

Sustainability  
Report 2020

 **Dierre**  
GROUP



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## Letter to the stakeholders

Dear Stakeholders,

This year too, we would also like to share the **Dierre Group Sustainability Report**, with you. It is produced on a voluntary basis and is a great opportunity for us to inform you, in a transparent and continuous way, about our economic performance, current projects and the initiatives we have implemented in terms of social responsibility.

Our Group consists of almost 300 people that, even in an undoubtedly complicated scenario such as the one characterized by the Covid-19 pandemic, has been able to demonstrate its strength and capacity for innovation. We have first of all guaranteed a safe working environment for our staff and collaborators by implementing specific safety protocols to limit the risk of contracting the virus, and have continued to provide training courses on health and safety. From the point of view of innovation, the Group has not limited itself to maintaining its drive towards it, but has even strengthened it, increasing the amount allocated to research and development from 287 to 362 thousand euros. This choice is due to the lead position that the Group has taken in Italy and by the wide range of products it offers, from the production of safety guards to industrial robotics.

Our company is therefore fully aware of the importance of innovation, without forgetting however the importance that environmental aspects have for our activities: this is also why we have made a commitment to improve our environmental performance through the use of renewable energy, which we started to implement in 2020 with the installation of 3 photovoltaic systems.

We are motivated towards continuous growth and to improving our efforts in the field of sustainability, by exchanging ideas with our customers, staff and people from the area. We are also ready to seize the opportunities that will arise once this difficult situation, which we have dealt with successfully so far, is over.

Sit back and enjoy the read

The President  
Giuseppe Rubbiani

# 1. Dierre Group

## Dierre Group

### ***“One Group. Many solutions.”***

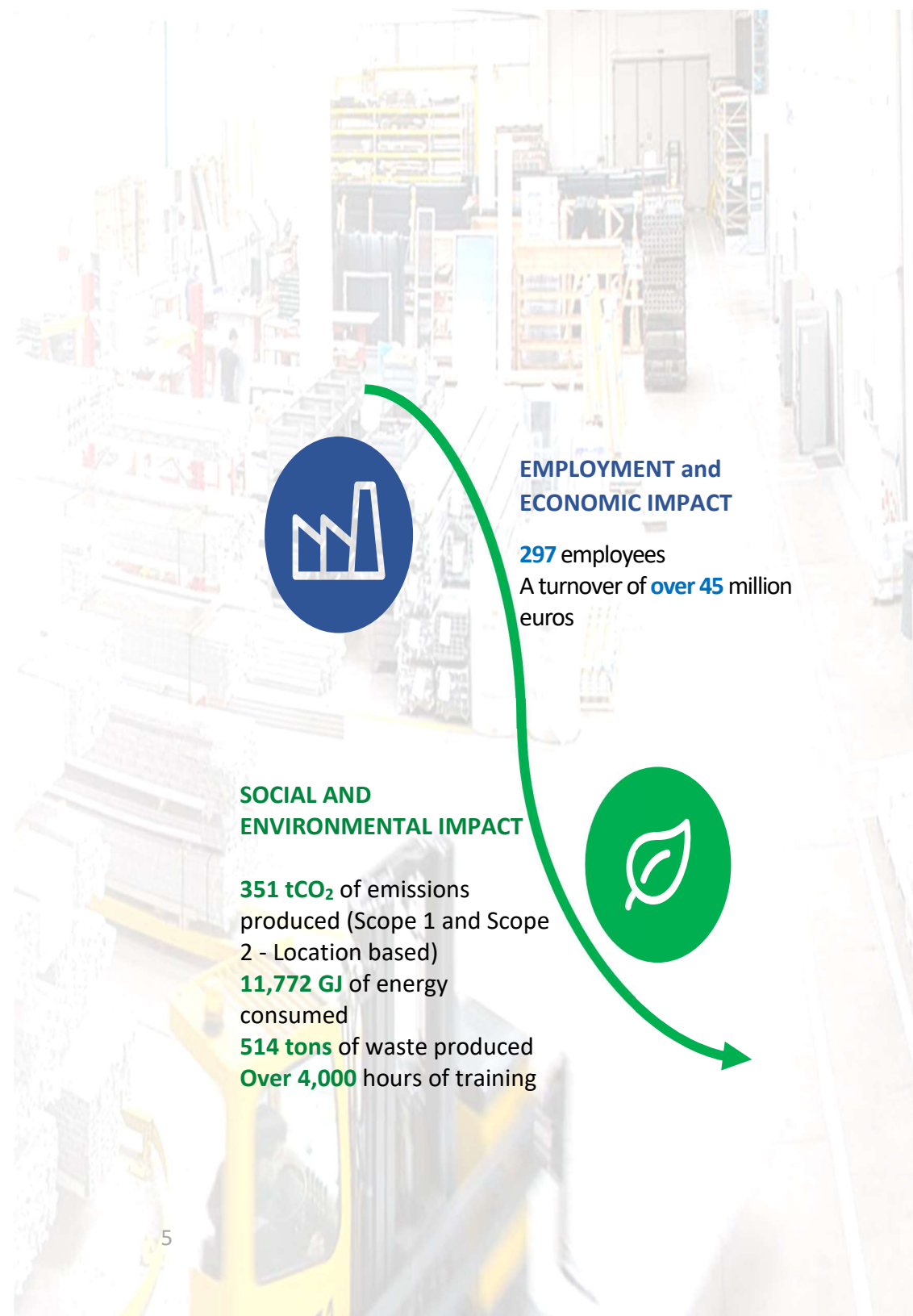
Dierre designs, manufactures and markets safety guards and technologically advanced industrial automation products with a high aesthetic impact for a wide range of sectors.

In a very short time, Dierre has created a network of companies linked together by the same passion for quality and excellence, for a future of continuous growth, diversifying its offer in order to acquire a greater share in foreign markets and to be recognized as **the leader in the field of safety guards and components for automatic machinery**.

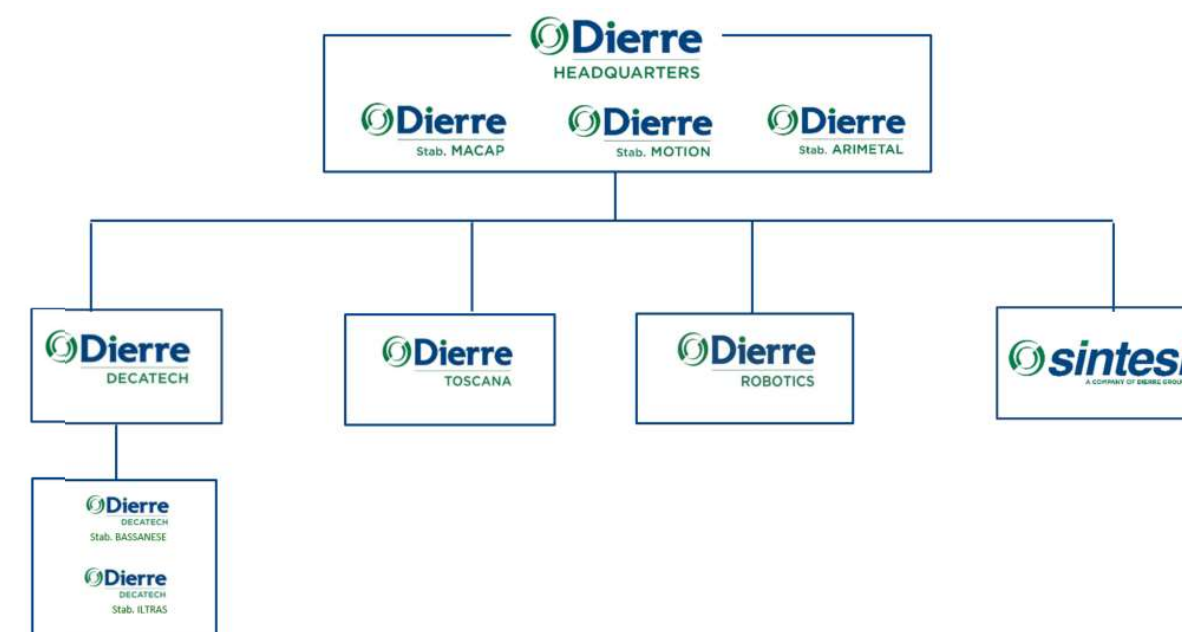
### ***“Safety is the Future”***

The constant **attention to safety**, combined with **creativity and innovation**, has made Dierre Group the leader in the production of safety guards, handling systems and industrial robotics.





## The structure of the Group\*



Dierre, founded in Spezzano in 1997, is a large Group made up of manufacturing companies located in Emilia Romagna, Lombardy, Veneto and Tuscany, whose common mission is to safeguard lives in the industrial environment through their products and systems.

In 2019, Dierre signed an agreement with the International Investment Company NB Aurora S.A. SICAF-RAIF (NB Aurora\*\*), for the sale of 49.9% of the Group's share capital. The primary objective of this operation was to strengthen the Group's competitive position in its target markets.

In 2019, the Group also took an important step towards improving and integrating its expertise in the field of industrial robots. Dierre Robotics in fact, acquired a majority stake in Smart Application s.r.l., a Reggio-Emilia based company in the robotic applications sector. The merger by incorporation took place on 16 April 2019, with effect from 1 May 2019. It should also be noted that Dierre acquired DCM S.r.l. on 15 December 2020, with effect from 1 January 2021.

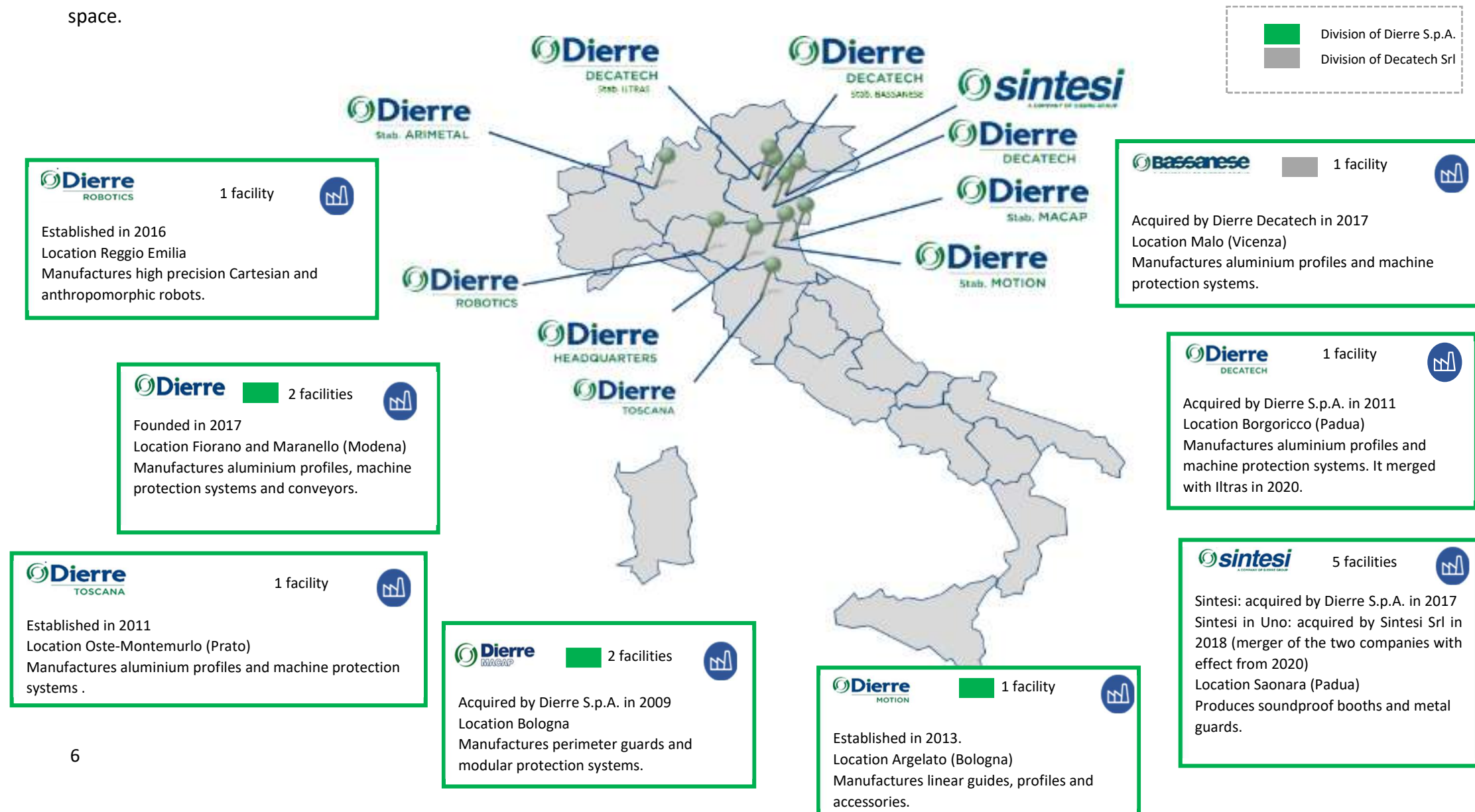
\* It should be noted that Iltras was merged into Decatech as of 1 July 2020.

\*\* NB Aurora is a permanent capital vehicle listed in Italy on the MIV market.

## Group locations

The companies of the Group are strategically distributed throughout the country, with facilities located close to industrial districts and the areas in which the Group's main customers operate, in order to guarantee a flexible and timely service. The headquarters of the Group is in Fiorano Modenese, where the Parent Company, Dierre S.p.A., is located.

Dierre Group's facilities cover a total area of **over 20,000 square metres**, of which the 14 production sites account for **17,354 m<sup>2</sup>** and **3,549 m<sup>2</sup>** is office space.



