

2023 • Comelit

Sustainability Report

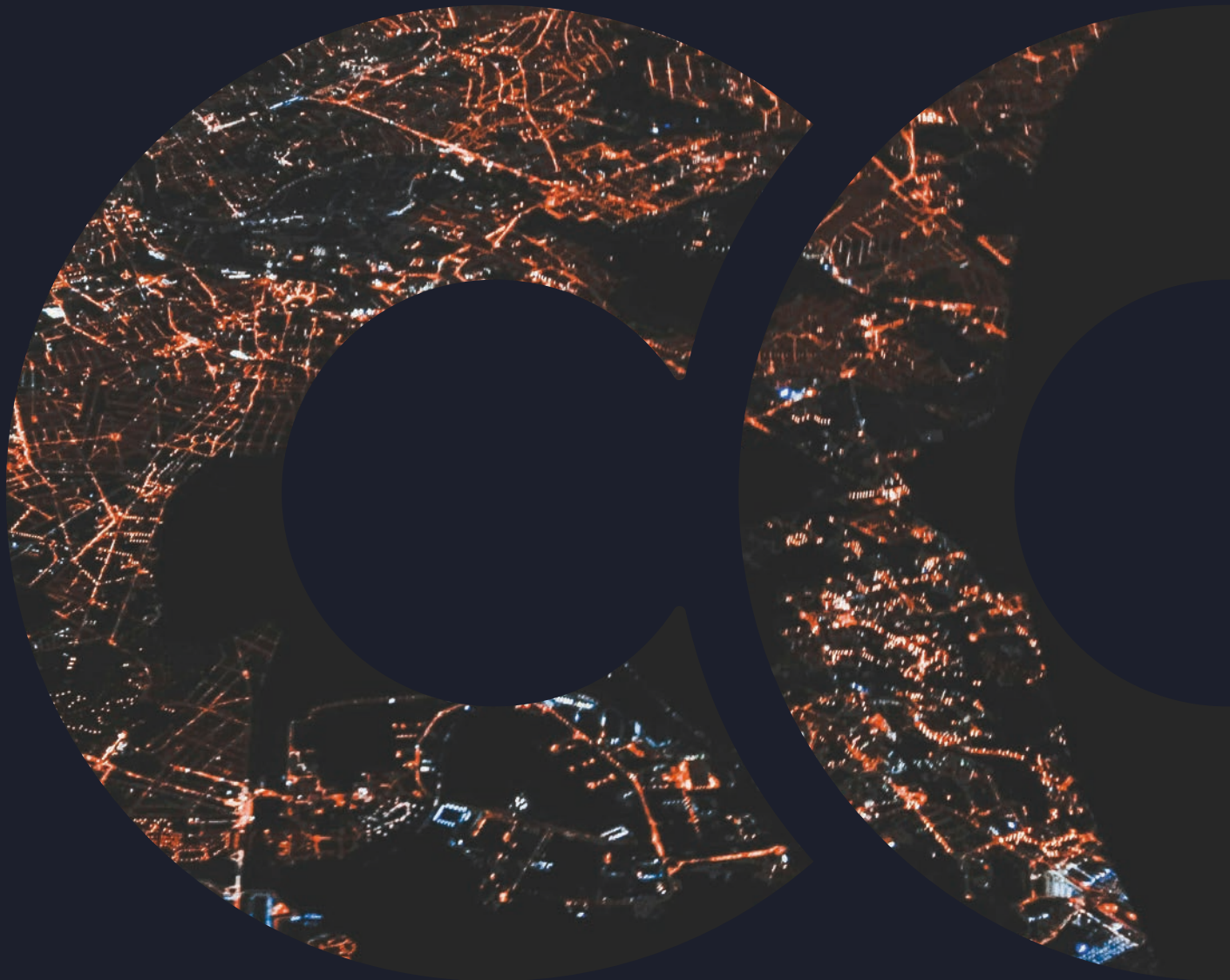


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Letter to stakeholders

GRI 2-22



Chief Executive Officer
EDOARDO BARZASI

“When the ship is sailing on a calm sea, the captain gives his orders and everyone listens to him and knows exactly what to do. But when the sea is rough, the sailors can no longer hear the captain’s voice. So if every sailor knows how to behave no matter what, it is because the crew’s culture and values are clear, solid and shared by all crew members.”

This is the metaphor I like to use when talking about Comelit and this particular phase in the company’s history. In fact, for an international company like ours, which has to compete globally in such profoundly different markets and in such a complex economic environment, having a crew of almost 1,000 people who understand and embrace Comelit’s core values and culture, and who apply them every day with great passion, is an invaluable asset. It is not something you can quantify on a balance sheet, but it generates returns and gives us the confidence to face the challenges ahead with optimism. In 2023, the Comelit Group achieved a consolidated turnover of 178 million euros, up 4% on the previous year. This is a significant figure, given both the rapid growth of the last two years – with a leap from 121 million euros in 2020 to 172 million euros in 2022 – and the performance of numerous markets, which have experienced a strong slowdown or even a sharp decline. It is a testament to the fact that our business model, which is based on highly diverse product families and a number of different market countries, is paying off. Most importantly, this growth has been achieved while undergoing fundamental changes that involved focusing on our identity and the way we do business, and developing a strong sense of shared purpose among all our collaborators. Our values have evolved and now serve as the North Star for the future of our Group:

- a focus on people as a key asset: a resource to be valued by creating a stimulating environment where people are free to express themselves, learn, grow and feel fulfilled
- the importance of collective intelligence: to be built through collaboration, dialogue and a valuable team
- sustainability: understood as the ability of an organisation to create value continuously over time
- curiosity about innovation: a driving force behind the process of change that we are collectively tasked with implementing, an attitude in everything we do.

We are a large company and, collectively, we are all focusing on a new major medium-term goal: the ‘300 x 30 Project’, which is the challenge of reaching a turnover of 300 million euros by 2030 while remaining a family business. It is an ambitious goal, but one that is well within our reach. And in order to achieve it, we are prepared not only to make substantial new investments, but also to continue developing and refining the way we conduct research and development so that we can stay competitive in the market. Because we know we have a unique asset that makes us stand out: our people, our team.

Sustainability Report 2023

“The increasing centrality of sustainable development in public policy and the fact that consumers are more and more attentive to the social and environmental dimension of the products they buy has led us to publish this sustainability report”

The Comelit Group's third Sustainability Report represents the continuation of the journey embarked on in 2021. It also includes some new elements, such as the double materiality analysis, which Comelit has decided to develop and integrate in order to anticipate future regulatory requirements, leading to the identification of impacts, risks and opportunities related to sustainability. All of this is explored in the sections below, respectively providing the company's environmental, social and governance information.

The increasing centrality of sustainable development in public policy and the fact that consumers are more and more attentive to the social and environmental dimension of the products they buy and the companies that produce them has led us to publish this sustainability report, drawn up according to the international standards of the Global Reporting Initiative (GRI) and the European standards from the European Financial Reporting Advisory Group (EFRAG), all available for consultation by all our stakeholders. The document refers to all Group companies and has been produced by means of an information collection process that involved different business areas and our international subsidiaries.

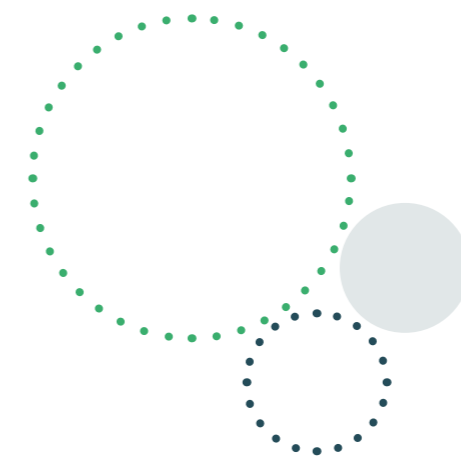
The Comelit Group

+1,000
collaborators

€178
million
turnover

+11%
women in the company
workforce compared
to 2022

13
companies
worldwide



The Comelit Group in 2023

+8%
energy from
renewable sources
(purchased and
self-produced)

-3%
office materials
used

+3,400
hours of training
compared to
2022

89%
products recovered
after return to the
company

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1.1 About us

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The Comelit Group was founded in 1956, when electronics was in its early days. Over the course of more than half a century, it has been characterised by an extraordinary evolution that has involved both innovation in products and their constantly increasing technology, designed to maintain the right balance between design and functionality, and the changes in the requirements of its customers, i.e. the installers and wholesalers who deal with the distribution of the products to the end consumer. The long-standing hallmarks of the Comelit Group and its operations are the will and ability to be there at all times for people, whether customers, collaborators, suppliers or distributors, offering them the best product and service solutions. Comelit's business is therefore not limited to the design and distribution of safe, high-quality products, but also includes training and assistance services. These days, Comelit is an international group specialised in the design and manufacture of door entry monitors, video surveillance, intrusion detection, home automation, access control and fire protection.

1956

Comelit – Compagnia Elettronica Italiana srl – was founded.

Electronics was in its early days and Comelit started its business in San Lorenzo di Rovetta, developing its first intercom.

1990

Organisational and business growth resulted in the establishment of the Comelit S.p.A. group.

The expansion of Comelit led to the establishment of Comelit Engineering, resulting in the development of several innovative products.

2001-2007

Comelit's expansion continued in Europe and overseas.

Offices were opened in the UK, the Netherlands and Spain. Commercial expansion continued all over the world, with the opening of representative offices in strategic locations (e.g. in the United Arab Emirates and Singapore). In the meantime, Comelit obtained environmental management system certification, in line with ISO standard 14001.

2022

Comelit published its first Sustainability Report.

Aware of the increasing attention to sustainability issues and driven by the desire to maintain constant improvement, the Comelit Group decided to embark on a journey of sustainability that resulted in the publication of the first Sustainability Report.

