



ISS PALUMBO

MOVE YOUR BUSINESS



SUSTAINABILITY REPORT **2023**



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LETTER TO STAKEHOLDERS

Dear readers, we are pleased to present to you the second edition of the Sustainability Report relating to the 2023 financial year, an expression of our continuous commitment to reporting the economic, environmental and social performances of our activities, with particular attention to the conduct of ISS Palumbo with respect to its collaborators and to its stakeholders.

This Report consists of non-financial reporting of a voluntary nature, as a tangible commitment of the desire to continue the virtuous and transparent path started last year, with the aim of creating value for all the subjects with whom we interact. For the creation of this document, we took the opportunity to increase the level of involvement of our stakeholders, especially in the phase of defining materiality, including the concept of “double materiality”, with the aim of sharing objectives and responsibilities through comparison with themselves. 2023 was characterized by an economic framework in which global inflation continued to represent a challenge for many economies and ongoing war events also had a strong influence. In fact, the continuation of the Russian-Ukrainian conflict and the dangerous outbreaks of war in the Middle East have negatively influenced international trade and the stability of the financial markets.

However, with the overcoming of the pandemic we are witnessing an almost complete return to usual lifestyles, with the “new normality” which, however, provides for a system of values that increasingly includes principles oriented towards environmental protection and social policies, with the aim of safeguarding the environment and promoting responsible practices in production and consumption.

In this context, ISS Palumbo, during 2023, achieved revenues of 94 million, a clear increase compared to the previous year in which the amount stood at 71 million.

Our commitment to promoting the well-being and professional growth of our collaborators also continues. During 2023 we renewed the training delivery system for all our employees, creating a personalized training path for each of them. In 2023, over 1,600 hours of training were provided, more than doubled, if we consider the previous year.

On the environmental issue, we continue to face the main challenges linked to the search for increasingly sustainable sources, to logistical processes that can have an ever-decreasing impact on the environment and, more generally, we are committed to activating solutions to mitigate environmental impacts through measures to improve the efficiency of our corporate activities. For this reason, during 2023, among the various initiatives undertaken, we have made a CO2 emissions calculation service available for any of our suppliers with the aim of raising their awareness of their environmental impact.

Looking to the future, we are committed to continuing on this path, further strengthening our practices and initiatives and actively involving all stakeholders in our responsible growth path. Despite the challenges, we believe that through innovation and collaboration we can contribute positively to society and the environment, while at the same time continuing to create value for all our stakeholders.

Andrea Palumbo

President

Filippo Palumbo

Chief Executive Officer

METHODOLOGICAL NOTE

The Sustainability Report of ISS Palumbo s.r.l. (hereinafter, “ISS Palumbo” or “Company”), drawn up on an annual basis, is one of the main tools through which the Company interacts with its stakeholders, promoting dialogue and sharing the commitment to pursuing a corporate culture based on integration of economic, environmental and social choices. In fact, the document contains information relating to environmental, social, personnel-related issues, respect for human rights and the fight against corruption, useful for ensuring understanding of the activities carried out by the Company, its performance, its results and the impact produced by them.

ISS Palumbo does not fall within the scope of application of Legislative Decree no. 254 of December 30, 2016 which, in implementation of Directive 2014/95/EU, provides for the obligation to prepare a Non-Financial Declaration (“DNF”) for public interest entities that exceed certain quantitative thresholds. This document was therefore drawn up on a voluntary basis and does not represent a NFS.

The Sustainability Report, presented to the Board of Directors of ISS Palumbo s.r.l. on 20/06/2024, has not been audited by an independent auditor.

Reporting standards and process

This Sustainability Report was drawn up in compliance with the “Sustainability Reporting Standards” defined by the Global Reporting Initiative (GRI), according to the “with reference to” option for the period from January 1 to December 31, 2023.

The general principles applied for the drafting of the Sustainability Report are those defined by the GRI Standard: relevance, inclusiveness, sustainability context, completeness, balance between positive and negative aspects, comparability, accuracy, timeliness, reliability, clarity.

Consistent with the principle of comparability envisaged by the GRI Standards, where possible, the information is also reported for the 2022 fiscal year, with the aim of providing stakeholders with a perspective on the evolution of ISS Palumbo’s performance over time. Any limitations in the scope of the information are reported in the text and/or in the note, as is the use of estimates and approximations in the calculation of the indicators.

The performance indicators selected are those envisaged by the adopted reporting standard, representative of the specific sustainability areas analyzed and consistent with the activity carried out by ISS Palumbo and the impacts it produces. The selection of these indicators was carried out on the basis of an analysis of their relevance (“materiality”), as described in the paragraph “Stakeholder engagement and materiality analysis”, on the basis of what is required by the GRI 2021 Standard (GRI 3 - Material Themes).

The Sustainability Report contains an appendix summarizing the information relating to the various areas covered (GRI Content Index), to allow the identification of the indicators and other quantitative and qualitative information presented within the document.

The disclosure of the Sustainability Report was developed through an organized and structured process which involved the involvement of various representatives of the company offices, responsible for the collection and management of information aimed at fruitfully drafting the document. Specifically, the representatives were involved in the main activity relating to the collection of data and information to be reported in the document in reference to their area of expertise.

Reporting scope

The reporting perimeter of qualitative and quantitative data and information refers to the performance of ISS Palumbo S.r.l., operating in the following locations:

- ISS PALUMBO HEADQUARTER, Via Ettore Quagliolini 6 57123 Livorno (LI);
- PALUMBO SERVICE, Via Ettore Quagliolini 4 57123 Livorno (LI);
- ISS PALUMBO, Via Gran Sasso TI snc 20060 Truccazzano (MI);
- ISS PALUMBO, Via Amada 2/4 29010 Pontenure (PC);
- ISS PALUMBO, Strada Provinciale Appia 8/10 81100 Caserta (CE);
- ISS PALUMBO, Via Volterrana 2 56030 Terricciola (PI);
- ISS PALUMBO, Via Gebbione/Contr. Torre Lupo snc 89129 Reggio Calabria (RC).

The following controlled foreign companies are not included in the scope: ISS Palumbo Mozambique Lda (Mozambique), LCT Palma (United Arab Emirates), ISS Palumbo South Africa (PTY) Ltd. (South Africa), ISS Palumbo Shipping Services LLC (Dubai), ISS Palumbo Shipping LLC (Abu Dhabi), ISS Palumbo FZE (Al Hamriyah, United Arab Emirates), ISS Palumbo Shipping Company (Saudi Arabia), ISS Palumbo Azerbaijan LLC (Azerbaijan), ISS Palumbo LLC (Russia), ISS Palumbo Houston LLC (Texas, USA), ISS Palumbo Egypt Ltd. (Egypt), ISS Palumbo Netherlands B.V. (Holland), ISS Palumbo UK Ltd. (London, UK), ISS Palumbo Turkey Ltd. (Turkey), ISS Palumbo Marseille Sarl (France), ISS Palumbo Spain (Spain), ISS Palumbo Cyprus LTD (Cyprus).

Contacts

The document is disseminated to all ISS Palumbo stakeholders through its publication on the institutional website <https://www.iss-palumbo.com/>.
To request further information in this regard, you can contact info@iss-palumbo.com

18

Countries in wich we are present

260

Partner Offices

94,6

Mln € revenue

NEW

Adoption of SupplHI platform



Member of FIATA¹, IATA², ALLIANCE-FPAL

66

No. employees

1.602

Total training hours

0

injuries / professional diseases

-20%

Scope 2 Emissions on 2022

NEW

Adoption of CarbonCare platform

1 - FIATA – International Federation of Freight Forwarders Associations
2 - IATA – International Air Transport Association



CHAPTER 1

IDENTITY AND GOVERNANCE

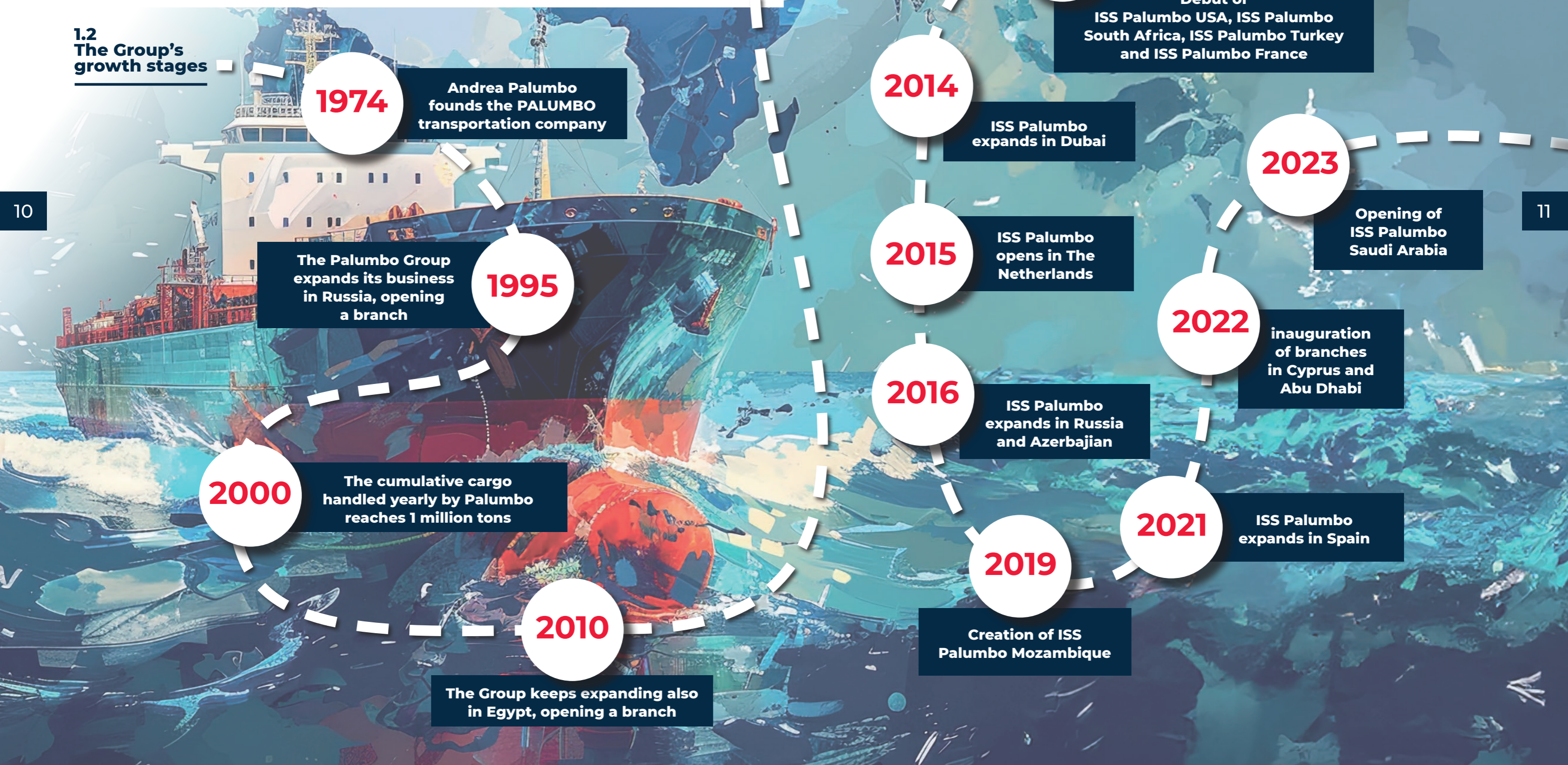
1.1 Profile and business activities

ISS Palumbo, with registered office in Livorno and operational offices in Milan, Piacenza, Reggio Calabria and Trucazzano, is a leading company in the field of international shipping, with particular specialization in Oil & Gas and integrated logistics. Founded with the aim of providing integrated logistics solutions, the Company has specialized in various fields, including maritime transport, project cargo, industrial plant management and port operations.

Over the years, the company has structured and expanded beyond national borders, boasting a presence in various countries around the world, including the Netherlands, United Kingdom, Egypt, Mozambique, South Africa, Turkey, Dubai, Russia, Azerbaijan, United Arab Emirates (Abu Dhabi, Dubai), Saudi Arabia, Cyprus.

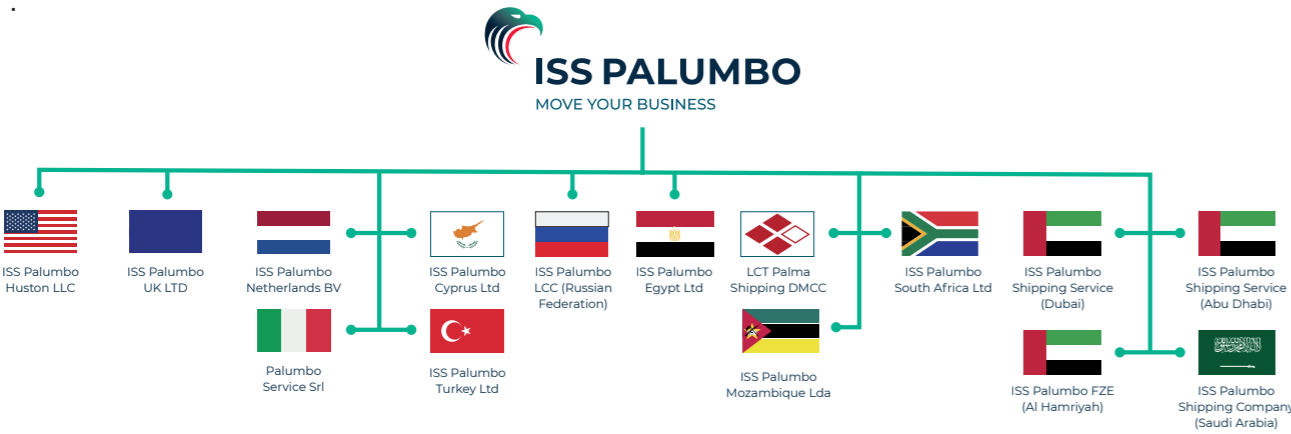
The wide range of services also includes the transport of heavy loads, logistics for the energy and oil & gas sectors and the management of complex projects requiring detailed planning and precise coordination.