### The Group's business model

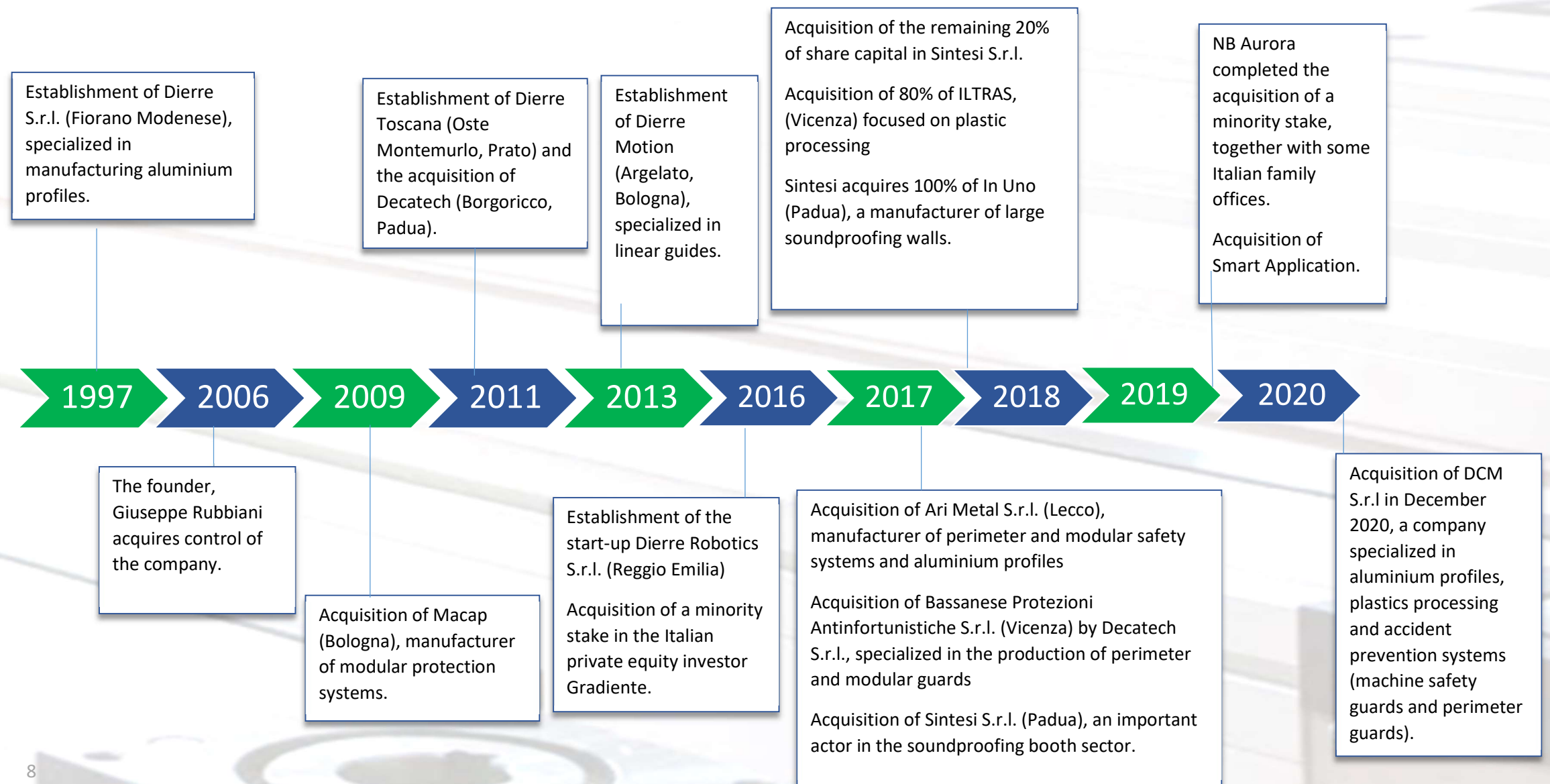
The Group's business model stands out because in addition to its standard production, Dierre also offers **analysis, design** and **technical consultancy** services for **customized solutions**. By working closely with the customer in all stages of production, Dierre is able to produce unique and fully customized products, right down to the finest detail.

The in-house management of all processes, from design to production to quality control and structured workspaces designed to ensure maximum efficiency, guarantee **extremely short lead times while maintaining high standards of precision and quality**.





## 1.1 The history and evolution of Dierre Group



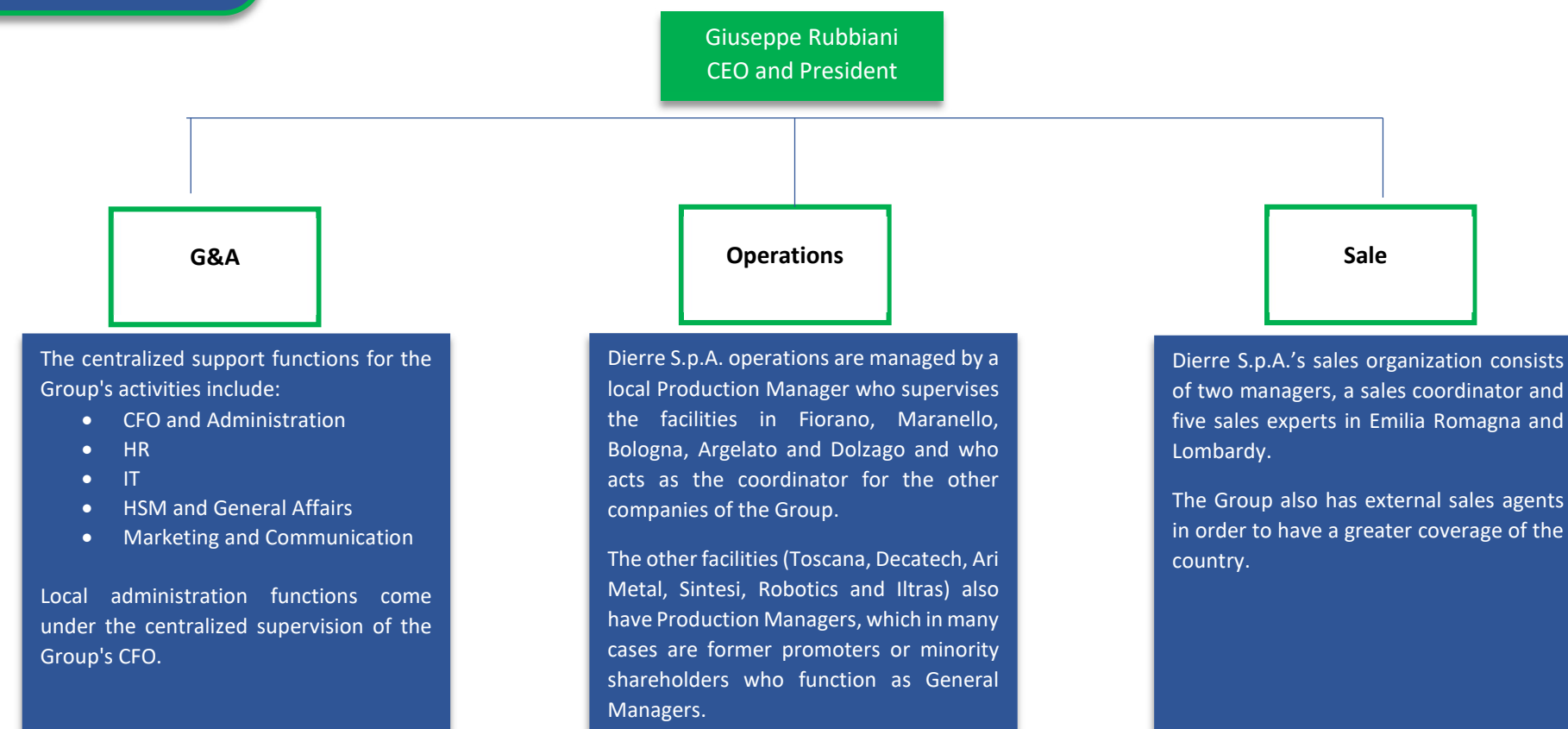


## 1.2 The governance structure

### Composition of the Board of Directors

- Giuseppe Rubbiani
- Giorgio Maria Roberto Tadolini
- Francesco Nicola Massimo Sogaro
- Stefano Socci\*
- Lorenzo Carù

As of 31 December 2020, the Board of Directors of Dierre S.p.A. is made up of 5 men, of which 20% are 30-50 years old and 80% are over 50 years old. The Board of Directors is chaired by Giuseppe Rubbiani.

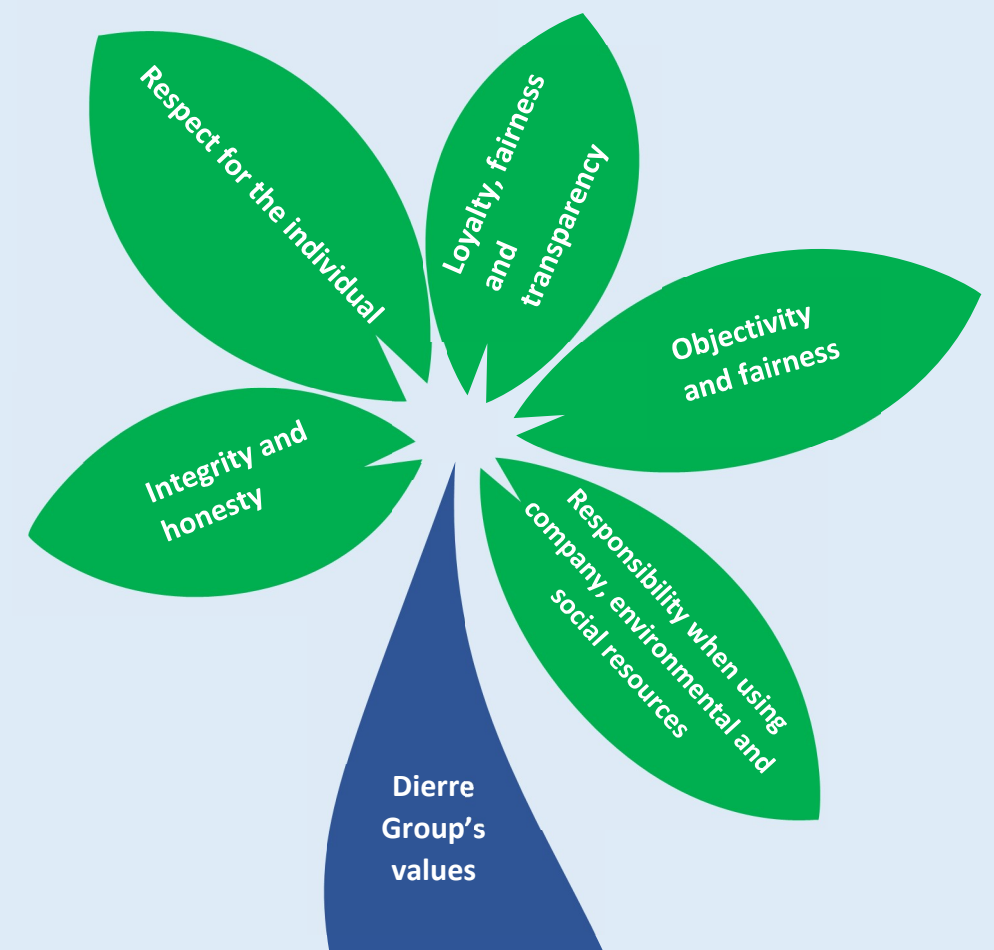


### 1.3 Ethics, integrity and transparency

Dierre Group operates in compliance with the principles of ethics, integrity and transparency by adopting the following instruments:

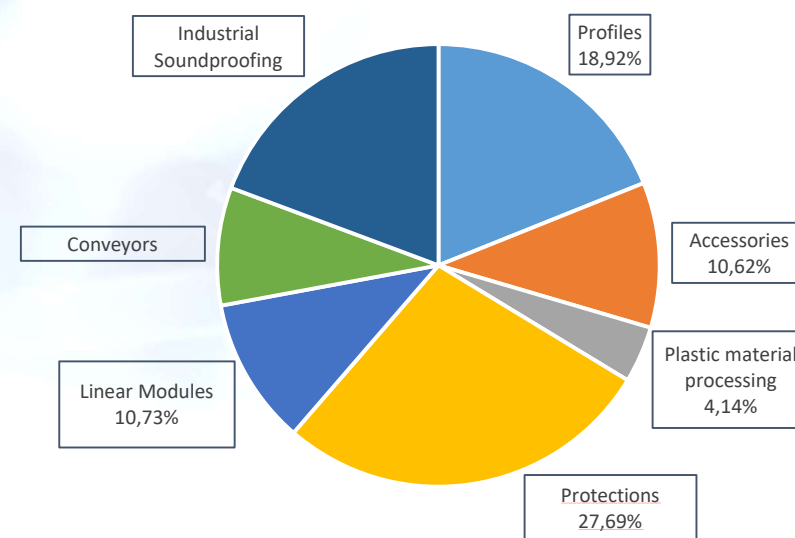
- The **Organization, Management and Control Model** pursuant to Legislative Decree 231/01 adopted by Dierre S.p.A. and Sintesi S.r.l. inspired by the principles of the Code of Ethics, complies with specific legal requirements to prevent certain offences from being committed as provided for by Legislative Decree 231/2001, including in particular, environmental offences, corporate offences, offences in breach of regulations concerning health and safety in the workplace, corruption;
- The **Code of Ethics** sets out the rights, duties and responsibilities of the company with respect to all those with whom it enters into a relationship. This instrument contributes to the implementation of the Group's social responsibility policy, knowing that taking in to account social and environmental issues helps to minimize exposure to compliance and reputational risks and strengthens the sense of belonging among its interlocutors.

The Parent Company requires that none of the subsidiaries engage in conduct or make decisions that may undermine the integrity and reputation of the Group. While respecting the independence of its subsidiaries, the Parent Company requires them to incorporate the same values expressed by the Parent Company's Code of Ethics in their own Code of Ethics, so that their conduct conforms to them in compliance with the law and any current legislation.

