COMMUNICATION ON PROGRESS YEAR 2021

The Communication On Progress (COP) is the annual reporting document that is used by Tecniconsult S.P.A. to inform its own stakeholders about the actions that aim at implementing the ten principles of **the United Nations Global Compact**.



Headquarters: BUSTO ARSIZIO (VA) Date: 31/03/2022 Notes: GC ACTIVE LEVEL



INTRODUCTION

The Communication On Progress (COP) is the annual reporting document allowing **Tecniconsult S.P.A.** to inform its own stakeholders about the actions that aim at implementing the ten principles of the United Nations Global Compact.

The identified level is the "GC ACTIVE LEVEL"; the format used (Basic COP Template) for the preparation of this document contains the following three elements:

- A declaration by the Chief Executive Officer, who expresses the continuous support to the Global Compact and renews **Tecniconsult S.P.A.**'s constant commitment towards the initiative and the relevant Principles.
- A description of the practical actions that Tecniconsult **S.P.A.** started (and wants to use) in order to implement the Principles of the Global Compact in each of the four thematic areas (human rights, labor, environment and anti-corruption).
- A measurement of the results.



TABLE OF CONTENTS

INTRODUCTION	1
DECLARATION OF CONTINUOUS SUPPORT	3
INTRODUCTION TO THE ORGANISATION	4
TECNICONSULT AND ITS STAKEHOLDERS	4
HUMAN RIGHTS - PRINCIPLES	8
LABOUR - PRINCIPLES	11
ENVIRONMENT - PRINCIPLES	15
ANTI-CORRUPTION - PRINCIPLES	21
CORPORATE PERFORMANCE	23
CHILD LABOUR	23
FORCED WORK	24
DISCRIMINATION	24
SALARIES	24



DECLARATION OF CONTINUOUS SUPPORT

Busto Arsizio (VA), 31th March 2022

Dear Sirs and Madams,

In my capacity as the Chairman of Tecniconsult S.P.A.'s Board of Directors, it is my great pleasure to confirm and renew our commitment and the full support to the 10 principles of the Global Compact for the year 2022.

Tecniconsult S.P.A. joined the Global Compact on 12th April 2017; therefore, this document is the fourth COP that was drawn up and sent by the Organization to inform our Stakeholders about the activities and the results that were achieved during the year 2021.

Tecniconsult S.P.A.'s commitment towards the initiative is in line with our Corporate Policy and the will to make a tangible contribution.

Best regards,

Andrea Pelizzola, the Chairman of Tecniconsult S.P.A.'s Board of Directors



INTRODUCTION TO THE ORGANISATION

Tecniconsult S.P.A. was established on 4th May 1976; since 1996, it has been operating within the municipality of Busto Arsizio, Italy. The Company's purpose is the study, design, development, manufacture, marketing and sale of pultruded products, consisting of thermoplastic and/or thermosetting materials possibly reinforced with fibers.

The Company's main market is that of reinforcing elements of fiber optic cables for telecommunications and the like.

cality of Busto
he Italian
blished in the
blished in the
blished in the e Code of

TECNICONSULT AND ITS STAKEHOLDERS

Tecniconsult S.P.A., has always paid great attention to the relationship with all its stakeholders and, by introducing the Corporate Social Responsibility Management System, further stressed the importance of maximum trust and transparency. The stakeholders (or "interested parties") are all parties (people,



organizations, institutions...) that are somehow influenced by **Tecniconsult S.P.A.**'s activity, and include:

- Personnel
- Customers
- Suppliers
- Financing Entities
- The Community (Projects of Public Benefit
- Organizations and Schools) Public Administration

During the year 2018, the Company obtained the SA 8000:2014 certification (International standard that was created in 1997 by the United States SAI Entity and including nine elements (sections of the standard) that aim at increasing the competitive ability of the Organizations that voluntarily guarantee the ethical conduct of their own production supply-chain and cycle).

