M€	1,584	n/a

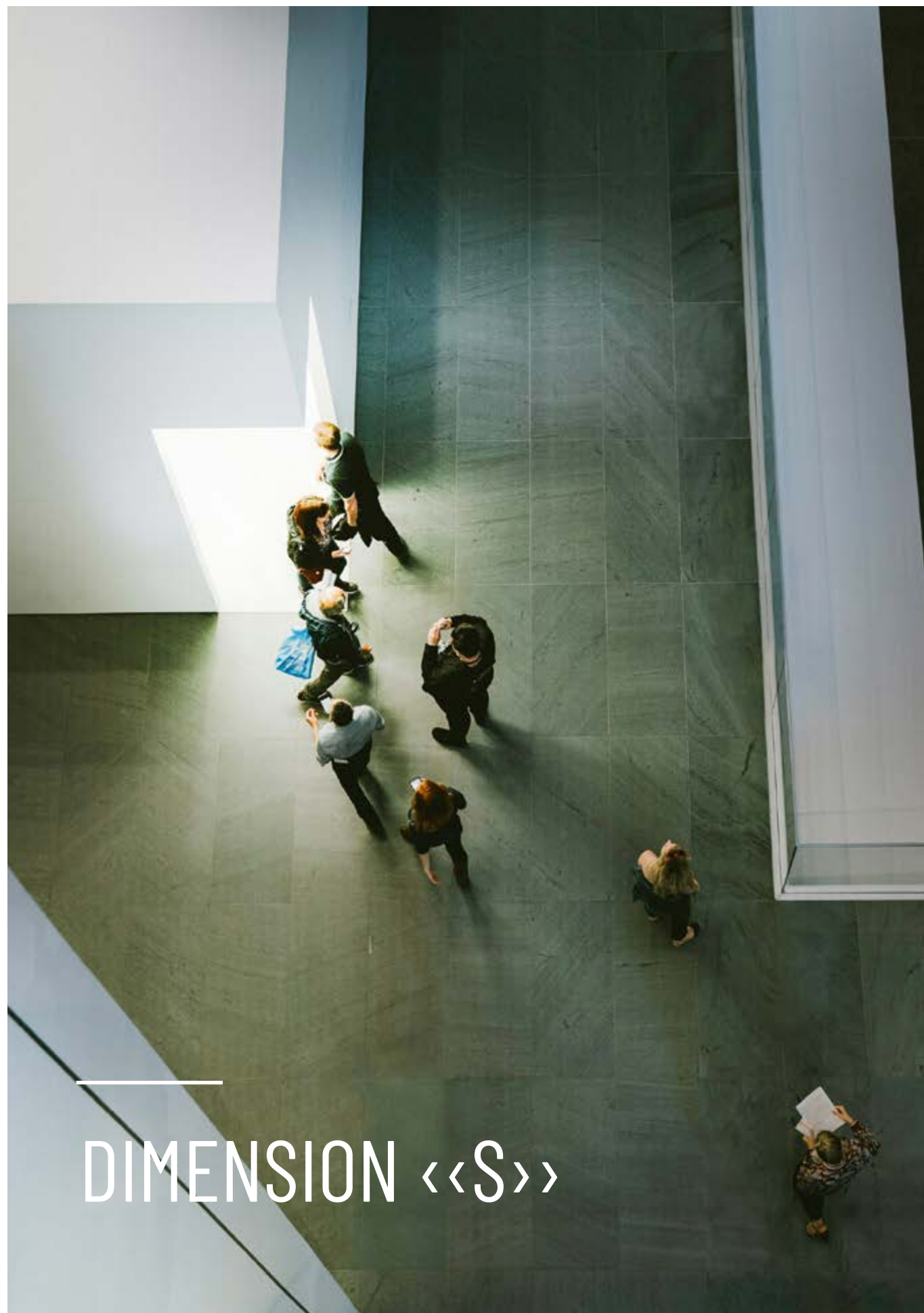
The waste produced by Iscot reflects the non-industrial nature of the company's activities and consists mainly of paper materials, **plastic and cardboard packaging**, and other dry waste. In non-hazardous waste, no biomass, textile material, critical materials or rare earths were detected. Hazardous waste, amounting to 141 tonnes, originates from technical maintenance activities at the Suzzara site and includes liquid chemical residues and finely dispersed metallic waste. No radioactive waste was generated during the reporting period, nor is the production of specific waste from highly material-intensive sectors expected.

Quantitative information was collected directly through the operators responsible for collection and disposal, supplemented by internal registers and mandatory forms. In the absence of disaggregated data by type of treatment (e.g. preparation for reuse

vs. recycling), estimates were adopted based on the prevailing classification of waste in the country of reference. The classification by hazard was carried out in accordance with Legislative Decree 152/2006 and Regulation (EU) 1357/2014, with the assignment of EWC codes according to the company's traceability criteria.

As the company is not involved in the design or manufacture of goods, no eco-design or circular design criteria have been applied.

However, Iscot adopts operational choices aimed at the **efficient use of resources**, promoting waste sorting, waste reduction and the use of environmentally friendly materials. Collaboration with accredited local operators ensures the recovery of municipal and similar waste, where technically feasible.



DIMENSION <<S>>

ESRS S1 – OWN WORKFORCE

Strategies, policies and actions for the workforce

S1-1 – POLICIES RELATING TO OWN WORKFORCE

Iscot Group adopts an integrated approach to workforce management, based on structured policies consistent with the principles of social sustainability. The company recognizes the importance of ensuring safe, fair and respectful working conditions that uphold fundamental rights, in line with the most authoritative international standards in the field.

Among the main regulatory and value-based references are the **United Nations Guiding Principles** on business and human rights, the **International Labour Organization Declaration** on fundamental principles and rights at work, the **OECD Guidelines** for multinational enterprises, and the principles of the **United Nations Global Compact**.

In this context, Iscot has adopted the **SA8000 standard** as a reference for its social responsibility management system, thereby ensuring the protection of workers' rights, non-discrimination, pay equity, freedom of association, and the absolute prohibition of child and forced labor.

These policies are fully integrated into business processes through operational procedures, dedicated training activities and a continuous monitoring system aimed at verifying their concrete implementation. The guiding principles are also promoted along the entire value chain through structured supplier qualification activities and the inclusion of ethical and social clauses in contracts, to ensure compliance with the adopted standards.

The commitment to safeguarding **health and safety** at work represents a cornerstone of the company's organizational model. Iscot adopts a prevention policy aimed at the continuous improvement of working conditions, the reduction of risks, and the protection of the physical and mental health of its employees.