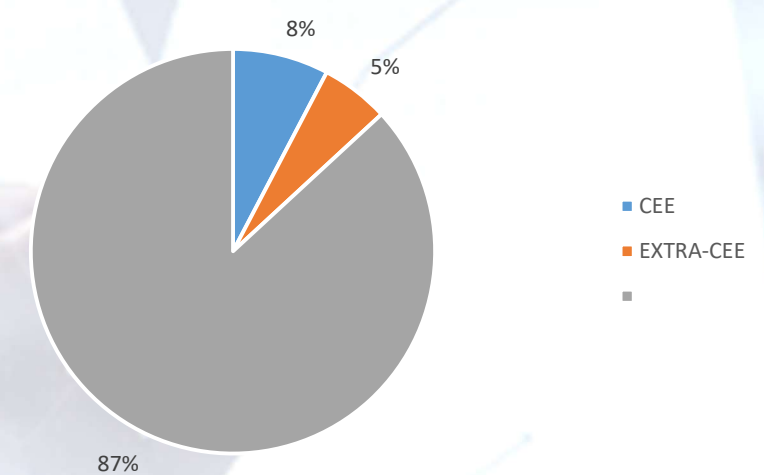


## 1.4 Financial results

Sales analysis by product category



Sales by geographic area



In 2020, the best-selling products were modular guards, which represent 27.69% of total sales, followed by industrial soundproofing (19%) and aluminium profiles (19%). The Group's customers are mainly Italian (87%).

A silhouette of a person with their arms raised in a gesture of triumph or joy, set against a vibrant sunset sky. The sun is low on the horizon, creating a warm, golden glow. The person is wearing a backpack and is positioned on a mountain ridge. The sky transitions from a deep blue on the left to a bright yellow on the right. The overall mood is one of achievement and connection with nature.

## 2. Approach to Sustainability





Initiatives to support the local area and communities

Over € 362,000 invested in R&D

275 Permanent employees



16% Female employees

3,989 Hours of training

100% Employees covered by collective bargaining agreements

11,772 GJ of energy consumed



514 Tons of waste produced (0.5% hazardous)

The Group's Second Sustainability Report

## 2. Approach to Sustainability

### 2.1 The sustainability strategy

#### Dierre Group's stakeholders



Dierre Group has carried out an analysis of its stakeholders in order to constantly monitor the impact of the organization on its *stakeholders*, the impact of *stakeholders* on the organization and their expectations. The Group believes it is extremely important to maintain a direct and continuous relationship with both its internal and external stakeholders.

### Dierre Group's material topics

In accordance with the provisions of the GRI Sustainability Reporting Standards, in 2020, Dierre Group carried out an initial analysis to identify the material topics, i.e., the most significant aspects that reflect the significant economic, environmental, and social impacts that affect the company's *business* and influence the assessments and decisions of *stakeholders*.

The process of identifying the issues was carried out using *benchmark* analysis aimed at identifying the current trends in the reference context and among the main *peers* and *competitors*, followed by an internal analysis involving the main corporate functions and led to the aspects to be included in this Sustainability Report to being defined.

14 material topics were identified, listed below, and grouped into macro-areas:

#### PRODUCT RESPONSIBILITY

- ❖ Product quality and safety
- ❖ Innovation, research and development
- ❖ Responsible marketing
- ❖ Brand identity

#### SOCIAL RESPONSIBILITY

- ❖ Supply chain management

#### RESPONSIBILITY TOWARDS PEOPLE

- ❖ Employee health and safety
- ❖ Human resource management and development
- ❖ Workers rights

#### ETHICS AND COMPLIANCE

- ❖ Ethics, integrity and transparency
- ❖ Compliance
- ❖ Value creation

#### ENVIRONMENTAL RESPONSIBILITY

- ❖ Energy consumption
- ❖ Emissions and climate change
- ❖ Waste and packaging

### 3. Product responsibility



### 3. Product responsibility

#### 3.1 Our products

At Dierre, experience, creative design and a research-driven approach all converge in a single company to provide customized solutions for efficient and safe industrial applications.



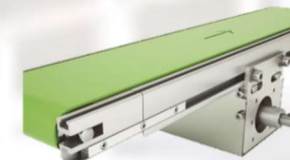
Dierre **linear guides**, are designed to make the automation of machines and industrial production processes easier and enable precise and silent movement with minimal friction.



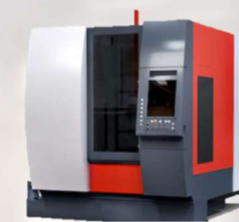
Dierre has a range of over 200 high quality extruded **aluminium alloy profiles** that are made to last and to meet every possible requirement.



Research in the field of mechanical engineering and a meticulous attention to detail have resulted in the creation of **Perimeter and modular safety guards** of various sizes and colours, designed to suit even the most complex requirements and to guarantee complete safety.



Dierre **conveyor lines**, characterized by speed, durability and the possibility of customization, are the ideal solution for industrial handling, even in particularly small spaces.



Sintesi, a company specialized in the field of **industrial soundproofing** and the manufacture of industrial operator protection systems and workstations for the machinery and industrial plant engineering sector, expands Dierre Group's range with innovative products and sophisticated design.

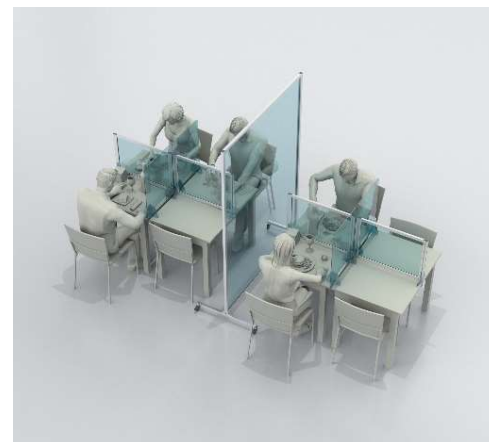


High precision **Cartesian** and **anthropomorphic robots** are being designed and developed by the technological core of the company. Dispensing, screw driving, manipulation, milling and welding are just some of the processes in which these solutions can be applied to improve the performance and

**Iltras, the Veneto-based company of Dierre Group, launches a new anti Covid-19 safety screen**

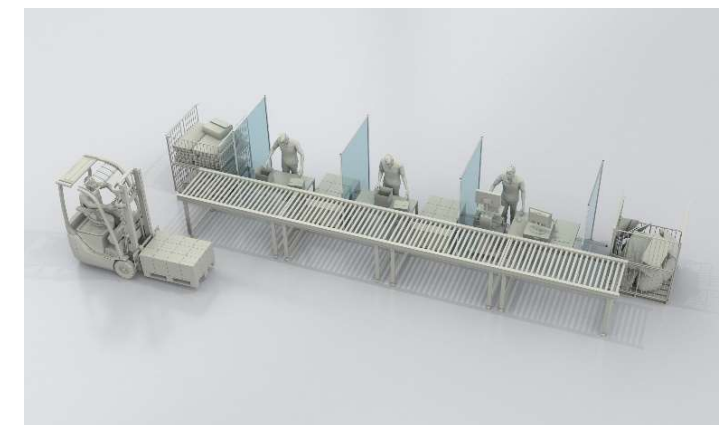
Iltras, a company of **Dierre Group** based in Veneto, one of the regions hardest hit by **Covid-19** responds to the problem by launching a new line **of protection** against infection that is suitable for all businesses that have continued to function: **5 mm thick transparent acrylic** screens and panels, available in any size and fully customizable.

The Safety Line is ideal for use in all sectors or activities that involve operators coming into direct contact with the public/customers and in any type of work environment (production, assembly, warehouses, offices, canteens etc.)



These are just some of the features of the **Safety Line**:

- **Versatility of use:** easy to assemble and move to meet every need
- **Efficient immediate protection:** effective barrier, impermeable to any type of virus
- **Effective future prevention:** a healthy habit for the future too



### 3.2 Innovation, research and development

*"The real challenge is to go beyond innovation, so that technology becomes the key to accessing new business opportunities"*

The continuing global challenges and the needs of an evolving market drive the Group to invest continuously in research & development. Every day, engineers and designers share their experience and skills to **develop innovative and functional products that are capable of looking towards the future** in order to stay one-step ahead.

Dierre has taken on a consolidated role as a **technological partner** for developing specific and complex projects, customized according to the needs of our customers; over 6500 customized projects per year, thanks to its innovative capacity and experience consolidated over the years.

#### INVESTMENTS

Over € 362,000  
in R&D

#### HOURS

12,266 person  
hours devoted to  
R&D activities

### 3.3 Product quality and safety

Dierre Group pays close attention to the quality and safety of its products.

During 2020, a **process of drafting and formalizing procedures for checking the quality and safety of products was started**, with the aim of meeting the requirements of UNI EN ISO 9001. Dierre S.p.A is currently in the process of obtaining the ISO 9001 certification, and at Group level, in addition to other things, it plans to draw up the Quality Policy and supplier selection and evaluation procedures.

Even today though, the product quality control procedures are regular and constant. In order to ensure even greater process efficiency, the company has assigned specific roles for this purpose.

In particular, the Group follows the **Machinery Directive**, which provides guidelines regarding the elements that have to be verified as regards product safety.

For some parts, a random check is already carried out to assess the conformity of the products using functional and safety tests at the acceptance stage, and for some pieces even in the design phase. On request, tests can also be carried out by specialized external laboratories.

The attention that the Group pays to the quality of its products can be seen from the data regarding complaints received from customers.

Articles sold: 50,083

Incidents of non-compliance: 518

Incidents of non-compliance as a percentage of the number of items sold: 0.96%





### 3.4 Brand identity and customer relations

The Dierre Group Brand is based on three fundamental pillars:

- ✓ **Customization**
- ✓ **Design**
- ✓ **Continuous innovation**

Dierre also offers analysis, design and technical consultancy services for customized solutions. By working closely with its customer in all stages of production, Dierre is able to produce **unique** and fully **customized** products, right down to the finest detail.

Sintesi, one of the Group's strategic partners, increases Dierre Group's range by offering its customers innovative and aesthetically refined industrial soundproofing and protection systems thanks to a **recognizable and high visual impact design**.

Looking to the future through continuous research is essential for the Group. This is why every day technicians and designers dedicate their efforts to developing **innovative products of the highest quality**.

The Group is sensitive and attentive to the quality of the relationship with customers and its continuous improvement, which is a prerequisite for the process of creating and distributing value within the company. The excellence of the products and services offered and the guarantee of giving an immediate and competent answer to requests, are the distinctive elements of Dierre Group's relationship with its customers.

Customer relations are based on:

- full **transparency and fairness**
- maintaining **high quality standards** of its products and maximizing customer satisfaction
- **replying promptly to complaints**
- a commitment to make its facilities and services accessible to people with disabilities, **eliminating any architectural barriers**
- compliance with the law, with particular reference to anti-money laundering regulations, as well as handling stolen goods and the use of money, goods or benefits of unlawful origin.
- the regular monitoring of achieving customer satisfaction and loyalty objectives.

### 3.5 Communication and responsible marketing

The Group is committed to respecting the principles of transparency and confidentiality, in particular:

- to provide truthful, complete, transparent and comprehensible information to allow the recipients to make informed decisions regarding the relationships to be maintained with the Group itself or which involve the Group;
- to update, disclose and enforce the “Policy” issued by the Parent Company regarding the management, processing and communication to third parties of confidential information, to which it requires the recipients to comply with;
- to safeguard the confidentiality of data and information that the employee and/or collaborator may be in possession of;
- to consider confidentiality as a cornerstone of corporate activity and fundamental for the reputation of the Group and the trust that customers place in it. It is therefore expressly forbidden to communicate, divulge or make improper use of data, information or news concerning customers or third parties in general, with whom the Group has, or is about to have, business relations.

Dierre’s commitment to safeguarding the privacy and sensitive data of which it becomes aware when carrying out its business is confirmed by there being no episodes of Customer data being lost or stolen or complaints being made during 2020.

### Trade fairs: a place for communicating and meeting up

Trade fairs are an important occasion for Dierre Group for promoting the company and meeting its customers. Given the Covid-19 Pandemic, it was not possible for the Group to maintain its commitment to organize and participate at trade fairs because almost all the scheduled events were postponed. The Group is confident that with the on-going improvement in the health situation, it will be possible to safely organize these important occasions, which allow it to personally meet its customers.