1.2 The Group's growth stages

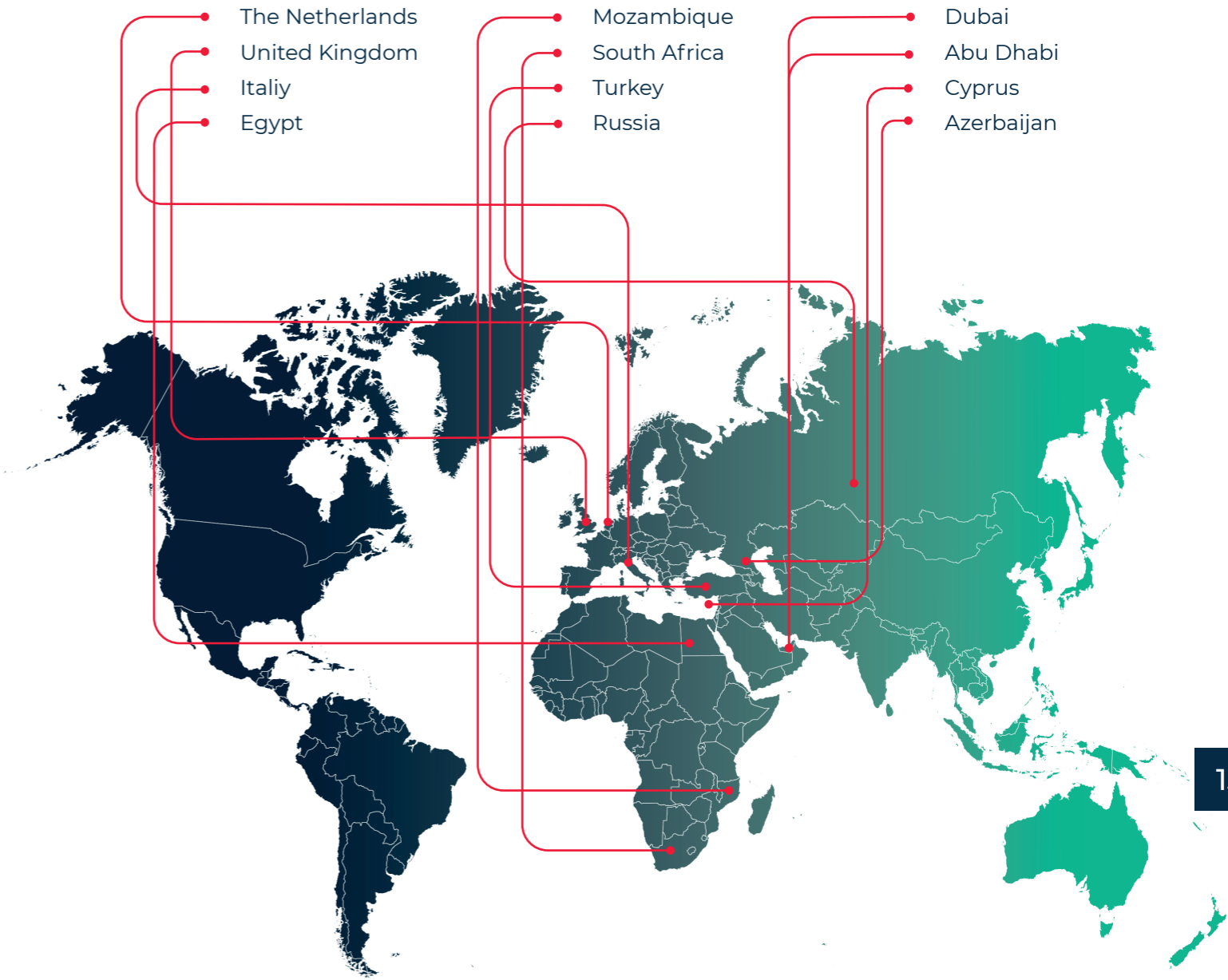


1.3 Group structure

The structure of the ISS Palumbo Group is divided into companies present on the national territory and companies that have been added over the years operating globally, each of which has a fundamental role in the correct functioning of the entire Group's business.



Providing excellent services based on technical skills, innovation and constant commitment aimed at customer satisfaction constitutes the mission of the ISS Palumbo Group which, at the same time, operates daily in compliance with quality, ethics and regulatory compliance.




- The Netherlands
- United Kingdom
- Italy
- Egypt
- Mozambique
- South Africa
- Turkey
- Russia
- Dubai
- Abu Dhabi
- Cyprus
- Azerbaijan

1.4 Business activities

ISS Palumbo operates through the following Divisions: Shipping (**Project Freight Forwarding**), Logistics (**Integrated Logistics** and **Port Logistics**) and **Marine Agency Services**.

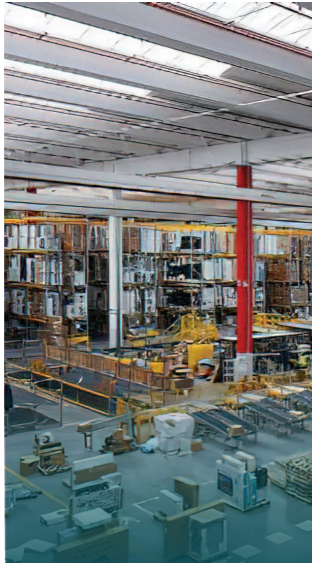
Project & Freight Forwarding



The **Project Freight Forwarding (PF&F)** division represents the soul of ISS Palumbo.


The PF&F team is made up of professionals qualified to support every shipment phase.

Integrated Logistics




The **Integrated Logistics** division carries out its activities both at the offices of prestigious clients and in its own business spaces, providing bespoke solutions for the efficient management of supply chains, goods movement and other integrated logistics services.

Port Logistics



In ports all over the world, the **Port Logistics** division studies the feasibility and implementation of transport for every single project. The division offers services for the reception of pipes from ocean-going ships and their storage in the relevant port area.

Marine Agency Service



The **Marine Agency Service** division operates thanks to the use of port offices and the extensive network of ISS Palumbo and trusted subagents, for technical, commercial and administrative assistance for all types of ships and transit.

1.5 Mission



1.6 Governance and organizational chart

ISS Palumbo is chaired by a Board of Directors and by the President and Vice President who are responsible for assigning responsibilities to the functions, providing them with adequate resources, and developing company policies in compliance with applicable rules and laws based on the characteristic activity.

Corporate bodies

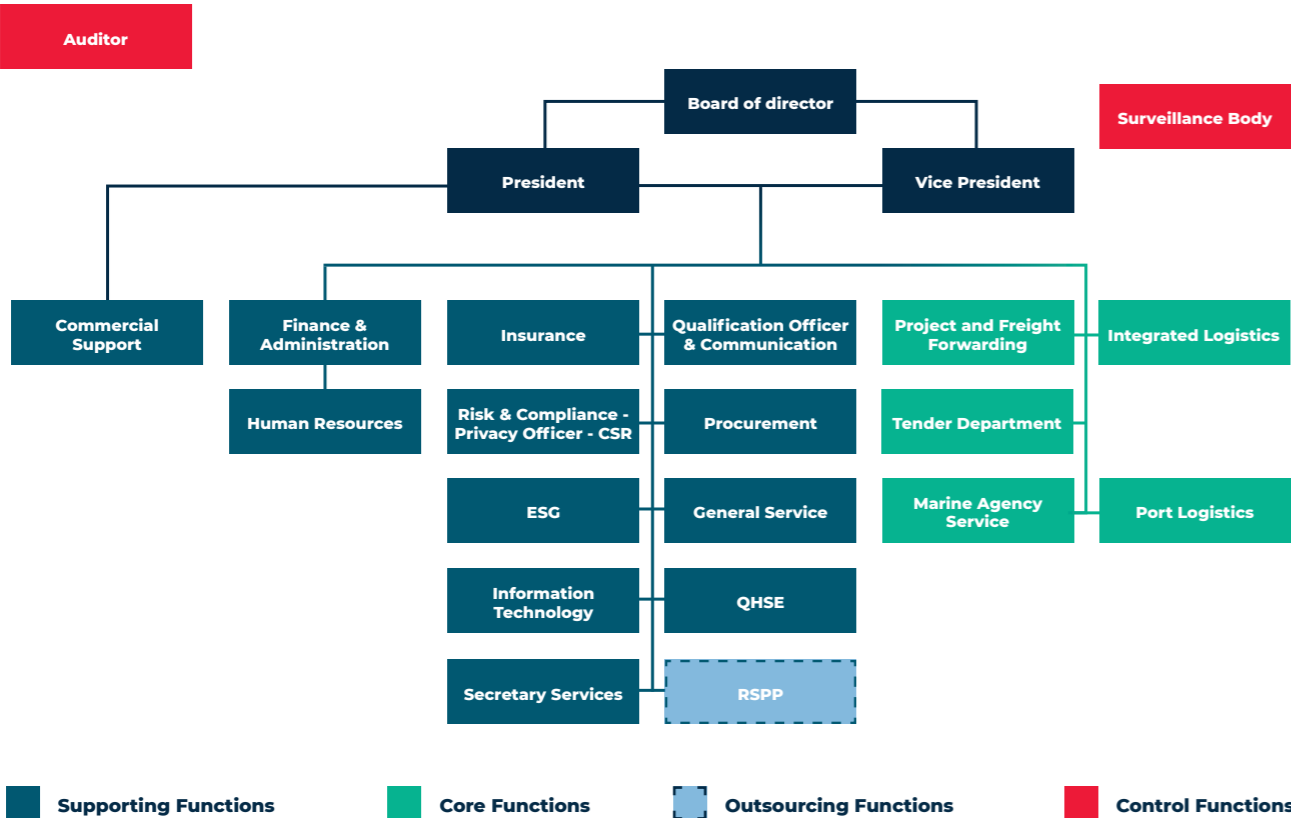
ISS Palumbo adopts a traditional governance system, in which corporate management is entrusted to the Board of Directors, while the Board of Statutory Auditors takes on the supervisory role and function.
The highest governing body, which is the **Board of Directors**, is made up of 7 members.

CONSIGLIO DI AMMINISTRAZIONE	
President	Palumbo Andrea
Chief Executive Officer	Palumbo Filippo
Managing Director	Perrino Roberto
Director	Inchcape Shipping Services Holdings LTD.
Director	Vacant post
Director	Harmstorf Benjamin
Director	Maezelle Philippe Richard G.

The Board of Directors is supported by the figure of the **Statutory Auditor**, who carries out the institutional task of ensuring compliance with the legal and statutory provisions and the protection of the integrity of the company's assets as a guarantee for members and third parties.

Organizational structure / chart

The organizational structure is divided into “core”, “support” and “control” functions, as illustrated in the organizational chart below. The sector managers are responsible for the management and coordination of the various company functions to ensure compliance of the management systems, monitoring of objectives and continuous attention to the customer, stakeholders and their continuous needs.



The **Organization, Management and Control Model**, in compliance with the Legislative Decree. 231/2001, represents a tool to guarantee a healthy corporate environment, based on correctness and full transparency and legality. and to the organization's Board of Directors.

ISS Palumbo has had an active **Whistleblowing** channel for years, suitable for guaranteeing the reception, analysis and processing of reports, even anonymously, relating to violations of Model 231 and/or the Code of Ethics. ISS Palumbo is committed to protecting any individual from forms of discrimination and retaliation for reasons directly or indirectly linked to the reporting of any violation.

In order to promote ethical and responsible business conduct in line with the Company's commitment to combating corruption, an **Anti-Corruption Manual** has been adopted, with the aim of providing a set of rules and procedures on Anti-Corruption, in compliance with the international and national on the prevention of corruption, as well as integrity, transparency and correctness in carrying out the Group's work activities. These rules are applicable to all Group personnel worldwide and to all those who operate in the name and/or on behalf of the Company.

The Company is also strongly committed to guaranteeing the **protection of the privacy of its collaborators and customers**, as well as all those who come into contact with the business. For this reason, ISS Palumbo's action takes the form of adopting proactive behaviors for the concrete application of the General Regulation for the Protection of Personal Data 2016/679 ("GDPR"). The Company has prepared a privacy policy in order to inform and reassure you regarding the use and processing of personal data, providing a dedicated channel for any requests for information from any subject.

The policies and tools mentioned above constitute an integral part of ISS Palumbo's corporate compliance program.

Legality rating



In 2023, the Company has been acknowledged by the Antitrust Authority (AGCM) with a Legality Rating score of two "stars" +, valid for two years from the issuance of the certificate.

The Rating is a recognition that rewards companies that operate according to the principles of legality, transparency and social responsibility. This recognition highlights the Company's compliance with legality and the degree to which it pays attention to the proper management of its business in a transparent manner.

1.7 Internal control systems

Il rispetto de Respect for the law, loyalty, professional correctness and economic efficiency represent the key principles of the business policies of ISS Palumbo which promotes an overall sustainable economy and which is committed to respecting human rights, promoting working practices fair, to protect the environment and to combat corruption in all its forms. In carrying out its activities, ISS Palumbo interacts with its stakeholders by promoting relationships based on ethics and integrity, thus committing itself to maintaining high ethical standards, as a fundamental element for its success, reputation and the realization of its mission.

The **Group Code of Ethics**, adopted by the Company, contains the fundamental principles that regulate the way of acting and which cannot be questioned by any recipient. These principles concern ethics in all its forms, not only in the conduct of business, but in the organization of work, in the protection and enhancement of collaborators, in the commitment to sustainable development, in responsibility towards the community, and in the correct accounting and financial administration and management.

1.8 Economic performances

One of ISS Palumbo's main commitments is to grow, both nationally and internationally, aiming to continuously improve management efficiency and increase operational profitability, increasing its revenues. The Company aims to create long-term value for all its stakeholders. The achievement of economic performances based on a sustainable management approach guides growth and investment decisions, in order to build and maintain relationships based on trust with customers and suppliers, with a view to cooperation and development.

Economic value generated and distributed

The distribution of the generated economic value constitutes a point of contact between the economic profile and the social one, allowing us to analyze how the wealth created is redistributed by the Company, to the benefit of the entire system with which it interacts.

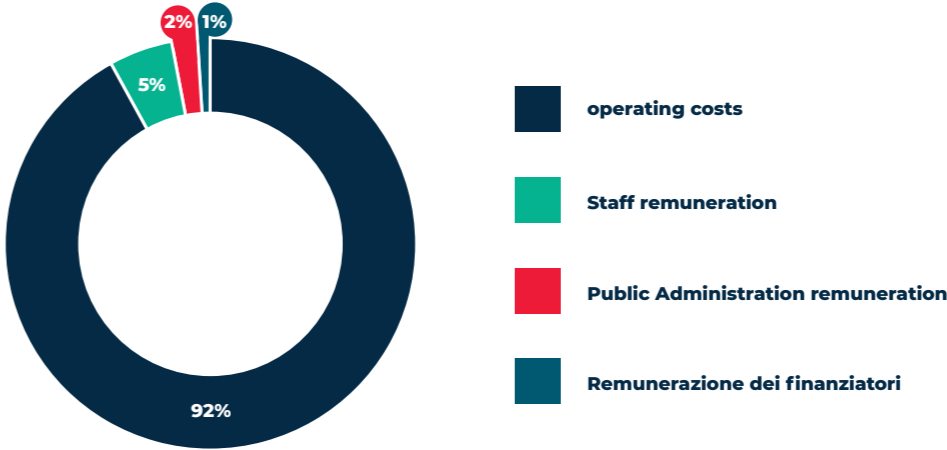
ADDED VALUE €	FY 2022	FY 2023
Revenue	71,836,657	94,618,008
Financial income	4,170,234	1,540,417
Total economic value generated	76,006,891	9,158,425
Operational costs	63,771,543	83,862,272
Staff remuneration	4,913,308	4,258,616
Financiers remuneration	667,504	1,371,383
Public Administration remuneration	1,585,698	1,744,717
Total economic value distributed	70,938.053	91,236,988
Depreciation, write-downs and adjustments	2,122,286	3,080,622
Risk provisions and other provisions	-	700,000
Operating result allocated to reserves	2,946,552	1,140,815
Economic value retained	5,068,838	4,921,437



The Economic Value Distributed is equal to approximately 91 million euros, increased by 28% compared to the previous year and representing more than 90% of the Economic Value Generated. The latter, in addition to covering the operating costs incurred during the year, is used to remunerate the socio-economic system with which ISS Palumbo interacts, in particular:

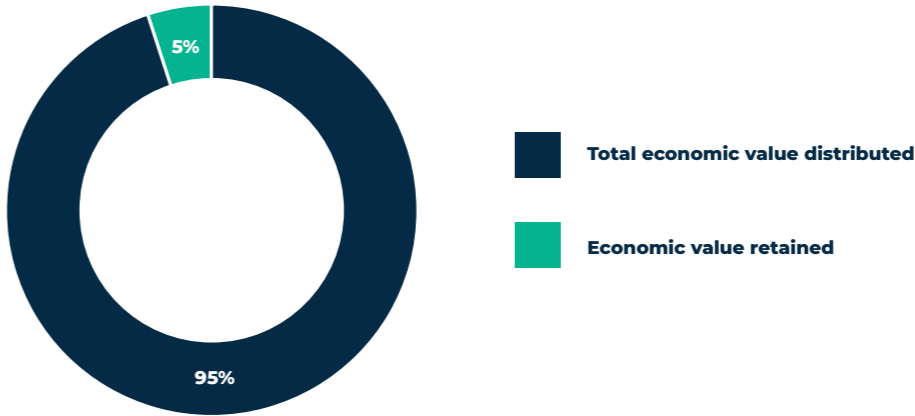
- Remuneration of collaborators: item including direct remuneration (consisting of wages, salaries and severance indemnities) and indirect remuneration (consisting of social security contributions) of all employees;
- Remuneration of financiers: this item includes interest expense and exchange losses;
- Investor remuneration: item including dividends distributed;
- Remuneration of the Public Administration: item including all taxes paid, including deferred taxes;
- Remuneration to the Community: includes all donations (in cash and in kind), and sponsorships.