Safety is integrated from the design or review phase of operational activities and is managed through a participatory approach involving the entire organizational structure, from management to individual operators. Training is continuous, tailored to the specific tasks, and accompanied by transparent communication on risks. The management of workplaces and equipment is aimed at minimizing residual risks, in compliance with current regulation. On the ethical and social level, Iscot addresses the issues of **non-discrimination**, **diversity** and **inclusion** within its integrated policy,



particularly in the section dedicated to social responsibility. The company is committed to ensuring equal dignity and respect for all people, promoting a work environment free from harassment and discrimination, safe and welcoming for every member of the workforce.

Although there is currently no standalone policy on these aspects, the company's management system includes concrete prevention and management mechanisms, such as constant monitoring of diversity-related indicators, activation of confidential channels for reporting inappropriate behavior, and periodic evaluation of organizational conditions. To date, no incidents of discrimination have been recorded within the organization. With a view to continuous improvement, Iscot is also evaluating the start of the certification process under **UNI/PdR 125:2022**, as a tool to consolidate its commitment to gender equality and inclusion.

Overall, the strategies and actions implemented by Iscot constitute a coherent and dynamic system aimed at promoting a corporate culture based on respect, responsibility and the enhancement of people, in line with the objectives of social sustainability and with the expectations of a broad and diverse range of stakeholders.

Impacts, risks and opportunities related to own workforce

ESRS 2 SBM-3 – SIGNIFICANT IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH THE BUSINESS STRATEGY AND MODEL

The double materiality analysis carried out by Iscot Group highlighted the existence of direct, actual and significant impacts related to the management of its workforce. In particular, a negative impact was identified under the sub-topic "Working conditions," with reference to the sub-sub-topic "**Health and Safety**." This impact is attributable to the operational and manual component of the company's activities, where the risk of accidents represents a structural, not systemic but cross-cutting, issue intrinsic to the operational context. Despite the adoption of established preventive measures, the topic has been considered relevant from a precautionary perspective and has reinforced the company's commitment to the continuous strengthening of management systems and training in health and safety.

At the same time, the analysis made it possible to identify **two positive impacts**, also direct and actual, still attributable to the sub-topic "Working conditions" and in particular to the sub-sub-topics "Working hours," "Adequate wages" and "Health and safety." These impacts concern:

- improved well-being at work, thanks to sustainable shift management and limited overtime, with positive effects on work-life balance;
- employment and economic stability, guaranteed by compliance with collective agreements and health and safety protections.

These impacts are evenly distributed across a wide geographical area and affect all operating sites, including those in Argentina, Brazil and Poland. The Group's entire workforce consists of employees hired on **fixed-term or permanent contracts**; there are no self-employed workers or temporary staff.

To mitigate the identified negative impact, Iscot has adopted a structured occupational health and safety management system, compliant with ISO 45001, which includes preventive, training and organisational measures. The system actively involves the entire company structure, promoting a culture of prevention and shared responsibility.

At the same time, the company has launched a series of initiatives aimed at capitalising on the opportunities identified. These include:

- the assessment of the launch of the **UNI/PdR 125:2022** certification process, dedicated to gender equality, as a strategic lever to improve competitive positioning, strengthen the internal climate and access funds for inclusion projects;
- investment in *upskilling* e *reskilling* programmes, aimed at updating internal skills, containing recruitment costs, improving retention and supporting the company's competitiveness in the medium to long term.

The expected financial effects derive mainly from these opportunities. In particular, the PdR 125 certification could provide access to dedicated financing and help reduce legal risks associated with wage or gender discrimination, while training programs contribute to the enhancement of human capital, reducing turnover and fostering a more flexible and skilled workforce. No significant risks attributable to the company's own workforce have emerged, nor evidence of critical dependency on it. However, **two potential opportunities** of high strategic value have been identified:

1. the promotion of equal treatment, with particular attention to gender equality;
2. the continuous development of skills, in response to changes in the labour market and ESG objectives.

The company manages these opportunities through integrated human resource development strategies, in line with its business plan and long-term vision.

Working conditions - Health and safety

IMPACTS	RISKS	OPPORTUNITIES
ACCIDENTS AT WORK In the Iscot Group, workplace accidents represent a direct negative impact, with significant effects on both the individual and social level. For the workers involved and their families, they can result in loss of income and long-term physical and psychological consequences; at the collective level, they generate costs for healthcare and welfare systems, affecting community well-being. Despite the presence of established preventive measures, this impact has been assessed from a precautionary and systemic perspective, in light of the operational nature of the company's activities.	-	-

Working conditions - Working hours / Fair wages

IMPACTS	RISKS	OPPORTUNITIES
GUARANTEE OF LABOUR RIGHTS In the Iscot Group, the positive impact translates into organizational management that safeguards workers' well-being. Activities are scheduled to limit overtime, extended or night shifts, and weekend work. Wages are granted fairly and in compliance with current regulations, fostering stability and sustainable working conditions.	-	-

Working conditions - Health and safety

IMPACT	RISKS	OPPORTUNITIES
EMPLOYEE HEALTH AND SAFETY GUARANTEE In the Iscot Group, the entire workforce is included in the health and safety management system, ensuring consistent standards of protection and prevention across all operational sites. This approach strengthens worker protection and contributes to a safe and responsible working environment.	-	-

Equal treatment and opportunities for all - Gender equality, equal pay for work of equal value

IMPACTS

—

RISKS

—

OPPORTUNITIES

GENDER EQUALITY CERTIFICATION

In the Iscot Group, the implementation of pay equity policies and the promotion of female leadership represent a strategic opportunity to strengthen inclusion and enhance human capital. These actions are part of the path towards UNI/PdR 125:2022 certification, with the aim of consolidating the commitment to gender equality and improving organizational and reputational performance.

Equal treatment and opportunities for all - Training and skills development

IMPACTS

—

RISKS

—

OPPORTUNITIES

UPSKILLING AND RESKILLING PLANS FOR EMPLOYEES

For the Iscot Group, investing in continuous training programs and internal growth paths represents a key opportunity to enhance skills, foster professional development and strengthen employee retention, in line with the Group's long-term objectives and ESG strategy.

Iscot's operating model does not involve restructuring or workforce reductions and does not include manufacturing or informal activities with high levels of unskilled labor. Even in potentially more critical contexts, such as Brazil and Argentina, the company's activities take place in urban and regulated areas, in formalized sectors and with regularly employed staff. In line with the SA8000 standard, the company applies strict qualification and monitoring criteria throughout the value chain to prevent instances of child or forced labor.

These principles are formalised in the Group's integrated policy and actively promoted among stakeholders, business partners and suppliers through contractual clauses, audits and periodic checks.

Overall, the dual materiality analysis confirms that **the workforce is an enabling factor** for the resilience and sustainable transformation of the organisation, contributing across the board to the achievement of the Group's strategic and sustainability objectives.

Characteristics of the own workforce

S1-6 – CHARACTERISTICS OF THE COMPANY’S EMPLOYEES

In 2024, the Iscot Group has **4.597 employees** distributed across Italy, Argentina, Brazil and Poland. All workers are employed under an employment contract, in most cases on a permanent basis, confirming an approach focused on stability and job continuity. Men represent 62.8% of the workforce, women 37.2%, with a stronger female presence in Brazil and Poland, where it exceeds 43%.