## 4. Responsibility towards people



## 4. Responsibility towards people

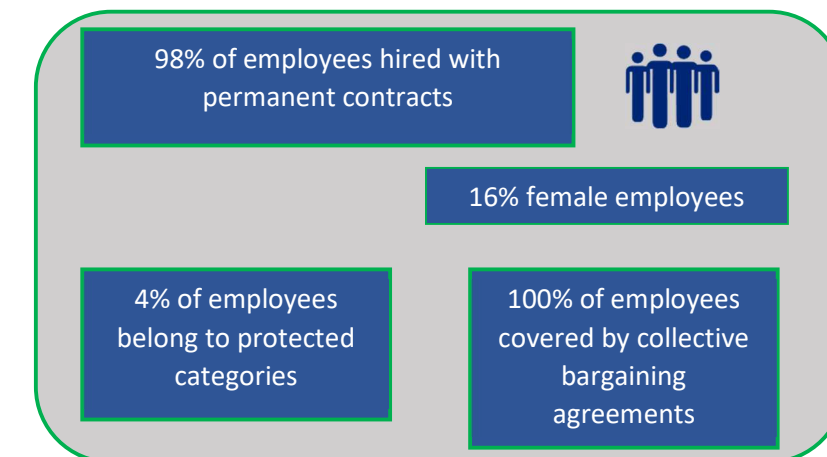
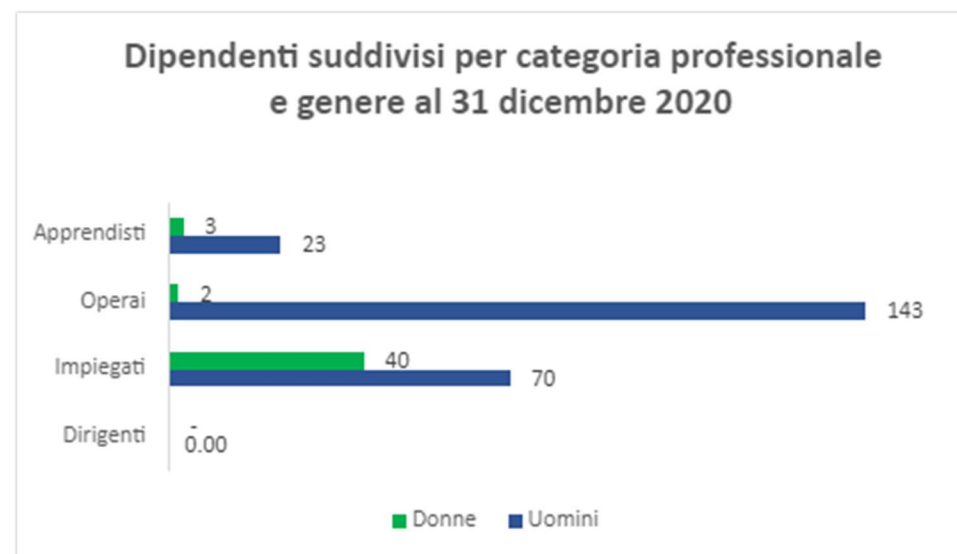
### 4.1 Dierre Group human resources

Dierre Group regards its employees and collaborators as a valuable resource for innovation and the continuous growth of its business.

As of 31 December 2020, the Group had 281 employees and 16 external collaborators, making a total workforce of 297, an increase of 0.3% compared to 2019.

Women account for 16% of all employees. There are 12 workers belonging to protected categories, 4% of the Group's employees.

No incidents of discrimination in the workplace were reported by the Group during 2020.





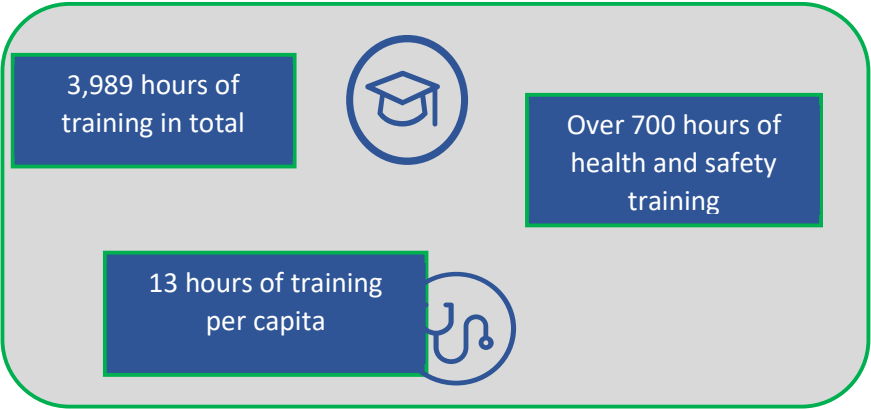
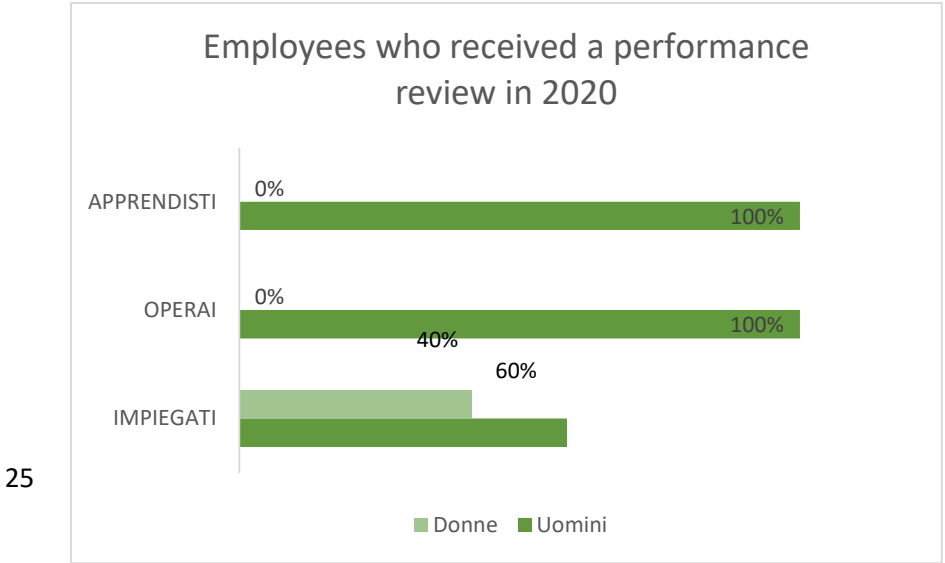
4.2 Personnel management and development

The Group undertakes to train all employees and to encourage their participation in refresher courses and training programs so that the genuine ambitions and skills of individuals are developed in line with corporate objectives.

Dierre **selects, appoints, rewards and manages staff on the basis of merit and ability**, without discrimination. The company evaluation system is managed transparently and objectively in accordance with the principles set out in the Code of Ethics, which is a prerequisite for the application of the reward and career progression systems provided for in contractual regulations to reinforce motivation and give fair rewards to encourage the achievement of excellent results. During 2020, all the employees of the Parent Company, equal to 49% of the total number of Group employees, received a regular and transparent performance evaluation.

In 2020, the Group provided **approximately 4,000 hours of training**, of which over 700 were dedicated to health and safety, a significant increase compared to 2019 (190%). Despite the challenges caused by the pandemic and the need to resort to distance learning, the company anyway wanted to ensure, with a view to continuity with previous years, a training program aimed at reinforcing aspects related to the health and safety of its employees.

Dierre’s annual training program also includes advanced training in the following areas: “languages”, "internationalization", "technical area", "IT" and "production area". There are also initiatives aimed at promoting the awareness of the values and rules of conduct referred to in the Code of Ethics. For new hires, a training program is provided on the Code of Ethics as part of the company introduction courses.



### 4.3 Respect for human rights

The Group's essential value is to safeguard personal safety, freedom and individual personality.

Dierre Group **strongly condemns any form of discrimination or violence on racial, ethnic, national or religious grounds.**

It also gives **primary importance to the protection of minors** and condemns all forms of exploitation.

It is therefore forbidden (and completely unrelated to the Group) to misuse IT systems and, in particular, to use them to implement or even merely assist conduct relating to offences involving child pornography, even involving virtual images.

In order to ensure full respect for the individual, the Group is also committed to **complying with and ensuring that its employees, suppliers, collaborators and partners comply with current employment protection legislation**, especially with regard to child labour.

Every employee who, during the performance of his or her work becomes aware of actions of conduct that may affect personal safety, as indicated above, as well as any discriminatory conduct, has the duty to notify their manager and the 'Supervisory body' immediately.

The Group is committed to offering equal job opportunities and professional growth to all employees according to their skills and professional qualifications, without discrimination, nepotism or favouritism.

Dierre operates in full compliance with the freedom of association legislation and

the right to collective bargaining, in compliance with the provisions of the Code of Ethics.

100% of Group employees are covered by collective bargaining agreements.

#### 4.4 Our commitment to the well-being, health and safety of employees

Safeguarding the moral integrity and physical safety of employees is a requirement for carrying out work. Dierre Group strives to ensure the protection of the health and safety of its employees and collaborators and undertakes to consolidate and disseminate the culture of safety, develop risk awareness and promote responsible conduct by all its personnel.

In the current, complicated scenario of the Covid-19 pandemic, first we have guaranteed a safe working environment for our employees and collaborators by implementing specific safety protocols to limit the risk of contracting the virus and have continued to provide training courses on health and safety. In May 2020, the Dierre S.p.A prevention manual had already been appropriately integrated with risk management related to the Covid-19 pandemic. In addition, a special anti-contagion protocol was drawn up, which is an integral part of the DUVRI (Interference Risk Assessment Document)

prepared with each contractor. The Group has also drawn up a biological risk assessment document related to the spread of Covid-19, which also contains the details of the health facilities involved in the management of this risk.

The Group operates and makes its decisions in accordance with the following basic principles and criteria regarding occupational health and safety:

- avoiding risks;
- evaluating the risks that cannot be avoided;
- combating the risks at source;

- adapting the work to the individual, especially as regards the design of work places, the choice of work equipment and the choice of working and production methods, with a view, in particular, to alleviating monotonous work and to reducing their effect on health;
- adapting to technical progress;
- replacing the dangerous by the non-dangerous or the less dangerous;
- developing a coherent overall prevention policy which covers technology, organization of work, working conditions, social relationships and the influence of factors related to the working environment;
- giving collective protective measures priority over individual protective measures;
- giving appropriate instructions to the workers.

The Group follows these principles in order to adopt the measures required to protect the safety and health of workers, including the prevention of occupational hazards, information and training.

Occupational health assessments are carried out annually for all production personnel and every two or five years for all clerical staff, depending on age.

Worker's health and safety representatives have been elected who attend the annual meeting and are involved in the risk assessment and planning of improvement measures.

Dierre's training program includes courses on health and safety in order to ensure that its employees have sufficient awareness of these issues. Over **700 hours of health and safety training** were provided in 2020.

There were 10 accidents in 2020, none of which were serious<sup>1</sup>.

This was 23% lower than in 2019.

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<sup>1</sup> Work-related accidents that results in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months.



## 5. Environmental responsibility





## 5. Environmental responsibility

### 5.1 Our commitment to the environment

The group is committed to pursuing environmental protection, with the aim of continuously improving its environmental performance through:

- raising the awareness of shareholders, employees and collaborators on environmental issues
- an approach to design aimed at minimizing the environmental impact that could arise from the design choices made and pollution prevention.
- compliance with national and EU legislation and regulations on environmental matters.

Environmental protection is of a priority issue for the Group. Dierre Group has demonstrated its commitment to this by successfully launching a **renewable energy project**.

In fact, in 2020 the Group applied to access the Energy Fund for Emilia Romagna created to provide incentives aimed at reducing energy consumption and climate change emissions, including the installation of plant for producing energy from renewable sources.

The investment project involved the **construction of 3 power generation plants from renewable sources**<sup>2</sup> capable of covering part of the energy requirements and contributing to the reduction of CO<sub>2</sub> and energy costs. The objective of the

project was to reduce greenhouse gas emissions through the production of clean energy, with **an estimated saving of 74.21 tons of CO<sub>2</sub>** (source Ecoinvent), corresponding to an overall production of 143,705 kWh/year.



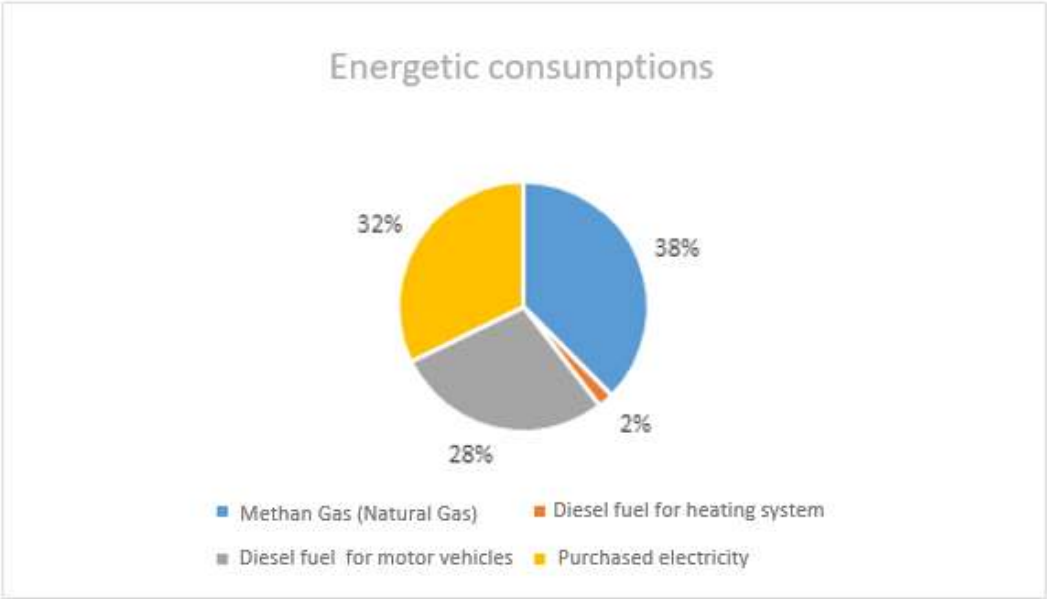
**FONDO  
EnERgia**

<sup>2</sup> The systems were put into service in September 2020

5.2 Energy consumption and emissions

In 2020, Dierre Group consumed a total of 11,911 GJ<sup>3</sup> of energy at its 14 production sites, 6% less than in 2019.

The most significant amount of energy consumption comes from methane (38%), which is used for heating, followed by the electricity used by the Group in the production processes, which represents approximately 32% of the total.



Part of the Group's energy consumption is attributable to the use of heating oil (237 GJ) and diesel used to power the fleet of cars and forklift trucks (3,335 GJ).

Through its photovoltaic systems, the Group produces 240 GJ of renewable energy, which is partly sold to the grid (139 GJ) and partly used (101 GJ).