Distributed economic value (2023)



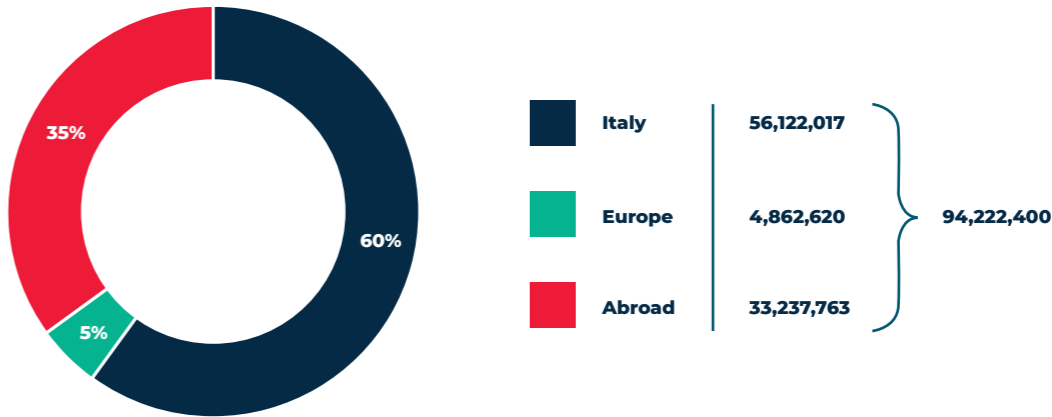
Lastly, the **Economic Value Retained**, equal to around **4,9 million euros**, determined as the difference between the Economic Value Generated and the Economic Value Distributed, instead represents the set of financial resources dedicated to the economic growth and equity stability of the business system.

Generated and distributed economic value (2023)



ISS Palumbo's revenue, for 2023, are mainly achieved within national borders, with a share equal to 60%.

Revenue by geographical area (2023)



CHAPTER 2

SUSTAINABILITY AND VALUE CREATION

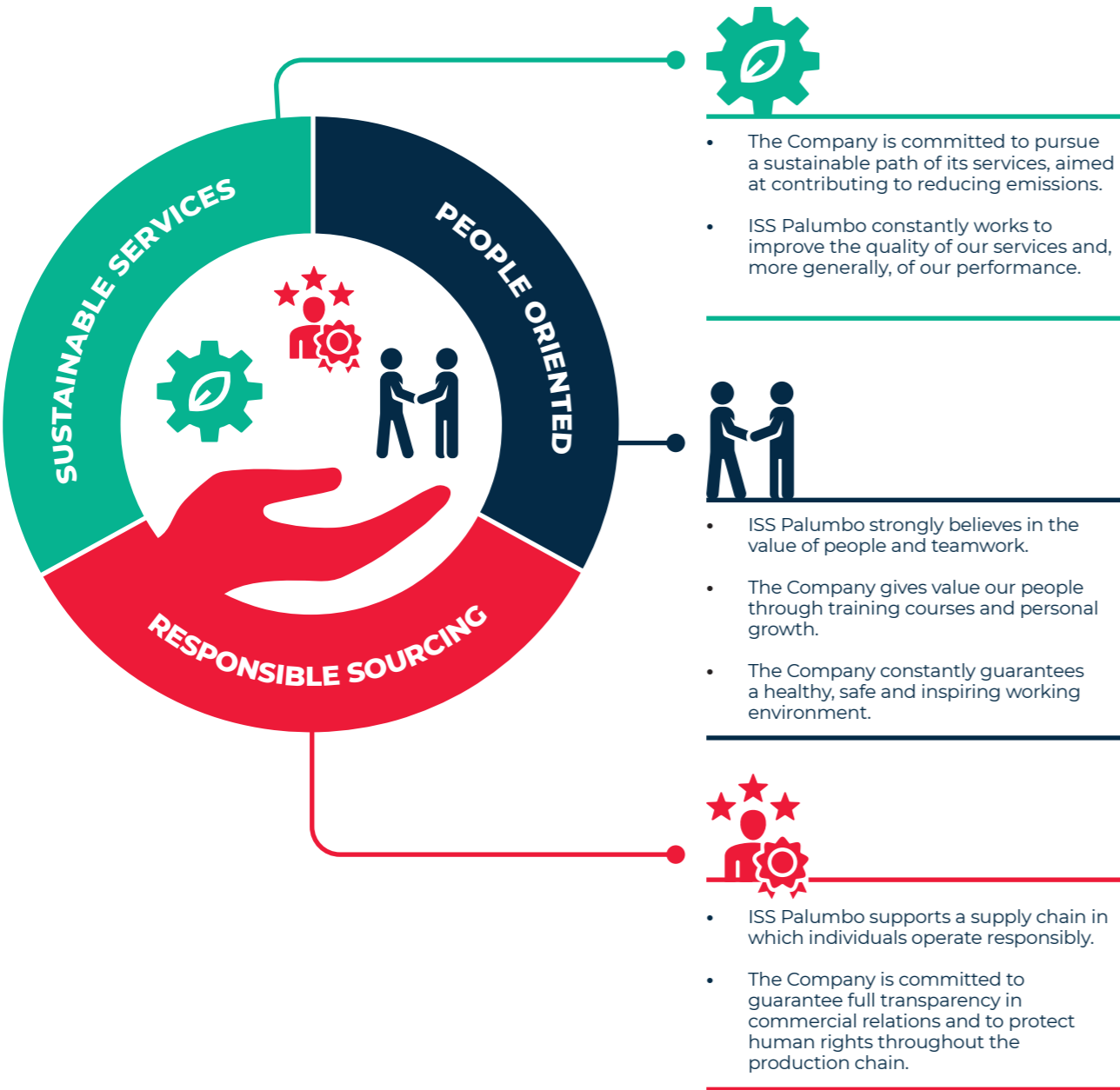


2.1 Our approach to sustainability

ISS Palumbo is committed daily to ensuring environmental respect and protection, promoting sustainable and lasting growth and development through the adoption of ecological practices and contributing to the strengthening of social cohesion and equally shared well-being.

Consistently with this approach, the Company is committed to establishing objectives for reducing its impacts in line with its corporate strategy, as part of a sustainability path. ISS Palumbo is oriented towards adopting transparent procedures and policies, implementing certifications and management systems, with the aim of respecting the highest environmental standards through the measurement, control and monitoring of its impacts.

For ISS Palumbo sustainability means acting responsibly towards the environment, its people, its customers and the entire community. The Company bases its work on the following three strategic elements related to sustainability: Sustainable Services, People-Oriented, Responsible Sourcing.



2.2 Stakeholder engagement and materiality analysis

The establishment and maintenance of a transparent, solid and lasting relationship with one's stakeholders³ is an essential and strategic condition for the correct and profitable management of business activities, with a view to creating sustainable value in the long term. For this reason, ISS Palumbo interacts with all its stakeholders on a daily basis, paying attention to their needs with respect to the service offered, adopting a proactive approach oriented towards constant dialogue.

The Company's purpose is the continuous development and improvement of stakeholder engagement, in such a way as to guide decision-making processes through inputs arising from the needs of the stakeholders themselves, ensuring the inclusion of their interests and seizing opportunities and mitigating potential risks.

The engagement and listening of stakeholders is carried out on the basis of criteria of inclusiveness of the interests represented and completeness and transparency of information. In relation to these criteria, the Company undertakes to:

- ensure that opportunities for discussion with one's stakeholders are a suitable moment for acquiring the relevant point of view and interests, with the aim of directing the orientation of company objectives;
- implement the constant satisfaction of its stakeholders to increase the quality of the relationship with them and the level of trust placed in the Organization.

Stakeholder category	Engagement activity	Engagement objectives
People from ISS Palumbo Direction Direct employees Indirect staff External collaborators	<ul style="list-style-type: none">• Constant dialogue with the Human Resources function• Informal and institutional meetings• Training courses• Company intranet• Survey of employees for company climate satisfaction index	<ul style="list-style-type: none">• Inform about company performance• Support engagement and active participation in company life• Spread a culture based on sharing corporate values• Train people• Promote personal and professional growth
Customers	<ul style="list-style-type: none">• Customer satisfaction surveys• Traditional communication channels (call center, e-mail)• Trade fair events	<ul style="list-style-type: none">• Improve the quality and satisfaction of the services provided• Ensure the best level of service• Support dialogue and relationships
Suppliers of goods and services	<ul style="list-style-type: none">• Product audits and controls• Business meetings and dialogues• Partnership on projects	<ul style="list-style-type: none">• Define and share objectives oriented towards a sustainable supply chain• Sharing values and good practices
Public institutions and public supervisory authorities	<ul style="list-style-type: none">• Institutional meetings• Production of transparent data and documentation	<ul style="list-style-type: none">• Ensure timely and accurate compliance with regulatory obligations or any requests• Establish transparent and collaborative relationships with the authorities
Shareholders and the financial community	<ul style="list-style-type: none">• Periodic meetings• Timed information	<ul style="list-style-type: none">• Inform about the progress of the business• Notify strategic activities and ordinary and extraordinary operations
Territory and community	<ul style="list-style-type: none">• Website• Social networks	<ul style="list-style-type: none">• Integrate the company reality within the territory• Establish transparent and collaborative relationships with the community

3 - Stakeholder is an entity or individual who may reasonably be significantly affected by the Company's activities, products and services or whose actions may reasonably affect the Company's ability to successfully implement its strategies and achieve its objectives. objectives (definition provided by the GRI Standard).

MATERIALITY ANALYSIS 2023

Materiality analysis is the basis of ISS Palumbo’s sustainability strategy, as it allows the company to direct efforts on the areas with the greatest impact and to foster constructive relationships with all stakeholders. In the context of reporting, the impact materiality analysis is aimed at identifying the material issues of an organization, i.e. the environmental, social and governance aspects considered relevant and significant for the business and for the stakeholders. This analysis, also called **“impact materiality”**, is based on the adoption of an *“inside-out”* perspective. The objective is, in fact, to identify, in relation to each material topic, the positive or negative, actual or potential impacts that company activities generate on the economy, the environment, and people, including impacts on human rights.

For the reporting year 2023, ISS Palumbo has decided to update the impact materiality analysis, conducted in 2022, and to take a further step forward by carrying out a first financial materiality assessment exercise (so-called **“financial materiality”**). The financial materiality analysis is based on an *“outside-in”* perspective, as it is aimed at identifying the risks and opportunities that may derive from sustainability issues and have negative or positive, actual or potential impacts, on the economic-financial performance of an organization.

Aware of the important regulatory changes underway in the field of ESG reporting, ISS Palumbo considered it important to launch a very first double materiality analysis (i.e. union of impact materiality and financial materiality), even if not currently subject to any regulatory obligation.

Impact materiality (inside-out perspective)

In order to update the materiality analysis conducted in 2022 and identify any new material issues for the Company, ISS Palumbo has started a new process for determining materiality, the main phases of which are illustrated below:

IDENTIFICATION AND MAPPING OF THE GROUP'S STAKEHOLDERS

- Identification of internal and external subjects who have an influence on company decisions
- Classification of relevant stakeholders, in line with the AA1000 standard

CONTEXT AND SECTOR'S BENCHMARK ANALYSIS (sector's regulations and trends)

- Analysis of the sector's reference scenario and megatrends and examination of the main corporate documents
- Sector's benchmark analysis, taking into account the main competitors/comparable, on a national and international level

STAKEHOLDER ENGAGEMENT AND QUANTITY EVALUATION OF IMPACTS

- Definition of engagement mode by stakeholder's typology
- Quantity evaluation of the impacts associated with each individuated topic

VALIDATION AND IDENTIFICATION OF MATERIAL TOPICS

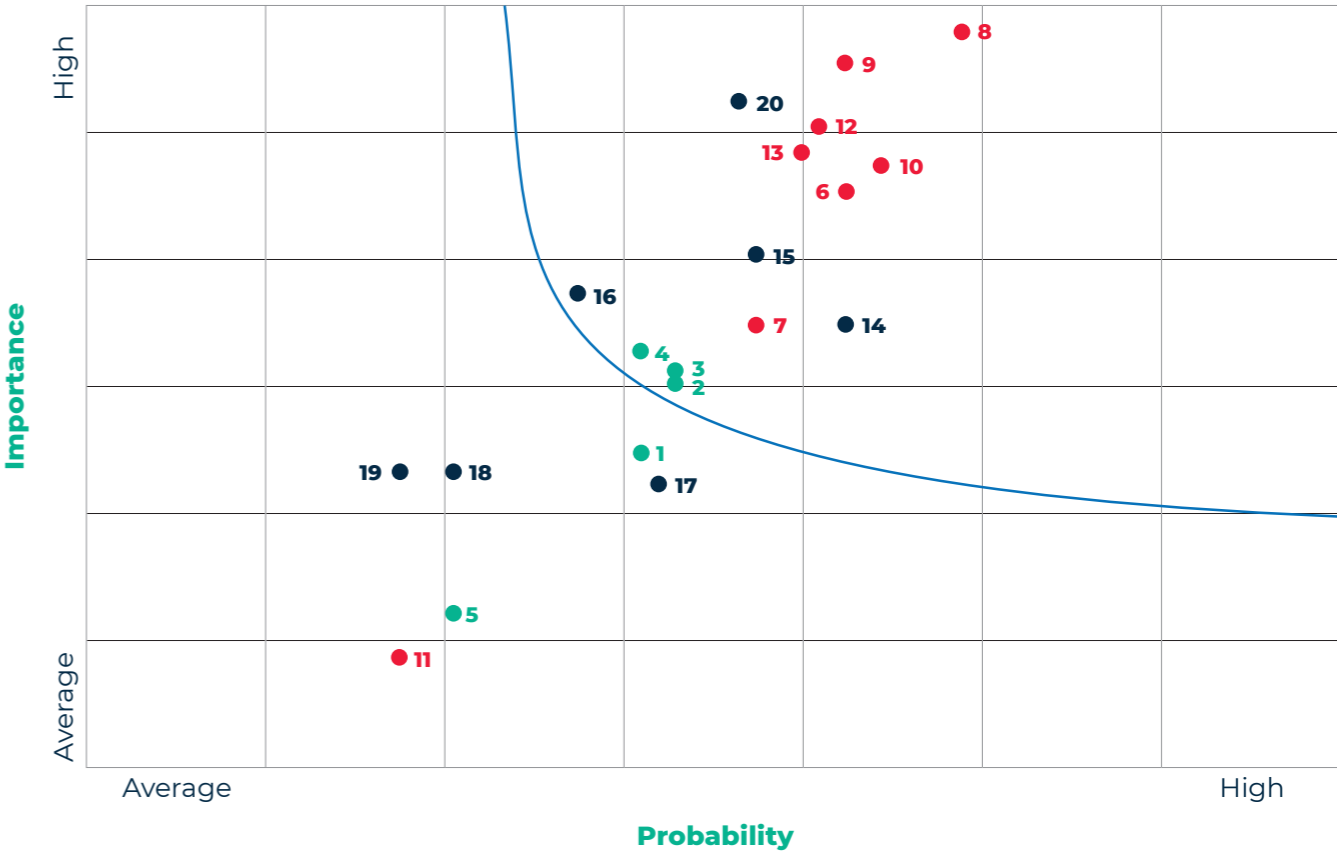
- Elaboration of stakeholder engagement results
- Identification of ISS Palumbo's material topics

Specifically, the Company, through an update of the benchmark analysis on a sample of 10 competing, peer and comparable companies, as well as the examination of the existing internal documentation and the evaluation of the main international sustainability reporting standards and frameworks, has identified 20 ESG issues to be subjected to quantitative evaluation by top management and by a representative sample of the main categories of stakeholders external to the Company.