2024

Comelit continues its journey towards sustainability.

To deal with major regulatory changes in Europe and the increasing importance of sustainability issues, Comelit is embarking on its journey of adapting to the Corporate Sustainability Reporting Directive (CSRD), the legislation revolutionising the landscape of sustainability reporting in Europe.

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GRI 2-1
GRI 2-6

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Comelit worldwide

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Comelit's strong international vocation originates from its close ties with the area where it was founded and where its headquarters are still located today, in the upper Val Seriana. Comelit has 13 companies located in strategic areas around the world, including nine branches and four representative offices, as well as six R&D centres.

The Comelit Group's expansion process began in 1996, starting from Europe with the opening of the first branch in Lyon, France. Further branches then followed in the Netherlands, Spain, Belgium, the United Kingdom, Germany, the USA, Singapore and Dubai. The Group exports to over 90 countries worldwide: this complex sales structure integrates

shared know-how with the awareness of specific requirements in each market. Comelit has pursued a dual strategy of internationalisation, combining organic growth with acquisitions. We have consolidated this approach by developing models suited to different countries, diversifying application sectors and innovating products.

We achieved organic growth by establishing local branches, which enabled the company to gain a strong presence in its target markets and ensuring proximity to customers in keeping with the "With You. Always!" concept.

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OUR GROUP TODAY

Comelit Group S.p.A.

13 Company: 1 Headquarters, 9 Branches, 4 Rep.Officies, 6 R&D Centres

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1.2 Our business

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Over the years, the Comelit Group has established itself as an international benchmark in the door entry monitor sector, gradually extending its range of operations to the fields of video surveillance, intrusion detection, home automation, access control and fire protection. In particular, Comelit designs the products and/or processes required for the creation of its various lines.

creasing in different segments: from residential and small commercial concerns to large-scale industry and public monitoring. In line with this evolutionary trend, the Comelit Group is committed to the continuous search for product quality and reliability, guaranteeing increasingly accurate and effective protection.

Door entry monitors



The Comelit Group started its business in door entry monitors, implementing advanced technology systems. In this sector, the Comelit Group has won numerous prestigious international awards, serving as a testament to the company's style and creative strength.

Intruder alarm



In the field of burglar alarm systems, the Comelit Group has developed a complete range, in line with the highest international standards, which can fulfil requirements for personal security in all contexts: from the most complex (industries, hospitals, warehouses and offices) to residential buildings and housing.

Video surveillance



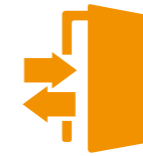
The Comelit Group has developed a complete system of video surveillance solutions, offering a range of products suitable for every need. The video surveillance market is constantly growing, with demand in-

Home automation



The Comelit Group has developed home automation in order to simplify the management of all systems and technologies installed inside homes and buildings, by making them safer and more efficient.

Access control



With its many years of experience in this specific sector, the Comelit Group has broadened its range by acquiring PAC-GDX, a historically outstanding UK manufacturer in the field of access control based on technologies that fulfil the security and protection requirements of end customers.

Fire protection



Comelit has devised a series of systems that automatically detect and alert people to the danger of a fire, in order to protect human lives and safeguard cultural and material heritage, by initiating evacuation procedures, activating protection systems and adopting other necessary safety measures.

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1.3 Our values

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Our vision

We think that a safer world is both a goal to aspire to and a challenge to give everything to, without sparing ourselves. We do this by designing sustainable and technologically advanced products and systems, to secure people, buildings, locations and goods. In this challenge, we are not and do not feel alone: hundreds of thousands of customers around the world share these values with us and, through their work, intend to contribute to making the world safer. A goal fully shared by all Comelit collaborators, who bring enthusiasm and energy to every workplace.

We believe in a safer world.

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Our mission

For us, customer proximity is not only a fundamental part of the business; it represents a promise that reflects the company's values and character. Indeed, the Group has built its successful model on the principles of proximity and closeness to the market, to customers and more generally to all stakeholders. In a context where everyone focuses exclusively on technological evolution, Comelit chooses to emphasise the trust and reliability of a partner that intends to be there at every moment that when it matters, by positioning itself in a "customer-centric" perspective. Although it allocates significant resources to the research and development of new technologies and considers technological evolution a fundamental prerequisite to remain active in the market, Comelit focuses its strategy on the human aspect.

Customer centricity.

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**WITH
YOU
ALWAYS**

Security as a key element of the business

Comelit identifies the safety of people, and especially its end consumers, as one of the key elements of its business. Door entry monitors remain at the heart of the company's offering, but for many years now there has been a clear evolutionary trend: the expansion of the product range and skills is moving in the direction of high-tech security systems. Over the years, Comelit's offering has seen door entry monitors combined with video surveillance, home automation, intrusion detection, access control, fire detection and evacuation systems, highlight-

ing the issue of security as not only a central point of the business but a genuine value on which the company's work is based. The brand repositioning project is involved at this point, with the main aim of ensuring that Comelit is correctly associated with high-tech security systems. This identity is transferred consistently and resolutely in all the markets in which the company operates, in the knowledge the association "Comelit = Door entry monitors" needs to be changed towards the more correct "Comelit = Security".

Proximity to people and the local area

Support for communities and the local area is also a founding value for Comelit. Comelit takes action - in Italy and around the world - by working on projects, making donations, raising funds and entering into partnerships with various associations, third-sector organisations, institutions and local authorities.

The aim is to create new synergies to promote educational, training and cultural activities, and to positively influence employment, growth, research, innovation and people's health and well-being. Comelit also assumes responsibility for creating opportunities for young students, by establishing a virtuous talent retention mechanism to invest in the educational and professional capital they have acquired. Comelit supports schools with tools and products aimed at disseminating knowledge of home automation and video surveillance systems. Subsidised scholarships are also provided for students, giving them the opportunity to experience an internship at the company. The same training programme also exempts

students from certain exams, replacing them with practical and experiential pathways at Comelit. Aware of the importance of its activities for economic growth and for the well-being of the people and societies in which it operates all over the world, Comelit has also entered into active dialogue with local communities and the various areas where it maintains a presence, proposing initiatives and projects designed to meet genuine needs that have been carefully identified and evaluated. Highlights of the various activities:

- raising awareness on energy saving issues and the environmentally conscious use of resources
- development plans for innovation and training in the field of technology
- development of and attention to cultural and environmental heritage
- support, participation and awareness on health and safety issues
- enhancement of diversity and inclusion

Sustainability at Comelit

2.1 Double materiality analysis

GRI 3-1
GRI 3-2

In January 2023, the Corporate Sustainability Reporting Directive (CSRD) came into force, as a Directive aiming to improve the transparency and quality of non-financial information provided by companies in Europe. One of the main innovations of the CSRD is the obligation to disclose sustainability information based on **the principle of double materiality** and in accordance with the **new European Sustainability Reporting Standards (ESRS)**, developed by the European Financial Reporting Advisory Group (EFRAG) and approved in July 2023 in the relevant Delegated Regulation (EU) 2023/2772.

Double materiality, or “double relevance”, relates to two dimensions and two distinct approaches:

- **Impact Materiality** – an inside-out approach, according to which a sustainability issue is relevant if it has impacts, negative or positive, actual or potential, on people and the environment. The inside-out approach of impact materiality considers the impacts of the organisation on the outside world
- **Financial Materiality** – an outside-in approach, according to which a sustainability issue is material if it involves or is likely to have significant financial effects on the company. According to this outside-in approach, the financial impact of environmental and social issues incurred by the company from outside is measured.

At the same time as the double materiality analysis, the Directive requires the use of reporting standards shared by the entire EU for the preparation of the sustainability document. The European Sustainability Reporting Standards (ESRS), developed by the European Financial Reporting Advisory Group (EFRAG), are designed to provide a consistent framework for companies' disclosure of sustainability information. The **ESRS** therefore aim to ensure that companies provide comprehensive, comparable and reliable information regarding their environmental, social, and governance (ESG) impacts. As at the date of this Report, a total of 12 Standards have been drawn up and adopted, two cross-cutting and mandatory for all companies (ESRS 1, ESRS 2), and 10 relating to the main ESG topics (ESRS E1 Climate Change, ESRS E2 Pollution, ESRS E3 Water and Marine Resources, ESRS E4 Biodiversity and Ecosystems, ESRS E5 Resource Use and Circular Economy, ESRS S1 Own workforce, ESRS S2 Employees in the value chain, ESRS S3 Communities affected, ESRS S4 Consumers and end-users, ESRS G1 Business conduct). Each of these sustainability topics is then divided into sub-topics and sub-sub-topics, for sustainability issues to be dealt with at a high level of granularity. These 10 standards guide the analysis of double materiality and thus provide the fields of investigation on which companies must assess their impacts, risks and opportunities.

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In light of these developments, Comelit has started a process of adapting to the new reporting methods, which will be mandatory for the company starting from FY 2025. This led to a revision of the materiality analysis conducted in 2022 according to a “classic materiality” approach, from which 14 themes emerged as relevant, divided into three pillars: “With You. Always”, “People With Us”, and “Comelit with the Planet”.

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In 2024, as the first exercise to approach future regulatory requirements and the ESRS, the materiality analysis was updated according to a double materiality process, with a view to progressive alignment and further information on the methodology proposed by EFRAG in “*EFRAG IG 1: Materiality Assessment Implementation Guidance*”, providing for the three main phases set out below.