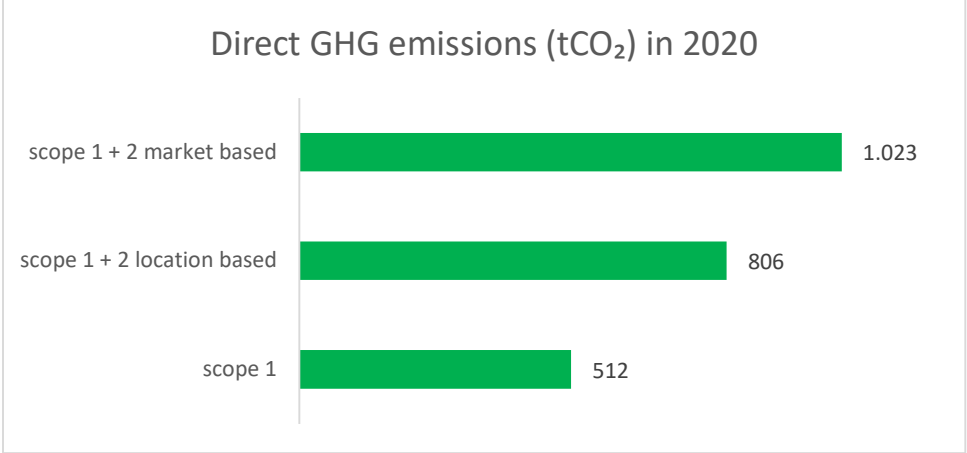
<sup>3</sup> The following conversion factors were used to calculate the energy consumption in GJ:

- Natural Gas: 35,303 GJ/1000\*StdM3 (Source: ISPRA 2020)
- Heating oil: 42,877 GJ/t (Source: ISPRA 2020)
- Diesel for vehicles: 42.78 GJ/t (Source: NIR: ITALIAN GREENHOUSE GAS INVENTORY 1990-2017. NATIONAL INVENTORY REPORT 2020)

- LPG for vehicles: 46.13 GJ/t (Source: NIR: ITALIAN GREENHOUSE GAS INVENTORY 1990-2017. NATIONAL INVENTORY REPORT 2020)

The direct emissions generated by the Group in 2020 from the use of methane, diesel oil and LPG (Scope 1) amounted to 512 tons of CO<sub>2</sub> (3.4% less compared to 2019) while emissions from the consumption of electricity calculated according to the Market based method<sup>4</sup> (Scope 2), amount to 1,023 tons of CO<sub>2</sub> (11% less compared to 2019), if added to Scope 1 emissions. On the other hand, using the Location based accounting method, Scope emissions 2 and Scope 1 emissions amounted to 806 tons of CO<sub>2</sub> (13.8% less compared to 2019). As regards atmospheric emissions other than CO<sub>2</sub>, for 2020, the emissions of NO<sub>x</sub> and SO<sub>x</sub> were zero; as regards other emissions, the Dierre SpA and Sintesi plants produced 63.08 kg of particulate matter (PM).

In addition, no emissions of ozone-depleting substances (ODS)<sup>5</sup> were generated by the Group in 2020.



<sup>4</sup> The GRI Sustainability Reporting Standards provide two methods for calculating Scope 2 emissions, the “Location-based method” and the “Market-based method”.  
The emission factors used for the calculation of Scope 1 are:  
- Natural Gas: 1,975 tCO<sub>2</sub>/1000\*Std<sup>m</sup> (Source: ISPRA 2020)  
- Diesel for vehicles: 3,151 tCO<sub>2</sub>/t (Source: ISPRA 2020)  
- Heating oil: 3,155 tCO<sub>2</sub>/t (Source: ISPRA 2020)  
- LPG for vehicles: 3,026 tCO<sub>2</sub>/t (Source: ISPRA 2020)  
Scope 1 emissions are expressed in tons of CO<sub>2</sub>, as the source used does not include the emission factors of gases other than CO<sub>2</sub>.  
Both calculation methods were used to calculate Scope 2 emissions, in line with the GRI Sustainability Reporting Standards. The Market-based calculation is based on the CO<sub>2</sub> emissions emitted by energy suppliers from which the Organization purchases electricity through a direct contract, and can be

calculated by taking into account: Energy Guarantees of Origin certificates and direct agreements with suppliers, supplier specific emission factors, “residual mix” emission factors, i.e. untracked or unclaimed energy and emissions (method used, with Italy 2020 emission factor: 0.483 kg CO<sub>2</sub>/kWh- source: AIB - European Residual Mixes 2018). The Location-based method is based on average energy emission factors for well-defined geographical areas, including local, sub-national or national boundaries (methodology used, with Italy 2020 emission factor: 0.316 kg CO<sub>2</sub>/kWh- source: ISPRA 2020). Scope 2 emissions are expressed in tons of CO<sub>2</sub>, however the percentage of methane and nitrous oxide has a negligible effect on the total greenhouse gas emissions (CO<sub>2</sub>e) as inferred the technical reference literature.

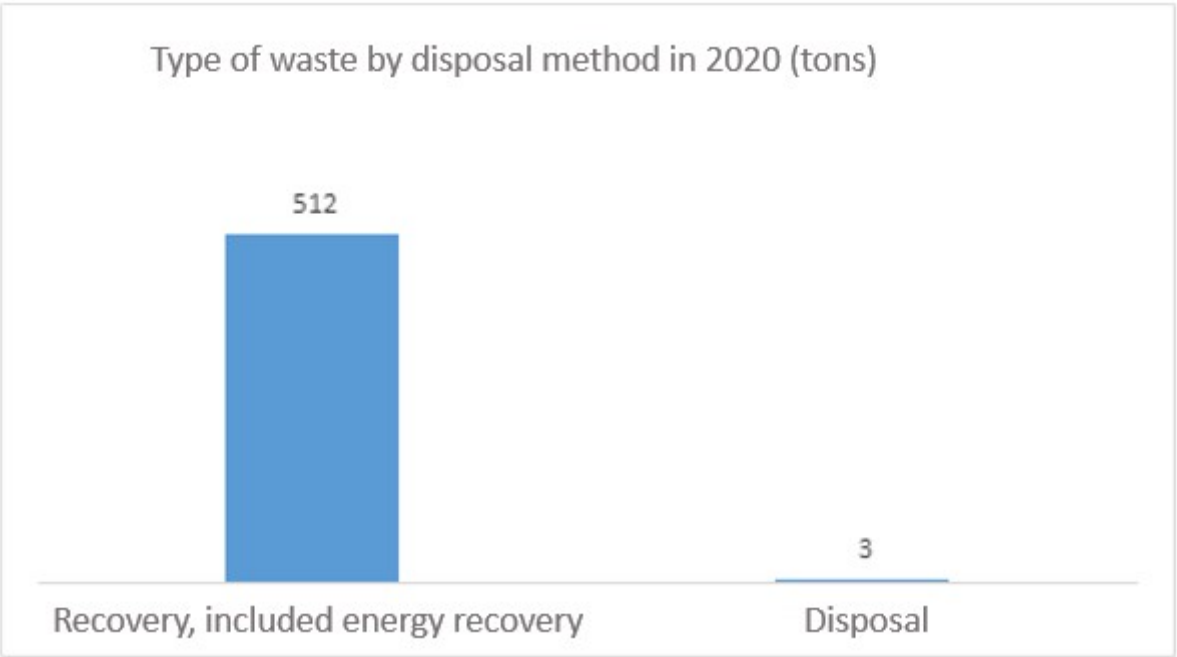
<sup>5</sup> ODS (ozone-depleting substance): substances with an ozone depletion potential (ODP) greater than 0 that can deplete the stratospheric ozone layer.

5.3 Waste

In 2020, the Group produced a total of 514 tons of waste. Almost all of this waste is non-hazardous (99.5%), while hazardous waste amounts to 3 tons (0.5%).

The Group encourages recovery as a waste disposal method and in 2020 it **recovered 512 tons of all waste produced, 99%.**

In this perspective, Sintesi Srl, which designs and manufactures soundproofing and industrial safety guards, and which alone produces 65% of the total waste, has taken steps to implement a process to separate materials that are being disposed of, which makes their recovery much easier.



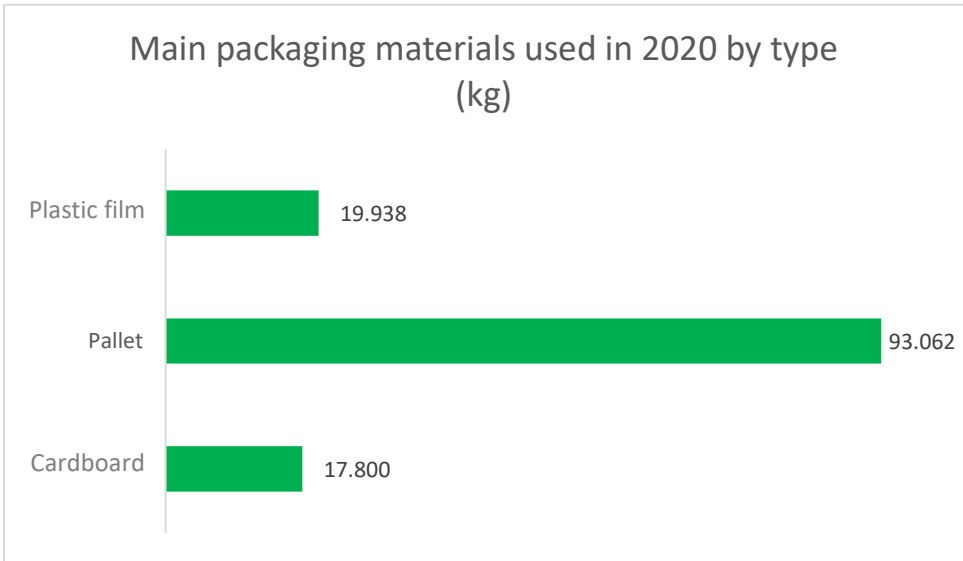
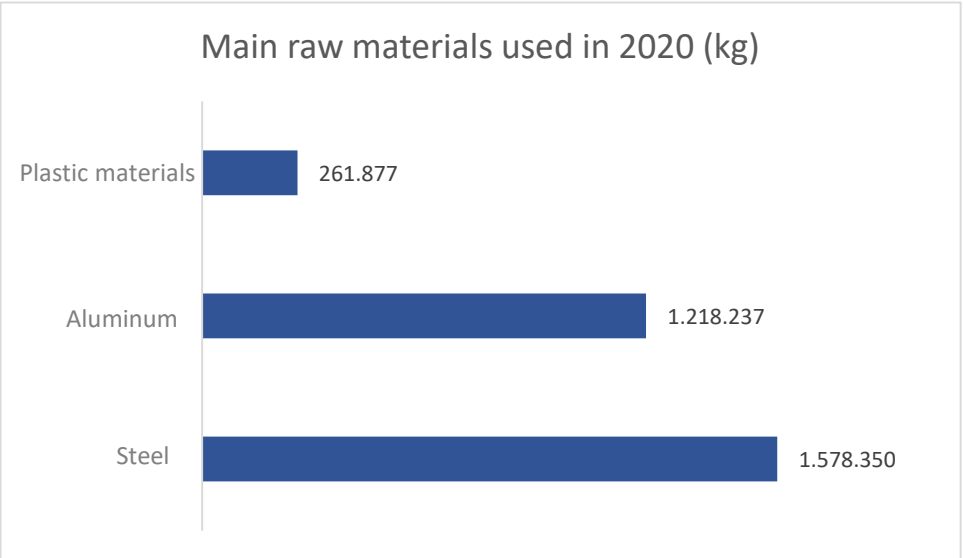
5.4 Materials and packaging

The main raw materials used by Dierre Group for manufacturing are **steel and aluminium**. The Group also uses small amounts of plastic for some components of its products.

In 2020, the Group used 1,578,350 kg of steel (52%), 1,218,237 kg of **aluminium (40%)** of which 393.76 kg was composite aluminium, and 271,877 kg of **plastic materials (8%)**.

The Group mainly uses **pallets, cardboard and plastic film** for packaging.

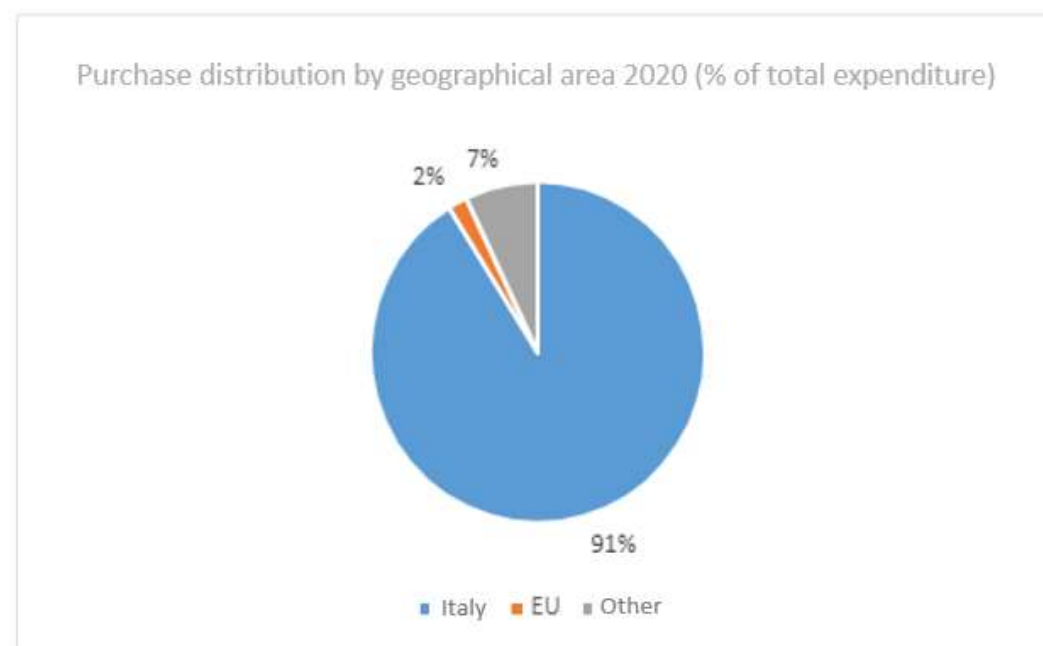
In 2020, 93,062 kg of pallets (71%), 19,938 kg of plastic film (15%) and 17,800 kg of cardboard (14%) were used.