POTENTIALLY MATERIAL TOPICS					
1	Fight climate change and emissions management	6	Training and development of people	14	Business integrity and ethics
2	Energy efficiency and alternative sources	7	Health and safety at work	15	Anti-corruption and compliance
3	Sustainable management of natural resources	8	Welfare and socio-organizational well-being	16	Privacy protection and management
4	Circular economy	9	Respect for human rights	17	Engaging and listening to stakeholders
5	Safeguard of biodiversity	10	Equal opportunities and valorization of diversity	18	Economic growth and distribution of value generated
		11	Support for local community and territory	19	Innovation and R&D
		12	Customer-centricity and customer satisfaction	20	Quality and safety of services
		13	Responsible supply chain		

In fact, with the aim of identifying the topics and related material ESG impacts for ISS Palumbo, a specific online materiality questionnaire was provided, through which each internal (employees, managers and top figures) and external (customers, suppliers, institutions banking) stakeholder expressed its assessment regarding the probability and severity that the non-financial impacts of company activities generate or could generate on the economic, environmental and social sphere.

Once the various findings had been obtained, topics and impacts were prioritized based on the score obtained and the materiality thresholds for severity and probability were defined, i.e. the average value of the results beyond which the topics are considered material. These thresholds were therefore set, respectively, at 3.44 for probability and 3.55 for severity, leading to the identification of 14 material issues.



It is underlined that the results obtained are substantially in line with the issues found to be material in the previous year.

The 14 material topics of ISS Palumbo are represented in the following table which, in compliance with the GRI 3 standard, describes:

- the areas impacted by company activities;
- the main positive and negative impacts generated by company activities on the economy, environment, people, including impacts on their human rights;
- the main tools adopted by ISS Palumbo to monitor the issues and prevent/mitigate the negative impacts resulting from it.

Area	Material topic	Related impact (positive and negative)	Policies and tools defined by the company	Actions and initiatives taken	KPIs
Governance	Business integrity and ethics	<i>POSITIVE</i> Raising employee awareness of correct conduct and development of an ethical corporate culture, based on the values of legality, fairness and honesty.	Code of Ethics	Implementation of the Code of Ethics.	GRI 2 GRI 205
		<i>NEGATIVE</i> Failure to respect the Company's principles and values by ISS Palumbo employees or suppliers.	Model 231 Anti-corruption handbook	Implementation of a governance system in which all Company staff adopt appropriate and transparent behaviour.	
		Violation by ISS Palumbo of industry standards, laws or practices, resulting in loss of credibility and legal implications for the Company.	Whistleblowing		
	Anti-corruption and compliance	<i>POSITIVE</i> Adoption of practices aimed at contrasting the phenomena of corruption (active and passive), in order to preserve the image of ISS Palumbo from any negative publicity and to protect the correct actions of the Company, in line with the rules and provisions in force.		Implementation of awareness and training activities in the field of anti-corruption.	GRI 2 GRI 205
		<i>NEGATIVE</i> Lack of transparency in the operational and decision-making processes on the part of the Company, resulting in distrust of markets, investors and customers.	Mode 231I Anti-corruption handbook	Presence of a Supervisory Body responsible for verifying the Company's operations for the purposes of compliance with Legislative Decree 231/2001.	
			Whistleblowing	Compliance with the Anti-Corruption Handbook which provides a set of rules and procedures aimed at preventing corruption phenomena.	
	Privacy protection and management	<i>POSITIVE</i> Adoption of policies or procedures aimed at combating the loss of sensitive customer data. <i>NEGATIVE</i> Deterioration of the customer relationship following a loss of sensitive data.	Privacy regulation	Implementation of the regulation.	GRI 418
	Quality and safety of services	<i>POSITIVE</i> Offer of services characterized by high levels of quality for the benefit of customers. <i>NEGATIVE</i> Compliance with laws and regulations (even of a voluntary nature) in force in the environmental and social fields.	ISO 9001 Procedures aimed at controlling the quality and safety of the services offered	Measurement and monitoring activities to ensure high quality.	GRI 2

Social	Health and safety at work	<i>POSITIVE</i> Reduction of injuries at work following the strengthening of control, prevention and monitoring activities and management measures for "near misses" implemented within the Company. Reduction of the social cost, connected to injuries in the workplace, borne by the Company and the community. <i>NEGATIVE</i> Growth in injuries at work following incomplete coverage of the topic and incomplete application of the adequate safety measures envisaged.	ISO 45001 DVR	Auditing activity performed by the Prevention and Protection Service Manager (RSPP) Risk assessment analysis to guarantee the safety and well-being of employees. Information, education and training activities.	GRI 403
	Welfare and socio-organizational wellbeing	<i>POSITIVE</i> Protection of the psycho-physical well-being of employees and their families. Promotion of a better relationship between employee and company, in terms of corporate engagement. <i>NEGATIVE</i> Increased psycho-physical stress of employees and poor quality of the corporate climate.		Health welfare Access to smart working methods. Anonymous surveys to track the company's internal satisfaction rating.	N.A.
	Respect for Human Rights	<i>POSITIVE</i> Protection and promotion of fundamental human rights, excluding any form of discrimination, both within the Company and in relations with the outside. Well-being and prosperity of the main stakeholders with which the Company interacts (e.g. employees, local communities, business partners, etc.). <i>NEGATIVE</i> Negative repercussions on the corporate image following violation of human rights.	Code of Ethics MOG 231	Update and application of the Code of Ethics and MOG 231.	N.A.
	Equal opportunities and valorisation of diversity	<i>POSITIVE</i> Protection of the fundamental rights of company staff members and all subjects with whom the Company interfaces. Stability of employment for company staff and opportunities for each collaborator to fully realize their potential. <i>NEGATIVE</i> Increase in the pay gap resulting from the failure to valorise diversity.			N.A.
	Training and development of people	<i>POSITIVE</i> Creation of a work environment that allows the full expression of potential and talents. Offering opportunities to develop employees' professionalism. <i>NEGATIVE</i> Failure to meet employees' expectations and needs for personal and professional growth.	E-learning platform Training programs	Implementation of training activities for all staff. Activation of curricular internships in collaboration with schools.	GRI 404

Social	Responsible supply chain	<p><i>POSITIVE</i></p> <p>Creation of awareness policies on sustainability issues and improvement of the ESG performance of the Company's suppliers.</p> <p><i>NEGATIVE</i></p> <p>Negative impacts deriving from the failure to integrate ESG factors into supply chain management.</p>		Supplier mapping and monitoring.	GRI 204
	Customer-centricity and customer satisfaction	<p><i>POSITIVE</i></p> <p>Development of further integrated services, also aimed at supporting the reduction of the customer's environmental impact.</p> <p><i>NEGATIVE</i></p> <p>Failure to understand market trends and customer needs resulting in difficulty in developing adequate responses.</p>	SupplHI platform	Evaluation of suppliers based on ESG criteria.	
Environment	Energy efficiency and alternative sources	<p><i>POSITIVE</i></p> <p>Implementation of office modernization interventions, aimed at increasing energy efficiency.</p> <p><i>NEGATIVE</i></p> <p>Surge in energy supply costs, due to the increase in energy commodity prices.</p>	ISO 14001	Customer satisfaction monitoring activities.	N.A.
	Waste management and circular economy	<p><i>POSITIVE</i></p> <p>Improvement of environmental performance through approaches aimed at reducing CO2 emissions and reducing squandering and waste, as well as optimizing the use of available energy and resources with consequent reduction in costs.</p> <p><i>NEGATIVE</i></p> <p>Increase in the company's ESG performance also thanks to plastic reduction initiatives through the use, where possible, of entirely recyclable primary and secondary packaging and/or alternative materials to plastic packaging.</p> <p><i>NEGATIVE</i></p> <p>Increase in disposal costs of waste and used materials.</p>	Procedures aimed at managing relationships with customers and monitoring their satisfaction	Maintenance of the Environmental Management System with reference to relevant environmental aspects and compliance with legislative compliance obligations	
	Management of natural resources	<p><i>POSITIVE</i></p> <p>Increased efficiency and performance thanks to careful management of natural resources and consequent reduction in costs.</p> <p><i>NEGATIVE</i></p> <p>Shortage and difficulty in the supply of materials and consequent interruptions and delays in activities.</p>	ISO 9001	Awareness activities relating to separate waste collection.	GRI 306

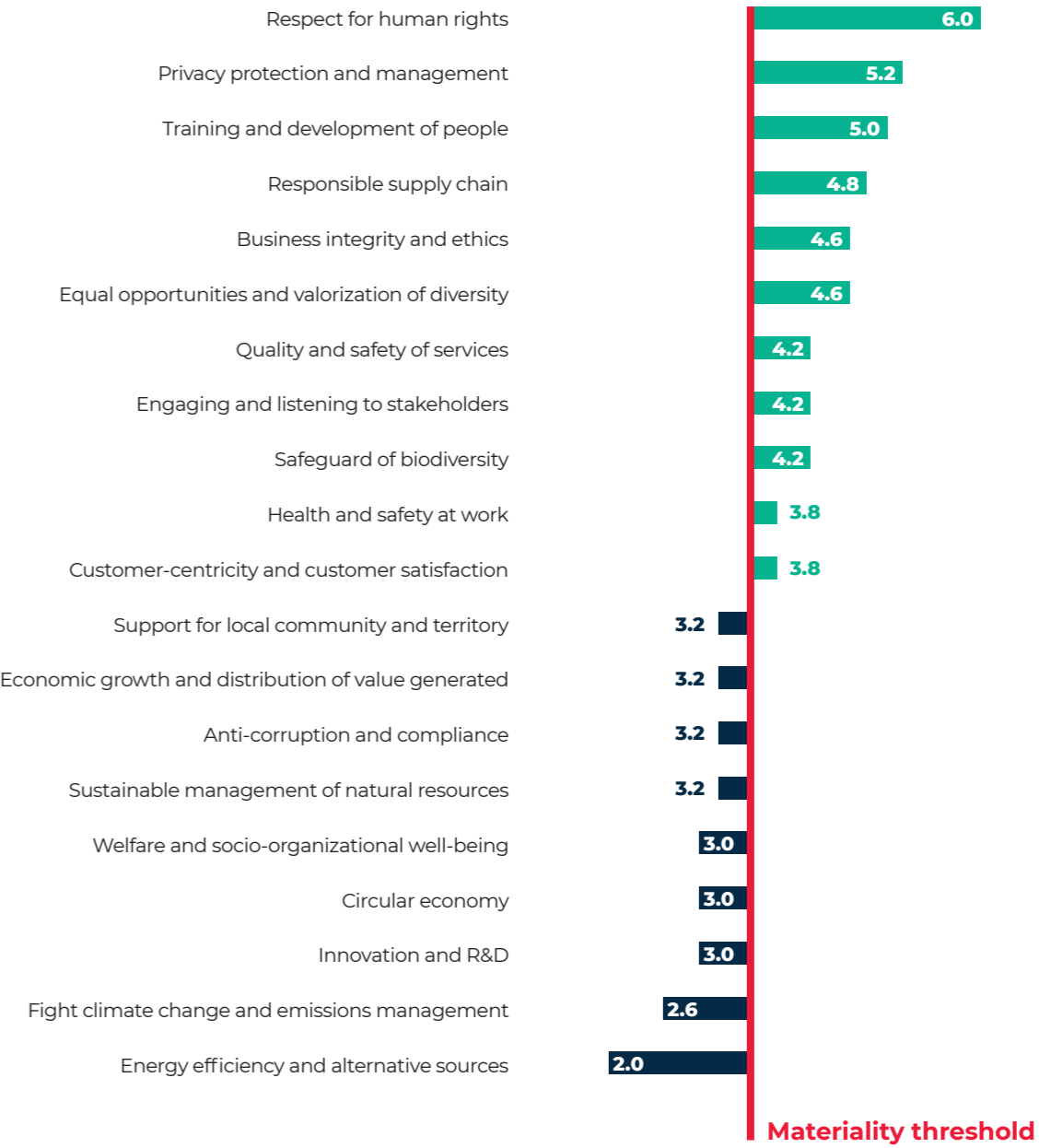
Financial materiality (outside-in perspective)

ISS Palumbo, starting from the current fiscal year, has also carried out an impact assessment according to the “outside-in” perspective, i.e. considering the risks and opportunities linked to ESG factors that can positively or negatively influence its economic-financial performance, competitive positioning and enterprise value.

In order to obtain this evaluation, it has been decided to involve the following stakeholder categories: the Company’s Board and Top Management, some banking institutions and Customers, as they have been considered more informed subjects and, consequently, more suitable to express an adequate evaluation in this regard.

In particular, a specific survey was carried out, with which it was requested to assign a priority to the issues identified on the basis of the significance of the impacts suffered by ISS Palumbo, evaluating for each topic the ability to generate risks or opportunities that affect or which are can reasonably be expected to impact the Company’s ability to generate value.

This analysis largely confirms the results of impact materiality, as most of the issues are material for both analyses. Below is a representation of the results obtained.



2.3 Contributo agli SDGs

ISS Palumbo is committed to the development and implementation of sustainability best practices widespread in its reference sector, leveraging its skills in order to provide solutions oriented towards a low-emission economy. This Sustainability Report allows us to monitor and communicate to stakeholders our path in integrating ESG⁴ aspects within the business context.

With a view to contributing to the Sustainable Development Goals (SDGs) set in the 2030 Agenda for Sustainable Development and adopted by the Member States of the United Nations, those aspects on which the Company has participated most have been identified, taking into account its activities and its services and policies and initiatives undertaken over the years.

The following table illustrates ISS Palumbo's contribution to the SDGs, reporting the actions and projects undertaken by the Group associated with the previously identified material topics, and the latter with each objective.