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PHASE	SUB-PHASE
Upstream	Acquisition of raw materials and their transformation
	Transport of raw materials and semi-finished products
	Production of product portfolio
Own Operations	Activities at headquarters and branches
Downstream	Distribution
	Use
	Product end-of-life

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Phase 1 – Preliminary context analysis

Firstly, a **preliminary analysis** was carried out, **focused on understanding the context of the Comelit Group** and its value chain. The phases of Comelit’s value chain have been reconstructed and identified starting from the results of the organisation’s Life Cycle Assessment (LCA) conducted in 2021, which was deemed for this first year of alignment with the new Directive to be sufficiently explanatory, and to be based on solid scientific foundations for the definition of the Group’s value chain. The Comelit Group value chain therefore identifies three macro-phases divided into seven sub-phases:

Following the identification of the Value Chain, the 10 ESRS Standards relating to ESG issues were analysed and an initial association was made of the issues reported therein with the phases of the Group’s value chain. This initial analysis, aimed at verifying the possible relevance of the topics reported in the standards for Comelit, showed that, in line with the evidence of the LCA analysis, the E3 Standard “Water and marine resources” and the associated issues do not represent significant areas of impact for any phase of the Group’s value chain. Despite this preliminary evidence, the subsequent phases of the analysis still took into account the E3 standard, in order to obtain proof of its non-materiality. A non-exhaustive summary table of the results of the context analysis is set out below:

Phase 2 – Identification of IROs potentially relevant for Comelit

In phase 2, a long list of impacts, risks and opportunities (IROs) relating to the ten sustainability issues covered by the ESRS Standards, and especially to its sub-sub-topics, was identified in order to identify in a granular manner the IROs that may be relevant to Comelit. In addition, IROs have also been identified with reference to the Value Chain defined through LCA analysis since, as evidenced by the ESRS Standards, most of the impacts generated by a company could be located upstream or downstream of the company’s operations, and therefore in the management of procurement and the supply of goods and services produced.

ESRS Topics	UPSTREAM	OWN OPERATIONS	DOWN-STREAM
ESRS E1 Climate Change	○	○	○
ESRS E2 Pollution	○		○
ESRS E3 Water and marine resources	Non-material		
ESRS E4 Biodiversity and ecosystems	○		
ESRS E5 Circular economy, including resource use	○		○
ESRS S1 Own workforce		○	
ESRS S2 Employees in the value chain	○		○
ESRS S3 Affected communities\	○	○	
ESRS S4 Consumers and end-users			○
ESRS G1 Business conduct	○	○	

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The identification of the positive and negative impacts generated was therefore based on an analysis of the internal and external context that led to the definition of 71 impacts, which can be associated both with the sector in which Comelit operates and with the company's specific characteristics, to be subsequently subjected to an "Impact Materiality" assessment (Phase 3 of the process).

For the identification of risks, reference was first made to the Group's Risk Register in order to ensure the consistency of the risk assessment process, integrating those more closely related to sustainability, an aspect that the Risk Register by its nature considers only partially. In total, 64 risks were identified. Finally, the opportunities were identified with reference to Comelit's current activities and the context in which it operates, identifying a total of 42 opportunities to be subjected, together with the risks, to the "Financial Materiality" analysis (Phase 3 of the process).

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Phase 3 – Materials IRO assessment and approval of results

The final phase of the analysis was the "IRO assessment", i.e. the assessment of impacts, risks and opportunities according to pre-defined assessment scales aimed at defining their "materiality", i.e. their relevance, for Comelit. The significance of each IRO identified was determined by quantitative rating scales set in accordance with the requirements of the ESRS 1 standard, "General requirements".

The IRO assessment was carried out according to the above parameters defined by Impact Materiality and Financial Materiality, with materiality thresholds set at 3 for impact materiality and 2.5 for the assessment of risks and opportunities, respectively.

The assessment showed the following IROs to be material.

IMPACT MATERIALITY		
Parameter	Definition	Assessment scale
Entities	ESRS 1: severity of negative impact or extent of benefits of positive impact for people or the environment	Rating from 1 to 5, where 1 is "Minimal" and 5 is "Total"
Scope	ESRS 1: extent of positive or negative impacts. For environmental impacts, the scope can be understood as the extent of harm to the environment or a geographical perimeter. For impacts on people, the scope can be understood as the number of people negatively affected	Rating from 1 to 5, where 1 is a "Limited" extent and 5 a "Global" extent
Irremediability	[parameter valid only for negative impacts] ESRS 1: whether and to what extent negative impacts can be remedied, i.e. by restoring the environment or affected persons to their original state.	Rating from 1 to 5, with 1 indicating a negative impact that is "Easy to remedy in the short term" and 5 a negative impact that is "Irreversible"
Probability	[parameter valid only for potential impacts] ESRS FAQ: Probability of the event occurring	Rating from 0.2 to 1, where 0.2 indicates an "unlikely" impact, and 1 an "actual" impact
Violation of human rights	[parameter valid only for negative impacts]	Yes/No rating; if there is a human rights violation, the extent prevails over the probability; therefore, the probability automatically changes from the selected value to certain (value 1)
FINANCIAL MATERIALITY		
Parameter	Definition	Assessment scale
Probability	Probability of the occurrence of the financial effect being assessed	Rating from 0.2 to 1, where 0.2 indicates an "unlikely" risk/opportunity, and 1 a "certain" risk/opportunity
Potential Magnitude	Extent of the financial effect being assessed	Rating from 1 to 5, where 1 indicates a very low magnitude of the financial effect (e.g. negligible revenues or losses) and 5 indicates a very high magnitude of the financial effect (e.g. very significant reduction or increase in costs)

ESRS	Comelit material topic	Material impacts		Material risks	Material opportunities		
		Description	(+/-)			Location	Description
1	E1	Energy efficiency and reduction of emissions	Generation of indirect (Scope 3) GHG emissions	-	Upstream and Downstream	High costs due to decarbonisation activities along the value chain	
		Energy efficiency and reduction of emissions	Generation of direct and indirect (Scope 1 and 2) GHG emissions	-	Own operations		
2	E5	Circular economy and waste management	Reduction of raw materials used based on adoption of circular economy practices and reduction of waste produced following recovery of components from returned products	+	Own operations	Increased costs of purchasing raw materials due to their scarcity on the market	Reduction of operating costs based on development of circular economy initiatives and recycling of materials and finished products
		Sustainable product design	Supply of critical raw materials that can cause environmental and social impacts	-	Upstream and Own operations		Business opportunities based on development of eco-design initiatives of products and selection of materials
		Sustainable product design	Efficiency of the resources used for Comelit products designed with a view to greater sustainability	+	Own operations		
		Innovation, research and development	Ease of recovery and disposal of products following the creation of innovative design solutions	+	Own operations and Downstream		
3	E1	Sustainable logistics	Reducing emissions through sustainable logistics practices	+	Upstream, Own operations, Downstream		
		S2	Sustainable supply management	Increased emissions due to highly extensive and complex supply chains	-		
4	S1		Collaborator health, safety and well-being	Violation of workers' rights along the supply chain, due to suppliers belonging to a particularly large supply chain	-	Upstream	Management overload due to excessive company turnover
		Employment stability based on extensive use of permanent employment contracts		+	Own operations		
5	S1	Diversity and inclusion	Employee satisfaction with work-life balance	+	Own operations		
			Harm to workers resulting from accidents and occupational diseases	-	Own operations		
			Lack of workforce balance between men and women	-	Own operations		
6	S4	Customer centricity	Worker satisfaction based on appropriate training programmes, performance evaluation systems and professional development plans	+	Own operations		Improved employee retention / decreased turnover based on effective development initiatives and programmes
			Customer satisfaction based on effective ways of engaging and listening to feedback	+	Downstream		
			Data privacy and cybersecurity	Possible violation of customers' right to privacy due to loss of data and confidential information	-		
	G1	Responsible business and anti-corruption	Dissemination of fairness and ethics among employees and towards the market	+	Own operations, Downstream	Non-compliance resulting from unforeseen regulatory changes	

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ESRS 2 IRO-1

GRI 2-29

Sustainability plan

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To identify climate-related impacts, risks and opportunities, Comelit has adopted an approach based on the analysis of its direct and indirect operating activities, which is therefore not based on climate scenario analyses, not yet made by the company. This process involved an in-depth examination of the company's operations, supply chain and entire value chain, complementing the results of the LCA study conducted in previous years. Based on this methodology, Comelit has been able to ascertain that the greatest climate impacts and those related to the generation of greenhouse gas (GHG) emissions occur mainly in the upstream phases of the corporate value chain, highlighting critical areas on which to focus mitigation initiatives. The results of the impact and financial impact assessments have been validated by Comelit's Sustainability Management Committee.

In 2022, Comelit drew up its Sustainability Plan in order to define a list of concrete commitments to be implemented in the three-year period 2023-2025. The initiatives included in the Sustainability Plan therefore represent a roadmap for the implementation of sustainability within the company. Some of the main lines of action are set out below, divided by category of stakeholders. These will guide the company's work over the next three years to contribute to the achievement of the Sustainable Development Goals (SDGs) set in the UN 2030 Agenda.

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SUSTAINABILITY PLAN FOR THE THREE-YEAR PERIOD 2023-2025		
Stakeholders	Actions	Relevant SDGs
Environment and community	<ul style="list-style-type: none"> • Continue energy efficiency initiatives at all Group sites • Disseminate the culture of eco-design and environmentally aware planning for gradual integration into product design • Extend the application of the LCA methodology • Support local bodies and associations in areas where the Group's branches operate, on issues related to the safety of people, sites and buildings 	   
Collaborators	<ul style="list-style-type: none"> • Launch training and workshops aimed at improving the sustainability culture and awareness of all collaborators (Sustainability Ambassadors) • Gradually extend the performance management system to all employees, including specific sustainability-related drivers • Continue to set up people caring programmes • Activate training and continuous learning programmes for all collaborators • Implement procedures for listening and monitoring collaborator satisfaction 	 
Suppliers	<ul style="list-style-type: none"> • Add socio-environmental variables to the process of selection, evaluation and management of suppliers • Raise awareness and train buyers on issues of Sustainable Procurement 	  

Environmental disclosure

In recent years, the Comelit Group has decided to embark on a path with the aim of making sustainability one of the cornerstones of its corporate credo, by committing itself to promoting a culture of sustainability.