## 6. Social Responsibility



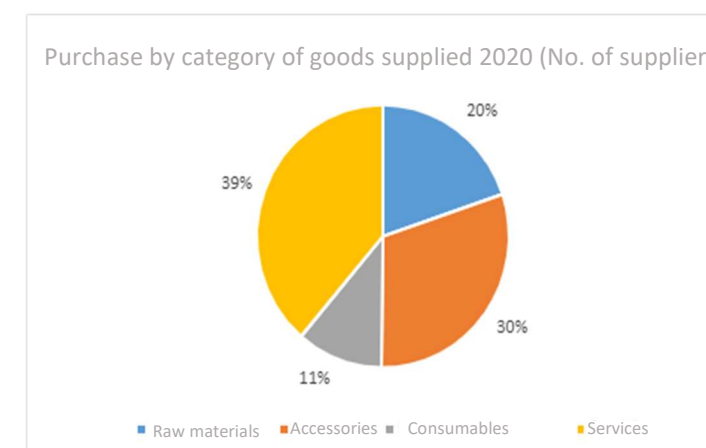
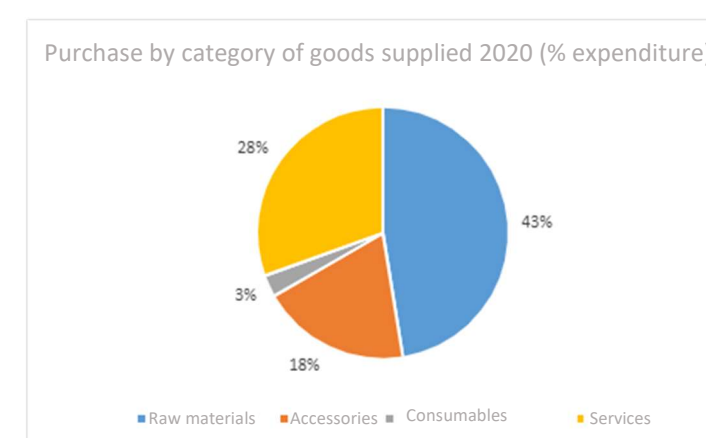


The Group also requires its suppliers and partners to comply with current employment legislation, especially as regards child labour, women's rights, working conditions and hours, social security and pension contributions, and wages.

Dierre Group worked with more than **1,000 suppliers** in 2020. Of these, 396 supply accessories (30%), 505 supply of services (39%) and 258 supply raw materials (20%).

The most significant category in economic terms is that of suppliers of raw materials that accounted for Group annual purchases of over € 9 million (43%),

<sup>6</sup> Dierre Group considers suppliers as being local if they have their registered office in Italy.



operates. Out of a total expenditure of approximately 21 million euros, almost all of the Group's purchases in 2020 were from suppliers that are considered local (over 19 million euros)<sup>7</sup>.

<sup>7</sup> Data on purchases from local suppliers does not include Dierre Robotics.

while suppliers of accessories accounted for over € 3 million (18%), followed by service providers that accounted for over € 5 million (28%). Purchases of other consumables and packaging represent an insignificant amount of total purchases.

**Whenever possible, Dierre Group prefers to purchase from local suppliers<sup>6</sup>** in order to create value for the communities in which the Group

## 6.2 Collaboration and partnership development

Doing business today means putting yourself at the centre of the community and the area in which you work because it is also from there that a company derives its strength, identity and credibility.

**In addition to safety and eco-sustainability, one of the values** that has always inspired Dierre Group is **corporate social responsibility**. The Group has always promoted and supported sports, cultural and solidarity projects aimed at overcoming issues that have a social and ethical impact and consequently the well-being of the community.

In the midst of the pandemic, Dierre Group did not lose sight of its goals regarding solidarity that binds the company to the area. It donated 10 Coronavirus protection

screens to the Municipality of Fiorano for the safety of the employees who have continued to provide their services to the community. The mayor of Fiorano, Francesco Tosi, personally expressed his thanks to the company President, Giuseppe Rubbiani, for this important gesture.

In addition, Dierre Group's commitment to promoting amateur sporting events continues together with the Ferrara Triathlon Club, one of the first companies to register with the Italian Triathlon Federation. Founded in 1984, the registration number of the Ferrara Triathlon Club is number 6 in chronological order. Again this year, Dierre is one of the sponsors of the Ferrara club that has been promoting Triathlon sports for over 30 years

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## 7. Appendix

### Boundaries of the material topics

MATERIAL TOPIC	GRI STANDARD	IMPACT BOUNDARY	GROUP INVOLVEMENT
Ethics, integrity and transparency	ANTI-CORRUPTION (GRI 205) ANTI-COMPETITIVE BEHAVIOUR (GRI 206)	Dierre Group	Caused by the Group
Compliance	ENVIRONMENTAL COMPLIANCE (GRI 307) SOCIOECONOMIC COMPLIANCE (GRI 419)	Dierre Group	Caused by the Group
Value creation	-	Dierre Group	Caused by the Group
Product quality and safety	CUSTOMER HEALTH AND SAFETY (GRI 416)	Dierre Group	Caused by the Group
Brand identity	-	Dierre Group	Caused by the Group
Innovation, Research and Development	-	Dierre Group	Caused by the Group
Responsible marketing	MARKETING AND LABELLING (GRI 417) CUSTOMER PRIVACY (GRI 418)	Dierre Group	Caused by the Group
Energy consumption	ENERGY (GRI 302)	Production facilities	Caused by the Group
Emissions and climate change	EMISSIONS (GRI 305)	Production facilities and electricity suppliers	Caused by the Group and directly linked to through a business relationship
Waste and packaging	EFFLUENTS AND WASTE (GRI 306) MATERIALS (GRI 301)	Production facilities	Caused by the Group
Human resource management and development	EMPLOYMENT (GRI 401) TRAINING AND EDUCATION (GRI 404)	Dierre Group	Caused by the Group
Employee health and safety	OCCUPATIONAL HEALTH AND SAFETY (GRI 403)	Dierre Group employees <sup>8</sup>	Caused by the Group
Workers rights	DIVERSITY AND EQUAL OPPORTUNITY (GRI 405) NON-DISCRIMINATION (GRI 406)	Dierre Group	Caused by the Group
Supply chain management	PROCUREMENT PRACTICES (GRI 204)	Dierre Group	Caused by the Group

<sup>8</sup> The boundary of the data on health and safety only includes employees. The Group will make a more detailed analysis on the importance of non-employee workers in order to assess the need to collect data from the employers of external collaborators and suppliers operating at the Group's facilities and/or under the Group's control and to evaluate the quality and accuracy of this data, over which it does not have direct control.

## Performance indicators

### Responsibility towards people

#### GRI DISCLOSURE STANDARD 102-8

Number of employees and contractors by professional category and by gender as of 31 December 2020			
	Men	Women	Total
<b>Employees</b>	<b>236</b>	<b>45</b>	<b>281</b>
Managers	-	-	-
Office workers	70	40	110
Workers	143	2	145
Apprentices	23	3	26
<b>Contractors</b>	<b>14</b>	<b>-</b>	<b>16</b>
Contingent workers	5	1	6
Other (agents, consultants, etc.)	9	1	10
<b>Total Workforce</b>	<b>250</b>	<b>47</b>	<b>297</b>
Number of employees and contractors by professional category and by gender as of 31 December 2019			
	Men	Women	Total
<b>Employees</b>	<b>235</b>	<b>45</b>	<b>280</b>
Managers	-	-	-
Office workers	71	39	110
Workers	146	3	149
Apprentices	18	3	21
<b>Contractors</b>	<b>16</b>	<b>-</b>	<b>16</b>
Contingent workers	7	-	7
Other (agents, consultants, etc.)	9	-	9
<b>Total Workforce</b>	<b>251</b>	<b>45</b>	<b>296</b>
Number of employees by type of contract and gender as of 31 December 2020			
Type of contract	Men	Women	Total
Permanent	229	46	275



Fixed term	6	-	6
<b>Total</b>	<b>235</b>	<b>46</b>	<b>281</b>
<b>Number of employees by type of contract and gender as of 31 December 2019</b>			
<b>Type of contract</b>	<b>Men</b>	<b>Women</b>	<b>Total</b>
Permanent	229	43	<b>272</b>
Fixed term	6	2	<b>8</b>
<b>Total</b>	<b>235</b>	<b>45</b>	<b>280</b>

<b>Number of employees by type of employment and gender as of 31 December 2020</b>			
<b>Type of employment</b>	<b>Men</b>	<b>Women</b>	<b>Total</b>
Full-time	232	38	270
Part-time	3	8	11
% Part-time	1.28%	17.39%	3.91%
<b>Total</b>	<b>235</b>	<b>46</b>	<b>281</b>
<b>Number of employees by type of employment and gender as of 31 December 2019</b>			
<b>Type of employment</b>	<b>Men</b>	<b>Women</b>	<b>Total</b>
Full-time	231	37	<b>268</b>
Part-time	4	8	<b>12</b>
% Part-time	2%	18%	<b>4%</b>
<b>Total</b>	<b>235</b>	<b>45</b>	<b>280</b>

**GRI DISCLOSURE STANDARD 405-1**

Number of employees by professional category, age group and gender as of 31 December 2020							
	<30 years		30-50 years		>50 years		Total
	Men	Women	Men	Women	Men	Women	
Managers	0	0	0	0	0	0	0
Office workers	11	6	45	22	14	12	110
Workers	27	0	87	1	30	1	146
Apprentices	21	3	0	1	0	0	25
<b>Total</b>	<b>59</b>	<b>9</b>	<b>132</b>	<b>24</b>	<b>44</b>	<b>13</b>	<b>281</b>
Number of employees by professional category, age group and gender as of 31 December 2019							
	<30 years		30-50 years		>50 years		Total
	Men	Women	Men	Women	Men	Women	
Managers	-	-	-	-	-	-	-
Office workers	11	9	46	18	14	12	<b>110</b>
Workers	29	1	61	32	25	1	<b>149</b>
Apprentices	16	2	2	1	-	-	<b>21</b>
<b>Total</b>	<b>56</b>	<b>12</b>	<b>109</b>	<b>51</b>	<b>39</b>	<b>13</b>	<b>280</b>
Percentage of employees by professional category, age group and gender as of 31 December 2020							
	<30 years		30-50 years		>50 years		Total
	Men	Women	Men	Women	Men	Women	
Managers	0	0	0	0	0	0	0
Office workers	10%	5%	41%	20%	13%	11%	10%
Workers	18%	0%	60%	1%	21%	1%	18%

Apprentices	84%	12%	0%	4%	0%	0%	84%
<b>Total</b>	<b>21%</b>	<b>3%</b>	<b>47%</b>	<b>9%</b>	<b>16%</b>	<b>5%</b>	<b>100%</b>

Percentage of employees by professional category, age group and gender as of 31 December 2019							
	<30 years		30-50 years		>50 years		Total
	Men	Women	Men	Women	Men	Women	
Managers	-	-	-	-	-	-	<b>0%</b>
Office workers	10%	8%	16%	16%	13%	11%	<b>39%</b>
Workers	19%	1%	21%	21%	17%	1%	<b>53%</b>
Apprentices	76%	10%	5%	5%	0%	0%	<b>8%</b>
<b>Total</b>	<b>20%</b>	<b>4%</b>	<b>39%</b>	<b>18%</b>	<b>14%</b>	<b>5%</b>	<b>100%</b>

Protected categories and other indicators of diversity by professional category and gender as of 31 December 2020			
Professional category	Men	Women	Total
<b>Managers</b>	-	-	-
Non-Italian citizenship	0	0	-
Belonging to protected categories	0	0	-
<b>Office workers</b>	3	2	5
Non-Italian citizenship	0	0	-

Belonging to protected categories	3	2	5
<b>Workers</b>	<b>41</b>	<b>-</b>	<b>41</b>
Non-Italian citizenship	34	0	34
Belonging to protected categories	7	0	7
<b>Apprentices</b>	<b>-</b>	<b>-</b>	<b>-</b>
Non-Italian citizenship	0	0	-
Belonging to protected categories	0	0	-
<b>Total</b>	<b>44</b>	<b>2</b>	<b>46</b>
<b>Protected categories and other indicators of diversity by professional category and gender as of 31 December 2019</b>			
<b>Professional category</b>	<b>Men</b>	<b>Women</b>	<b>Total</b>
<b>Managers</b>	<b>-</b>	<b>-</b>	<b>-</b>
Non-Italian citizenship	-	-	-
Belonging to protected categories	-	-	-
<b>Office workers</b>	<b>4</b>	<b>2</b>	<b>6</b>
Non-Italian citizenship	-	-	-
Belonging to protected categories	4	2	<b>6</b>
<b>Workers</b>	<b>40</b>	<b>-</b>	<b>40</b>
Non-Italian citizenship	35	-	<b>35</b>
Belonging to protected categories	5	-	<b>5</b>



Apprentices	-	1	1
Non-Italian citizenship	-	1	1
Belonging to protected categories	-	-	-
<b>Total</b>	<b>40</b>	<b>1</b>	<b>41</b>

Composition of the Board of Directors by gender and age group as of 31 December 2020 (%)				
	<30 years	30-50 years	>50 years	Total
Men	0%	20%	80%	100%
Women	0%	0%	0%	0%

#### GRI DISCLOSURE STANDARD 102-41

Percentage of employees covered by collective bargaining agreements at 31 December 2020	
Total employees	281
Employees covered by collective bargaining agreements	281
Percentage of total employees	100%