The compliance of **Tecniconsult S.P.A.'s Corporate Social Responsibility System** was certified by DNV as independent third party (Certificate no. 254833-2018-ASA-ITA-SAAS dated 31st January 2018 and renewed on 31st January 2021) by using an auditing mechanism that is similar to the one that is used for quality management systems pursuant to the UNI EN ISO standards, 9000 series or environmental management systems pursuant to the UNI EN ISO standards, 14000 series.

In this context, a plan of actions has been defined for the community, including:

- Cooperation with Higher Institutes within the territory to receive students under Work-Related Learning programs During 2021, due to the Covid emergency, all reception activities for alternating students were substantially suspended, so it was possible to accommodate only one student during the year.
- Subscription to the "Generazione d'Industria" (Industry Generation) project, which is promoted by the Unione degli Industriali della Provincia di Varese (Industrialists Association of the Province of Varese) to receive high-school students who want to combine the Work-Related Learning period with summer work training. During 2021, due to the Covid emergency, it was not possible to carry out activities within the above-mentioned project that was still regularly financed.
- Economic support to the "Girls to Girls" project promoted by "Amare Onlus" of Brescia and having as its purpose the support of female education in Ethiopia.
- Economic support to the hospice "il Nido" project promoted by "La Provvidenza onlus" of Busto Arsizio and with the aim of supporting



the chronically ill and their families.

Economic support to the "Casa di Davide onlus" in Busto Arsizio, a social cooperative for the protection of children and the well-being of their families.

Integrated management system

During 2021, an integration activity of the above-mentioned 3 (Environment, Safety, Quality) Management Systems was initiated and resulted in the introduction of the Integrated Management System (IMS) starting from 2022. For several years the company has been engaged in activities aimed at the implementation of a formal Safety Management System (SGS) prepared in accordance with the UNI EN ISO 45001:2018 standard, which will materialize in the first half of the year.

Tecniconsult S.P.A. submitted the Secretary General of the United Nations on 12.04.2017 an application for membership in the UNITED GLOBAL COMPACT.

Finally, to guarantee the commitment of **Tecniconsult S.P.A.** towards its Stakeholders and the attention dedicated to the satisfaction of its customers, the Company renewed the quality certification (UNI EN ISO 9001:2015) in February 2021. The relevant certificate is shown below.









HUMAN RIGHTS - PRINCIPLES

Principle 1	All company activities must support, respect and guarantee the protection of internationally proclaimed human rights.
Principle 2	Businesses should make sure that they are not complicit in human rights abuses.

ACTIONS

Tecniconsult S.P.A. strongly believes in the importance of its own human capital and of maintaining a positive atmosphere at the Company, where each person cannot only be protected, but also enhanced. The Company is attentive to the continuous improvement of the working environment and the health and safety of workers and supplies great importance to the updating and training of workers, in the belief that a positive environment at work has great impact for the whole existence of the worker and his/her family, as well as for the achievement of the corporate objectives.

The Company relies on 38 employees (figure as at 31-12-2022), the production activity is carried out over three shifts Monday to Friday, as well as office and support activities, which are performed during the work day, 5 days a week.

As for the management of the relationships with its employees, **Tecniconsult S.P.A.** pays special attention to the protection of privacy, the respect of freedom, the safety of the workers, the implementation of suitable working hours, the right to holidays, periods of sick leaves and leaves for personal problems.

The person and the respect of the fundamental rights he/she enjoys are always in first place according to the provisions of the Italian law: all employees are hired on the basis of the national collective agreement (CCNL rev. 16th September 2020) for the workers of the industry of rubber, electrical cables and similar products, as well as of the industry of plastic materials); it is provided for that all workers will be enrolled into INPS (Italian National Social Security Institution) and INAIL (Italian National Institute for the Prevention of Accidents at Work).



MEASUREMENT OF THE RESULTS

The most significant data analyzed are as follows:

Health & Safety

		2020 year	lnjury days	2021 year
Injury	No.	1	10	0
at the factory	1	1	0	10
Ongoing	0	0	0	0

Percentage of employees trained about safety matters

	2020 year	2021 year
High risk (4h basic + 12h)	100%	100%
Low risk (4h basic + 4h)	100%	100%

Training activities were regularly carried out in order to improve the skills of the personnel concerning Quality, Health, Safety and Environment management, besides specific professional competences.