GRI 3-3

The basis of setting out on this journey was an awareness of the extent to which the sustainable development goals were in line with the company vision. As part of this vision, the technology that permeates every aspect of Comelit's business becomes an enabling tool to pursue sustainable development. The relevant issues already identified by Comelit in previous Reports were confirmed this year by the results of the double materiality analysis, which identified two issues as priorities: climate change and the use of resources from a circular economy perspective. This evidence, already corroborated by the LCA study conducted in 2021, will focus the company's attention both in its work

and in its annual reporting. Following the analysis of double materiality and the company's desire to embark on the process of compliance with the CSRD, the sections below report the main data, actions and policies relating to the relevant issues, primarily responding to the GRI standard but aligned as much as possible with the ESRS standards (E1-1, E1-2, E1-4, E1-5, E1-6).

3.1 Climate change and reduction of emissions

Energy efficiency and reduction of emissions

Over the years, the careful management and technological improvement of the production and service systems have made it possible to optimise energy consumption, as a result of technological innovation becoming the key to efficiency and cost containment. For Comelit, it is very important to ensure effective energy management of operations directly related to company activities, to re-

duce the environmental impact generated by drafting suitable measures and policies. The main projects to be developed over the next three years that follow the Sustainability Roadmap include actions and solutions aimed at improving energy efficiency and the production and use of energy from renewable sources. Energy consumption data for 2023 are shown in the table below:

Energy consumption and energy mix [E1-5] ¹		2023
Total energy consumed	MWh	1,874.96
Total consumption of fossil fuel-based energy	MWh	1,653.86
Proportion of fossil fuels within total energy consumption	%	88%
Consumption of nuclear energy	MWh	79.14
Total consumption of energy from renewable sources	MWh	221.10
Consumption of fuels for renewable sources, including biomass (also includes industrial and municipal waste of biological origin, biogas, renewable hydrogen, etc.)	MWh	9.28
Consumption of electricity, heat, steam and cooling from renewable sources, purchased or acquired	MWh	44.88
Consumption of self-generated renewable energy with no use of fuels	MWh	166.94
Proportion of renewables within total energy consumption	%	12%

1. The data shown in the table are estimates where not available.



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GRI 305-1
GRI 305-2
GRI 305-3

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Through 2023, the consistent search for energy efficiency and systems optimisation saw the continuation of projects started in 2022, such as the renovation of some branches with attention to thermal insulation and the installation of energy-saving windows and doors, the optimisation of the energy consumption monitoring system, the increase in the proportion of certified renewable energy purchased, and the in-depth analysis of the emissions produced and consumption engaged along the Group's value chain, to be further developed during the adaptation to CSRD. In 2023, energy consumption remained broadly in line with the previous year, whereas energy production from photovoltaic panels almost doubled.

of the Group's branches. To date, the Group is considering partial and gradual replacement of its fleet with internal combustion engines with low-carbon vehicles, and will arrange for the installation of electric charging stations where necessary.

Direct Scope 1 emissions - relating to the consumption of natural gas for heating and fuel for the fleet with internal combustion engines - amount to approximately 1,411 tonnes of CO₂-equivalent; indirect Scope 2 emissions - relating to the consumption of non-renewable electricity and the consumption of the hybrid and electric car fleet - amount to approximately 504.6 tonnes of CO₂-equivalent.

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To manage energy consumption, Comelit has an energy efficiency policy, the responsibility of Regulatory Affairs, which deals with the energy efficiency of Comelit's plants and, in general, its workplaces. This policy applies to the entire Group.

For the distribution of its products, Comelit has relied on a supplier that emphasises not only the quality and safety of its service, but also sustainability. This supplier is continuing its multi-year ecological transition program, which involves not only the company but also subcontractors, in order to measure their CO₂ footprint and verify transparency in information.

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The evaluation of the conversion and efficiency of the vehicles in the company fleet also continued in 2023, with the progressive replacement of diesel cars with new low-emission models, the introduction of certain electric and hybrid vehicles and the installation of charging stations in company car parks at some

In addition to the electrification of last-mile and the investment in drives and alternative fuels in its fleet, another important lever is the scope of sustainable transport services provided by the

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Greenhouse gas emissions [E1-6] ²		2022	2023
Scope 1*	tonnes CO ₂ -eq.	1,585.12	1,411.88
Scope 2 (location-based)*	tonnes CO ₂ -eq.	612.23	504.63

Group's service partners. These factors, in addition to the improvement in Comelit's logistics management, have made it possible to maintain a low level of emissions, 116 tonnes of CO₂eq, despite an increase in the company's business activities.

To date, Comelit has drawn up the "Carbon Reduction Plan", a document that briefly set out the company's intentions to reduce CO₂ emissions, starting from the baseline year 2021 and setting targets for 2030 and 2050. These targets mainly concern emissions related to corporate operations, i.e. Scopes 1 and 2, and identify the supply of energy from renewable sources and the self-production thereof using photovoltaic panels as the main decarbonisation lever. Even so, and partly thanks to the LCA analysis carried out (for further information, see the next section), Comelit is aware that most of its emissions are located upstream of the value chain, and concern in particular the extraction and processing of certain fundamental raw materials in Comelit products. The length of the value chain and the strategic nature of these materials therefore represent the main challenges of the transition process for Comelit. An initial response to this issue, which the company is already implementing, is the use of circular economy initiatives, which consist of the recovery of faulty or obsolete products and their re-introduction into the market, and are based

on attentive recycling of electronic waste (WEEE), detailed further in the next section. Comelit plans to further explore the issues related to the transition plan and environmental objectives over the next few years, especially the phase of adaptation to the CSRD and the EU Taxonomy, and by evaluating appropriate alignments with the corporate strategy.

2. The data shown in the table are estimates where not available.

GRI 301-1
GRI 306-3

3.2 Resource use and circular economy

Waste management and circular economy

From the outset, waste management at the Comelit Group's offices and all branches has prioritised the prevention of waste production at source, investing considerable efforts in the recovery and recycling of materials and the proper disposal of the non-recyclable elements. Staff awareness, the definition of operating procedures on waste management and the involvement of companies specialised in collection operations have made a qualitative and quantitative improvement possible over time, with subsequent recovery/disposal of waste. The company has always been committed to eliminating components that are difficult to recycle, to ensure the highest quality with the lowest impact.

As part of usual business operations, Comelit promotes the separate collection of the main categories of waste, i.e. paper and cardboard, toner and cartridges. There are also special containers for the delivery of other differentiable waste, such as glass, plastic and batteries, identified according to the European Waste Catalogue (EWC). Comelit is also ensuring its commitment in terms of prevention and management of plastic waste, especially by adopting a specific policy on the use of plastics, which specifies that it intends to enhance the circular processes that prioritise reusable products, aiming to generate as little waste as possible.

Regarding electronic waste, Comelit has selected a company specialising in the recovery of waste electrical and electronic equipment (WEEE), to put it back into circulation as new resources: the waste is then leveraged as a new raw material, fully bearing in mind the circular economy and with the utmost safety for both people and the environment. The company selected for recovery of WEEE employs highly trained staff special-

ised in field of waste processing; it has four plants for shredding and separating recoverable materials, and two for the disassembly of large electronic equipment. The materials are sorted, weighed, handled, stored and processed according to strict rules. The current guarantee is a material recovery rate of 96% and the company's goal is to get as close as possible to 100%, in an attempt to prepare the WEEE for even more efficient

Materials used [GRI 301-1] ³		2021	2022	2023
Total weight of office materials used	tonnes	11.20	9.25	8.95
Paper used in offices	tonnes	10.88	8.90	8.61
Recycled paper (uncertified)	tonnes	3.90	3.52	3.71
FSC-certified paper	tonnes	4.58	3.31	3.60
Total toner and cartridges used	tonnes	0.32	0.35	0.35
Refurbished toner and cartridges	tonnes	0.05	0.06	0.32

Waste produced [GRI 306-3] ⁴		2021	2022	2023
Total weight of waste generated	tonnes	213.29	221.77	178.20
Hazardous waste	tonnes	0.28	0.27	6.30
Non-hazardous waste	tonnes	213.01	221.5	171.90

3. The data shown in the table are estimates where not available.
4. The data shown in the table are estimates where not available.

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recovery. As evidence of the increasing commitment that Comelit wants to make to this issue, it should also be noted that the company is considering joining the Ecoped “Beyond Green” project, conceived by the system of the Ecoped, Ridomus, Ecopower and PneuLife consortia operating at national level in the proper management and recycling of electrical and electronic equipment, batteries, accumulators and end-of-life tyres. The goal is precise awareness of the journey the waste will make, what type of secondary raw materials it will create and where these will be used to create a new product, thus ensuring the protection of natural resources and the limitation of waste.

The Group also considers the issue of the circular economy on the basis of eco-design, defining the repairability, updating, recyclability and durability of Comelit products as key elements in the design and development processes. In Comelit’s circular strategy, the management activities of recovery of obsolete, faulty or low-turnover products are particularly significant. Indeed, Comelit has adopted a worldwide process of their withdrawal, repair and re-marketing, or to recover the most significant components to be used as spare parts. In 2023, Comelit recovered 89% of its returned products.

Sustainable product design

For Comelit, it is essential to design durable and efficient goods, to combine the usability of the product by the end customer with the ease of implementation by the installer. At the same time, attention is always paid to the handling of raw materials, to guarantee a high recyclability coefficient and a low overall environmental impact for

the products. Comelit has integrated environmental aspects into design and development, to minimise the negative impacts of its products by promoting an environmentally conscious design (ECD) policy as an integral part of design and development within the organisation. A strategy was then established to determine the objectives of

In 2022, Comelit made use of a company specialising in the application of the LCA method and commissioned a study to quantify the environmental footprint of the “door entry monitors (internal units)” family of products, by configuring a model and its real-world application on certain products considered ‘representative’ of the

family under analysis.