	Total	men	women	%men	%women
Total number of Group employees	4597	2886	1711	100%	100%
Italy	1856	1231	625	66%	34%
Argentina	1387	888	499	64%	36%
Brazil	907	513	394	56.56%	43.44%
Poland	447	254	193	56.80%	43.20%

The **age distribution** also reflects a diverse workforce: nearly half of employees are between 30 and 50 years old, while those under 30 account for 20% and those over 50 for 31%. In Italy, the staff is on average older, while in Poland younger profiles prevail, confirming a generational balance that enriches the organization.

Age distribution	Total	<30	30 - 50	> 50	% < 30	% 30 - 50	% > 50
Group	4597	933	2229	1435	20.30%	48%	31.22%
Italy	1856	146	746	964	8.00%	40.00%	52.00%
Argentina	1387	435	774	178	21.30%	59.22%	19.48%
Brazil	907	126	513	268	13.89%	56.56%	29.55%
Poland	447	226	196	25	50.56%	43.85%	5.59%

Fixed-term contracts are limited and flexible working arrangements remain residual, mainly used in Argentina. This configuration confirms the Group's commitment to solid, **inclusive employment** that is consistent with the principles of social responsibility.

	Permanent contract				Fixed-term contract				Flexible hours		
	Tot	U	D		Tot	U	D		Tot	U	D
Group	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a
Italy	1765	1164	601		91	67	24		184	126	58
Argentina	1387	881	506		n/a	n/a	n/a		0,013	0,08	0,05
Brazil	869	498	371		0	0	0		38	15	23
Poland	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a

At the executive level, there were 21 managers in 2024, an increase on the previous year, with a greater concentration in Italy and Argentina. In top management roles, there is a strong male predominance in Italy, while in Argentina the gender balance is more even. In Poland and Brazil, female leadership is still limited, but progress towards greater equality is underway.



Overall, Iscot's workforce stands out for its geographical diversity, contractual stability and generational diversity. The Group pays close attention to the issue of **inclusion** and has already taken concrete steps to promote **gender equality**, including through the UNI/PdR 125:2022 certification process.

For Iscot, a diverse and valued workforce is the foundation for successfully tackling future challenges.

Collective bargaining and social dialogue

S1-8 – COVERAGE OF COLLECTIVE BARGAINING AND SOCIAL DIALOGUE

The issue of collective bargaining and social dialogue plays a central role in the management of industrial relations at Iscot Group. Currently, **100% of employees are covered by collective labor agreements**, without distinction between operational sites, confirming the company's commitment to ensuring consistent protections and established rights for the entire workforce.

In countries belonging to the European Economic Area (EEA), namely Italy and Poland, where the company has a significant number of employees (over 50 employees and at least 10% of the total workforce), the application of collective agreements is fully extended, also reaching 100% coverage. The same coverage is also found in non-EEA countries where the Group operates, Argentina and Brazil, where the entire workforce is protected by collective agreements in accordance with local regulations.

Iscot Group does not employ workers outside its own workforce (e.g. temporary agency or self-employed workers); consequently, there are no situations in which working conditions are determined by collective agreements relating to persons not directly employed by the company.

Social dialogue is also actively promoted through the presence of employee representatives. In countries with higher employment levels, the percentage of employees covered by representation is significant: 53% in Italy, 100% in Poland and Brazil, and 90.7% in Argentina.

Although there are currently no European Works Councils or similar bodies for European Companies (SEs) or European Cooperative Societies (SCEs), the company ensures ongoing dialogue with employees through formalised channels and representative bodies, in line with the regulatory frameworks of each country.



S 1-14 - Health and safety

In 2024, health and safety management within the Iscot Group was confirmed as a structural element of corporate governance. The entire workforce, across all operating sites – Italy, Argentina, Brazil and Poland – was included in a management system that goes beyond formal compliance with national regulations and is based on internationally recognised criteria, ensuring consistency and oversight in different operating contexts.

Full staff coverage is the result of an organisational approach that considers **prevention** not as an ancillary function, but as an integral part of decision-making and production processes.

The adoption of shared standards and procedures has made it possible to maintain active, cross-functional and continuous surveillance. During the reporting period, there were no work-related deaths among direct staff or third parties working on construction sites or company premises.

However, **accident** statistics reveal margins for improvement. A total of 186 accidents were recorded: 91 in Argentina, 48 in Italy, 29 in Brazil and 16 in Poland. The incidence rate varies significantly between countries: in Italy it reaches 21.38%, while in Poland it is 10.24% and in Argentina it stands at 6.19%.

There were 14 occupational diseases reported, mainly concentrated in Italy (11 cases). Two cases were reported in Argentina and one in Brazil, while no cases were reported in Poland. In this area too, data is collected in compliance with local health traceability regulations and refers exclusively to employees. Absences due to accidents and occupational illnesses resulted in a total of 1,223 working days lost in Italy, 1,703 in Argentina and 720 in Brazil. This information is not currently available for Poland. Rather than an indicator to be contained, accident data represents a critical observation point for Iscot, from which to strengthen prevention capabilities, operational review and the dissemination of a culture of safety. The goal is not only to reduce incidents, but to **integrate safety** into everyday behaviour and activity planning at all levels of the company structure.



Diversity and inclusion

S1-9 – DIVERSITY METRICS

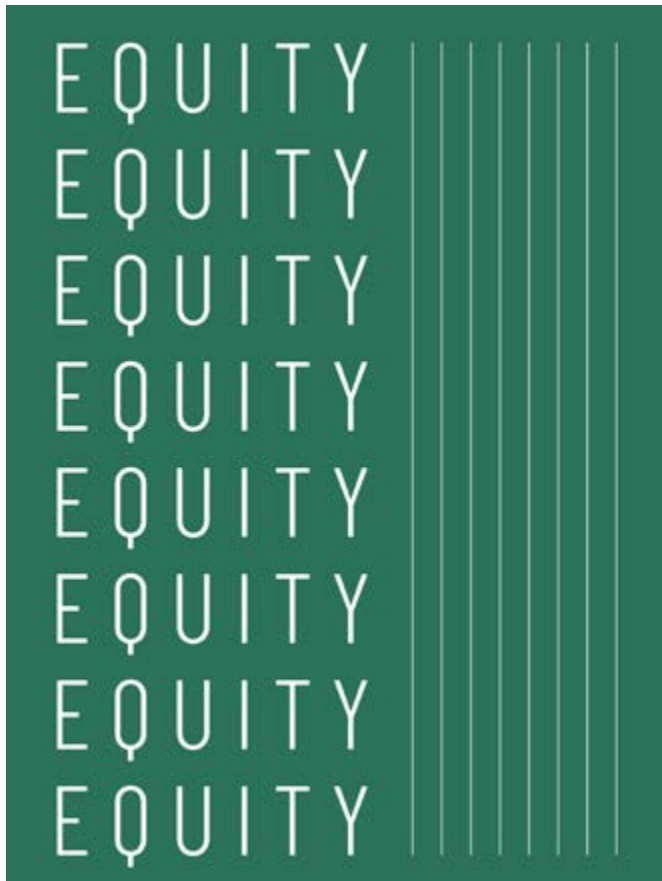
S1-12 – DISABLED PEOPLE

In 2024, Iscot Group reaffirms its commitment to an **inclusive corporate culture**, promoting diversity as a cross-cutting value within its organization. However, the data highlight areas where equity and representation can still be strengthened, particularly in leadership roles and in policies for the inclusion of people with disabilities.