During the year 2021, at Tecniconsult spa, 38 people attended training activities, totaling 786 hours, of which:

- 272 hours: training activity about health and safety (in-house and external).
- 3 hours: training activity about quality.
- 28 hours: training activity about the environment.
- 483 hours: training activity about administration.

Work organization

Total	Men 29	Wome n 9
no. of permanent contract employees (including both full-time and part-time)	28	8
no. of targeted placement employees (*) part-	1	-
no. of targeted placement employees (*) full-	-	1
Assignment of fixed-term work	-	-

(*) "Targeted placement" means the set of "instruments that allow suitably assessing the work skills of disabled people and introduce them into a suitable workplace by examining jobs, support measures, positive actions and solutions to the problems that are connected with the premises, the tools and the interpersonal relationships at work and socializing places."



The targeted placement leads to the institution of compulsory hiring. The companies with more than 14 employees must reserve a share intended to:

- civilian invalids with percentage of invalidity included between 46% and 100%, invalids as a result of accidents at work with percentage of invalidity higher than 33%, invalids by service (former public servants, soldiers included), war invalids and civilian invalids suffering disabilities included between category one and eight, blind persons and deaf-mutes;
- protected categories: Italian asylum-seekers, orphans and widow(er)s of people who died due to occupational accidents, war or service and deemed equivalent (the spouses and children of large work-related invalids declared non-placeable, of service or war invalids with first-class pension, victims of duty, terrorism and organized crime are equated to widows and orphans).





WORK - PRINCIPLES

Principle 3	Companies must support freedom of association and the effective recognition of the right to collective bargaining.
Principle 4	The elimination of all forms of forced and compulsory labor.
Principle 5	The effective abolition of child labor.
Principle 6	The elimination discrimination in employment and profession.

ACTIONS

Freedom of association is a right enshrined in the Italian Constitution where, in this regard, art. 18, states that "citizens have the right to join freely, without authorization, for purposes that are not prohibited to individuals by criminal law".

Tecniconsult S.P.A. shares the important content of the abovementioned article, thus supporting this freedom and, at the same time, fostering cooperation between all employees, in order to resolve collective problems.

Tecniconsult S.P.A.'s transparency is the starting point for each individual activity, such as, among the others: the contracts and the communications that involve both in-house and external personnel of the Organization, as well as the commitment to act in compliance with ethical standards all the time.

Employees who are part of a trade union representation are in no way discriminated against or treated differently.

Any form of forced labor or the use of child labor will not be tolerated by **Tecniconsult S.P.A.** or its suppliers. The Italian regulations provide for that a worker must be at least 16 y.o., but **Tecniconsult S.P.A.** hires adult personnel being at least 18 y.o

Particular attention has always been given to the possibility of combining the work commitment with the needs of the family.

Tecniconsult S.P.A. assures equal opportunities and freedom to follow one's own religious and political principles and convictions, without any form of discrimination or behavior harmful to personal freedom.

When hiring new staff, assessments are made on the basis of



objective parameters such as the experience gained, the school level reached and the skills appropriate to the required job. No investigation is made of any political, trade union, religious or ethnic origin beliefs that may influence decisions.

In 2018 Tecniconsult S.P.A. obtained the SA8000-2014 certification, at the end of a process that began in 2017; this certification is the result of the effort undertaken and the active participation of the people making up the Organization.

The certification was renewed on 31st January 2021, expiring on 31st February 2024.

The last surveillance survey in December gave a positive result. The next activity by the Third Certified Body is scheduled for June 2022.

MEASUREMENT OF THE RESULTS

Industrial relations

Unionisation rate: no. 2 employees enrolled into a Trade Union. Percentage of strike hours over the working hours: no strike hour during the year 2021.

To complete the SA8000 certification, the Organization takes into consideration the improvement opportunities that were reported by the Entity and plans the relevant implementation in view of a continuous improvement of its Management System.