The study considered the following phases of the product life cycle: acquisition and processing of raw materials, transport of products by suppliers, transport of packaging of finished products, distribution, use, and end of life. After making the appropriate modelling choices, we then applied an impact calculation method used to quantify the environmental profile of products, the Environmental Footprint Method EF 2.0. This study showed that the most relevant impact categories for electronic products are:

- Climate change
- Resource use, fossil
- Resource use, mineral and metals

The results were considered by Comelit in the design phase of the new product families. Aiming at constant improvement, Comelit decided to give a further boost to the recovery of end-of-life products, with the aim of raising the recovery and reuse of all raw materials to 100%.

As such, Comelit is evaluating the option of equipping itself with a tool to quantify the environmental footprint of products and to create of EPDs, with the objectives of quantifying the environmental performance of the products of the six families of door entry monitors, video surveillance, intrusion detection, home automation, fire prevention, access control, anticipating market needs and the requests for product sustainability assessment promoted by the Ecodesign Regulation 2024/1781, and of strengthening relationships with potential customers and with the entire supply chain, adding further value in the qualification of product performance.

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the ECD, including the allocation of resources (e.g. financial, human resources and lead time for the completion of activities), facilitated by the company's ISO 14001 certifications on the environmental management system. In addition, in order to design and develop products that pay increasing attention to environmental impacts, Comelit has decided to encourage the adoption of the Life Cycle Assessment (LCA) method, to make it an integral part of the design and development process of its products.

Durability, reusability, the possibility of product upgrades and repairs, assessment for the presence of substances that may hinder product circularity, careful use of resources and raw materials with the involvement of the entire supply chain, and minimising indirect energy resources, are just some of the aspects Comelit considers in the design of new products. All this becomes food for thought to reduce the environmental impact of the products as well as products currently on the market. Comelit is committed to broadening the use of PEF methodologies within the organisation, which involve measuring environmental performance throughout the life cycle of products; the results obtained and the consequent environmental declarations then become a tool for corporate credibility. Comelit's strategy for environmentally conscious design of safe products includes the fol-

lowing points:

- assessment of significant environmental impact
- optimisation of processes during the life cycle of a product
- support for product design that minimises environmental impact over the life cycle
- disclosure of information on environmental performance throughout the life cycle of products (e.g. through the documentation accompanying the product, websites and apps, sustainability report)
- disclosure of environmental claims, especially by ensuring sufficient reliability and completeness of the declarations
- identification of significant environmental impact
- optimisation of processes throughout the supply chain
- doing everything needed to increase the availability of high-quality lifecycle data, via actions aimed at developing, collecting and examining data collected from the supply chain.

In addition, Comelit subjects its products to physical and mechanical tests, to guarantee their resistance and quality. Examples include:

- climatic tests (temperature, humidity, pressure, solar radiation, precipitation, etc.)
- mechanical tests (impacts, vibrations, shocks, etc.)

- tests with chemical agents (salt spray).

Finally, the Comelit Group has been committed over the last few years to reducing the use of plastic and to reducing the overall impact associated with the packaging of its products. The company has adopted water-based inks, definitively abandoning the use of chemical solvents found in the most common inks. The new eco-friendly packaging (Eco-Box) have also become the new normal for all Comelit products. These efforts, as well as reducing the environmental impact of packaging, greatly simplify our customers' work by eliminating the complications related to the disposal of materials.



Social disclosure



One of the drivers that has always characterised the Comelit Group is its focus on people and paying attention to customer and staff needs.

As part of the process of double materiality analysis, several significant impacts, risks and opportunities related to workers and customers emerged, confirming their centrality not only in terms of the business but also in terms of sustainability. The sections below consider at a qualitative and quantitative level topics such as the full protection of workers' rights, the enhance-

ment of staff, the promotion of training and merit, and work-life balance. Information about the supply chain and customers will also be reported. The tools used, as in the case of environmental reporting, are first and foremost the GRI standard and, where possible, the ESRS standards (S1-1, S1-3, S1-6; S1-8; S1-9; S1-13; S1-14).

4.1 Comelit workforce

As at 31 December 2023, the Comelit Group had 1,017 employees (+9% year-on-year), consisting of 731 men and 286 women.

Almost all Comelit employees are on permanent contracts.

Characteristics of the undertaking's employees [S1-6]		2023
Total employees (headcount)	No.	1017
Women	No.	286
Men	No.	731
Of whom permanent (FTE)	No.	999
Of whom fixed-term (FTE)	No.	15
Of whom on variable hours (FTE)	No.	3

Total number of employees who left the company during the reporting period and turnover rate [S1-6]		2023
Total number of employees who left the organization	No.	124
Turnover rate	%	12%

Development and enhancement of human capital

The development of human capital is increasingly emerging as a permanent path throughout people’s careers, which therefore requires differentiated and balanced training for the whole of their life. The training system is based on the personal characteristics of each individual, but can be enhanced through multiple forms of learning, becoming a strategic lever for the growth of the potential of resources and a diffuser of innovation and development. Training activities must meet the need to ensure that staff possess adequate levels of knowledge and skills to fulfil their professional duties, including in line with the main regulations in the sector and the high standard of service provided by the Group.

Training on health and safety in the workplace is mandatory. The modules are delivered in person for safety officers and online on an e-learning platform.

In addition to the mandatory training, specific courses have been provided, identified over the year by the Human Resources Management Office and the heads of the Operating Units on the basis of the skills required by structural and regulatory developments in the electronics sector. With a view to ensuring opportunities for personal and

professional growth of resources, and to accelerate the processes of entry of new hires into the world of work, the “Training” project continues. Begun in 2021, it aims to accompany colleagues in the processes of qualification, retraining and internal mobility (skilling, upskilling and reskilling). Through a methodology that makes it possible to map and develop the skills of human capital, people are accompanied on skills development paths with the aim of bringing out results, talent and skills.

In 2023, a training plan continued for the acquisition of soft skills and interdisciplinary expertise. Among the many topics covered were innovation, leadership development, and the future of marketing and communication.

All training is managed through the Comelit Academy which, in addition to managing all the training activities aimed at employees, ranging from more traditional training to e-learning and self-learning, will also act as a benchmark for all the training Comelit regularly provides externally, especially to customers or partners.

Finally, every year the Performance Review is held, a system for evaluating the performance of employees. The system is an integral part of a more general

process of management and development of human resources, aimed at stimulating and supporting professional and personal growth. The evaluation process, which involves everyone, is divided into the following main phases:

- Annual report and performance evaluation by both the manager and employee (self-assessment), to prepare for the feedback meeting

- Sharing and discussion in person between manager and collaborator during a Development Interview, when each person’s Individual Development Plan is decided
- People Review of each function with Human Resources, to identify interventions and actions to support the growth and development of people.

Number of training hours by gender [S1-13]		2023
Total training hours	No.	12792
Women	No.	3004.5
Men	No.	9787.5
Average hours of training	No.	12,5
Women	No.	11
Men	No.	13

Training and skills development metrics [S1-13]		2023
Employees who have participated in periodic performance and career development reviews by gender	%	59
Of whom women	No.	120
Of whom men	No.	478

Collaborator health, safety and well-being

GRI 2-23	GRI 403-1
GRI 2-24	GRI 403-2
GRI 2-30	GRI 403-3
	GRI 403-5
	GRI 403-6

Comelit’s commitment is also aimed at collaborator well-being and at safeguarding health and safety, through the adoption of adequate prevention and protection measures and the development of an internal culture as such, based on training and information. The management of issues concerning the protection of human capital is also made explicit in the Code of Ethics. Collaborator well-being results from adequate planning of risk prevention, control and management systems, and by promoting good practice and appropriate conduct among the company’s people. Comelit’s commitment to ensuring

a fair work-life balance for employees is also central, with initiatives such as the new model of smart working and the introduction of flexible working hours. Comelit has therefore adopted a system of policies and procedures to deal with the issue:

- Diversity and Inclusion Policy
- Health and Safety in the Workplace Policy
- Code of Ethics
- Social Dialogue Policy
- Child Labour Policy
- Privacy Protection Policy

Comelit acknowledges its role and responsibilities in guaranteeing all employees and collaborators a healthy and safe work environment, where everyone can feel protected, welcomed and respected in terms of their human and working rights. By means of a meticulous and constant risk assessment at its sites, Comelit can identify strategies and set up procedures to ensure high safety standards for the people who regularly spend time on company premises. For example, the assessments conducted at the Italian site involved a wide range of design and operational spaces, leading to the construction of a “risk matrix” aimed at isolating the dangers and types of risk at the company. The Comelit Group has adopted an in-house Occupational Health and Safety Management System, and has defined within its organisational structure precise responsibilities, operating procedures, processes sensitive to these issues and adequate economic resources for the implementation of strategies aimed at achieving high standards of health and safety in the workplace. Specifically, all Group subsidiaries are required to comply with the following principles:

- ensuring the fulfilment of safety and health in the workplace at every stage of the company’s processes, guaranteeing the effectiveness and implementation of precise control principles
- guaranteeing transparency, fairness and traceability with regard to the fulfilment of obligations towards the external bodies responsible for the control of safety in the workplace
- informing counterparties of any risks to safety in the workplace in the context of procurement or supply contracts and ensuring that the relevant preventive measures are taken
- in contracts with third parties, as part of the activities aimed at the management and prevention of risks in the field of health and safety in the workplace, laying down specific clauses committing to comply with its principles.