Overall, formally classified managerial staff amounts to 21 units, equal to 1.7% of the total workforce. The distribution by country shows a balanced presence between Italy and Argentina (8 managers each), followed by Brazil (3) and Poland (2). Although gender-disaggregated data are not available for this category, it is possible to analyze the composition in top positions, understood more broadly as roles of highest responsibility, beyond the formal managerial level alone.

At Group level, there is a marked male prevalence in top management roles, with a distribution that varies significantly between different geographical contexts: in Italy, 88% of these positions are held by men and only 12% by women; in Poland, women account for less than 10%; in Brazil, the figure is even lower (0.55%). The exception is Argentina, where women account for 47.05% of senior management positions, approaching a balanced situation. These figures highlight potential for improvement in terms of **gender diversity** in leadership, an area in which the Group intends to take structured action.

With regard to the inclusion of people with disabilities, in 2024 there are 81 employees with disabilities, equal to 1.8% of the total workforce. Their presence is mainly distributed in Italy (50 people, equal to 3.0% of the country's employees) and in Brazil (31 people, equal to 3.42%), while in Argentina and Poland there are no formally registered employees with disabilities. Gender data are available only for Brazil, where the distribution is balanced: 17 men and 14 women. In Italy, Argentina and Poland, the collection of gender-disaggregated data is currently limited by regulatory constraints or non-homogeneous survey methods.



Overall, the Iscot Group recognises diversity as a strategic resource and is committed to building increasingly inclusive work environments through policies geared towards fairness, respect for equal opportunities and overcoming physical and cultural barriers.

S 1-13 - Training and skills development

At the Iscot Group, training is not seen as a formal requirement, but as a concrete tool for strengthening skills, awareness and responsibility at all levels of the organisation. The **commitment to training** cuts across the various operational contexts, with structured programmes and targeted updates designed to meet the specific needs of different roles and contribute to the overall stability of the company system.

In 2024, the Group provided a total of over **23,920 hours of training**, of which 19,125 hours were related to compulsory modules and 4,795 hours were dedicated to health, safety and environmental issues. The average per capita figure stands at 5.2 hours per year, with some differences between countries: 5.66 hours in Italy, 5.80 in Argentina, 4.50 in Brazil and 3.00 in Poland.

In addition to mandatory training, great attention is paid to **building a corporate culture focused on sustainability**. The courses offered include environmental awareness sessions and sessions dedicated to actively involving employees in defining social, environmental and collective responsibility objectives. These initiatives are designed to increase the level of informed participation and to strengthen the integration between operational choices and corporate values.

As regards performance assessment, the process is being progressively enhanced. At present, the available data only concern the Argentine office, where 6% of staff (limited to administrative staff) have undergone periodic assessment. The extension to operational staff is planned for 2025, following the updating of management systems.

Overall, training within the Iscot Group is a dynamic tool that supports the development of individuals and the organisation. In a constantly changing environment, the ability to learn and adapt is essential for fostering competitiveness, risk prevention and consistency with ESG and long-term strategic objectives.

S 1-15 - Work-life balance

At the Iscot Group, the possibility of balancing work and personal life is an integral part of a vision of organisational well-being that takes into account the different regulatory, cultural and contractual conditions of the contexts in which the company operates. The issue is not addressed in an abstract way, but is calibrated to the real possibilities of access and enjoyment of available rights, which often vary depending on the local legislative framework.

In 2024, the right to family leave is formally guaranteed to 100% of employees in Brazil, while it is accessible to a smaller proportion of staff in Italy (7.27%), Poland (3.80%) and Argentina (1.58%). In the three European and South American countries mentioned above, all those who were entitled to it actually made use of it. In Brazil, on the other hand, despite full regulatory coverage, only 2.09% of the workforce chose to take advantage of this tool.

This gap between formal law and actual practice suggests the **need to strengthen a more widespread and accessible culture of work-life balance**, not only in the regulatory framework but also in organisational perception. With this in mind, the Group has launched a process to improve its data collection and analysis systems, with the aim of monitoring effective equality of access over time and identifying any gender asymmetries in the use of leave. This is a necessary step towards translating the principles of inclusion and equality into concrete and measurable management tools.

For Iscot, **the balance between private life and work commitments is not a concession**, but a prerequisite for sustainable work environments over time. Making professional rhythms compatible with people's needs means creating the conditions for everyone to contribute authentically, continuously and motivated to the organisation's common project.

S1-17 - Human rights protection

In 2024, Iscot Group did not record any incidents of human rights violations within its operations. No cases of child labor, forced labor or trafficking were identified, nor were there any incidents or reports of discrimination, harassment or other forms of abuse, either from employees or external stakeholders. Consequently, no sanctions were applied, nor are there any amounts to be accounted for in connection with these issues.

These outcomes are not taken as a guarantee, but as the result of a **responsibility framework** based on concrete tools: an active control system at operational sites, internal channels for reporting irregularities, contractual safeguards along the value chain, supported by the Code of Ethics and the Supplier Code of Conduct.

Respect for human rights is not treated as a formal requirement, but as a criterion of relational quality, reflected in the way the company hires, trains, listens and selects. In the absence of reported issues, the priority remains to consolidate the conditions that prevent, even before they correct. It is not about measuring absences, but about monitoring conditions.



ESRS S2 – WORKERS IN THE VALUE CHAIN

Strategies, policies and actions for workers in the value chain

S2-1 – POLICIES RELATED TO WORKERS IN THE VALUE CHAIN

S2-5 – GOALS RELATED TO MANAGING SIGNIFICANT NEGATIVE IMPACTS, ENHANCING POSITIVE IMPACTS, AND MANAGING SIGNIFICANT RISKS AND OPPORTUNITIES

When dealing with relationships along its value chain, Iscot does not simply demand compliance: it establishes criteria, verifies them, and considers them an integral part of its accountability system.

The approach is based on a structured policy, integrated into the **QHSE system**, which extends the principles of the **SA8000 standard** to suppliers, with a specific focus on working conditions, safety, non-discrimination and human dignity. These are not just contractual requirements, but an operational framework that defines what is acceptable — and what is not.