#### GRI DISCLOSURE STANDARD 401-1

New employee hires by gender and age group 2020				
	<30 years	30-50 years	>50 years	Total
Men	14	15	3	32
Women	-	2	-	2
<b>Total</b>	<b>14</b>	<b>17</b>	<b>3</b>	<b>34</b>
New employee hires by gender and age group 2019				
	<30 years	30-50 years	>50 years	Total
Men	20	22	1	<b>43</b>

Women	5	3	-	<b>8</b>
<b>Total</b>	<b>25</b>	<b>25</b>	<b>1</b>	<b>51</b>

Rate of new employee hires by gender and age group 2020				
	<30 years	30-50 years	>50 years	Total
Men	24%	11%	7%	14%
Women	0%	8%	0%	4%
<b>Total</b>	<b>21%</b>	<b>11%</b>	<b>5%</b>	<b>12%</b>
Rate of new employee hires by gender and age group 2019				
	<30 years	30-50 years	>50 years	Total
Men	35.7%	20.2%	2.6%	<b>21.1%</b>
Women	41.7%	5.9%	0.0%	<b>10.5%</b>
<b>Total</b>	<b>36.8%</b>	<b>15.6%</b>	<b>1.9%</b>	<b>18.2%</b>

Employee turnover by gender and age group 2020				
	<30 years	30-50 years	>50 years	Total
Men	7	17	5	29
Women	1	-	2	3
<b>Total</b>	<b>8</b>	<b>17</b>	<b>7</b>	<b>32</b>
Employee turnover by gender and age group in 2019				
	<30 years	30-50 years	>50 years	Total
Men	12	16	-	<b>28</b>
Women	1	4	2	<b>7</b>
<b>Total</b>	<b>13</b>	<b>20</b>	<b>2</b>	<b>35</b>

Employee turnover by gender and age group 2020				
	<30 years	30-50 years	>50 years	Total
Men	12%	13%	11%	12%
Women	11%	0%	15%	7%
<b>Total</b>	<b>12%</b>	<b>11%</b>	<b>12%</b>	<b>11%</b>
Employee turnover by gender and age group 2019				

	<30 years	30-50 years	>50 years	Total
Men	21.4%	14.7%	0.0%	<b>13.7%</b>
Women	8.3%	7.8%	15.4%	<b>9.2%</b>
<b>Total</b>	<b>19.1%</b>	<b>12.5%</b>	<b>3.8%</b>	<b>12.5%</b>

#### GRI DISCLOSURE STANDARD 404-1

Hours of mandatory training for employees, by professional category and gender 2020									
	N. Hours Men	Total employees men	N. hours per capita men	N. Hours Women	Total employees women	N. hours per capita women	N. Hours Total	Total employees	N. hours per capita
Managers	-	-	-	-	-	0	-	-	0
Office workers	107	70	2	24	40	0.6	131	110	1.19
Workers	506	143	4	-	2	0	506	145	3.49
Apprentices	87	23	4	-	3	0	87	26	3.35
<b>Total</b>	<b>700</b>	<b>236</b>	<b>3</b>	<b>24</b>	<b>45</b>	<b>1</b>	<b>724</b>	<b>281</b>	<b>3</b>
Hours of mandatory training for employees, by professional category and gender 2019									
	N. Hours Men	Total employees men	N. hours per capita men	N. Hours Women	Total employees women	N. hours per capita women	N. Hours Total	Total employees	N. hours per capita
Managers	-	-	-	-	-	-	-	-	-
Office workers	880	71	12.39	345	39	8.85	1,225	110	11.14
Workers	2,502	146	17.14	14	3	4.67	2,516	149	16.89
Apprentices	180	18	10.00	20	3	6.67	200	21	9.52
<b>Total</b>	<b>3,562</b>	<b>235</b>	<b>15.2</b>	<b>379</b>	<b>45</b>	<b>8.4</b>	<b>3,941</b>	<b>280</b>	<b>14.1</b>

Hours of non-mandatory training for employees, by professional category and gender 2020									
	N. Hours Men	Total employees men	N. hours per capita men	N. Hours Women	Total employees women	N. hours per capita women	N. Hours Total	Total employees	N. hours per capita
Managers	-	-	-	-	-	-	-	-	0

Office workers	682	70	10	1.237	40	31	1.920	110	17.45
Workers	571	143	4	-	2	-	571	145	3.93
Apprentices	767	23	33	8	3	3	775	26	29.79
<b>Total</b>	<b>2.019</b>	<b>236</b>	<b>9</b>	<b>1.245</b>	<b>45</b>	<b>28</b>	<b>3.265</b>	<b>281</b>	<b>12</b>
<b>Hours of non-mandatory training for employees, by professional category and gender 2019</b>									
	<b>N. Hours Men</b>	<b>Total employees men</b>	<b>N. hours per capita men</b>	<b>N. Hours Women</b>	<b>Total employees women</b>	<b>N. hours per capita women</b>	<b>N. Hours Total</b>	<b>Total employees</b>	<b>N. hours per capita</b>
Managers	-	-	-	-	-	-	-	-	-
Office workers	636	71	8.96	358	39	9.18	994	110	9.04
Workers	98	146	0.67	-	3	-	98	149	0.66
Apprentices	-	18	-	32	3	10.67	32	21	1.52
<b>Total</b>	<b>734</b>	<b>235</b>	<b>3.1</b>	<b>390</b>	<b>45</b>	<b>8.7</b>	<b>1,124</b>	<b>280</b>	<b>4.0</b>

<b>Hours of mandatory and non-mandatory training for employees, by professional category and gender 2020</b>									
	<b>N. Hours Men</b>	<b>Total employees men</b>	<b>N. hours per capita men</b>	<b>N. Hours Women</b>	<b>Total employees women</b>	<b>N. hours per capita women</b>	<b>N. Hours Total</b>	<b>Total employees</b>	<b>N. hours per capita</b>
Managers	-	-	-	-	-	-	-	-	-
Office workers	789	71	11	1.261	42	30	2.051	113	18
Workers	1.077	153	7	-	3	-	1.077	156	7
Apprentices	854	24	36	8	3	3	862	27	32
<b>Total</b>	<b>2.719</b>	<b>248</b>	<b>11</b>	<b>1.269</b>	<b>48</b>	<b>26</b>	<b>3.989</b>	<b>296</b>	<b>13</b>

Hours of mandatory and non-mandatory training for employees, by professional category and gender 2019									
	N. Hours Men	Total employees men	N. hours per capita men	N. Hours Women	Total employees women	N. hours per capita women	N. Hours Total	Total employees	N. hours per capita
Managers	-	-	-	-	-	-	-	-	-
Office workers	1,516	71	21.35	703	39	18.03	2,219	110	20.17
Workers	2,600	146	17.81	14	3	4.67	2,614	149	17.54
Apprentices	180	18	10.00	52	3	17.33	232	21	11.05
<b>Total</b>	<b>4,296</b>	<b>235</b>	<b>18.3</b>	<b>769</b>	<b>45</b>	<b>17.1</b>	<b>5,065</b>	<b>280</b>	<b>18.1</b>

#### GRI DISCLOSURE STANDARD 404-3

Employees receiving regular performance and professional development reviews by gender and professional category 2020			
Professional category	Men	Women	Total
Managers	-	-	-
Office workers	38	26	64
Workers	67	-	67
Apprentices	8	-	8
<b>Total</b>	<b>113</b>	<b>26</b>	<b>139</b>



**GRI DISCLOSURE STANDARD 403-9**

Number of fatalities and work-related injuries for employees 2020	
Number of fatalities as a result of work-related injury	-
Number of high-consequence work-related injuries <sup>9</sup> (excluding fatalities)	-
Number of recordable work-related injuries	10
Rate of fatalities and rate of work-related injuries for employees 2020	
Rate of fatalities as a result of work-related injury	-
Rate of high-consequence work-related injuries (excluding fatalities)	-
Rate of recordable work-related injuries <sup>10</sup>	28.2

Number of fatalities and work-related injuries for employees 2019	
Number of fatalities as a result of work-related injury	-
Number of high-consequence work-related injuries <sup>11</sup> (excluding fatalities)	-
Number of recordable work-related injuries	13
Rate of fatalities and rate of work-related injuries for employees 2019	
Rate of fatalities as a result of work-related injury	-
Rate of high-consequence work-related injuries (excluding fatalities)	-
Rate of recordable work-related injuries <sup>12</sup>	27.4

<sup>9</sup> Work-related accidents that results in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months.

<sup>10</sup> The injury rate was calculated as the ratio between the total number of injuries and the total number of hours worked, using a multiplication factor of 1,000,000. The data only includes accidents on the commute from home to work if the transport was arranged by the company.

<sup>11</sup> Work-related accidents that results in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months

<sup>12</sup> The injury rate was calculated as the ratio between the total number of injuries and the total number of hours worked, using a multiplication factor of 1,000,000. The data only includes accidents on the commute from home to work if the transport was arranged by the company.

## Environmental responsibility

### GRI DISCLOSURE STANDARD 301-1

Main raw materials used in 2020 (kg)		
Raw materials	2020	
	Quantity	% renewable
Steel	1,578,350	0%
Aluminium	1,218,237	0%
<i>of which composite aluminium</i>	39,376	
Plastic materials	261,877	0%
Main raw materials used in 2019 (kg)		
Raw materials	2019	
	Quantity	% renewable
Steel	2,778,383	0%
Aluminium	1,342,634	0%
<i>of which composite aluminium</i>	43,123	
Plastic materials	369,879	0%
Main packaging materials used in 2020 (kg)		
Packaging	2020	
	Quantity	% renewable

Cardboard	17,800	0%
<i>of which FSC certified</i>	-	
<i>of which recycled</i>	-	
Pallets	93,062	0%
<i>of which recycled</i>	-	
Plastic film	19,938	0%
<i>of which recycled</i>	-	
Main packaging materials used in 2019 (kg)		
Packaging	2019	
	Quantity	% renewable
Cardboard	18,239	0%
<i>of which FSC certified</i>	-	
<i>of which recycled</i>	-	
Pallets	100,094	0%
<i>of which recycled</i>	-	
Plastic film	20,707	0%
<i>of which recycled</i>	-	

**GRI DISCLOSURE STANDARD 302-1<sup>13</sup>**

Energy consumption by source in 2020			
Type of consumption	Unit of measurement	Total	Total (GJ)
Natural Gas (methane)	Smc	125,615	4.434
Heating oil	litres	6,590	237
Diesel for vehicles	litres	92,800	3.335
LPG for vehicles	litres	-	-
Electricity purchased	kWh	1,056,617	3.804
Self-generated electricity and consumed from renewable sources (photovoltaic)	kWh	38,671	101
Self-generated electricity sold to the grid from renewable sources (photovoltaic) <sup>14</sup>	kWh	28,073	139
<b>Total energy consumption</b>			<b>11,911</b>
Renewable energy			101
Non-renewable energy			11,810
<b>Renewable energy as % of the total</b>			<b>0.32%</b>
Energy consumption by source in 2019			
Type of consumption	Unit of measurement	Total	Total (GJ)
Natural Gas (methane)	Smc	147,169	5,196
Heating oil	litres	1,730	62
Diesel for vehicles	litres	88,152	3,168

<sup>13</sup> The following conversion factors were used to calculate the energy consumption in GJ:

- Natural Gas: 35,303 GJ/1000\*StdM3 (Source: ISPRA 2020)
- Heating oil: 42,877 GJ/t (Source: ISPRA 2020)
- Diesel for vehicles: 42.78 GJ/t (Source: NIR: ITALIAN GREENHOUSE GAS INVENTORY 1990-2017. NATIONAL INVENTORY REPORT 2020)
- LPG for vehicles: 46.13 GJ/t (Source: NIR: ITALIAN GREENHOUSE GAS INVENTORY 1990-2017. NATIONAL INVENTORY REPORT 2020)

<sup>14</sup> Not considered in the total amount of electricity consumed

LPG for vehicles	litres	899	23
Electricity purchased	kWh	1,280,354	4,609
Self-generated electricity and consumed from renewable sources (photovoltaic)	kWh	-	-
Self-generated electricity sold to the grid from renewable sources (photovoltaic) <sup>15</sup>	kWh	23,863	86
<b>Total energy consumption</b>			<b>12,734<sup>16</sup></b>
Renewable energy			-
Non-renewable energy			12,734
<b>Renewable energy as % of the total</b>			<b>0%</b>

**GRI DISCLOSURE STANDARD 305-1 and 305-2<sup>17</sup>**

Direct and indirect GHG emissions (tCO <sub>2</sub> ) in 2020	
SCOPE 1	512
SCOPE 2 - Location based	293
SCOPE 2 - Market based	510

<sup>15</sup> Not considered in the total amount of electricity consumed.

<sup>16</sup> Following an improvement in the reporting system, the data regarding total energy consumption for 2019 is shown again and differs from the data published in the previous Sustainability Report. For the value indicated in the 2019 Sustainability Report, please refer to the document published on the Group's website.

<sup>17</sup> The GRI Sustainability Reporting Standards provide two methods for calculating Scope 2 emissions, the "Location-based method" and the "Market-based method".

The emission factors used for the calculation of Scope 1 are:

- Natural Gas: 1,975 tCO<sub>2</sub>/1000\*Stdm<sup>3</sup> (Source: ISPRA 2020)
- Diesel for vehicles: 3,151 tCO<sub>2</sub>/t (Source: ISPRA 2020)
- Heating oil: 3,155 tCO<sub>2</sub>/t (Source: ISPRA 2020)
- LPG for vehicles: 3,026 tCO<sub>2</sub>/t (Source: ISPRA 2020)

Scope 1 emissions are expressed in tons of CO<sub>2</sub>, as the source used does not include the emission factors of gases other than CO<sub>2</sub>.