SDGs	TEMATICHE MATERIALI	AZIONI INTRAPRESE
	Health and safety at work Welfare and socio-organizational well-being	<ul style="list-style-type: none">Maintenance of ISO 45001 CertificationPeriodic review of DVRsConducting Risk Assessment analysesCorporate welfare initiativesProvision of surveys on the company's internal satisfaction index
	Training and development of people	<ul style="list-style-type: none">Introduction of an e-learning platform accessible to all employeesPersonal training plans regarding hard & soft skillsSending periodic newsletters containing informative updates on various topics

SDGs	TEMATICHE MATERIALI	AZIONI INTRAPRESE
	Respect for Human Rights Equal opportunities and valorization of diversity	<ul style="list-style-type: none">Influence of women within management
	Responsible supply chain Quality and safety of services Customer-centricity and customer satisfaction	<ul style="list-style-type: none">Introduction of the SupplHI platformMapping of suppliers from an ESG perspective and checks on compliance with standardsIndustrial partnerships based on price equity criteria to support all activities along the supply chainMaintenance of ISO 9001 certification
	Energy efficiency and alternative sources Management of natural resources Waste management and circular economy	<ul style="list-style-type: none">Maintenance of ISO 14001 certificationProvision of services with low environmental impactCalculation of CO₂ emissions for transport and logistics via the CarbonCare platform
	Business integrity and ethics Anti-corruption and compliance Privacy protection and management	<ul style="list-style-type: none">Application of the Code of Ethics and Model 231Whistleblowing AdoptionAnti-Corruption HandbookAdherence to high compliance standardsRenewal of the Legality Rating
	Engaging and listening to stakeholders Responsible supply chain	<ul style="list-style-type: none">Membership of the International Federation FIATA⁵ and BIFA⁶Membership of IATA⁷ and Achilles-FPAL (First Point Assessment)Industrial partnerships

4 - Acronym that refers to three main areas: Environment, Social and Governance.

5 - International Federation of Freight Forwarders Associations

6 - British International Freight Association

7 - International Air Transport Association

CHAPTER 3

THE VALUE OF PEOPLE



3.1 Approach to human capital management

Human capital represents a strategic asset for ISS Palumbo, capable of producing decisive impacts on the entire value chain, leveraging people and skills that allow, with their passion and professionalism, to face increasingly competitive markets.

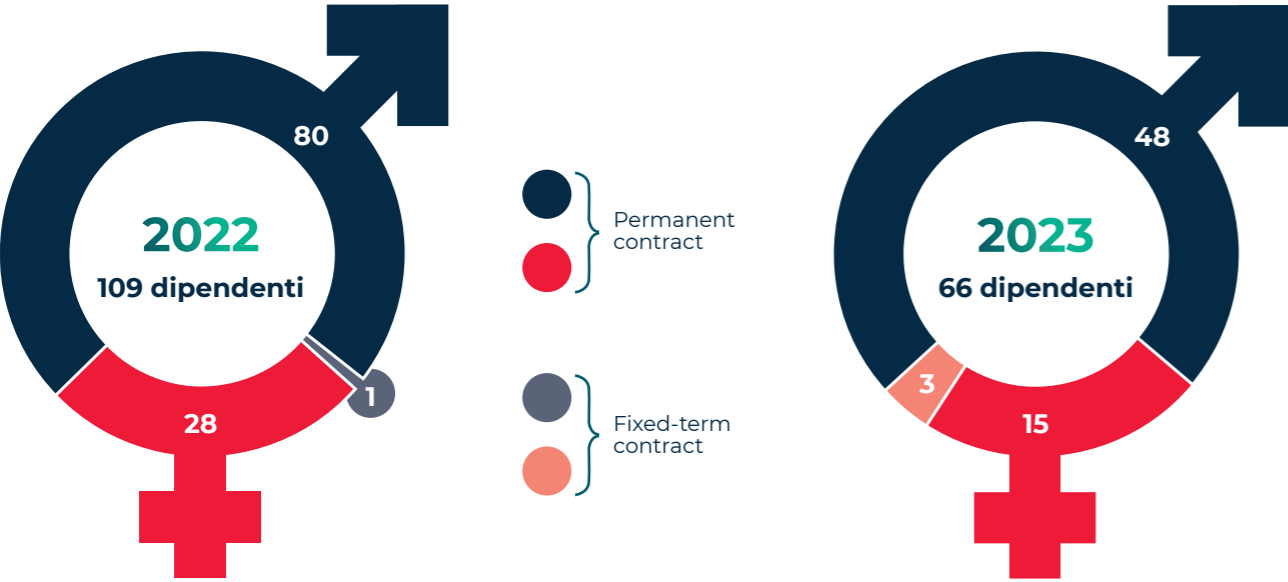
The people who work within the organization represent a key stakeholder that ISS Palumbo is committed to protecting, involving and developing in a perspective that promotes operational efficiency and effectiveness in a context of constant exchange of information and know-how, also with objective of increasing role skills within the Company.

The management of human capital is based on the awareness that nurturing talent and cultivating the potential of employees, through the method and development of skills, promotes business growth, allowing the Company to be even more competitive in a market where changes occur extremely quickly. The intent is to encourage the growth of the corporate culture also, identified by values that everyone must feel they are bearers of.

3.2 Staff

A total of **66 employees**, contribute to the success of ISS Palumbo, of which 70% are made up of male employees, whose preponderant presence derives from the type of sector in which the Company operates, a sector in which men are traditionally employed to a greater extent compared to women. Compared to the number of employees last year (109), there is a decrease due to the closure of the ISS Palumbo warehouse at the ENI plant in Livorno.

Almost all of ISS Palumbo's staff is employed on a permanent basis, demonstrating the Company's desire to guarantee stability for its collaborators.



88% of the company population is classified respectively in the categories of employees and workers. The remaining 12% is divided between the middle managers and managers categories.

All employees are covered by the National Collective Labor Agreement.

EMPLOYEES BY PROFESSIONAL ROLE AND BY GENDER	2022			2023		
	Woman	Man	Total	Woman	Man	Total
Managers	0	3	0	0	2	2
Middle managers	3	5	3	1	5	6
Office workers	21	38	59	15	26	41
Workers	4	35	39	2	15	17
TOTAL	28	81	109	18	48	66

The **female incidence** is equal to **27%**, in line with last year (26%); **employees between 30 and 50 years** represent **67% of the company population**.

PERCENTAGE OF EMPLOYEES BY PROFESSIONAL ROLE AND AGE GROUP	2022				2023			
	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total
Managers	0	0	3	3	0	0	2	2
Middle managers	0	5	3	8		3	3	6
Office workers	7	38	14	59	4	28	9	41
Workers	1	27	11	39	1	13	3	17
TOTAL	8	70	31	109	5	44	17	66
PERCENTAGE	7%	64%	28%	100%	8%	67%	26%	100%

During the year, the presence of two temporary employees was recorded, both male, allowing the Company to respond quickly to changes in demand, while ensuring operational efficiency and the achievement of company objectives.

The tables below show the data relating to ISS Palumbo's turnover in the last fiscal year, divided by gender and age group. As of December 31, 2023, there was a share of terminated relationships of 42%, compared to last year's 17%.

NEW HIRES AND TURNOVER	2022					2023				
	No. employees	No. new hires	No. resigned	Positive turnover ratio	Negative turnover ratio	No. employees	No. new hires	No. resigned	Positive turnover ratio	Negative turnover ratio
Women	28	1	9	4%	32%	18	3	-	17%	0%
< 30 years	3	3	0	0%	0%	3	2	-	67%	0%
30-50 years	18	1	8	6%	44%	12	1	-	8%	0%
> 50 years	7	0	1	0%	14%	4	0	-	0%	0%
Men	81	7	10	9%	12%	48	2	28	4%	58%
< 30 years	5	2	2	40%	40%	3	0	3	0%	150%
30-50 years	52	2	3	4%	6%	32	2	19	6%	59%
> 50 years	24	3	5	13%	21%	13	0	6	0%	43%
TOTAL	109	8	19	7%	17%	66	5	28	8%	42%
Total < 30 years	8	2	2	25%	25%	5	2	3	40%	60%
Total 30-50 years	70	3	11	4%	16%	44	3	19	7%	43%
Total > 50 years	31	3	6	10%	19%	17	-	6	0%	35%

3.3 Training and development of people

For ISS Palumbo, training represents an essential and fundamental element to improve professional capacity and guarantee high quality standards of the services provided. In 2023, the Company further strengthened its training system, through the purchase of **an e-learning platform that can be used by all employees**, thus offering a wide range of courses on various topics, connected both to soft skills (e.g. effective communication, leadership, problem solving, etc.).

Thanks to the e-learning platform, each employee has access to a rich catalog of training content, customizable according to their needs and professional and personal development objectives, including content relating to health and safety, environment and sustainability, accounting, regulatory compliance.

A further advantage of this platform is the possibility of monitoring the training hours and courses completed by each employee. In fact, a detailed report is made available weekly on the courses taken and the time taken to complete them: this allows the Human Resources function to evaluate the effectiveness of training programs and identify areas for improvement, planning targeted interventions to enhance the skills of all employees.

In 2023, **a total number of training hours equal to 1,602 hours were provided to employees**, more than doubled compared to the previous year (547 total hours), with an average of training hours equal to 24.

The training involved, in addition to health and safety issues, for which there is an obligation by law, also other specific aspects: English language courses, courses regarding use of the Excel program, both basic and advanced level. Specific courses on Model 231, whistleblowing regulations and cybersecurity.

AVERAGE TRAINING HOURS	2022	2023
Total number of training hours provided to employees	547.00	1,602.00
Total number of employees	109.00	66.00
Average hours of training per employee	5.02	24.27
Total number of training hours provided to female employees	86.00	454.00
Total number of female employees	28.00	18.00
Average hours of training per female employee	3.07	25.22
Total number of training hours provided to male employees	461.00	1,148.00
Total number of male employees	81.00	48.00
Average hours of training per male employee	5.69	23.92
Total number of hours of training provided to managers	-	24.00
Total number of Managers	3.00	2.00
Average hours of training per Manager	-	12.00
Total number of hours of training provided to managers	20.00	188.00
Total number of paintings	8.00	6.00
Average hours of training per Middle Manager	2.50	31.33
Total number of hours of training provided to Employees	136.00	1,295.00
Total number of Employees	59.00	41.00
Average hours of training per Employee	2.31	31.59
Total number of hours of training provided to Workers	391.00	95.00
Total number of workers	39.00	17.00
Average hours of training for Worker	10.03	5.59

3.4 Health and safety of people and working environment

In terms of health and safety, the Company adopts a series of measures aimed at carrying out supervisory activities effectively and efficiently and ensuring compliance with prevention regulations, in particular:

- adopt and support all actions necessary **to protect the health and safety of our employees;**
- **identify, evaluate and classify risks to the health and safety of employees**, the environment and the quality of products;
- **reduce to a minimum the possibility of accidents**, injuries and occupational diseases;
- **train and inform staff** to make them aware and capable of maintaining correct behavior in the field of health and safety, environmental and quality protection;
- **define annual objectives for continuous improvement** in the fields of health, safety, environment and quality.

For this purpose, the Company has implemented an **Occupational Health and Safety Management System** in compliance with the **ISO 45001:2018** standard, adopted within the company plant and applied to all personnel present therein, in ordinary operating conditions and of emergency. Furthermore, the system is connected to **the Organizational Management and Control Model 231**, which allows the creation of a periodic and formalized information flow on the most relevant HS&E aspects. On an annual basis, an internal auditing activity is carried out, carried out by the Head of the Prevention and Protection Service (RSPP), from which shared improvements can arise and assigned to the various managers of the relevant departments for appropriate treatment.

Furthermore, in order to prevent and contain any dangers deriving, above all, from the production processes, *Warehouse Management and Goods Movement*, and guarantee the safety of its employees, risk assessments are conducted with the aim of allowing the Company to take the necessary measures to safeguard the health and safety of workers and/or other people present in the workplace. One of the means implemented for this purpose is the drafting of the “Risk Assessment” document (DVR, as per the Italian acronym) which establishes **the methods for identifying dangers and evaluating all risks to the health and safety of workers**.

The DVR

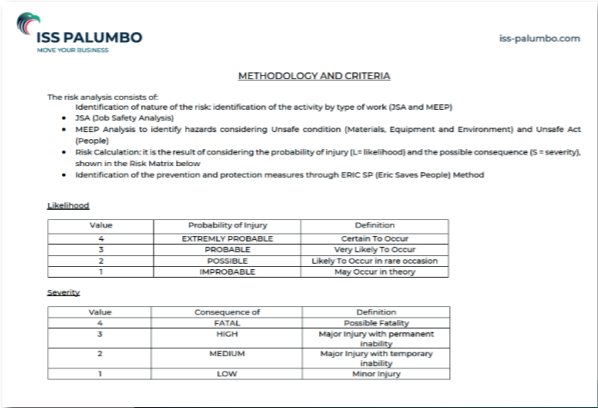
The DVR is issued in a single body and with a certain date, in compliance with the provisions of the Legislative Decree. 81/08 and the ISO 45001 standard. Specifically, within this document the company reality is described and analyzed in its production and organizational aspects and the risk factors connected to the type of work phase carried out in the production unit are identified and to certain characteristics such as the type of work environment, the structures and systems used, the materials and products involved in the processes, the tasks performed in the workplace and the related methods of execution.

On the basis of these factors, the level of associated risk is estimated, i.e. the probability that the harmful event will occur, considering the adequacy and reliability of the protection measures already in place, and the criteria implemented to create a prevention and protection system in order to improve the health and safety conditions of workers and deal with emergency and first aid situations. A series of actions and measures are then defined in order to reduce the risks detected, or eliminate them, and tools for their constant control, allowing the effectiveness of these measures to be measured. In accordance with the requirements of Legislative Decree 81/08, an annex is drawn up together with the DVR, where an analysis regarding work-related stress is provided; this analysis is updated periodically every five years and includes the days worked, the days of holidays and turnover rate for each Italian office.

In order to prevent any accident, the Group undertakes to mitigate “dangerous actions” by identifying and assigning each worker a well-defined task, acting on training as established by current regulations and planning the continuous training of workers. The “dangerous conditions” are instead mitigated and compensated thanks to the purchase of protected equipment, with good design and construction of the systems.

In foreign offices where the Risk Assessment Document (DVR) is not mandatory by law, **a risk assessment analysis is still carried out to guarantee the safety and well-being of employees**, this analysis is updated periodically every two years. This analysis, drawn up according to the probability by gravity methodology, involves an in-depth assessment of the potential risks linked to the working environment, the equipment used and the operational processes.

The goal is to identify and mitigate risks that could compromise the health and safety of personnel, regardless of local regulations. The risk assessment process includes the analysis of accident data, the evaluation of working conditions and consultation with employees to understand their concerns, followed by the help of specialized external consultants.



Risk assessment

TRAINING TYPOLOGY	2022		2023	
	Hours	Participants	Hours	Participants
General training	48	12	24	6
Specific training	258	29	330	36
TOTAL	306	41	354	42

3.5 Welfare and work flexibility

ISS Palumbo is committed every day to building a stimulating work environment, in which each person can feel appreciated for their contribution and motivated to grow both professionally and personally. Concretely, it promotes and spreads social well-being among its employees also through the adoption of actions and initiatives aimed at doing so.

In order to guarantee greater work and personal flexibility, **the Company has decided to extend smart working to its employees who carry out office tasks**, marking an important step towards the adoption of modern and flexible working practices. In fact, this method allows us to ensure company operations, demonstrating how a different way of working is possible even for those roles whose presence was considered strictly necessary and indispensable. The extension of smart working represents a win-win strategy for the Company which, on the one hand, increases employee satisfaction and well-being and, on the other, improves operational efficiency and corporate sustainability.