In addition, Comelit actively works to promote internal information on compliance with the technical and structural standards of the law relating to equipment, risk assessments, organisational activities such as

Total accidents [S1-14]		2021	2022	2023
Total deaths due to accidents at work	No.	0	0	0
Total serious accidents at work (excluding deaths)	No.	0	0	0
Total recordable accidents at work	No.	2	5	3

Recordable occupational accident rate = (number of recordable accidents at work/number of hours worked) x 1,000.00

Accident rate [S1-14]	2021	2022	2023
Rate of deaths due to accidents at work	0	0	0
Rate of serious accidents at work (excluding deaths)	0	0	0
Rate of recordable accidents at work	2.78	6.58	2,03

Collective bargaining coverage and social dialogue [S1-8]		2023
Total percentage of employees covered by collective bargaining agreements	%	52
Percentage of total employees covered by collective agreements within the European Economic Area (EEA)	%	49

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GRI 401-2

emergencies, first aid, contract management, health monitoring activities, information and training activities for workers, and monitoring activities referring to worker compliance with procedures. Where applicable, employees are covered by collective bargaining agreements that regulate health and safety issues, among other factors.

The Comelit Group is supported by an external prevention service that provides advice and support to the company for the proper management of risk prevention, with particular reference to: occupational safety management, hygiene, health monitoring and ergonomic, psychological and sociological analysis.

With a view to employee well-being, Comelit has chosen to implement in-

centive policies and tools to develop and enhance a modern and integrated corporate welfare system aimed at supporting a better work-life balance. The Comelit Group adopts multiple initiatives to meet employees' varying needs, by providing specific services in the field of education, for example by contributing to school, cultural and public transport expenses.

To ensure that these welfare pathways are effective and understood by all its collaborators, Comelit has organised meetings and webinars to explain how the platform and the welfare choices made work.

Diversity and inclusion

In its consideration of people as a core value, Comelit is committed to enhancing diversity and equal opportunities in the workforce, by following and promoting the principles of merit and expertise in line with the Group's values, and by recognising diversity as a lever for growth and success. The Group supports and fosters a culture consistent with these principles, which are formalised in the Diversity and Inclusion Policy. The company is committed to ensuring its employees experience fairness in the workplace, guaranteeing equal opportunities for professional and personal growth and overseeing a climate of

substantial equality without discrimination among the organisation's people. Towards a renewed and progressive awareness of the importance of diversity and inclusion issues within the company, Comelit intends to work internally on raising awareness among its people, convinced that cultural change can and must start from everyone in the company. It is also worth noting that within the Comelit Group, diversity is not only represented by age, but also by its naturally multi-cultural factor resulting from its many branches all over the world.

Diversity metrics[S1-9]		2023
Total members of senior management by gender	No.	47
Women	No.	9
Men	No.	38

Diversity metrics[S1-9]		2023
Total Group employees by age	No.	1017
Aged under 30	No.	156
	%	15%
Aged 30 to 50	No.	594
	%	58%
Aged over 50	No.	267
	%	26%

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GRI 405-1

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Total number of employees by category and gender		2021	2022	2023
	No.	869	928	1017
Total Managers	No.	71	54	47
Men	No.	60	46	38
	%	85%	85%	81%
Women	No.	11	8	9
	%	15%	15%	19%
Total Executives	No.	73	82	84
Men	No.	57	66	66
	%	78%	80%	79%
Women	No.	16	16	18
	%	22%	20%	21%
Total Employees	No.	725	792	886
Men	No.	515	559	627
	%	71%	71%	71%
Women	No.	210	233	259
	%	29%	29%	29%

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Total employees by category and age brackets		2021	2022	2023
	No.	869	928	1017
Total Managers	No.	71	54	47
Aged under 30	No.	0	0	0
	%	0%	0%	0%
Aged 30 to 50	No.	45	33	21
	%	63%	61%	45%
Aged over 50	No.	26	21	26
	%	37%	39%	55%
Total Executives	No.	73	82	84
Aged under 30	No.	1	1	3
	%	2%	1.2%	3.6%
Aged 30 to 50	No.	47	57	50
	%	64%	69.5%	59.5%
Aged over 50	No.	25	24	31
	%	34%	29.3%	36.9%
Total Employees	No.	725	792	886
Aged under 30	No.	134	137	152
	%	19%	17%	17%
Aged 30 to 50	No.	460	491	524
	%	63%	62%	60%
Aged over 50	No.	131	164	210
	%	18%	21%	23%

4.2 Supply management

GRI 2-23
GRI 2-24
GRI 204-1

Due to the importance of responsible procurement policies in risk management, Comelit has improved its supplier assessment criteria by integrating the analysis of the social and environmental impacts of the products and services provided. To date, the process of identifying the Group's suppliers makes it possible to assess aspects related both to governance and ethics, and to respect for human rights, workers' health and safety, and environmental performance.

With a view to continuously improving the responsible and sustainable procurement process, Comelit has launched a project that currently involves its main suppliers – due to be extended to an increasing number in the coming years – on the basis of clear and shareable criteria. The current selection process takes into account the evaluation of suppliers in relation to performance not only in terms of quality and finance, but also in terms of ESG.

Specific attention is also paid to safeguarding the principles of human and labour rights, the fight against corruption and the protection of the environment. To this end, the Sustainable Procurement Policy specifies the general principles that form the basis for good relations with partners: fairness and honesty, rejection of all forms of corruption, transparency and impartiality, prevention of conflicts of interest, fair competition, confidentiality, protection of workers and the environment. In addition, Comelit is committed to ensuring transparency and accountability throughout the selection process. Since March 2020, the Purchasing Division has integrated the assessment of suppliers into the existing "Supplier Register", with information on the social and environmental impacts of the products and services provided, and an assessment of the characteristics of the supply chain, including to respect and protect human rights. To formalise

Group suppliers [GRI 204-1]		2021	2022	2023
Total suppliers	No.	2,150	2,327	2,238
Percentage of expenditure on local suppliers*	%	48%	50%	49%
Percentage of expenditure on foreign suppliers*	%	52%	50%	51%

agreements with suppliers, contractual formats are being implemented that provide for the explicit acceptance of anti-corruption and collusion regulations, the acknowledgement of the Comelit Group's Code of Ethics and the acceptance of the Code of Conduct. Comelit is committed to promoting the principles and criteria of social and environmental responsibility that guide the Group's activities within its supply chain and in its relations with business partners. In this sense, as part of its supplier qualification and evaluation processes, Comelit has also introduced an ESG questionnaire, aimed at understanding the approach of its suppliers to sustainability and stimulating the definition and implementation of organisational, environmental, safety and ethical criteria. In addition, the company is considering adopting a platform-based evaluation system to assign suppliers an ESG score.

Comelit requires its suppliers to adopt behaviours and actions in line with the principles set out in the Anti-Corruption Policy and the Code of Ethics. In 2022, the Supplier Code of Conduct was disclosed, initially disseminated and signed by the main suppliers; it will be extended to all suppliers of products, goods and services. Visits and audits of the production process are also carried out regularly at suppliers' premises, to guarantee the highest quality standards. The training of the staff in charge of audits and of buyers are considered by Comelit to be indispensable and distinctive safeguards of a sustainable growth process, together with suppliers. In 2023, over 60 suppliers underwent on-site audits, an increase of 20% compared to 2022.

* The data provided refer to the scope of the Group. Please note that during data collection, Group subsidiaries were asked to consider suppliers residing in the same geographic market as "local". In addition, overseas subsidiaries were told not to consider the parent company as a supplier.

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Safety of raw materials and components

Comelit is committed to verifying the compliance of its suppliers, to meet the requirements of the REACH Regulation and the RoHS Directive with respect to the presence of potentially hazardous substances in products and raw materials. It does so both by meticulously collecting and evaluating the information required from suppliers, and by means of an active campaign of investigation and chemical analysis of the products in its catalogue, the aim being to guarantee its customers the utmost safety of the materials used in the manufacture of the products. As a result of collaboration with one of the main accredited Italian laboratories, specialised in chemical and environmental analyses to verify the absence of polluting factors, Comelit has decided to commit to a multi-year program for REACH analysis, to check the compliance of items circulating in the EU market with Regulation (EC) No 1907/2006, as well as complete tests for compliance with the ROHS Directive, which limits the use of certain substances in electrical and electronic equipment (EEE) and their components. The products analysed are sampled every year on the basis of their origin, the quantities used and the level of risk associated with their use. As such, Comelit can also actively monitor its supply chain in compliance with the main environmental provisions.

4.3 Clients

GRI 417-2
GRI 417-3

Clients are one of the most important factors for Comelit: for the company, customer proximity is not only a fundamental part of the business; it represents a promise that reflects the Group's values and character. Depending on the country in question, the Comelit Group uses various tools, online and offline, to actively communicate with its customers, and offers where possible listening and training activities for installers, aiming at constantly updating and developing the professional culture in the electrical installation sector. In 2023, there were no episodes of non-compliance regarding transparency in communications, towards neither customers nor end users.

GRI 418-1

Data privacy and cybersecurity

At Comelit, we are therefore firmly committed to find advanced solutions that can raise IT security and sensitive data protection standards, for example videos and recordings taken by the security devices. Comelit is therefore committed to developing and adopting increasingly effective countermeasures that involve introducing sophisticated firmware, shields and protocols in order to raise our standards when it comes to cybersecurity. As a totally private company, with no shares held by the government, Comelit is not an entity targeted by foreign countries for possible improper use of information, nor does it use systems or components blacklisted by any country. The server-cloud infrastructure for data transfer and storage is based in Europe, is proprietary and is operated in partnership with the world's largest cloud provider, Amazon AWS. The servers in Frankfurt, Germany, are protected by state-of-the-art cybersecurity systems

Cybersecurity is also a priority in which the company has made multiple investments. The systems are secured by increasingly stringent protocols; the operations carried out by third parties are restricted and are subject to higher standards than those normally used. A new Comelit Cloud platform was then created with very high security protocols and backup and disaster recovery systems. Artificial intelligence has been used to control access and account activity on the platform, and can not only detect not only intrusions, i.e. attempted unauthorised access, but also behaviour not in line with individual account authorisations.

