

Sustainability Report 2021



TCI 
professional led applications



Index

LETTER TO STAKEHOLDERS	5
1. PROFILE OF TCI	8
1.1 Our history	10
1.2 Our business model	12
1.3 Company <i>mission</i> and values	14
1.4 Our strategic partnerships	15
2. OUR COMMITMENT TO SUSTAINABILITY	17
2.1 Our approach to sustainability	18
2.2 Dialogue with our stakeholders	20
2.3 Materiality analysis	22
3. CREATION OF SHARED VALUE	24
Generated and distributed value	26
4. ETHICS, INTEGRITY AND TRANSPARENCY	28
5. SUSTAINABLE LIGHTING	30
5.1 Our products	32
5.2 Our contribution to Circular Economy	33
5.3 Research and development, technological and digital innovation	34
5.4 Our focus on people well-being	35
6. CUSTOMER CARE	37
6.1 Customer satisfaction: an ongoing dialogue with our customers	38
6.2 Products quality and safety at the center of our choices	39
6.3 Data protection and security	41
7. OUR PEOPLE	43
7.1 Talent attraction, training and development of our people	46
7.2 Diversity, equal opportunities and non discrimination	48
7.3 Health and safety in the workplace	49
7.4 Work conditions and <i>welfare</i>	51
8. SUPPLY CHAIN RESPONSIBILITY	53
8.1 Our supply chain profile	54
8.2 Responsible sourcing	55
8.3 Conflict Minerals	55
9. OUR COMMITMENT TO THE ENVIRONMENT	57
9.1 Our environmental <i>footprint</i>	58
9.2 Responsible management of energy and emissions	59
9.3 Waste responsible management	62
Methodological Note	63
Performance Indicators	65
Boundary of material topics	70
GRI Content index	73
Independent Auditors' Report	79



Letter to Stakeholders

For TCI Group, corporate sustainability represents an essential element in achieving a global development model that is fully sustainable and inclusive.

We have decided to commit ourselves to integrating ESG factors more and more into our strategies, not only to comply with the business evolution that we are all experiencing but to guide it and be an example to many other entrepreneurial realities.

Just as in the development of our innovative solutions we go well beyond existing standards to offer products of superior quality and performance, even in the sustainable field we do not limit ourselves to compliance with current regulations but work to achieve greater goals, driven by our sense of social and environmental responsibility.

As you all know, we have always loved challenges and we are skilled in transforming them into opportunities, facing them with initiative and always in line with our founding values: integrity, quality, responsibility.



A handwritten signature in black ink, reading "Gianfranco Librandi".

Gianfranco Librandi
CEO



1

Profile of TCI

1.1	Our history	10
1.2	Our business model	12
1.3	Company <i>mission</i> and values	14
1.4	Our strategic partnerships	15

1

Profile of TCI



*TCI Group
is an international
leader in the
production and
distribution of
electronic components
for lighting.*