The company also recognizes the importance of balancing work and family life, guaranteeing parental leave which, in 2023, 6 employees took advantage of, only to return to work regularly, carrying out the same task.

PARENTAL LEAVE	2022			2023		
	Woman	Man	Total	Woman	Man	Total
Employees who were entitled to parental leave	3	3	6	2	4	6
Employees who have taken parental leave	3	3	6	2	4	6
Employees who returned to work during the reporting period after taking parental leave	3	3	6	2	4	6
Employees who should have returned to work during the reporting period after taking parental leave	3	3	6	2	4	6
Employees who have returned to work after taking parental leave and who are still employed by the organization within 12 months of returning	2	2	4	2	2	4

Parental leave is valid without distinction for both permanent employees and fixed-term, full-time and part-time workers. The rate of return to work in the two-year period in question was 100% for both genders, while the retention rate, with regards to 2023 referring to 2022, amounts to 67%.

Crime prevention and reporting mechanisms

Health and safety crimes are covered not only by the relevant certifications but also by the Organization and Management Model (MOG) 231, which provides specific control and management measures to prevent such crimes and ensure compliance with regulations.

To make reports relating to these crimes, it is also possible to use the whistleblowing channel. This mechanism offers a secure and confidential means of reporting any violations or misconduct, ensuring the protection and anonymity of the reporter. Thanks to whistleblowing, reports are promptly managed, helping to maintain high standards of integrity and safety within the organization.

In 2023, **no cases of injuries or occupational diseases were recorded**, consequently the frequency index (FI)⁸ calculated on the basis of the data collected from the accident register and the total hours worked in the year is equal to zero. In the same period, 2 cases of near misses were recorded within the organization (lower than the 4 for 2022), promptly identified and managed.

During 2023, a total of **354 hours of training on health and safety at work** were provided, involving 42 workers.

The training covered various topics, including: concepts of risk, damage, prevention, protection, organization of company prevention, rights, duties and sanctions for the various company subjects, supervisory, control and assistance bodies.

8 - Injuries Frequency Index (IF): number of injuries/hours worked x 1,000,000 hours worked

All of the staff is covered by Sanilog supplementary healthcare, the SSN's Supplementary Health Fund for employees in the sector to which the logistics, goods transport and shipping CCNL applies, offering concrete support for workers' private healthcare spending. The objective of the Fund is to guarantee its members the maximization of the relationship between the contractually foreseen contribution and the offer of services provided in both quantitative and qualitative terms. The health services offered (reimbursement of diagnostic and check-up tickets, specialist visits, hospitalizations, maternity package, physiotherapy treatments, dental care, etc.) are guaranteed through two primary insurance companies: Unisalute for generic services and Aig-Odontonet for dental ones. The registration of workers in the Sanilog Fund is mandatory and automatic, paid for with a monthly contribution paid by the company. Companies that apply the logistics, goods transport and shipping CCNL can register with the fund.

Employee listening initiative: the climate survey

The Company conducted an anonymous survey aimed at all employees to test the satisfaction rating within the Company and collect valuable feedback on the working environment. This initiative reflects the company's commitment to continuous improvement and creating a positive and satisfying working environment for all team members. The survey covered various aspects, including the quality of internal communication, professional development opportunities, work-life balance, and the perception of support received from superiors and colleagues. By guaranteeing the anonymity of the responses, the Company wanted to ensure maximum freedom of expression for employees, promoting sincere and constructive feedback. The data collected was carefully analyzed to identify areas of strength and opportunities for improvement, allowing the company to adopt targeted measures to increase the satisfaction and well-being of its employees.



3.6 Communication in ISS Palumbo

During 2023, ISS Palumbo launched an initiative introducing a periodic newsletter dedicated to providing informative and training pills on a wide range of relevant topics, through the use of the company intranet. Conceived as a tool for continuous updating and growth, the newsletter covers crucial topics such as regulatory updates, sustainability and the environment, good cybersecurity practices, diversity and inclusion issues and much more.

This initiative not only keeps staff informed about changes and news relevant to their work, but also promotes a company culture based on knowledge and innovation. Employees can actively interact with the contents of the newsletter, commenting on the articles and reacting through "likes", thus promoting a collaborative environment and an exchange of ideas within the company.

The Company, again during the year, **launched a further exciting initiative to present its employees through social channels**, enhancing the talent and commitment of each team member. Posts dedicated to a specific employee are published periodically, offering a brief description of their role within the Company and highlighting their distinctive qualities and skills.

This project helps promote a sense of community and belonging among employees, strengthening internal bonds and increasing motivation, while also offering the external public an authentic and transparent vision of its corporate culture, showing the human face behind the Company's successes.



ISS PALUMBO
MOVE YOUR BUSINESS

Giovanni Marrari
Production/Inventory
Coordinator



iss-palumbo.com

CHAPTER 4

EXCELLENCE OF SERVICES AND RELATIONSHIP MANAGEMENT

In order to ensure the excellence of its services, ISS Palumbo has equipped itself with an effective and efficient management system that allows it to manage and enhance its structural and instrumental resources, as well as its human resources. The Company has long implemented a QHSE management system that covers all the Company's business activities.

ISS Palumbo's organizational system is characterized by a high synergy between the risk assessment and the management system, in step with the most innovative technologies, which provides for an evaluation of risk situations from the point of view of quality, environment and safety. The aspects that are monitored with particular attention concern any damage to the goods, delays, requests for compensation for damages, physical injuries related to the handling of goods, process errors, critical issues in waste management.

4.1 Quality and safety of the offered services

With the aim of respecting high quality and safety standards, the Company has prepared a QHSE plan for the definition of processes and procedures in the areas of quality, safety and the environment. In particular, the planning of operational activities is carried out and monitored daily by the relevant managers of the relevant process, whose controls are explained and described within specific procedures.

With the ISO 9001:2015 Quality Management System, ISS Palumbo is committed daily to planning, implementing, monitoring and improving business processes, improving the effectiveness and efficiency in service provision and obtaining and increasing customer satisfaction.

Before providing a service, the Company proceeds with the collection of the Customer's needs and the verification of the feasibility, verifying the compliance of the needs with the current mandatory requirements. Further support for service quality comes from the **supplier qualification and monitoring procedure**. This procedure, as described in the paragraph dedicated to supply chain management, allows the Company to guarantee that all its purchases of materials and services comply with internal company policies and legal obligations, taking into account quality, times and costs, and with growing attention to ESG aspects.

The organizational system also provides for the detection of Non-Conformities, which may concern aspects related to quality, the environment and the health and safety of workers. The procedure for managing any non-conformities requires that they be recorded, together with the corrective provisions adopted, in order to acquire the relevant data and information for their subsequent analysis with a view to improving the process involved. This gives rise to the opportunity for the Company to learn, from time to time, more and more information to improve and optimize the processes underlying operational activities, guaranteeing ever higher standards of quality of services.

In the coming years, ISS Palumbo intends to strengthen its internal controls through the implementation of ISO 37001, which defines the international standard for the implementation of anti-corruption management systems. Adoption of the standard would offer a structured framework to prevent, detect and address corrupt acts. The objective is to promote transparency towards all stakeholders and promote a work environment based on integrity.

PROJECT & FREIGHT FORWARDING

The Project Freight Forwarding division works with the main EPC (Engineering, Procurement and Construction) operators and with companies in the Oil & Gas sector. ISS Palumbo's experience in the latter field exceeds 40 years, with over 6.5 million cargo units transported globally, including large machinery and gantry cranes weighing over 1,000 tons each.

The strong point of ISS Palumbo is undoubtedly the experience acquired in its reference sector, which allows it to face the highly unpredictability of the market, finding tailor-made solutions to solve any problem that may emerge during transport. This is also made possible thanks to the in-depth study of each shipment, carried out in collaboration between ISS Palumbo experts and its customers.

This synergy allows us to identify, from time to time, increasingly effective and optimal solutions in terms of technique and logistics, while at the same time guaranteeing a rationalization of costs and times. In the relationship with its customers, ISS Palumbo collaborates directly with ship owners for the rental of ships suitable for carrying out the entrusted shipments, both for partial and full loads. The rental of ships from the main ship owners and brokers in the Oil & Gas sector worldwide is a fundamental part of the Company's business and is managed by the specific department, which controls and plans the technical, commercial and legal aspects.

The division operates mainly according to contracts called Framework Agreements, which cover certain geographical areas, and with Project Contracts, in case there are specific activities to be carried out linked to a particular project in progress. In particular, the Project department is involved in a process composed of several phases: starting from the initial qualification phase, it proceeds with the preparation of the tender, then dealing with the negotiation with the customer and suppliers, up to the final execution in case of assignment of the project. By participating in the tenders, the Company is subjected to checks on its ethical-reputational, economic-financial, technical-operational reliability and on the application of safeguards in the fields of health and safety, environment and governance, in order to minimize risks along the supply chain. supply.

In line with this mechanism, ISS Palumbo has developed a path to integrate sustainability elements within its business, with the aim of identifying the best practices to adopt to increase its competitiveness and sustainability and improve its positioning. In addition to possessing a wide range of requirements requested during the tender, such as certifications and standards to support commitment to environmental, social and governance issues, the Company is constantly committed to increasing its commitment and value in ESG issues.

To offer a service that is as complete and reliable as possible, ISS Palumbo also offers a series of support services ancillary to the Freight Forwarding activity, aimed at providing customers with a door to door service, capable of supporting every phase of the shipment. In particular, the services include: customs formalities, insurance coverage, preparation of all import and export documents, storage and movement of goods.

INTEGRATED LOGISTICS

The integrated logistics division offers highly qualified and specialized services in all logistics sectors (from warehousing to industrial handling, from preservation and painting to the study and creation of packaging, up to the distribution of customer products), developing, over the years, experiences in multiple industrial sectors ranging from heavy industry to e-commerce.

ISS Palumbo is able to present itself as the only consolidated partner capable of managing and resolving, synergistically and in the best possible way, all activities relating to external (inbound and outbound) and internal (material management and final steps) logistical processes, sharing and achieving, together with its customers, results in effectiveness and efficiency, as well as guaranteeing the highest standards of quality and safety.

The logistics services that ISS Palumbo offers in the various industrial contexts are based on the availability of adequate means and equipment, but above all on the competence and professionalism of the people. In thus aspects us based the CompanyOs capacity to achieve, from time to time, new goals and successes. Relationships with the people who work with the Company, and for the Company, have always been the basis of good corporate performance and, consequently, customer satisfaction. For this reason, the Company is committed to ensuring that its employees have a uniform vision, consistent with the company mission and, above all, with the commitments undertaken with customers.

For the logistics service, the value of its professionals is a fundamental element for the Company, being able to count on high management skills and skills, to support the requests and needs of customers, which allow it to identify and propose the most efficient solutions, both in economic terms and in terms of environmental impact.

PORT LOGISTICS

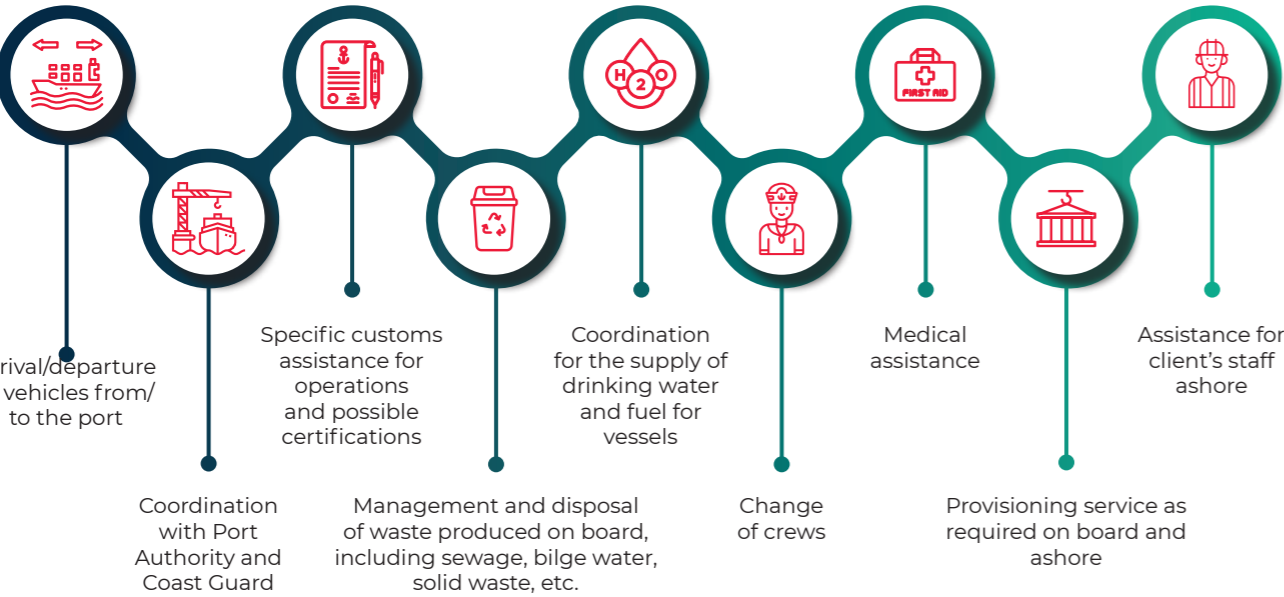
Since 2004, ISS Palumbo has developed specific experience in pipeline management, in particular in the logistical operations of subsea/offshore pipeline installation in various parts of the world, from Australia to the Middle East, from Egypt to Greece and Italy.

The activity is particularly dedicated to the identification of port areas in the zones as close as possible to the sea pipe launching areas, to be dedicated “exclusively” to the specific commissioned project. The activities consist of the reception, storage and subsequent loading of pipes for the Oil & Gas industry necessary for the installation of submarine/offshore pipes.

The extensive experience gained in the sector allows us to manage port areas that can vary from 20,000 to over 100,000 square meters, providing port and maritime agency services for the completion of each project. These operations require specific equipment, of which the Company guarantees the highest reliability and efficiency. In particular, for the handling of the pipes it uses “reach stackers” with special hydraulic pins which allow the lifting and positioning of the pipes, preventing them from being damaged and the risk of injury to the people involved in the operations.

In this context, ISS Palumbo places the health and safety of its People at the forefront, combined with the highest possible standard of service quality.

With regards to maritime agency services, assistance is provided to the entire fleet of the Client’s naval vessels participating in offshore operations.



The operations department guarantees its operation 24 hours a day, any day of the year, thanks to the growing flexibility of the relevant personnel, acquired over time. The high level of competence and professionalism allow us to manage and guarantee full assistance to the ships: from the moment they are entrusted to the Company until their departure from the port. The Company therefore offers its Customer constant monitoring and exchange of information and communications with the ship and the owner, guaranteeing personalized support based on the type of ship, operation to be carried out, procedures to be followed, guaranteeing cost optimization.

MARINE AGENCY SERVICE

For over 30 years, ISS Palumbo has provided a vast range of maritime services which include carrying out surveys on board ships, carrying out procedures relating to obtaining consular visas, bunkering activities, medical assistance service, activities aimed at respond to customs formalities and other ancillary operations such as loading/unloading of all types of bulk cargo and petrochemicals.

In line with the objective of creating value for all its Customers, the Company pays particular attention to listening and dialogue in order to profitably respond to the needs of its Customers and create a solid relationship of trust. For this reason, each of them is entrusted with an expert manager, capable of interfacing and communicating with all the actors involved in the specific project, responsible for the success of the project itself.