The control system is not limited to formal verification: it includes audits, periodic assessments, and active dialogue with partners to address any non-compliance in a collaborative manner. Serious violations — forced labor, child labor, trafficking — are categorically excluded, and the **Code of Ethics** as well as the Supplier Code of Conduct mark a clear dividing line. On these issues, the tolerance threshold is zero.

In 2024, no cases related to violations of workers' rights were recorded in the supply chain. But the absence of cases is not a milestone: it is a signal to question, not to celebrate. Monitoring remains active and evolving, especially in the most vulnerable operational contexts, where risks are less visible but potentially more deep-rooted.

The company has not yet set quantitative targets for reducing negative impacts, but has chosen to oversee the supply chain through a continuous objective: strengthening its ability to detect, understand and address issues before they become systemic. This means working not only on control, but also on a common language with suppliers — made up of standards, but also of shared culture.

To date, the direct involvement of supply chain workers does not take place through structured channels, due to the indirect nature of the relationship. However, there remains a willingness to engage in dialogue with local, trade union or institutional actors where this can improve the understanding of real dynamics.

For Iscot, **managing rights** along the value chain is not an area to be monitored: it is a stance to be taken. In every context, in every decision.



Impacts, risks and opportunities related to workers in the value chain

ESRS 2 SBM-3 SIGNIFICANT IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH THE BUSINESS STRATEGY AND MODEL

The double materiality analysis conducted by Iscot did not reveal any concrete negative impacts on workers in the value chain. However, the company adopts a precautionary and systemic approach, which also considers low-probability but potentially significant scenarios. Among these, a risk related to health and safety conditions in external production contexts was identified, classified as low in severity and with an estimated probability of 25%, mitigated by existing control mechanisms.

Working conditions - Health and Safety

IMPACTS	RISKS	OPPORTUNITIES
-	INADEQUATE HEALTH AND SAFETY CONDITIONS IN THE VALUE CHAIN The lack of adequate health and safety measures at supplier sites can lead to accidents, occupational diseases and legal disputes, with negative impacts on operational continuity, corporate image and productivity due to increased absenteeism. Iscot Group manages this risk through standards and control procedures to safeguard the supply chain.	-

The oversight of these risks is entrusted to the **SA8000 standard**, which Iscot has integrated into its supplier qualification and monitoring processes. More than a formal certification, it is an operational system that defines non-negotiable minimum thresholds: **periodic audits**, documented checks, binding social criteria. Even in the absence of actual impacts, the goal is to keep the ability to detect weak signals active and to intervene before issues become systemic.

The potential economic consequences associated with this risk are not theoretical: disruptions in the supply chain, litigation, reputational damage and the need for corrective investments in training, infrastructure or control systems. In this sense, the social quality of the supply chain is an integral part of the resilience of the operating model.

The SA8000 standard allows action to be taken on issues that are often difficult to regulate remotely: safety, working hours, equal pay, freedom of association, inclusion, combating discrimination, and the absolute prohibition of forced and child labour. Adherence to these criteria is not optional for suppliers: it is a condition for being part of the company's scope of responsibility.

The management system includes **alert** and **tracking** tools even in potentially more fragile geographical contexts, where the risk is not always visible but may be structural. In the absence of formal reports or non-compliance during the reference period, the approach remains focused on prevention rather than reaction.

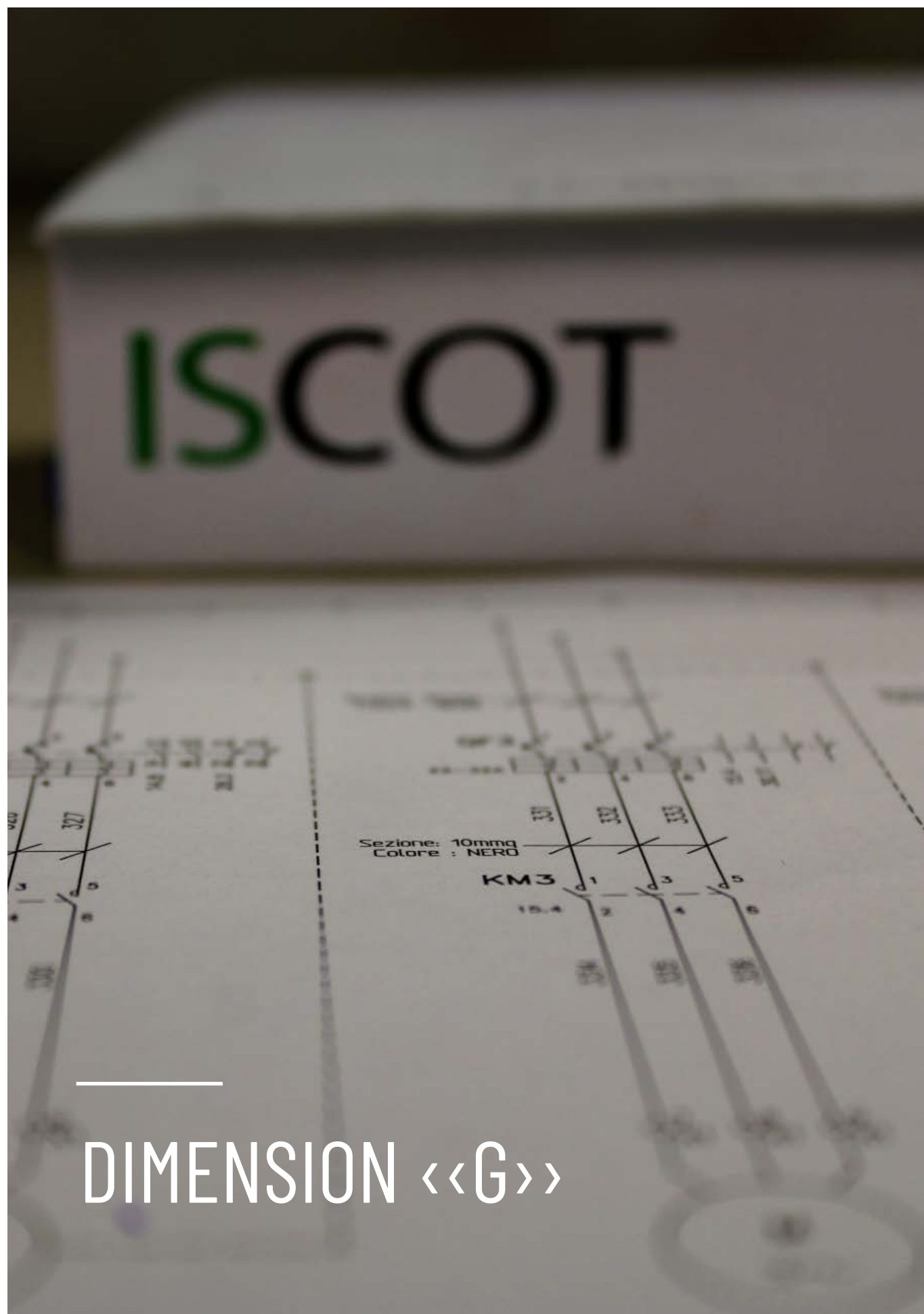
The assessment included workers employed in the upstream stages of the value chain, particularly in the provision of services, materials and equipment. No high-risk geographical areas emerged, nor are there currently any active relationships with downstream workers, *joint ventures* or special purpose vehicles. However, the context conditions continue to be monitored, including in relation to environmental, technological or regulatory developments that could change them.