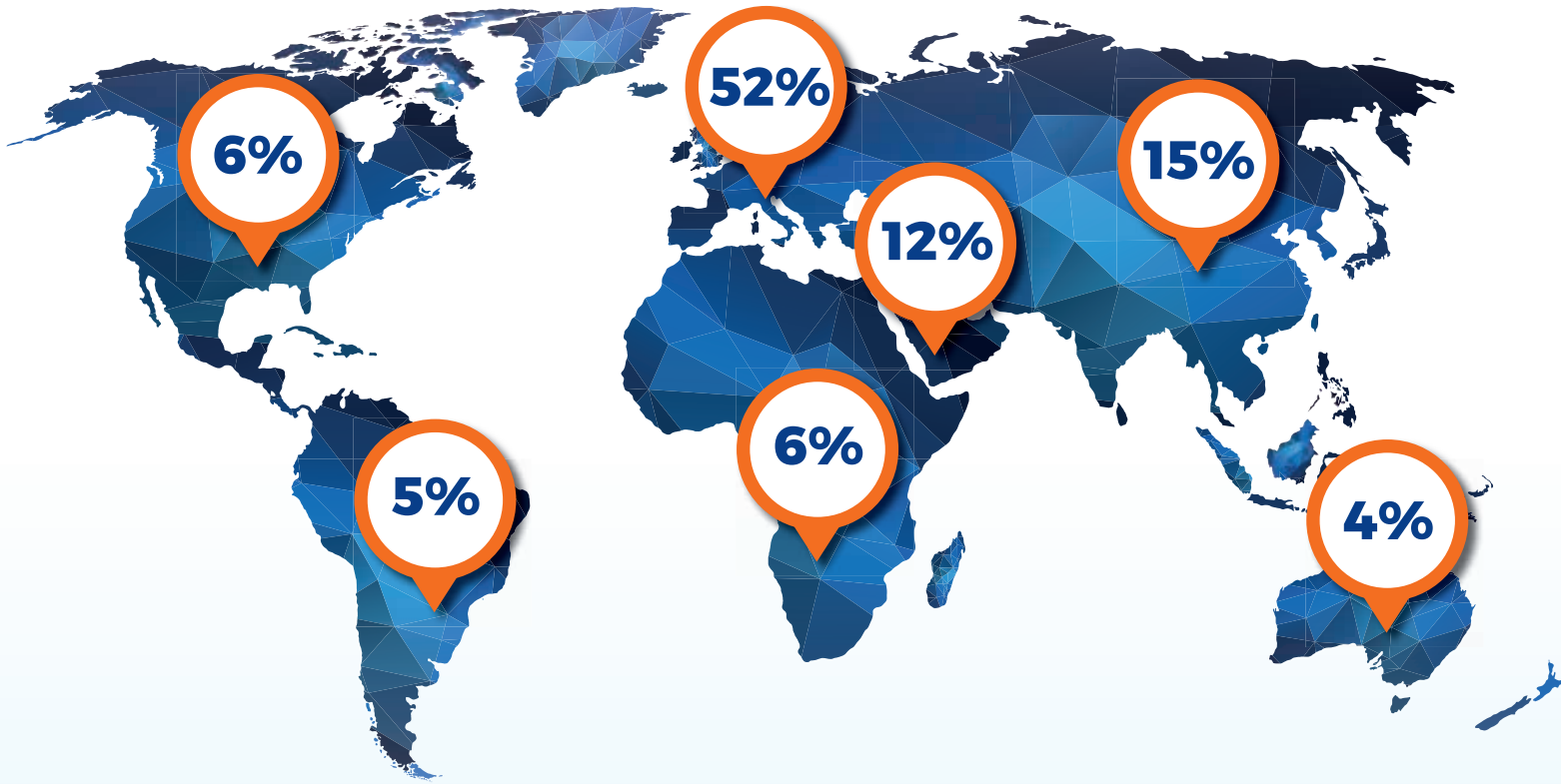
TCI Group (hereinafter the “Group” or “TCI”) is an international leader in the production and distribution of electronic components for lighting.

For 40 years we have been developing and producing a wide range of products of the highest quality, 100% Made in Italy.

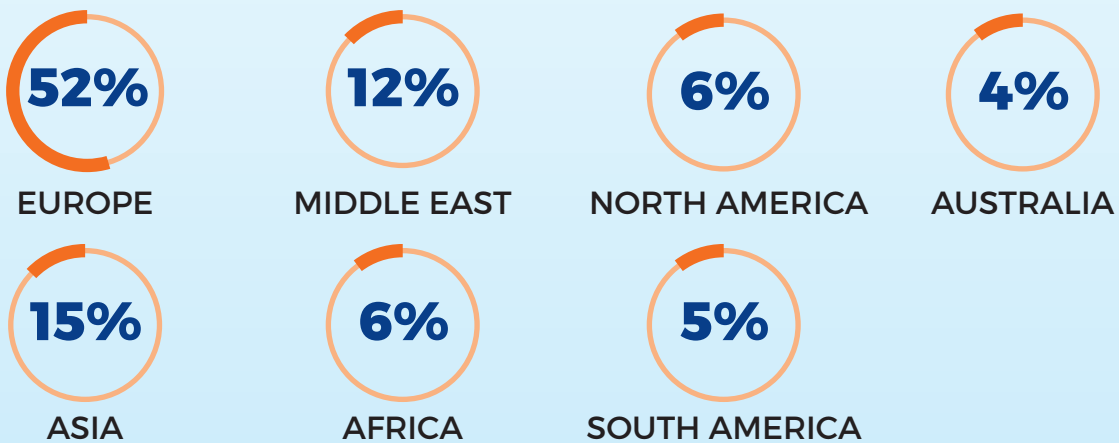
At the corporate level, TCI Group is made up of the holding company TCI Telecomunicazioni Italia S.r.l. and two directly controlled companies. The holding company also holds equity investments in four additional associated companies, operating in China and Italy.