Reliability	Worldwide presence	Efficient staff	Listening and communication
<p>Thirty years of experience allows us to provide a reliable service and a proactive approach to guarantee the most efficient solution.</p>	<p>ISS Palumbo has offices in different regions of the world, allowing it to manage Clients' interests globally.</p>	<p>The team is made up of a mix of local and international staff, to ensure a high-quality, international experience and local know-how.</p>	<p>Listening and communication are the key elements for offering customized solutions and ensuring customer involvement.</p>

4.2 Supply chain management

The integration of a sustainable approach throughout ISS Palumbo's supply chain is essential to guarantee the quality of the services provided to its customers and compliance with the highest international standards. This allows the Company to ensure that best practices are adopted in terms of environmental responsibility and sustainability of equipment and machinery, health and safety and, more generally, adequate working conditions, along the entire value chain.

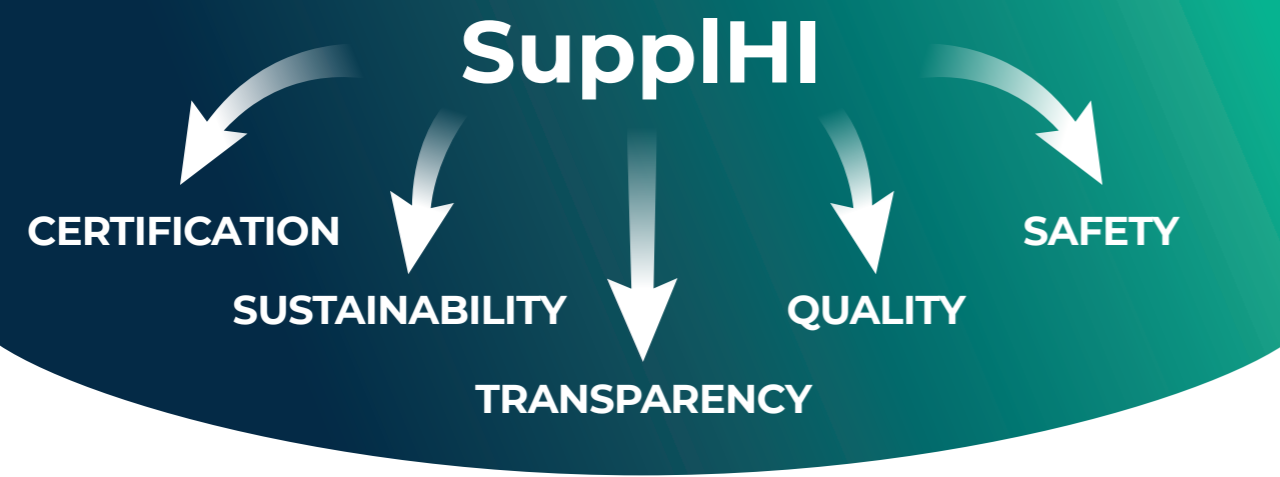
Suppliers are systematically monitored in relation to the services provided, taking into consideration both purely technical aspects, such as the conformity of equipment and machinery to the highest quality and health and safety standards, and environmental and social aspects, such as the integration of strategies and objectives of reducing corporate impacts and compliance with health and safety standards, as well as working conditions and Human Rights. Furthermore, with a view to guaranteeing a reliable and quality service, the Company has adopted an approach for managing the procurement process, in line with the quality requirements expressed by the international standard ISO 9001. This process aims to select the suppliers characterized by greater reliability and organizational and financial solidity.

The selection of suppliers of materials and services takes place through a qualification process that considers different criteria based on the type of business sector taken into consideration. For example, for project cargo and maritime agency activities, the reference suppliers are selected based on the history of shipments made, the mode of transport and the robustness of the company's know-how in relation to innovation in the solutions adopted and implemented field; for the purchase of products, vehicles, machinery and related maintenance, the selection is made by the Procurement office on the basis of the quality/price ratio, the degree of territorial coverage of the service provided, the supply and shipping times, the type of certifications held.

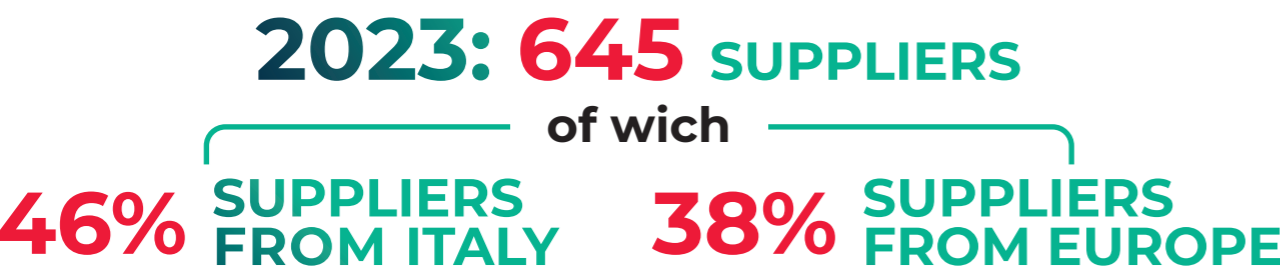
In addition to quality requirements, ISS Palumbo pays particular attention to the integration, within the suppliers' corporate strategy, of social aspects, in particular linked to compliance with current regulations and the highest standards regarding worker health and safety , and environmental aspects, such as orientation towards sustainability and the adoption of actions and initiatives aimed at reducing the environmental impacts of company activities, energy efficiency and efficient use of resources. Furthermore, the Company evaluates the possession and implementation of environmental certifications, which attest to the adoption of internal processes aimed at streamlining the management of resources with a view to continuous improvement.

Suppliers’ management through the SupplHi platform

With this in mind, and to respond to the needs of its customers, in 2023 the Company introduced the SupplHi platform dedicated to supplier management , marking a significant step towards the optimization and digital transformation of supplier management.



ISS Palumbo requires correct and transparent behaviour from its suppliers, through the signing of the Company’s Code of Ethics during the activities carried out on its behalf.



NUMBER OF SUPPLIERS BY GEOGRAPHICAL AREA		
	2022	2023
Number of suppliers located in ITALY	553	298
Number of suppliers located in EUROPE	86	248
Number of suppliers located in AMERICA	17	11
Number of suppliers located in ASIA	61	41
Number of suppliers located in REST OF THE WORLD	25	47
TOTAL SUPPLIERS	742	645

In 2023, the share of spending on the main suppliers, equal to approximately 82 million euros, increased compared to 2022 (approximately 61 million euros); the increase was mainly derived from the “rest of the world” category, which mainly includes the African regions, which went from 13% in 2022 to 24% in 2023.

EXPENSE RATIO ON MAIN SUPPLIERS BY GEOGRAPHICAL AREA		
	2022	2023
Expense on suppliers located in ITALIA	15.715.177	18.310.149
Expense on suppliers located in EUROPE	17.830.313	22.617.620
Expense on suppliers located in AMERICA	925.439	806.402
Expense on suppliers located in ASIA	18.422.179	20.534.587
Expense on suppliers located in REST OF THE WORLD	7.925.737	19.674.323
TOTAL SUPPLIERS	60.818.845	81.943.081

4.3 The relationship with customers

The Company constantly works to identify and implement the most appropriate solutions capable of ensuring a high level of customer satisfaction, in a logic of continuous improvement. The ability to guarantee high customer satisfaction is closely related to the Company's ability to think in systemic terms, promptly identify and resolve any problems and critical issues, identify the causes that hinder the achievement of an efficient performance, through timely interventions.

Thanks to the high flexibility and dynamism of its people, ISS Palumbo is able to anticipate and understand market developments and identify the most suitable solutions for the consequent change in its Customers’ needs. The synergy that arises from teamwork allows you to put your know-how to good use within the various projects, using solutions that are increasingly in line with technological and digital developments. The final result is the ability to offer a serious and reliable service, in line with customers' specific requests.

The management of customer relationships takes place in full compliance with the ISO 9001 quality standard, which applies throughout the entire commercial relationship. In fact, this rule requires the Company to focus on the Customer, ensuring the determination of risks and opportunities that can influence the ability to increase customer satisfaction, with a view to maintaining high performance.

Communication between ISS Palumbo and its Customers is managed by the competent office, which is responsible for monitoring the level of satisfaction, with the primary objective of establishing and maintaining solid and long-lasting commercial relationships over time, to the benefit of the reputation of the entire Company.



CHAPTER 5

MANAGEMENT AND PROTECTION OF THE ENVIRONMENT

ISS Palumbo recognizes environmental protection as an essential duty towards the entire community in which it operates; the Company is particularly sensitive and attentive to issues of environmental protection and energy efficiency. For this reason, it is committed to providing high quality services in full respect of the ecosystem, thus making its contribution to the improvement of every action, with a view to sustainable development for the benefit of future generations and the entire planet.

By virtue of this continuous commitment to improving the environmental performance of its services and operations, the Company has set objectives in line with the general strategy, also with the aim of increasing awareness of internal environmental issues.

5.1 Approach to the protection of the environment

Attention to the environment is also concretely translated through the adoption of management systems for company operations. The Company has equipped itself with an Environmental Management System compliant with the international standard ISO 14001:2015, subject to periodic third-party auditing, which allows it to evaluate and identify potential critical issues, opportunities and areas for improvement. Specifically, ISO 14001 certification certifies the implementation of an effective environmental management system, aimed at continuously monitoring and improving its environmental performance. This system allows the company to identify and manage significant environmental impacts resulting from its operational activities.

Not only that, the Company makes daily efforts to adopt procedures in compliance with environmental standards, even beyond the mere constraints imposed by law and in the continuous monitoring of environmental impacts, with the final objective of their measurement, control and reduction. Furthermore, it updates an internal document regarding the assessment of environmental risks, through which the impacts relating to environmental aspects relevant to its operations are assessed, indicating the respective level of significance and management methods. Through this process, the Company is able to map which direct and indirect environmental aspects have the greatest impact and provide an indication of the main improvement actions, in such a way as to establish a path to contain its impacts.

During 2023, ISS Palumbo, stimulated by the stringent requirements requested in the tender notices by large customers for the provision of their services, strengthened its commitment and oversight on sustainability issues, starting the mapping of its suppliers in relation to the use of green fuels⁹ during the procurement phase. In particular, with this initiative the Company intends to evaluate alternative solutions to the fossil fuels used within its activities, with a view to reducing emissions along the entire value chain.

Commitment to the use of green fuels

The Company's project is part of the FuelEU Maritime initiative, as a fundamental part of the "Fit for 55" package presented by the European Commission, aimed at increasing the demand and coherent use of renewable fuels with low carbon emissions and to reduce greenhouse gas emissions from the maritime sector.

This European regulation aims to gradually reduce the greenhouse gas intensity of fuels used in the maritime transport sector over time. In particular, a decrease of 2% by 2025 and up to 80% by 2050 is expected.

9 - Sustainable fuels of renewable origin characterized by a low carbon content and, consequently, lower CO₂ emissions.

5.2 Energy consumption and emissions

ISS Palumbo pursues, through monitoring its consumption, an efficient management of its energy resources.

In 2023, the Company recorded energy consumption amounting to a total of 2,688 GJ, a decrease of approximately 12% compared to 2022. Generally speaking, the Company's main energy consumption is connected to direct consumption from non-renewable sources: in particular fuel for transport, which represents the largest share of total direct energy consumption. Natural gas and electricity are mainly used for lighting the plant and for heating/cooling the administrative offices.

ENERGY CONSUMPTION (GJ ¹⁰)	2022	2023
ENERGY CONSUMPTION FROM NON-RENEWABLE SOURCES		
Natural gas	151.22	109.54
Fuel for company's fleet	1,126.12	1,163.93
Diesel	1,116.77	1,149.89
Gasoline	9.35	14.04
Electricity purchased from non-renewable sources	1,777.21	1,414.89
ENERGY CONSUMPTION FROM RENEWABLE SOURCES		
Electricity purchased from renewable sources	-	-
Self-produced and consumed electricity	-	-
TOTAL CONSUMPTION	3,054.52	2,688.35

The intensity of energy consumption per hours worked is a useful metric for evaluating the energy efficiency of a company, in relation to work productivity, measuring the amount of energy consumed for each hour of work carried out.

INTENSITY OF ENERGY CONSUMPTION	Unit	2022	2023
Energy consumption	GJ	3,054.52	2,688.35
Hours worked	h	162,325	117,285
Intensity index		18.82	22.92

10 - The conversion factors used to transform the different energy quantities into GJ are taken from the DEFRA (UK Department for Environment, Food and Rural Affairs) database of the respective years.

GREENHOUSE GAS EMISSIONS

During 2023, **direct Scope 1 emissions**, i.e. those that include all emissions deriving from corporate activities under the direct control of the Company, amount to approximately **88 tCO₂eq**, a figure in line with the previous year.

SCOPE 1 DIRECT EMISSIONS ¹¹ (tCO ₂ eq)	2022	2023
Natural gas	8.49	6.17
Fuel for company's fleet	80.13	82.08
Diesel	79.51	81.17
Gasoline	0.62	0.91
TOTALE SCOPE 1	88.62	88.25

With particular reference to Scope 2 emissions, linked to the purchase and consumption of electricity, for full compliance with the GRI Standards, they were calculated using both **“location-based”** and **“market-based”** approaches. In particular, the location-based methodology considers the average intensity of greenhouse gas emissions of the networks on which energy consumption occurs mainly using data relating to the average emission factor of the network, while the market-based methodology considers the emissions from electricity that the organization has intentionally chosen in a contractual manner.

For the year 2023, **Scope 2 “location based” and “market based” emissions stand at 121.41 tCO₂eq and 179.67 tCO₂eq respectively, recording a decrease compared to 2022 equal, in both cases, at around 20%.**

SCOPE 2 INDIRECT EMISSIONS ¹² (tCO ₂ eq)	2022	2023
Electricity purchased (Location-Based method)	152.49	121.41
Electricity purchased (Market-Based method)	225.68	179.67

TOTAL Scope 1 direct emissions + Scope 2 indirect emissions (tCO ₂ eq)	2022	2023
Location-Based method	241.11	209.66
Market- Based method	314.30	267.92

The trend of emissions and related indices is consistent with those of energy consumption.

INTENSITY OF EMISSIONS	Unit	2022	2023
Total emissions GHG Scope 1 + Scope 2 (Location Based)	t CO ₂ e	241.11	209.66
Total emissions GHG Scope 1 + Scope 2 (Market Based)	t CO ₂ e	314.30	267.92
Hours worked	h	162,325	117,285
Intensity index (Location Based)		1.49	1.79
Intensity index (Market Based)		1.94	2.28

11 - The emission factors used to calculate Scope 1 emissions are taken from the DEFRA (UK Department for Environment Food & Rural Affairs) database for the respective years.

12 - The emission factors used to calculate Scope 2 emissions are taken, respectively, from Report 386/2023 published by ISPRA, as regards the Location Based calculation method, and from AIB's European Residual Mixes of the respective years as regards concerns the Market Based calculation method. It should be noted that the data made available by ISPRA and AIB are expressed exclusively in CO₂ and do not include other greenhouse gases in the carbon dioxide equivalent (CO₂eq). In the text it was chosen to maintain the CO₂eq unit of measurement to guarantee uniformity and clarity, also given the negligibility of the impact of greenhouse gases other than CO₂ in the production of electricity.