Both calculation methods were used to calculate Scope 2 emissions, in line with the GRI Sustainability Reporting Standards. The Market-based calculation is based on the CO<sub>2</sub> emissions emitted by energy suppliers from which the Organization purchases electricity through a direct contract, and can be calculated by taking into account: Energy Guarantees of Origin certificates and direct agreements with suppliers, supplier specific emission factors, "residual mix" emission factors, i.e. untracked or unclaimed energy and emissions (method used, with Italy 2020 emission factor: 0.483 kg CO<sub>2</sub>/kWh- source: AIB - European Residual Mixes 2018). The Location-based method is based on average energy emission factors for well-defined geographical areas, including local, sub-national or national boundaries (methodology used, with Italy 2020 emission factor: 0.316 kg CO<sub>2</sub>/kWh- source: ISPRA 2020). Scope 2 emissions are expressed in tons of CO<sub>2</sub>, however the percentage of methane and nitrous oxide has a negligible effect on the total greenhouse gas emissions (CO<sub>2</sub>e) as inferred the technical reference literature.



SCOPE 1 + SCOPE 2 - Location based	806
SCOPE 1 + SCOPE 2 - Market based	1,023
Direct and indirect GHG emissions (tCO <sub>2</sub> ) in 2019	
SCOPE 1	530
SCOPE 2 - Location based	405
SCOPE 2 - Market based	618
SCOPE 1 + SCOPE 2 - Location based	935
SCOPE 1 + SCOPE 2 - Market based	1,149

#### GRI DISCLOSURE STANDARD 305-7

Other significant air emissions in 2020 (kg)	
Particulate matter (PM)	63.08
Other standard categories of air emissions identified in relevant regulations	0.00
Total	63.08
Other significant air emissions in 2019 (kg)	
Particulate matter (PM)	66.88
Other standard categories of air emissions identified in relevant regulations	0.00
Total	66.88

#### GRI DISCLOSURE STANDARD GRI 306-2

Waste by type of disposal 2020 (t)				
Disposal method	Hazardous	Non-hazardous	Total	%
Treatment	0	0	-	0%
Recycling	0	0	-	0%
Composting	0	0	-	0%
Recovery, including energy recovery	0.02	511,811	512	99%
Incineration (mass burn)	0	0	-	0%
Deep well injection	0	0	-	0%

Landfill	0	0	-	0%
Disposal	2.58	0	3	1%
Other	0	0	-	0%
<b>TOTAL</b>	<b>2.60</b>	<b>512</b>	<b>514</b>	<b>100%</b>
<b>%</b>	<b>0.50%</b>	<b>99.50%</b>		
<b>Waste by type of disposal 2019 (t)</b>				
<b>Disposal method</b>	<b>Hazardous</b>	<b>Non-hazardous</b>	<b>Total</b>	<b>%</b>
Treatment	0.0	0.0	0.0	<b>0%</b>
Recycling	0.0	0.0	0.0	<b>0%</b>
Composting	0.0	0.0	0.0	<b>0%</b>
Recovery, including energy recovery	1.4	157.0	158.5	<b>60%</b>
Incineration (mass burn)	0.0	0.0	0.0	<b>0%</b>
Deep well injection	0.0	0.0	0.0	<b>0%</b>
Landfill	0.0	0.0	0.0	<b>0%</b>
Disposal	2.1	102.9	105.0	<b>40%</b>
Other	0.0	0.0	0.0	<b>0%</b>
<b>TOTAL</b>	<b>4</b>	<b>260</b>	<b>264</b>	<b>100%</b>
<b>%</b>	<b>1.35%</b>	<b>98.65%</b>		

## 8. Methodological Note

The aim of this document, which is Dierre Group's first Sustainability Report, is to communicate the Group's sustainability strategies and its performance in the field of environmental, social and economic sustainability for the year 2020 (from 1 January as of December 31) in a transparent manner. To ensure that the data can be compared over time, a comparison with 2019 data has been indicated, wherever available.

The Annual Report was drawn up using a selection of "GRI Sustainability Reporting Standards" published by the Global Reporting Initiative (GRI) as indicated in the "GRI content index" table. This makes it possible to highlight the coverage of the GRI indicators associated with each sustainability issue shown in this document. As regards the specific standard GRI 403 (Occupational Health and Safety), the most recent 2018 version has been adopted.

The boundary of the economic and social data and information is the same as that of the Dierre Group Consolidated Financial Statement as of 31 December 2020. With reference to environmental data and information, the reporting boundary coincides with the Group's production sites.

In order to ensure the reliability of data, the use of estimates has been limited as much as possible and, if used, are based on the best available methodologies and have been appropriately disclosed.

With regard to significant changes in the Group's size, organizational structure, ownership and supply chain, it should be noted that during the course of 2019, Dierre signed an agreement with the International Investment Company NB Aurora S.A. SICAF-RAIF ("NB Aurora"), for the sale of 49.9% of the Group's share capital. In 2019, Dierre Robotics, one of the companies of the Group, acquired the majority stake of Smart Application s.r.l. The merger by incorporation took place on 16 April 2019, with effect from 1 May 2019. It should also be noted that Dierre acquired DCM S.r.l. on 15 December 2020, with effect from 1 January 2021.

This document is not subject to external assurance.

For further information and suggestions regarding the Dierre Group Sustainability Report, please contact: [info@dierre.eu](mailto:info@dierre.eu).

This document is also available on the Dierre Group website: [www.dierre.eu](http://www.dierre.eu)

9. GRI Content index

This refers to the following GRI disclosures:

GRI Standards	Disclosure	Page	Notes
GRI 102: GENERAL STANDARD DISCLOSURES (2016)			
Organizational profile			
102-1	Name of the organization	4-6	
102-2	Activities, brands, products, and services	4; 18-19	
102-3	Location of headquarters	6	
102-4	Location of operations	6	
102-5	Ownership and legal form	5	
102-6	Markets served	11	
102-7	Scale of the organization	6; 11; 24; 38	
102-8	Information on employees and other workers	24; 39-40	
102-9	Supply chain	36	
102-10	Significant changes to the organization and its supply chain	56	
Strategy			

102-14	Statement from senior decision-maker	3	
Ethics and integrity			
102-16	Values, principles, standards, and norms of behaviour	10	
Governance			
102-18	Governance structure	9	
Stakeholder engagement			
102-40	List of stakeholder groups	14	
102-41	Collective bargaining agreements	26; 42	
102-42	Identifying and selecting stakeholders	14	
102-44	Key topics and concerns raised	15; 38	
Reporting practice			
102-45	Entities included in the consolidated financial statements	5; 56	
102-46	Defining report content and topic boundaries	38; 56	
102-47	List of material topics	15; 38	
102-48	Restatements of information	56	
102-49	Changes in reporting	56	
102-50	Reporting period	56	
102-51	Date of most recent report	Dierre Group's 2019 Sustainability Report was published in September 2020	



102-52	Reporting cycle	56	
102-53	Contact point for questions regarding the report	56	
102-54	Claims of reporting in accordance with the GRI Standards	56	
102-55	GRI Content index	57-67	
102-56	External assurance	56	
TOPIC-SPECIFIC STANDARDS			
Material topic: Ethics, integrity and transparency			
GRI 103: Management Approach (2016)			
103-1	Explanation of the material topic and its boundary	15; 38	
103-2	The management approach and its components	10	
103-3	Evaluation of the management approach	10	
GRI 205: Anti-corruption (2016)			
205-3	Confirmed incidents of corruption and actions taken	No confirmed incidents of corruption were recorded in 2020.	
GRI 206: Anti-competitive behaviour (2016)			
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	No legal action was brought against the Group for anti-competitive practices and/or violations of regulations regarding anti-trust and monopoly	

		practices in 2020.	
<b>Material topic: Compliance</b>			
<b>GRI 103: Management Approach (2016)</b>			
<b>103-1</b>	Explanation of the material topic and its boundary	15; 38	
<b>103-2</b>	The management approach and its components	10	
<b>103-3</b>	Evaluation of the management approach	10	
<b>GRI 307: Environmental compliance (2016)</b>			
<b>307-1</b>	Non-compliance with environmental laws and regulations	During 2020, there were no fines or non-monetary sanctions for non-compliance with environmental laws and regulations	
<b>GRI 419: Socioeconomic compliance (2016)</b>			
<b>419-1</b>	Non-compliance with laws and regulations in the social and economic area	There were no cases of non-compliance regarding information and the labelling of products and services in 2020.	
<b>Material topic: Product quality and safety</b>			
<b>GRI 103: Management Approach (2016)</b>			
<b>103-1</b>	Explanation of the material topic and its boundary	15; 38	
<b>103-2</b>	The management approach and its components	20	
<b>103-3</b>	Evaluation of the management approach	20	

GRI 416: Customer health and safety (2016)			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No confirmed incidents of non-compliance concerning the health and safety impacts of products and services were recorded in 2020.	
Material topic: Responsible marketing			
GRI 103: Management Approach (2016)			
103-1	Explanation of the material topic and its boundary	15; 38	
103-2	The management approach and its components	22	
103-3	Evaluation of the management approach	22	
GRI 417: Marketing and labelling (2016)			
417-2	Incidents of non-compliance concerning product and service information and labelling	During 2020, there were no cases of non-compliance regarding information and the labelling of products and services.	
GRI 305: Customer Privacy (2016)			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	22	
Material topic: Energy consumption			
GRI 103: Management Approach (2016)			

103-1	Explanation of the material topic and its boundary	15; 38	
103-2	The management approach and its components	31	
103-3	Evaluation of the management approach	31	
GRI 302: Energy (2016)			
302-1	Energy consumption within the organization	31; 52-53	
Material topic: Emissions and climate change			
GRI 103: Management Approach (2016)			
103-1	Explanation of the material topic and its boundary	15; 38	
103-2	The management approach and its components	32	
103-3	Evaluation of the management approach	32	
GRI 305: Emissions (2016)			
305-1	Direct GHG emissions (Scope 1)	32; 53	
305-2	Energy indirect (Scope 2) GHG emissions	32; 53	
305-6	Emissions of ozone-depleting substances (ODS)	32	
305-7	Nitrogen oxides (NOX), sulphur oxides (SOX) and other significant air emissions	32; 54	

<b>Material topic: Waste and packaging</b>			
<b>GRI 103: Management Approach (2016)</b>			
<b>103-1</b>	Explanation of the material topic and its boundary	15; 38	
<b>103-2</b>	The management approach and its components	30; 33	
<b>103-3</b>	Evaluation of the management approach	30; 33	
<b>GRI 306: Effluents and waste (2016)</b>			
<b>306-2</b>	Waste by type and disposal method	33; 54-55	
<b>GRI 301: Materials (2016)</b>			
<b>301-1</b>	Materials used by weight or volume	34; 50-51	
<b>Material topic: Occupational health and safety</b>			
<b>GRI 103: Management Approach (2016)</b>			
<b>103-1</b>	Explanation of the material topic and its boundary	15; 38	
<b>103-2</b>	The management approach and its components	27-28	
<b>103-3</b>	Evaluation of the management approach	27-28	
<b>GRI 403: Occupational health and safety (2018)</b>			
<b>403-1</b>	Occupational health and safety management system	27-28	
<b>403-2</b>	Hazard identification, risk	27-28	



	assessment, and incident investigation		
403-3	Occupational health services	27-28	
403-4	Worker participation, consultation, and communication on occupational health and safety	27-28	
403-5	Worker training on occupational health and safety	27-28	
403-6	Promotion of worker health	27-28	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	27-28	
403-9	Work-related injuries	28; 49	
Material topic: Human resource management and development			
GRI 103: Management Approach (2016)			
103-1	Explanation of the material topic and its boundary	15; 38	
103-2	The management approach and its components	25-27	
103-3	Evaluation of the management approach	25-27	
GRI 401: Employment (2016)			
401-1	New employee hires and employee turnover	44-46	
401-2	Benefits provided to full-time employees that are not provided to temporary or	Full-time employees do not receive benefits that are not also provided for part-time or fixed-	

	part-time employees	term employees.	
<b>GRI 404: Training and education (2016)</b>			
<b>404-1</b>	Average hours of training per year per employee	25; 46-48	
<b>404-3</b>	Percentage of employees receiving regular performance and career development reviews	25; 48	
<b>Material topic: Workers rights</b>			
<b>GRI 103: Management Approach (2016)</b>			
<b>103-1</b>	Explanation of the material topic and its boundary	15; 38	
<b>103-2</b>	The management approach and its components	26-28	
<b>103-3</b>	Evaluation of the management approach	26-28	
<b>GRI 405: Diversity and equal opportunity (2016)</b>			
<b>405-1</b>	Diversity of governance bodies and employees	9; 25; 40-44	
<b>GRI 406: Non-discrimination (2016)</b>			
<b>406-1</b>	Incidents of discrimination and corrective actions taken	24-26	
<b>Material topic: Supply chain management</b>			
<b>GRI 103: Management Approach (2016)</b>			
<b>103-1</b>	Explanation of the material topic and its boundary	15; 38	

103-2	The management approach and its components	36	
103-3	Evaluation of the management approach	36	
GRI 204: Procurement practices (2016)			
204-1	Proportion of spending on local suppliers	36	
Material topic: Value creation			
GRI 103: Management Approach (2016)			
103-1	Explanation of the material topic and its boundary	15; 38	
103-2	The management approach and its components	11	
103-3	Evaluation of the management approach	11	
Material topic: Brand identity			
GRI 103: Management Approach (2016)			
103-1	Explanation of the material topic and its boundary	15; 38	
103-2	The management approach and its components	22	
103-3	Evaluation of the management approach	22	
Material topic: Innovation, Research and Development			
GRI 103: Management Approach (2016)			
103-1	Explanation of the material topic and its boundary	15; 38	

<b>103-2</b>	The management approach and its components	19	
<b>103-3</b>	Evaluation of the management approach	19	

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