Documented complaints on privacy breaches and loss of customer data		2021	2022	2023
Total documented complaints received on customer privacy breaches	No.	0	0	0
<i>from third parties, documented by the organisation</i>	No.	0	0	0
<i>from regulatory bodies</i>	No.	0	0	0
Total documented events of loss and/or theft of customer data	No.	0	0	0

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The cameras and video recorders use special firmware to ensure the utmost care when it comes to cybersecurity and data protection. Comelit products use encrypted communication protocols, Telnet port locking, encrypted configuration files, storage data encryption and backup. The security of our customers' data has been increased by using the infrastructure and cloud services of Amazon Web Services (AWS), the most comprehensive and secure cloud platform currently available. Thanks to the use of AWS cloud services, Comelit video surveillance solutions offer the highest standards in terms of resilience, cybersecurity and the protection of sensitive and personal data in compliance with European privacy regulations. The infrastructure, based on the use of highly reliable and scalable serverless technologies, is systematically subjected to vulnerability tests to identify any weaknesses.

To properly and comprehensively manage the issue of cybersecurity and data privacy, Comelit has adopted a series of policies, including:

- cybersecurity policy
- Cyber Incident Management policy
- Change Management policy
- business continuity plan
- Data Breach reporting procedure

- Backup and Restore operating procedure
- Cybersecurity policy inspired by ISO 27001.
- IT regulations

The Comelit Group then decided to centralise issues relating to the management of cybersecurity issues in a single body, dedicated to the culture of safety and the growth of skills on the subject: the competence centre, fully supported by all the company functions with interdisciplinary involvement. The Competence Centre was created with the aim of improving the procedures in place for the safety of products, systems, and services.

Training courses have also been provided to disseminate a culture related to IT security and the processing of personal data, with the aim of increasing awareness of the risks and potential threats in this area. The training objective of the courses is aimed at increasing staff awareness of the different attack techniques and countering them using the cybersecurity skills learned. Security measures have also been adopted, aimed at reducing the level of IT risk by strengthening the complexity of corporate credentials and introducing Multi-Factor Authentication for all Group employees. Further activities to improve IT security safeguards include:

- strengthening network security measures (SOC)
- in the extension of security tests, activities aimed at identifying any vulnerabilities and remedying them
- simulation of phishing and ransomware campaigns to raise awareness of resources on the risks related to this type of threat.



Governance disclosure

5.1 Corporate structure and sustainability governance

GRI 3-3
GRI 2-9
GRI 2-13
GRI 2-14



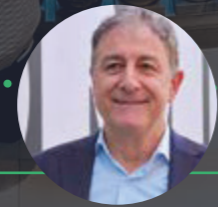
PRESIDENT
Silvia Brasi



VICE-PRESIDENT & EXECUTIVE DIRECTOR
Edoardo Barzasi



EXECUTIVE DIRECTOR
Alberto Lazzari



EXECUTIVE DIRECTOR
Fabio Brasi

Comelit has adopted an efficient and secure organisational and corporate governance structure, to promote transparency and clarity, and to meet the expectations and demands of a highly complex and dynamic market and legislative framework. The governance system is based on a traditional model, which guarantees effectiveness in management and efficiency in internal controls and promotes sound and prudent management of the business model.

The corporate structure includes a Board of Directors consisting of four members: the company President, the Chief Executive Officer and two other directors. There is then a Board of Statutory Auditors consisting of five members, none of whom are on the Board of Directors. In addition to the Chief Executive and the President, the company's Executive Board consists of eight directors who lead one division each and report directly to the CEO.

Comelit has also set up a Sustainability Committee that deals with:

- verification of the progress of the activities relating to the Sustainability Plan

- supervision of sustainability issues related to business activities and their dynamics with stakeholders, overseeing the evolution of relevant international guidelines and principles
- formulation of proposals on environmental and social strategy, indicating and defining annual objectives and targets to be achieved and monitoring their implementation over time
- examination and assessment of sustainability initiatives, including in relation to individual projects
- analysis and validation of sustainability topics and proposals for subsequent approval by the Board of Directors, including the double materiality analysis for the Sustainability Report
- support for the Board of Directors in the implementation, in terms of the Strategic Plan, of the Group's sustainability roadmap and formulates proposals for the development of a corporate governance system for sustainable development.

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5.2 Safeguards of responsible business

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As well as having adopted internationally recognised management systems such as ISO 9001 and ISO 14001, and having responded to the Ecovadis questionnaire and obtained certification in several consecutive years, Comelit has adopted a number of documents that guarantee the responsible management of the business.

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The Comelit Group Code of Ethics

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The Comelit Group has always chosen an approach that focuses its vision on people, identifying itself in attention to its collaborators and in the ethics that govern relations with suppliers and distributors and partnerships with installers.

The Comelit Group has defined the company's main purpose as improving the

quality and safety of everyday life, always looking to the future by designing new solutions in the name of maximum simplicity and functionality. The company's objectives also include creating value and opportunities for stakeholders – such as shareholders, customers, suppliers, employees and collaborators – and communities. To achieve these ob-

jectives, the Group has implemented all the necessary industrial and financial strategies and has developed a Code of Ethics, aimed at guaranteeing transparency, fairness and loyalty in every area in which it operates.

The Code of Ethics adopted by the Comelit Group sets out the values to be complied with by all collaborators and people within the organisation as they perform their duties.

Compliance with regulations

The Comelit Group fully complies with all applicable laws and regulations governing its operations in the various communities and countries in which it operates.

Fairness and loyalty in relations with human resources

The Comelit Group does business fairly and loyally; it has organisational tools to prevent the violation of the principles of legality, transparency, fairness and loyalty of its employees and collaborators, and supervises their observance and concrete implementation.

Social responsibility

The Comelit Group conducts its business in a socially responsible manner. All decisions and actions must be ethically validated before proceeding.

Observance of the strictest rules of conduct in relations with the outside world

The Comelit Group avoids and stigmatises the use of illegitimate or otherwise improper behaviour (towards the community, public authorities, customers, workers and competitors), to achieve its economic objectives.

Transparency

The Comelit Group provides the market and the community in general with activities in line with its business and ensures full transparency over its operations.

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GRI 2-23
GRI 2-24
GRI 205-3

Anti-corruption policy

Honesty and fairness

The Comelit Group is committed to promoting loyal collaboration, which it considers functional to its own interest, as an example for all market operators, customers and stakeholders in general.

Reliability

The Comelit Group is committed to pursuing excellence and competitiveness on the market, offering its customers quality services that respond efficiently to their needs.

Protection and enhancement of human resources

Human resources are a prerequisite for a company to exist and are a critical factor in being a successful competitor in the market. The honesty, loyalty, ability, professionalism, conscientiousness, technical preparation and dedication of staff are among the determining factors for achieving the company's objectives and represent the characteristics the company requires of its directors, employees and collaborators in various capacities.

Respecting and safeguarding the environment

The Comelit Group is committed to using resources responsibly, with the aim of doing responsible business in line with the principles of sustainable development.

The Comelit Group requires all recipients of the code to avoid any action contrary to these principles and to promptly report any known violation of the Code of Ethics. The Group undertakes to adopt procedures, rules or instructions to specifically ensure that

the values set out in the principles of the Code of Ethics are reflected in the way the company actually does its business, and in the effective conduct of the Group, its employees and its external collaborators.

The Board of Directors of Comelit S.p.A. has decided to adopt an "Anti-Corruption Policy" in addition to the Group's Code of Ethics. The Policy aims to provide guidelines for the fight against corruption and to disseminate within the Group the principles and rules to be followed to exclude corrupt conduct of any kind, whether direct or indirect, active or passive.

The Comelit Group has always done business in compliance with the ethical principles of legality, honesty, transparency, impartiality and respect, which form the basis of the corporate culture set out in the Code of Ethics. The increasingly important role that the Group has assumed at an international level makes it appropriate, in addition to its existing governance and guidance tools, to adopt an instrument that defines the principles and policies to be adopted in the performance of corporate operations, to conduct them in compliance with the main international regulations aimed at preventing and repressing corruption of public officials and corruption between private individuals. The Policy applies to managers, employees and collaborators of the Comelit Group, and to all those who have professional relations with Group companies, within the scope of the activities carried out and within the limits of their responsibilities.

It is brought to the attention of the recipients in specific communications. Compliance with the rules set out in the Policy must be considered an essential part of the contractual obligations of Comelit Group employees, as well as for suppliers, external

collaborators, consultants, business partners and agents. With the adoption of this Policy, the commitment to comply with the anti-corruption laws by third parties who have professional relations with Group Companies is provided for in specific contractual clauses and is also included in the process of selecting and qualifying counterparties interested in collaborating with the Comelit Group, taking into consideration, for example, the adoption of a similar policy or the possession of specific certifications such as ISO 37001. The fight against corruption aims to ensure the social and economic development of an organised community of people. Corrupt practices have a negative impact on the relationship of trust that must be maintained at all levels with public institutions and between economic operators themselves, creating a system that distorts the positive effects of a market economy aimed at protecting essential common interests and rights. Comelit is actively committed to the fight against all forms of corruption and prohibits any attempt at bribery, inducement to give or promise benefits, as well as the acceptance of any benefit that is intended to exclude the duties of the function itself or to breach the obligations of loyalty. For the future, Comelit intends to continue to maintain a high level of attention to the awareness of the importance of social and ethical responsibility for the company, dealt with by all the Group's people. In 2023, no cases of corruption or lawsuits involving Group employees or external network operators were recorded.

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GRI 2-26

Internal whistleblowing system

The Comelit Group promotes a safe, ethical and responsible working environment. In line with this approach, employees, business partners, suppliers and other parties are offered the opportunity to report episodes of corruption, fraud or other violations of internal rules through a guided path, which assists the whistleblower in formulating a precise and organised report. It is essential that employees or others have the opportunity to report such anomalies so that the company can intervene promptly and remedy any illegal behaviour, such as corruption, fraud or other violations, which may harm the company itself and possibly third parties.