The adoption of the SA8000 standard has not generated formally measurable positive impacts, but it has helped to consolidate a more solid and transparent operating climate in supplier relationships.

In complex supply chains, the absence of setbacks is in itself an achievement.

In Iscot's management model, social risks in the value chain are not an ancillary category, but a structural variable: they affect continuity, reputation and the ability to remain in markets where ESG compliance is a prerequisite.

Investing in reliable supply chains is not an ethical choice: it is a condition for doing business in a sustainable and resilient way.



ESRS G1 – CORPORATE CONDUCT

G1-5 – POLITICAL INFLUENCE AND LOBBYING ACTIVITIES

In the Iscot Group, compliance with the principles of integrity, transparency and accountability is a structural element of **corporate governance**. Anti-corruption activities, supplier relationship management and institutional relations are overseen by codified tools and procedures, in line with the highest ethical standards. The Code of Ethics represents the value framework, supported by training programs, internal controls, segregation of duties systems and a **whistleblowing channel** compliant with European regulations, ensuring confidentiality and protection for whistleblowers.

Even in areas not directly regulated, such as animal welfare in the supply chain, the company adopts a responsible approach, promoting selection criteria consistent with its sustainability commitments. **Fairness in business relationships**, accuracy in payment terms — particularly towards SMEs — and the absence of lobbying or political funding complete a framework of responsibility that permeates the company's actions across the board.

Strategies, policies and actions for corporate conduct

G1-1 – POLICIES ON CORPORATE CULTURE AND BUSINESS CONDUCT

In the Iscot Group, corporate conduct is based on clear and operational principles: legality, integrity, and accountability towards stakeholders. The Code of Ethics, consistent with the **Organizational Model pursuant to Legislative Decree 231/2001**, precisely defines expected behaviors and conduct criteria, binding not only internal staff but also external collaborators, suppliers, and business partners.

The dissemination of the Code takes place through accessible digital tools and recurring training programs, mandatory for all personnel. Training, in addition to promoting knowledge of the Code and the 231 Model, focuses on high-risk operational areas: procurement, relations with Public Administration, supplier management, administration and finance. These functions are subject to targeted control measures, audits and periodic updates.

The Group has set up reporting channels that comply with **Directive (EU) 2019/1937**, which are easily accessible and protected, guaranteeing confidentiality, anonymity and freedom from retaliation. Reports, including anonymous ones, are handled by third parties or internal personnel with autonomy and expertise, capable of ensuring impartiality and effectiveness during the investigation phases. The prevention of corruption is an integral part of the Code of Ethics. Any form of active or passive corruption is prohibited, whether involving public or private entities. Economic and financial transactions are traceable and subject to control, in line with the commitments made against all forms of opacity.

Any violations are subject to formal investigation procedures, conducted promptly, with the support – where necessary – of the **Supervisory Board**, to ensure the autonomy and fairness of the process. As it is not involved in activities that impact animal welfare, the Group has not adopted specific policies in this area, which is not relevant to its sphere of operation.

Impacts, risks and opportunities related to corporate conduct

ESRS 2 IRO-1 – DESCRIPTION OF PROCESSES FOR IDENTIFYING AND ASSESSING SIGNIFICANT IMPACTS, RISKS AND OPPORTUNITIES

In assessing the relevance of the impacts, risks and opportunities associated with corporate conduct, the Iscot Group has applied a dual materiality approach across all **ESG dimensions**, with a particular focus on operating contexts and organisational integrity safeguards.

The analysis incorporated **four key criteria**.

First of all, the **location** of the operational sites, in Italy and abroad, was taken into account, assessing the local regulatory context and the levels of risk related to administrative transparency and the culture of legality. A second level of analysis concerned the **activities carried out** by the Group in integrated services, with a focus on the functions most exposed to potential improper conduct, such as the awarding of contracts, personnel management and relations with public and private stakeholders.

The Group’s **sector positioning** was also taken into consideration, operating in a labor-intensive sector where corporate responsibility and governance strength represent a distinctive element of reliability. Finally, the multi-company **organizational structure** was assessed, which entails a structured distribution of control functions between central bodies and local units.

The analysis revealed a positive, direct and actual impact, attributable to the ethical training programs addressed to staff. These programs, designed to strengthen the culture of legality and the ability to prevent unlawful behavior, extend to the entire company perimeter, without distinction between roles or operational sites, ensuring comprehensive and continuous training coverage.

No negative impacts have been identified, nor are there any significant risks or opportunities associated with this specific area.

Working conditions - Prevention and detection, including training

IMPACTS	RISKS	OPPORTUNITIES
At the Iscot Group, anti-corruption training for all employees has helped to strengthen a culture of transparency and accountability. The programme, which aims to raise awareness of the risks and consequences of corrupt conduct, has had a direct positive impact, increasing internal awareness and the organisation’s ability to prevent non-compliant behaviour.	—	—

Supplier relationship management

G1-2 – MANAGING RELATIONS WITH SUPPLIERS

In the Iscot Group, relationships with suppliers are built not only on technical requirements but on a convergence of values. Compliance with the law, integrity in business practices and contractual transparency are necessary, not optional, conditions. Every new supplier undergoes preliminary checks assessing reputation, regulatory compliance and distance from unlawful practices. It is a simple but non-negotiable principle: no economic relationship justifies tolerance towards unethical behavior.

The **Code of Ethics** clearly establishes that fairness in relationships is a shared responsibility: from selection to the continuation of the engagement, every step is governed by objective criteria. No automatisms are foreseen: if conduct incompatible with company principles emerges, the relationship is terminated.

Although there are not yet explicit policies dedicated to the management of payment delays, particularly towards SMEs, the Group is committed to limiting contractual imbalances and promoting fair treatment throughout the supply chain. Similarly, although environmental and social criteria are not yet systematically integrated into purchasing processes, any collaboration with parties that do not guarantee working conditions respectful of fundamental rights or that are involved in serious violations is excluded.

In an increasingly demanding regulatory and market scenario, supplier management is not just an administrative activity: it is a space for consistency and positioning. On this basis, Iscot continues to strengthen its safeguards, with the goal of building a **supply chain** that is not only efficient but also sustainable and reliable over time.