The SA8000-2014 certificate is shown below.









ENVIRONMENT- Principles

Principle 7	Businesses should support a precautionary approach to environmental challenges.
Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility.
Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies.

ACTIONS

Information relating to Sustainability

With reference to sustainability issues, the company has been participating with its CEO for the past 3 years in a Working Table dedicated by the association to the topic: "Sostenibilità dei Materiali Composti- Sustainability of Composite Materials" designed to deal with the important issue of environmental impact and recycling organized within the European Composites Association, EuCIA, of which Assocompositi is a member, in a coordinated way between companies in the sector.

As evidence of the work carried out last January, a Position Paper entitled "Circolarità dei materiali compositi- Circularity of composite materials" was published, followed by a Background Paper entitled "Circolarità dei materiali compositi: una guida per neofiti- Circularity of composite materials: a guide for beginners".

In addition to the projects coordinated by Assocompositi, the Top Management is working both independently and in collaboration with suppliers on initiatives aimed at reducing waste and their reuse in a logic of circularity.

Finally, the Top Management is directly committed to following the regulatory evolution that in the European context will soon become mandatory on ESG issues for larger companies in order to promptly grasp the meaning of the guidelines and directives to which to evaluate to adapt on a voluntary basis, thus anticipating the moment of obligation and, above all, being able to promptly satisfy any compliance requests from customers.

Tecniconsult S.p.a. is UNI EN ISO 14001:2015-certified

Obtaining this certificate is a guarantee of complete compliance with all legislative requirements relating to the environment, applicable to the corporate business, and to the desire to improve environmental performance.



In particular, 2021 has foreseen an activity dedicated to monitoring and keeping under control environmental aspects related to:

- Energy consumption
- Consumption of raw materials, waste generation and
- management Emissions in the atmosphere

Tecniconsult spa is among the energy-intensive companies having high consumption of electricity and, for this reason, it is required to monitor energy and efficiency by having to carry out an energy diagnosis every four years. Each year, during the month of March, a consumption report is drawn up to be uploaded to the Enea portal (National Energy Efficiency Agency according to Article 7,

paragraph 8 of Legislative Decree No. 102/14).

Tecniconsult spa is committed to respecting the two objectives dedicated to energy in the UN 2030 Agenda:



- Responsible consumption and production
- Clean and accessible energy

Below is the UNI EN ISO 14001: 2015 certificate







MEASUREMENT OF THE RESULTS

ENERGY AND WATER CONSUMPTION

The year 2021 recorded a trend in energy consumption (estimated in TOE*/1000km of finished product) of 0.56: a consequence of technological improvements in the production departments and continuation of the activities implemented in recent years.

*TOE (ton of oil equivalent, TOE).

Conversion coefficients into TOE for the main fuels and energy carriers pursuant to the MISE of 18th December 2014.







WATER CONSUMPTION,

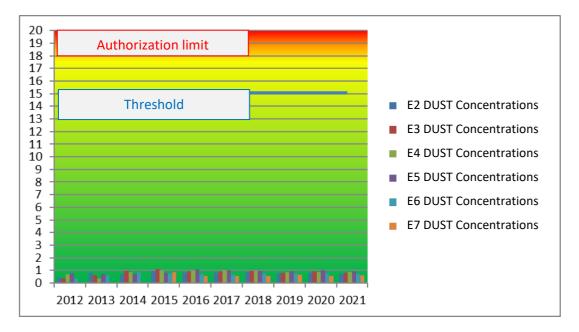


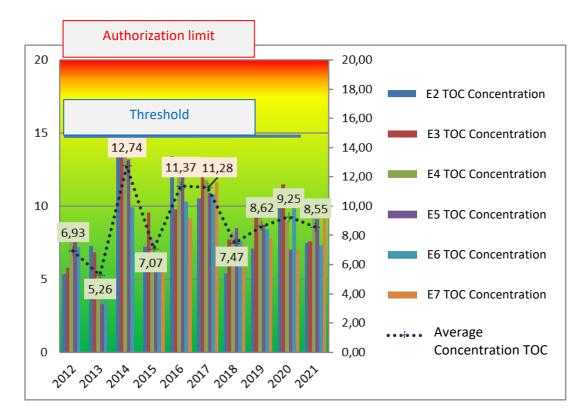


EMISSIONS IN THE ATMOSPHERE

The year 2021 recorded a complete compliance with the authorization limits for atmospheric emissions, linked to the production areas and to the heating of workplaces.