No reports were received through the whistleblowing system in 2023.

Therefore, in accordance with the regulations, the Comelit Group has adopted an “Internal Reporting System” of acts or facts that may constitute a violation of the rules governing the activity carried out (“whistleblowing”), regulated and

governed by a specific Whistleblowing Regulation. According to the provisions of this Regulation, the Whistleblowing Manager is the person responsible for receiving and examining reports. After assessing reports, the Manager takes action where necessary as part of an investigation, carried out in such a way as to guarantee whistleblowers do not encounter any form of retaliation, discrimination or penalisation. Comelit has also implemented a special computerised portal for the collection and management of reports of offences or unfair practices in the organisation. This channel provides a guided path, which assists the whistleblower in formulating a precise and organised report. Any personal data that may be present are processed in compliance with the privacy regulations and retained for the time strictly necessary to manage the report. It is possible to enter into dialogue with the whistleblower through the IT platform to complete the report with

indirect assistance. In parallel with the implementation of the new portal, the Whistleblowing Regulation has been updated. This tool joins other reporting methods, such as sending a report by e-mail, post or voicemail, as laid down in Legislative Decree 24/2023.



Note on methodology

GRI 2-2
GRI 2-3

This document is the Comelit Group's Sustainability Report. The basis for reporting economic, environmental and social performance, across the scope of the entire Group, covers the period from 1 January 2023 to 31 December 2023.

The 2023 Report was drafted using the "Global Reporting Initiative Sustainability Reporting Standards" (GRI Standards), drawn up in 2016 according to the "with reference to" approach. This year, the Group has also started reporting certain information with a view to progressive alignment with the requirements of the new European Sustainability Reporting Standard (ESRS), as defined by the European Financial

Reporting Advisory Group (EFRAG) for the implementation of the Corporate Sustainability Reporting Directive (CSRD). Specifically, the Group focused on the collection of data and information relevant to the environmental issues of ESRS E1 "Climate Change" and the social issues related to staff, provided for by ESRS S1 "Own workforce". This decision anticipates the provisions of the CSRD, the new European directive on sustainability reporting which, since it came into force in January 2023, requires Comelit to publish sustainability disclosures in the Report on Operations starting from the financial year 2025.

Based on the materiality analysis conducted in 2022, which still followed a "classic materiality" approach, this year Comelit carried out an initial review and update of the analysis according to a double materiality process, with a view to progressive alignment and further information on the methodology proposed by EFRAG in "EFRAG IG 1: Materiality Assessment Implementation Guidance

point the results of the organisation's Life Cycle Assessment (LCA), conducted in 2021. This study, based on solid scientific foundations, has provided a sufficient explanatory basis to outline the Group's value chain, divided into three main macro-phases, which in turn are divided into seven sub-phases. Subsequently, the impacts generated, both positive and negative, were identified by analysing the internal and external context, linked to the sector in which Comelit operates. To identify risks, the Group's Risk Register was used, which made it possible to integrate existing assessments and ensure consistency with the company's internal analyses. Finally, the opportunities have been identified taking into account the Group's current activities and its operating context.

The overall analysis led to the identification of Impacts, Risks and Opportunities (IROs) relevant to the Group and its value chain in ESG areas.

To ensure a comprehensive and comparable picture, data for the three-year period from 2021 to 2023 were only reported when collected according to the GRI standards, alongside an indication of the objectives and initiatives that the Group intends to undertake in the near future.

Where possible, the Group has collected data directly and on time. However, for some data that cannot be found or are not available, estimates have been used on the basis of the trends that have emerged in the Group in the last two years.

In addition, for the 2023 reporting year, Comelit proceeded with a partial collection of social and environmental data according to the new ESRS standards, replacing the methodology and type of data collected for some GRI indicators. Specifically, the metrics required by the S1-6, S1-8, S1-9, S1-13, S1-14 standards for social indicators, and E1-6 for environmental data relating to the Group's energy consumption and emissions were collected. The ESRS indicators have also been adopted where possible in relation to qualitative aspects with specific reference to S1-1, to S1-3 for social topics, and to E1-1, E1-2, E1-4, E1-5 for the environmental field.

This report was prepared by the Comelit Group, involving various business areas and its international subsidiaries, in both data collection and in descriptions and comments.

GRI Index

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Statement of use	Comelit has reported in accordance with the GRI Standards the information cited in this GRI content index for the period from 1 January 2023 to 31 December 2023
Use GRI 1	GRI 1: Foundation 2021

GRI STANDARDS	DISCLOSURE	CHAPTER/DIRECT REFERENCE
GENERAL DISCLOSURES		
Organizational profile		
GRI 2: General Disclosures (2021)	2-1 Organizational details	1.1 About us p.12
	2-2 Entities included in the organization's sustainability reporting	6. Note on methodology p. 65
	2-3 Reporting period, frequency and contact point	6. Note on methodology p. 65
	2-4 Restatements of information	No revisions were made to the data with respect to the 2022 Statement.
	2-5 External assurance	This document is not subject to external third-party assurance
	2-6 Activities, value chain and other business relationships	1.1 About us p.12
	2-7 Employees	This GRI is covered in this document by the ESRS S1-6 indicator in the "Comelit workforce" section
	2-9 Governance structure and composition	5.1 Corporate structure and sustainability governance p. 57
	2-13 Delegation of responsibility for managing impacts	5.1 Corporate structure and sustainability governance p. 57
2-14 Role of the highest governance body in sustainability reporting	5.1 Corporate structure and sustainability governance p. 57	

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GRI STANDARDS	DISCLOSURE	CHAPTER/DIRECT REFERENCE
GRI 2: General Disclosures (2021)	2-22 Statement on sustainable development strategy	Letter to Stakeholders p. 5
	2-23 Policy commitments	4.1 Comelit workforce p. 45 4.2 Supply management p. 51 5.2 Safeguards of responsible business p. 61
	2-24 Embedding policy commitments	4.1 Comelit workforce p. 45 4.2 Supply management p. 51 5.2 Safeguards of responsible business p. 61
	2-26 Mechanisms for seeking advice and raising concerns	5.2 Safeguards of responsible business p. 62
	2-28 Membership associations	Comelit is a member of the following associations: • ANIE • Confindustria Bergamo • CDU • UNI
	2-30 Collective bargaining agreements	This GRI is covered in this document by the ESRS S1-8 indicator in the “Comelit workforce” section
GRI 3: Material topics (2021)	3-1 Process to determine material topics	2.1 Double materiality analysis p. 19
	3-2 List of material topics	2.1 Double materiality analysis p. 19
Environmental disclosure		
GRI 3: Material topics (2021)	3-3 Management of material topics	3 Environmental disclosure p. 29
GRI 301: Materials (2016 version)	301-1 Materials used by weight or volume	3.2 Resource use and circular economy p. 35
GRI 305: Emissions (2016 version)	305-1 Direct (Scope 1) GHG emissions	3.1 Climate change and reduction of emissions p. 32

GRI STANDARDS	DISCLOSURE	CHAPTER/DIRECT REFERENCE
GRI 305: Emissions (2016 version)	305-2 Energy indirect (Scope 2) GHG emissions	3.1 Climate change and reduction of emissions p. 32
	305-3 Other indirect (Scope 3) GHG emissions	3.1 Climate change and reduction of emissions p. 32
GRI 306: Effluents and waste (2016 version)	306-3 Waste generated	3.2 Resource use and circular economy p. 35
Social disclosure		
GRI 3: Material topics (2021)	3-3 Management of material topics	4 Social disclosure p. 41
GRI 204: Procurement Practices (2016 version)	204-1: Proportion of spending on local suppliers	4.2 Supply management p. 51
GRI 401: Employment (2016 version)	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.1 Comelit workforce p. 46
GRI 403: Occupational Health and Safety (2018 version)	403-1 Occupational health and safety management system	4.1 Comelit workforce p. 45
	403-2 Hazard identification, risk assessment, and incident investigation	4.1 Comelit workforce p. 45
	403-3 Occupational health services	4.1 Comelit workforce p. 45
	403-5 Worker training on occupational health and safety	4.1 Comelit workforce p. 45
	403-6 Promotion of worker health	4.1 Comelit workforce p. 45
	403-8 Workers covered by an occupational health and safety management system	This GRI is covered in this document by the ESRS S1-14 indicator in the “Comelit workforce” section
	403-9 Work-related injuries	This GRI is covered in this document by the ESRS S1-14 indicator in the “Comelit workforce” section

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GRI STANDARDS	DISCLOSURE	CHAPTER/DIRECT REFERENCE
GRI 404: Training and Education (2016 version)	404-1 Average hours of training per year per employee	This GRI is covered in this document by the ESRS S1-13 indicator in the “Comelit workforce” section
	404-2 Programs for upgrading employee skills and transition assistance programs	4.1 Comelit workforce p. 43
GRI 405: Diversity and Equal Opportunity (2016 version)	405-1 Diversity of governance bodies and employees	With regard to the members of the governing body, please note that: <ul style="list-style-type: none"> • the Group’s governing body is made up of approximately 20% women; • within the Group, around 58% of employees are aged 30 to 50.
GRI 417: Marketing and Labeling (2016 version)	417-2 Incidents of non-compliance concerning product and service information and labeling	• 4.3 Clients p. 52
	417-3 Incidents of non-compliance concerning marketing communications	• 4.3 Clients p. 52
GRI 418: Customer Privacy (2016 version)	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	• 4.3 Clients p. 53
Governance disclosure		
GRI 3: Material topics (2021)	3-3 Management of material topics	5. Governance disclosure p. 57
GRI 205: Anti-corruption (2016 version)	205-3 Confirmed incidents of corruption and actions taken	5.2 Safeguards of responsible business p. 61

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ALWAYS**



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Comelit Group
Sustainability Report
2024

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