G1-3 - Prevention of active and passive corruption

G1-4 – CASES OF ACTIVE OR PASSIVE CORRUPTION

In the Iscot Group, **anti-corruption** is not treated as a residual risk but as an operational area safeguarded in a structured way through regulatory, organizational and cultural tools. The prohibition of any form of corruption, both active and passive, is formalized in the Code of Ethics and in the Organization, Management and Control Model pursuant to Legislative Decree 231/2001, which constitute the reference framework for preventing unlawful conduct, including in private relations.

All financial flows must be traceable, documented and accurately recorded, in compliance with criteria of transparency and control. The Code of Ethics explicitly prohibits the establishment of hidden funds, the manipulation of accounts and any form of circumvention of internal controls, providing for sanctions and corrective actions in the event of non-compliance.

Oversight of the implementation and effective compliance with the Code is entrusted to an autonomous **Supervisory Body**, independent from the management chain and also responsible for monitoring any violations committed by top management. This independence guarantees impartiality in the handling of reports and internal investigations.

Information and training activities for employees and, for the most exposed roles, also for suppliers. Although a separate anti-corruption program is not provided, the awareness initiatives integrated into the company's compliance system include specific modules on integrity, legality and transparency in organizational behavior. The **Code of Ethics** is accessible to all interested parties through the company intranet and website, and its dissemination is supported by continuous communication activities.

During the reporting period, the Iscot Group did not record any confirmed cases of corruption, either active or passive. No internal disciplinary or legal proceedings were initiated in this regard, nor were any corrective organisational or punitive measures necessary. There were no convictions or fines imposed for violations of anti-corruption regulations. No employees were dismissed or sanctioned, and no contracts were terminated or not renewed due to corruption. Furthermore, no public legal proceedings were initiated or concluded during the reporting period, and there were no cases of corruption involving

parties in the value chain directly connected with Group personnel.

These results reflect the effectiveness of the **preventive measures** adopted and widespread adherence to the principles of legality and integrity promoted within the organisation.

Iscot has chosen not to treat anti-corruption as a formal requirement, but as a cross-cutting management criterion that concerns both individual conduct and the way processes and relationships are managed. An integrated approach, oriented towards prevention, responsibility and long-term reputational resilience.





Methodological note

This sustainability report has been prepared by the Iscot Group in accordance with Regulation (EU) 2022/2464 (CSRD) and the European Sustainability Reporting Standards (ESRS) adopted by the European Commission, with reference to the applicable environmental, social and governance thematic standards. At the same time, the approach set out in the GRI Standards 2021 has been followed, ensuring coverage of the information required based on the material topics identified and internationally recognised reporting principles.

The document covers the entire scope of the Iscot Group, including the operating companies in Italy, Argentina, Brazil and Poland, in line with the consolidated scope of the statutory financial statements. The data presented refer to the fiscal year ended December 31, 2024. In some cases, in order to ensure historical comparability, data referring to the 2023 fiscal year have been included, recalculated according to the new scope.

The definition of the contents was guided by the application of the double materiality principle, through a structured process of identifying and assessing the significant impacts generated or experienced along the value chain, as well as the risks and opportunities capable of influencing the Group's economic and financial performance in the short, medium and long term. This process, developed in accordance with ESRS 1 and 2, integrated impact analysis (impact materiality) with the assessment of financial relevance (financial materiality), applying statistical criteria and relevance thresholds defined on a quantitative basis. The assessment was based on objective parameters such as the probability of occurrence, magnitude, geographical scope and irreversibility of the effects, in line with Application Requirement 16 of ESRS 1. GRI 3-1, 3-2 and 3-3 requirements were also considered for the definition of material topics.

The analysis was conducted with the support of an internal multidisciplinary group and external consultants who are experts in sustainability and risk management. Consultation with external stakeholders, although not yet formalised, is planned in the medium term, with the aim of gradually broadening the scope of dialogue and strengthening the inclusiveness of the process.

Quantitative information was collected mainly through internal management systems, environmental databases, administrative sources and official documentation. For greenhouse gas (GHG) emissions, energy and water consumption, and waste, internationally recognized protocols and standards were used, including the GHG Protocol, IPCC guidelines, and specific GRI standards (e.g., GRI 302, 303, 305, 306). Scope 1, Scope 2, and Scope 3 emissions were calculated using both location-based and market-based approaches, where available, and referred to the entire scope of operational control. Indirect emissions along the value chain (Scope 3) were reported for all relevant categories, with transparent methodology and documented criteria.

Water data collection is based on direct measurements using meters installed at the sites, without resorting to estimates. Social data (employment, training, health and safety) is derived from certified HR systems. Waste management is classified according to the European EWC system and monitored through administrative traceability for each plant.

The information reported is not currently subject to limited assurance by independent third parties, but has been validated internally with the involvement of the ESG Committee and the relevant technical departments. In anticipation of future regulatory requirements, the Group has embarked on a process of gradually strengthening its control mechanisms, with a view to introducing external verification in future reporting cycles.

Any deviations, assumptions or methodological limitations are indicated in the relevant sections of the financial statements. Some data, in particular those relating to foreign locations or Scope 3 emissions, may be subject to margins of uncertainty attributable to the availability of primary information, the accessibility of data from third-party suppliers or external factors. In all cases, the information has been processed according to criteria of consistency, traceability and fair representation, in compliance with the principles of transparency, comparability and completeness required by the ESRS and GRI Standards.

Methodological note GHG inventory

The Iscot Group's GHG inventory for the year 2024 was prepared in accordance with the main internationally recognised standards for carbon accounting, including *GHG Protocol – A Corporate Accounting and Reporting Standard (Revised Edition)*, *Scope 2 Guidance* (2015), *Corporate Value Chain (Scope 3) Accounting and Reporting Standard* (2011) and *Technical Guidance for Calculating Scope 3 Emissions* (2013).

The objective is to ensure comprehensive, consistent and verifiable reporting of greenhouse gas emissions, in line with the requirements of ESRS E1-6 and GRI 305.

The inventory covers the entire operational scope of the Iscot Group, including companies operating in Italy, Argentina, Brazil and Poland. For the purposes of classifying emissions, a distinction has been made between PODs registered to Iscot and PODs registered to customers: the former are included in Scope 1 and 2, while the latter are reported in Scope 3, reflecting direct or indirect responsibility for energy consumption.

For Scope 1, direct emissions from stationary combustion (e.g. heating with natural gas or LPG) and mobile combustion (company fleet powered by petrol, diesel, LPG, methane and ethanol) were included, as recorded in utility bills, invoices and company fuel cards. The emission factors used are taken from the DEFRA database (2024) and are updated annually.