*TOC (Total Organic Carbon).







ANTI-CORRUPTION – Principles



Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.

ACTIONS

Tecniconsult S.P.A. works according to criteria of transparency, correctness and impartiality.

No corruption situation has ever been tolerated and all activities have been carried out in full compliance with the rules and the law.

Organizational Model pursuant to Legislative Decree 231/01

On 19th July 2018, the company's Board of Directors implemented an Organizational Model pursuant to Legislative Decree No. 231/01. The Board also resolved to provide the company with a monocratic supervisory body and to entrust this task to a lawyer specialized in the matter.

On 28th March 2019, the company's Board of Directors implemented revision No. 2 of the Organizational Model pursuant to Legislative Decree No. 231/01.

In conjunction with the presentation of the 2020 draft financial statements, the Company's Board of Directors adopted revision No. 3 of the Organizational Model pursuant to Legislative Decree No. 231/01 with, among others, the inclusion of tax crimes in the specific cases of the offenses envisaged by the Model.



MEASUREMENT OF THE RESULTS

Tecniconsult S.P.A. is constantly complying with and fulfilling the modes and timescales for all legislative requirements, both tax, social, environmental nature and the one related to the health and safety of people working in the Company.

	2021 year
Convictions or sanctions imposed by authorities	0
No. of penalties for regulatory violations related to security, products, labeling, privacy, misleading advertising	0



CORPORATE PERFORMANCE

The Company pays great attention to the quality of the work environment and the lives of its employees; respect for the environment and transparency in relations with the institutions. Obtaining the certificate in accordance with the requirements of the SA8000 Standard further stresses the Company's commitment.

CHILD LABOR

The Company has made a commitment not to rely on child labor but also not to cooperate with those who rely on it.

The fulfillment of compulsory schooling is the minimum condition for establishing a working relationship that, in any case, must be guaranteed in the health and safety of the lender.

The Company does not exercise any form of coercion towards its personnel and establishes working relationships exclusively in the forms provided for by law and by category contracts, with the respect of the protections indicated by them.

Both at the beginning and during the employment relationship, the Company requests the worker only the documents prescribed by law. None of the rights of employees is bound to particular contents of the work performance.

The Company uses methods designed to pursue the stability and continuity of the workplace, favors the conditions for the best implementation of work activities and ensures that the workplace has characteristics of serenity and professional challenge.



FORCED WORK

Tecniconsult S.P.A. excludes any form of coercion against its personnel.

The employment relationships are based exclusively on the law and on the contracts of category, and all the protections indicated in them are observed. The documents requested to the worker at the time of hiring are only those required by law.

The Company seeks to retain its staff thanks to a dynamic and stimulating work environment.

DISCRIMINATION

Tecniconsult S.P.A. categorically rejects any discrimination and has always reserved for every employee fair treatment, regardless of gender, religion, origin, union or political affiliation; this is during hiring and in the subsequent phases of the employment relationship.

SALARIES

Tecniconsult S.P.A. provides remuneration that complies with the provisions of the national collective labor agreement (national collective labor agreement for workers in the rubber, electrical cables and the like and the plastics industry) and any further agreements on the subject.

The payrolls are drafted by an external consultancy firm of proven competence and fully comply with the contractual arrangements and provide for withholding taxes and tax benefits under the regulations.

Annexes to this document:

1) Code of Ethics







TECNICONSULT S.P.A.

VIALE DELL'INDUSTRIA, 40 21052 BUSTO ARSIZIO (VARESE - ITALY) TEL.: +39 0331 3526 11 • FAX: +39 0331 3526 22 www.tecniconsult.com - tecniconsult@tecniconsult.com