The consolidation area as at 31 December 2021 is therefore as follows:

COMPANY NAME	% OWNERSHIP	OPERATIONAL OFFICES
TCI Telecomunicazioni Italia S.r.l.	-	Italy - Saronno
Directly controlled companies:		
TCI ELETTROMECCANICA S.r.l.	95%	Italy - Trezzo sull'Adda
TCI America Inc.	100%	USA
Associated companies:		
ICT Intelligent Components Technology Zhuhai Ltd.	26%	China
ITH International Technologies Holding Ltd.	40%	China
IGROX S.r.l.	20%	Italy - Saronno
ALLIX S.r.l.	20%	Italy - Saronno



TCI around the world



Percentages are based on TCI Groups' 2021 turnover.

1.1

Our history



TCI Group is a world leader in the production of electronic components for lighting.

TCI Group is a world leader in the production of electronic components for lighting, but what we are today is the result of a long path that began 40 years ago, made up of small and large goals.

TCI Telecomunicazioni Italia S.r.l. was established in 1982 as a telecommunication company, specialised in the production of antennas.

Over time, the production of mechanical and subsequently electronic transformers was added to the main one, and then it took over entirely from the initial business.

Throughout the Nineties and up to 2006 we produced electronic ballasts and transformers for traditional lighting (fluorescent, halogen, HID lamps).



With the introduction and the rapid spread of the LED in lighting, we have decided to invest in the research and development of suitable solutions to support this technological evolution, focusing our R&D activities on it and adding a growing number of ad hoc production lines.

Since 2013 we have successfully started our own production of LED modules, which has grown exponentially to occupy a fully dedicated department, in just five years.

Starting from 2016 TCI set up a team of professionals for the development of IoT wireless solutions, thus further expanding our range of products, with the introduction of drivers and interfac-

es based on Bluetooth, ZigBee, Casambi, VLC and Li-Fi communication protocols.

TCI has established itself as a reference leader, thanks to its forward-looking visions and its flexibility.

Among the first companies to believe and invest in LED technologies, in the use of the DALI "Digital Addressable Lighting Interface" standard and then in wireless, we have always been able to offer innovative and competitive solutions, making some of our products real milestones in the lighting sector.

“
*Among the first
companies to believe
and invest in
LED technologies.*



1.2

Our business model



Strong innovative drive and flexibility of our business model.

TCI's success stems from the orientation towards maximum product quality and safety, but also from the strong innovative drive and flexibility of our business model.

In 40 years of activity we have been able to conduct our business in an extremely dynamic way, adapting to market evolutions and leading the main changes in the lighting sector.

In order to fully satisfy the needs of our customers and provide the most complete and wide range of solutions, we have acquired shares in other similar compa-

nies: to date, TCI Group is made up of the parent company TCI Telecomunicazioni Italia S.r.l. which holds 100% of the capital of TCI America, 95% of TCI Elettromeccanica S.r.l., 20% of Allix S.r.l., Igrox S.r.l. and ITH International Technologies Holding Ltd as well as 26% of ICT Intelligent Components Technology Zhuhai Ltd.

TCI Elettromeccanica S.r.l.

TCI Elettromeccanica S.r.l. produces toroidal transformers for several uses, including civil automation (civilgate openers, opening systems for doors and windows) and industrial automation,



wired transformers with different degrees of IP protection.

The evolution of the market and a different sensitivity towards the environment have led TCI Eletromeccanica S.r.l. to develop multi-voltage electromechanical toroidal transformers, even of very high power, suitable for powering energy saving equipment, photovoltaic systems, inverters and LED systems.

Allix S.r.l.

Allix S.r.l. offers state-of-the-art remote control and management systems, created using a native data communication platform that goes beyond the traditional Cloud. Thanks to technologies such as MQTT and ZeroTier, together with proprietary technologies, Allix S.r.l. allows peripheral networks to be managed as if they were a single global network, eliminating the disadvantages of classic cloud-based networks, such as low bandwidth or lack of internet connection.

The collaboration between Allix S.r.l. and the other companies of the Group is focused on the development and maintenance of applications and software for wireless lighting management.

Igrox S.r.l.