The Carbon Care platform for the reduction of the environmental impact

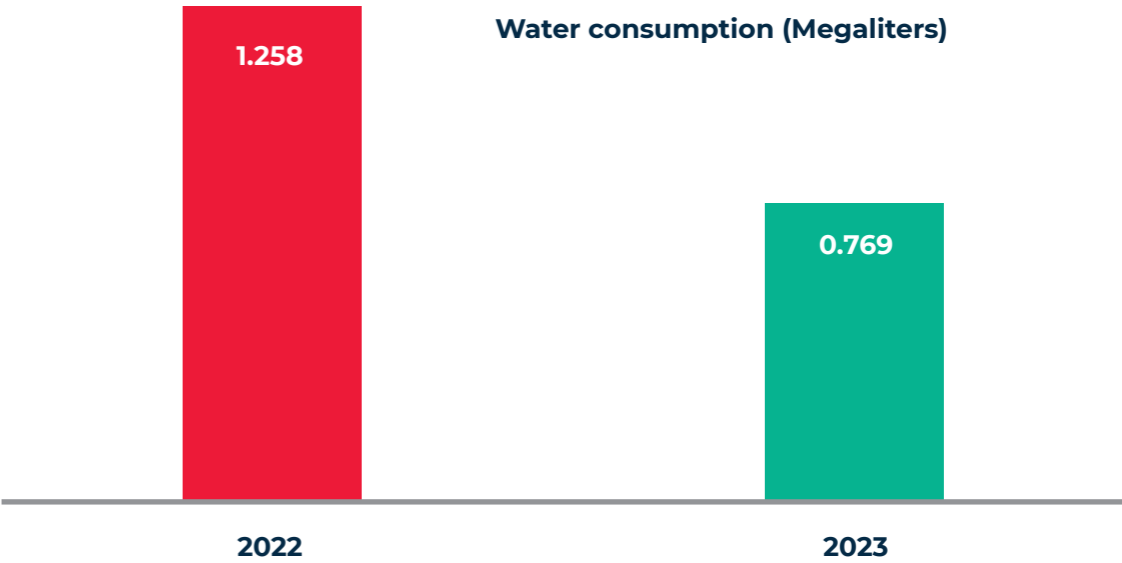
During 2023, ISS Palumbo **has made a CO₂ emissions calculation service for transport and logistics available to any supplier who requests it**, with the aim of supporting its suppliers in monitoring and managing their emissions.

This tool, accessible from the “Carbon Care” platform, is particularly useful in identifying high emission areas, allowing a consequent optimization of processes aimed at reducing environmental impact, as well as improving operational efficiency, complying with current regulations and to develop new strategic collaborations.

5.3 Management of water resources

Water consumption of ISS Palumbo is mainly attributable to indoor uses essentially relating to the needs for sanitary uses of the administrative offices. In fact, there are no industrial processes that involve significant water withdrawal. All the water used in the offices comes exclusively from the public aqueduct network, ensuring a safe and regulated supply.

During 2023, water consumption stands at 0.769 mL, down from the previous year by approximately 39% (1.258 mL), due to the closure of a local unit.



Discharges are managed according to current regulations and are used only for healthcare services.

5.4 Waste management

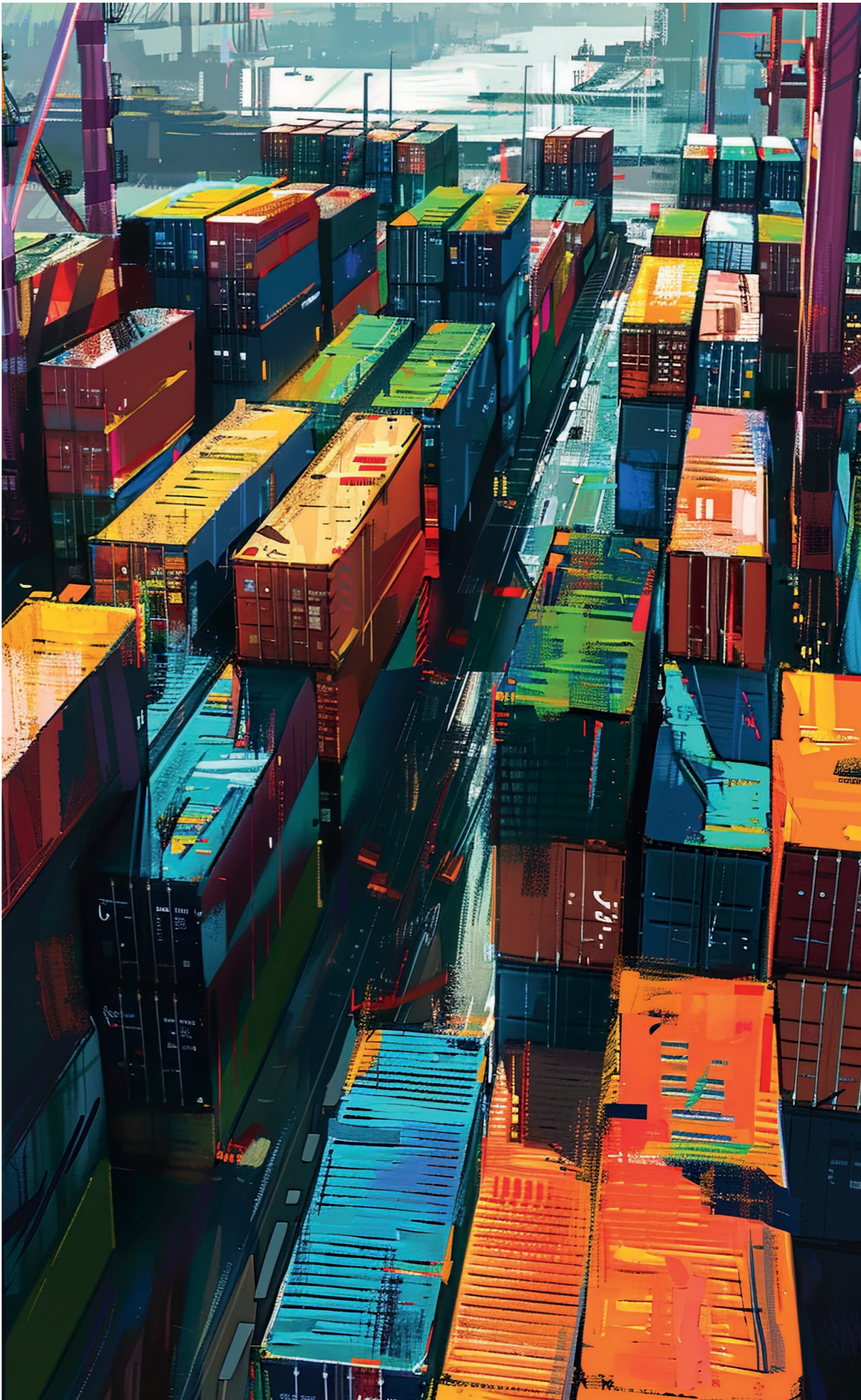
ISS Palumbo considers the responsible management of resources and waste to be an important aspect of its operations. In general, efforts have been intensified to optimize the use of resources and to implement good waste management practices in all company operations, also supported by the environmental management system.

The management, collection and disposal of waste is carefully monitored by the Company, which takes place in total compliance with international and local regulations, to guarantee correct treatment and reduction of environmental impact. In particular, the Company uses recycling practices to minimize the flow of waste destined for landfill, favouring the recovery and reuse of materials where possible.

Waste production is mainly linked to office activities and mostly includes non-hazardous waste such as paper, cardboard and plastic. All types of waste are treated by external companies, which take care of collection, recycling or possible disposal. The Company implements effective separate waste collection, raising awareness among its employees of greater attention to respect for the environment.

In 2023 the quantity of waste destined for disposal was approximately 15 tonnes; the decrease compared to 2022 (37 tonnes) is due to the closure of a local unit.

QUANTITY OF NON-HAZARDOUS WASTE (t)				
	2022		2023	
	not intended for disposal	intended for disposal	not intended for disposal	intended for disposal
Paper packaging (150101)	-	16.82	-	6.02
Mixed packaging (150106)	-	9.29	-	2.58
Toner (080318)	-	0.01	-	0.02
Plastic (150102)	-	10.94	-	6.10
TOTAL	-	37.06	-	14.72





GRI CONNECTION TABLE

Statement of use	ISS Palumbo has drawn up this Sustainability Report with reference to the GRI Standards for the period from January, 1 to December 31, 2023.
GRI 1 used	GRI 1 - Fundamental principles - 2021 version

STANDARD GRI	INFORMATION	REFERRING CHAPTER/PARAGRAPH
GENERAL INFORMATION		
GRI 2: General Disclosures 2021	2-1	Organizational details Methodological note
	2-2	Entities included in the organization's sustainability reporting Methodological note
	2-3	Reporting period, frequency and point of contact Methodological note
	2-4	Review of information There were no changes related to the review of information relating to previous reporting periods.
	2-5	External assurance The Sustainability Report has not been audited by a third party.
	2-6	Activities, value chain and other business relationships 1. Identity and governance / 1.1. The profile and business activities
	2-7	Employees 3. The value of people / 3.1. Human capital management
	2-8	Non-employee workers 3. The value of people / 3.1. Human capital management
	2-9	Structure and composition of governance 1. Identity and governance / 1.3 Corporate governance
	2-10	Appointment and selection of the highest governing body There is no nomination or selection process.
	2-11	President of the highest governing body 1. Identity and governance / 1.3 Corporate governance
	2-13	Delegation of responsibility for impact management The management of impacts, as well as the carrying out of supervision and coordination activities on ESG issues, is entrusted to the Risk and Compliance, ESG Management function.
	2-14	Role of the highest governance body in sustainability reporting The Sustainability Report is presented to the Board of Directors. From a process point of view, the ESG Manager, when collecting information and data, involves the various company functions, each for its own area of competence.
	2-15	Conflicts of interest 1. Identity and governance / 1.3 Corporate governance
	2-16	Communication of critical issues 1. Identity and governance / 1.3 Corporate governance
	2-17	Collective knowledge of the highest governing body At the moment, no meetings are organized for the Board of Directors on sustainability issues.
	2-18	Evaluation of the performance of the highest governing body There is currently no performance evaluation process for the highest governing body.
	2-22	Declaration on sustainable development strategy Letter to Stakeholders
	2-26	Mechanisms for requesting clarification and raising concerns 1. Identity and governance / 1.3 Corporate governance
	2-27	Compliance with laws and regulations There were no significant cases of non-compliance with laws and regulations reported during the reporting period.
	2-28	Associations The Company does not participate in industry or trade associations or national or international advocacy organizations.
	2-29	Approach to stakeholder engagement 2.2. Stakeholder engagement and materiality analysis
	2-30	Collective agreements 3. The value of people / 3.1. Human capital management

MATERIAL TOPICS			
GRI 3: Material topics 2021	3-1	Process of determining material topics	2.2. Stakeholder engagement and materiality analysis
	3-2	List of material topics	2.2. Stakeholder engagement and materiality analysis
TRAINING AND DEVELOPMENT OF PEOPLE			
GRI 404: Training and education 2016	3-3	Method of managing the material topic	3. The value of people / 3.2. Training and development of people
	404-1	Average number of training hours per year per employee	3. The value of people / 3.2. Training and development of people
HEALTH AND SAFETY AT WORK			
GRI 403: Health and safety at work 2018	3-3	Method of managing the material topic	3. The value of people / 3.3. Health and safety of people and the working environment
	403-1	Occupational health and safety management system	3. The value of people / 3.3. Health and safety of people and the working environment
	403-2	Hazard identification, risk assessment and accident investigation	3. The value of people / 3.3. Health and safety of people and the working environment
	403-5	Training of workers on health and safety at work	3. The value of people / 3.3. Health and safety of people and the working environment
	403-8	Workers covered by an occupational health and safety management system	3. The value of people / 3.3. Health and safety of people and the working environment
	403-9	Accidents at work	3. The value of people / 3.3. Health and safety of people and the working environment
	403-10	Occupational disease	3. The value of people / 3.3. Health and safety of people and the working environment
BUSINESS ETHICS AND INTEGRITY ANTI-CORRUPTION AND COMPLIANCE			
GRI 205: Anti-corruption 2016	3-3	Method of managing material topics	3. The value of people / 3.2. Training and development of people
	205-2	Communication and training on anti-corruption regulations and procedures	3. The value of people / 3.2. Training and development of people
	205-3	Confirmed incidents of corruption and measures taken	There were no confirmed incidents of corruption in the reporting period.
MANAGEMENT AND PROTECTION OF PRIVACY			
GRI 418: Customers Privacy	3-3	Method of managing material topics	1. Identity and governance / 1.3 Corporate governance
	418-1	Substantiated complaints regarding violations of customer privacy and loss of customer data	There were no complaints regarding violations of customer privacy or identified incidents of leak, theft or loss of customer data during the reporting period.
RESPONSIBLE SUPPLY CHAIN			
GRI 204: Procurement practices 2016	3-3	Method of managing material topics	4. Service excellence and relationship management / 4.2. Supply chain management
	204-1	Proportion of spending made to local suppliers	4. Service excellence and relationship management / 4.2. Supply chain management
ENERGY EFFICIENCY AND ALTERNATIVE SOURCES			
GRI 302: Energy 2016	3-3	Method of managing material topics	5. Management and protection of the environment / 5.1. Environmental Protection
	302-1	Internal energy consumption within the organization	5. Management and protection of the environment / 5.2. Energy consumption and emissions
WASTE MANAGEMENT AND CIRCULAR ECONOMY			
GRI 306: Waste 2020	3-3	Method of managing material topics	5. Management and protection of the environment / 5.1. Environmental Protection
	306-3	Waste generated	5. Management and protection of the environment / 5.4. Resource use and waste management
	306-4	Waste not sent to landfill	5. Management and protection of the environment / 5.4. Resource use and waste management
	306-5	Waste sent to landfill	5. Management and protection of the environment / 5.4. Resource use and waste management

CONNECTION TABLE WITH GRI

FURTHER GRI STANDARDS REPORTED (not attributable to material topics)			
ECONOMIC PERFORMANCE			
GRI 201: Economic performances 2016	201-1	Economic value directly generated and distributed	1. Identity and governance / 1.4. Economic performances
WATER AND EFFLUENTS			
GRI 303: Water and effluents 2018	303-3	Water withdrawal	5. Management and protection of the environment / 5.3. Management of water resource
EMISSIONS			
GRI 305: Emissions 2016	305-1	Direct greenhouse gas (GHG) emissions (Scope 1)	5. Management and protection of the environment / 5.2. Energy consumption and emissions
	305-2	Indirect greenhouse gas (GHG) emissions from energy consumption (Scope 2)	5. Management and protection of the environment / 5.2. Energy consumption and emissions
	305-4	Intensity of greenhouse gas (GHG) emissions	5. Management and protection of the environment / 5.2. Energy consumption and emissions
OCCUPATION			
GRI 401: Occupation 2016	401-1	Hiring new employees and employee turnover	3. The value of people / 3.1. Human capital management
	401-2	Benefits for full-time employees that are not available to temporary or part-time employees	3. The value of people / 3.4. Welfare and working flexibility
	401-3	Parental leave	3. The value of people / 3.4. Welfare and working flexibility
DIVERSITY AND EQUAL OPPORTUNITIES			
GRI 405: Diversity and equal opportunity 2016	405-1	Diversity in governance bodies and among employees	3. The value of people / 3.1. Human capital management



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