Scope 2 emissions were calculated using both methods provided for in the GHG Protocol: the **location-based** method, based on the average national energy mix (ISPRA data for Italy, Enerdata for Argentina, B3 for Brazil and EEA for Poland); and the **market-based** method, based on the residual mix reported by AIB or other local operators. Electricity consumption data was collected directly from electricity supplier invoices for all operating sites.

The Scope 3 analysis was conducted by identifying and quantifying the most relevant categories, based on the degree of impact, data availability, and relevance to the operating model. Specifically, the following categories were included: purchased goods and services (category 1), capital goods (category 2), activities related to purchased energy (category 3), upstream and downstream transportation (category 4), waste management (category 5), business travel (category 6), employee commuting (category 7), use of sold services (category 11). For categories calculated using a spend-based approach, input data were derived from purchasing costs provided by the Procurement function, processed using CarbonSaver database emission factors converted into euros. In other cases, a distance-based approach or average-data method was used, according to GHG Protocol technical guidance.

Particular attention was paid to the carbon footprint associated with chemical products, which represent a significant driver for Scope 3 emissions. Where available, specific emission factors certified according to ISO 14067 or provided directly by manufacturers were used; for non-certified products, an average value per product class was adopted, defined on the basis of comparable products.

Sources of emission factors include DEFRA, CarbonCloud, SimaPro, ISPRA and national emissions databases (e.g. AIB, EEA, B3 Brasil). All conversions were performed using the IPCC AR6 100-year Global Warming Potential (GWP) values, as required by the ESRS.

The entire process was supervised by the ESG Committee, in collaboration with the Engineering Services and Purchasing Departments. Data is collected monthly via the company intranet and aggregated on a half-yearly basis. Total GHG emissions for 2024 have been broken down by source, company and country, providing a granular and comprehensive view of emission sources to support the decarbonisation strategy currently being defined.

Any margins of uncertainty are attributable to the estimation of certain indirect data (Scope 3) and the use of average values where primary data are not available. However, the Group has adopted a prudent and methodologically consistent approach, with the aim of ensuring a true and fair view of its emissions and progressive traceability of its environmental performance.

Data summary



Dimension «E»

ELECTRICITY

Externally purchased energy consumption

Details	Unit of measurement	2024
Energy consumed Iscot Group		316,89
Italy		251,27
Brazil	MWh	36,33
Argentina		29,29
Poland		-
Electrical energy intensity	MWh/M€	2,30

GHG EMISSIONS

Details	Unit of measurement	2024
Direct emissions – Scope 1		1200,14
Indirect emissions from energy consumption - Scope 2 (location based)		75,41
Indirect emissions from energy consumption - Scope 2 (market-based)		135,66
Indirect emissions in the value chain - Scope 3 (location based)		10.132,56
Indirect emissions in the value chain - Scope 3 (market based)		11.685,76
Category 1 – Purchase of goods and services		3.754,64
Category 1 – Chemical products		1.237,42
Category 2 – Capital goods	tCO2e	220,28
Category 3 – Energy-related activities not included in Scope 2		0,38
Category 4 – Upstream logistics		708,36
Category 5 – Operational waste		16,08
Category 6 – Business travel		126,90
Category 7 – Employee commuting		1.857,41
Category 11 – Use of services sold Location-based		2.211,10
Category 11 – Use of services sold Market based		3.764,29

Total GHG emissions Iscot Group	Unit of measurement	2024
Total EMISSIONS with Scope 2 in location-based mode		11.408,11
Total EMISSIONS with Scope 2 in market-based mode	tCO2e	13.021,56

GHG inventory 2024 - Location based

	Scope 1	Scope 2	Scope 3	Tot Company
Italy	1.116,80	64,41	6.549,93	7.731,13
Argentina	7,16	9,60	2.658,34	2.675,10
Brazil	46,00	1,40	752,44	799,84
Poland	30,18	0,00	171,85	202,03
Total group	1.200,14	75,41	10.132,56	11.408,11

GHG inventory 2023

	Scope 1	Scope 2	Scope 3	Tot Company
Italy	1.024,07	108,46	7.799,91	8.932,44
Argentina	8,31	9,17	2.785,74	2.803,23
Brazil	70,88	0,006	902,15	973,04
Poland	25,60	0,00	293,46	319,06
Total group	1.097,240	113,233	10.092,27	11.302,74

Emissive intensity – location based		tCO2e/M€	82,87
Emissive intensity – market based		tCO2e/M€	94,59

WATER

Details	Unit of measurement	2024
Total water consumption	m3	2.490,00
Total water consumption of sites in areas at risk of water scarcity, including areas with high water stress		1.066,00
of which Argentina		605,00
of which Brazil		461,00
Water intensity	m3/M€	18,08

INCOMING RESOURCES

Details	Unit of measurement	2024
Technical materials and products	ton	155
of which chemicals		151,9
of which secondary reused or recycled (packaging or reusable tools)		3,10

WASTE

Details	Unit of measurement	2023	2024
Total waste of the Group	ton	128,266	218,036
Italy		98,102	196
Argentina		30,164	22,036
Brazil		0	0
Poland		0	0

Details	Unit of measurement	2023	2024
Total non-hazardous waste Group		120,553	77,036
Italy		90,389	55
Argentina	ton	30,164	22,036
Brazil		0	0
Poland		0	0
Total hazardous waste Group		7,713	141,00
Italy		7.713	141,00
Argentina	ton	0	0
Brazil		0	0
Poland		0	0
Total waste sent for disposal Group		88,16	189,00
Italy		88,16	189,00
Argentina	ton	0	0
Brazil		0	0
Poland		0	0
Total waste sent for recovery Group		39,384	29,036
Italy		9,22	7,00
Argentina	ton	30,164	22,036
Brazil		0	0
Poland		0	0
Waste intensity	t/M€		1,584

Data summary



Dimension «S»

OWN WORKFORCE

Details	tot	men	women	%men	%women
Total N° of Group employees	4597	2886	1711	100%	100%
Italy	1856	1231	625	66%	34%
Argentina	1387	888	499	64%	36%
Brazil	907	513	394	56,56%	43,44%
Poland	447	254	193	56,80%	43,20%

Age distribution	tot	< 30	30 - 50	> 50	% < 30	% 30 - 50	% > 50
Group	4597	933	2229	1435	20.30%	48%	31.22%
Italy	1856	146	746	964	8,00%	40,00%	52,00%
Argentina	1387	435	774	178	21,30%	59,22%	19,48%
Brazil	907	126	513	268	13,89%	56,56%	29,55%
Poland	447	226	196	25	50,56%	43,85%	5,59%

Contracts	Permanent			Fixed-term			flexible hours		
	tot	men	women	tot	men	women	tot	men	women
Group	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Italy	1765	1164	601	91	67	24	184	126	58
Argentina	1387	881	506	n/a	n/a	n/a	0,013	0,08	0,05
Brazil	869	498	371	0	0	0	38	15	23
Poland	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

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