Igrox S.r.l. is an Italian company

specialised in the development and production of LED systems for plant growth within a controlled environment. Igrox mission is to help farmers to produce continuously and under any climatic condition, guaranteeing product quality and freshness.

Thanks to the partnership with Igrox S.r.l. TCI Group has extended its expertise also to agriculture, with specific LED systems designed to support every stage of plant growth, from grafting to fruit production, to obtain better morphological characteristics and greater yield of the crop.

ICT Intelligent Components Technology Zhuhai Ltd.

ICT Intelligent Components Technology Zhuhai Ltd is specialised in the development and distribution of innovative components, transformers, coils, igniters and electronic devices for various kinds of applications.

The presence of ICT within the Group brings greater stability to supplies.

ITH International Technologies Holding Ltd

As ICT Intelligent Components Technology Zhuhai Ltd, ITH International Technologies Holding Ltd supplies components to the Group.



***In 40 years
of activity we have
been able to conduct
our business
in an extremely
dynamic way.***

1.3 Company mission and values



Company decisions and daily activities are carried out under the banner of our values.

TCI runs business according to the principles of reliability, trust and transparency, together with innovation, courage, dynamism and quality: all key elements of our success. Company decisions and daily activities are carried out under the banner of our values, which guide and support us in the creation of shared value.

QUALITY AND RELIABILITY

TCI has always put quality first.

Quality of our products: innovative, performing, reliable and compliant with the strictest international safety standards.

Quality of our service: customer focus, pre and post-sales technical and commercial support, wide range of product certifications to allow the distribution in different countries.

Quality for TCI also means ethically responsible management of every aspect related to the conduct of activities, to truly guarantee the creation of shared value.

TRUST AND TRANSPARENCY

Trust and transparency are the basis and the guarantee of the solid relationship between our stakeholders and us. We are committed to establishing lasting and mutually beneficial partnerships based on daily dialogue with all our partners.

INNOVATION AND DYNAMISM

Our propensity for continuous innovation allowed us to grow and establish ourselves in the lighting sector by competing internationally with the main market players.

TCI is a dynamic, resourceful, flexible partner dedicated to ongoing improvement.

BRAVERY

Without bravery, TCI wouldn't be where it stands today. Thanks to this virtue, we have become pioneers in our sector, overcoming existing limits and putting ourselves to the test in highly challenging projects to obtain increasingly innovative products that support sustainability.



1.4 Our strategic partnerships

We believe it is of fundamental importance to establish and maintain solid relationships with all our stakeholders, which are based on maximum collaboration and transparency.

In this way we guarantee the stability and reliability of the TCI Group, as well as its ability to create value over time.

The continuous flow of information between us and our suppliers, business partners and customers allows us to always be at the forefront of new trends and market evolutions.

Progress comes from collaboration, from the meeting of ide-

as and intuitions, that's why we maintain profitable exchanges with the academic world and actively participate in industry initiatives and associations such as ASSIL, the National Association of Lighting Manufacturers, of which we have been a member since 2008.



*Always at the forefront
of new trends
and market evolutions.*



ASSIL groups together manufacturers of electronic components and LED lighting systems operating on the Italian market.

ASSIL companies, with a global turnover of € 2.9 billion, represent over 65% of the total Italian turnover in the sector and employ over 8,000 people.

The Association mission is to represent, protect and support member companies to encourage the growth of a quality industry based on innovation and internationalisation. ASSIL offers its members high added value services able to ensure constant and timely updating on the issues of greatest interest for lighting companies.

Source: www.assil.it



2

Our commitment to sustainability

2.1 Our approach to sustainability.....	18
2.2 Dialogue with our stakeholders.....	20
2.3 Materiality analysis.....	22

2.1

Our approach to sustainability



TCI recognises the importance of the UN Sustainable Development Goals.

TCI recognises the importance of the UN Sustainable Development Goals and is aware of how important the contribution of each company is to ensure their achievement.

For this reason, we have decided to further strengthen our commitment in the economic, social and environmental fields through the full integration of ESG factors in our company

strategy.

Through our Sustainability Report we want to show what has been done so far and what we intend to do as part of a structured process aimed at integrating sustainability into all company practices and daily activities, in order to contribute to sustainable development.

This document also represents an opportunity to improve and



strengthen the dialogue with all our stakeholders, to whom we transparently communicate our performance in economic, envi-

ronmental, social areas and the main objectives we set in order to fulfill their needs.

OUR COMMITMENT

- ✓ Always maintain our business integrity, both in terms of regulatory compliance and fair competition.
- ✓ Responsibly manage our supply chain: we consider the relationship with our suppliers essential to establish and maintain long-term relationships based on mutual trust, which allow us to guarantee products of the highest quality and safety and to ensure our business continuity and that of all our customers.
- ✓ Guarantee the centrality of people both at the company level, therefore in the field of HR management, and at the community level in which we operate daily.



2.2

Dialogue with our stakeholders



We are committed to listening and protecting all our stakeholders.

"All our stakeholders are essential, from our employees to our partners and customers, to the communities in which we operate. Together we create value. Together we win".

Gianfranco Librandi, CEO

Stakeholders are defined as the interested parties, that is, those who have interests, albeit very different from each other, in TCI Group and who for this reason influence the company's strategic choices and decisions.

We are committed to listening to and protecting all our stakeholders in order to support the creation of shared value.

Who are our main stakeholders?

- **Associates:** our associates are essential for the achievement of our objectives, they share success and risks with us.
- **Customers:** customers represent the focus of all our daily activities, they are a precious

source of information and a window on the consumer market that contributes to the continuous redefinition of our strategies with the aim of improving ourselves and optimally satisfying the most varied needs.

- **Human resources:** human capital is a precious element for us in order to create long-term value. It is thanks to our people that we are able to successfully achieve increasingly challenging goals, which allow us to keep up with the continuous changes in our sector and even to guide them. For this reason we are committed to ensuring a healthy, safe and stimulating work environment.

Dialogue with our stakeholders

- **Suppliers:** stable and quality relationships with suppliers are essential to guarantee excellent and innovative products and ensure operational continuity.
- **Consumers:** we interact with consumers through our direct customers, who integrate our components into their lighting systems. We constantly strive to guarantee safety, efficiency and innovation in order to give added value to the finished products that are distributed on the market.

Dialogue with our stakeholders allows us to constantly monitor their needs and generate value over time. In order for it to really add value, dialogue must be based on the values of correctness, collaboration, loyalty and respect.

And it is precisely in this spirit that we have decided to report our commitment to sustainability, communicating results and future objectives to make our stakeholders participate in TCI's desire to become an increasingly sustainable company. Over the years, we have implemented a plurality of dialogue channels and ways of involving stakeholders, which are summarised below.



Dialogue with our stakeholders is essential as it allows us to constantly monitor their needs and generate value over time.

Involved groups of stakeholders	Involvement method
Associates	Direct dialogue with the top management
Customers	Direct dialogue with sales department
Human Resources	Dialogue with the HR Responsible Traning Company intranet
Suppliers	Direct dialogue with the purchase department Periodic meetings
Consumers	Indirect dialogue, through customers

2.3

Materiality analysis



To identify strategic priorities in the economic, social and environmental fields.

In order to identify the aspects that matter most to us and our stakeholders, that is the strategic priorities in the economic, social and environmental fields, we carried out a Materiality Analysis according to the reporting standard issued by the Global Sustainability Standard Board of the Global Reporting Initiative. We have thus identified our “Material Topics”, those aspects of sustainability that significantly influence the choices and opinions of our stakeholders, as well as the strategic choices and performance of TCI Group.

For the 2021 reporting year, the material topics identified in the analysis carried out in 2020 were confirmed. We will proceed to update the materiality analysis during 2022.

The process of identifying the material topics developed along the following four phases:

PHASE 1

A list of possible material issues considered to be of greatest importance for TCI was identified and completed by analysing the main sector trends and the regulatory environment as well as through a benchmarking analysis of the main competitors.

PHASE 2

The list produced under phase 1 was ordered by importance with a vote by the Top Management with respect to the impact on the Group's performance, attributed to each issue.

In order to include the external

PHASE 1

IDENTIFICATION
OF THE PANEL
OF POTENTIALLY
RELEVANT TOPICS

PHASE 2

TOP
MANAGEMENT
ASSESSMENT

PHASE 3

DEVELOPMENT
OF THE
MATERIALITY
MATRIX

PHASE 4

VALIDATION
AND
REPORTING

perception of TCI Group, the Top Management was asked to express an opinion on the issues also from the point of view of our stakeholders.

For future reports, it is planned to directly involve external stakeholders in the process of updating the Materiality Analysis.

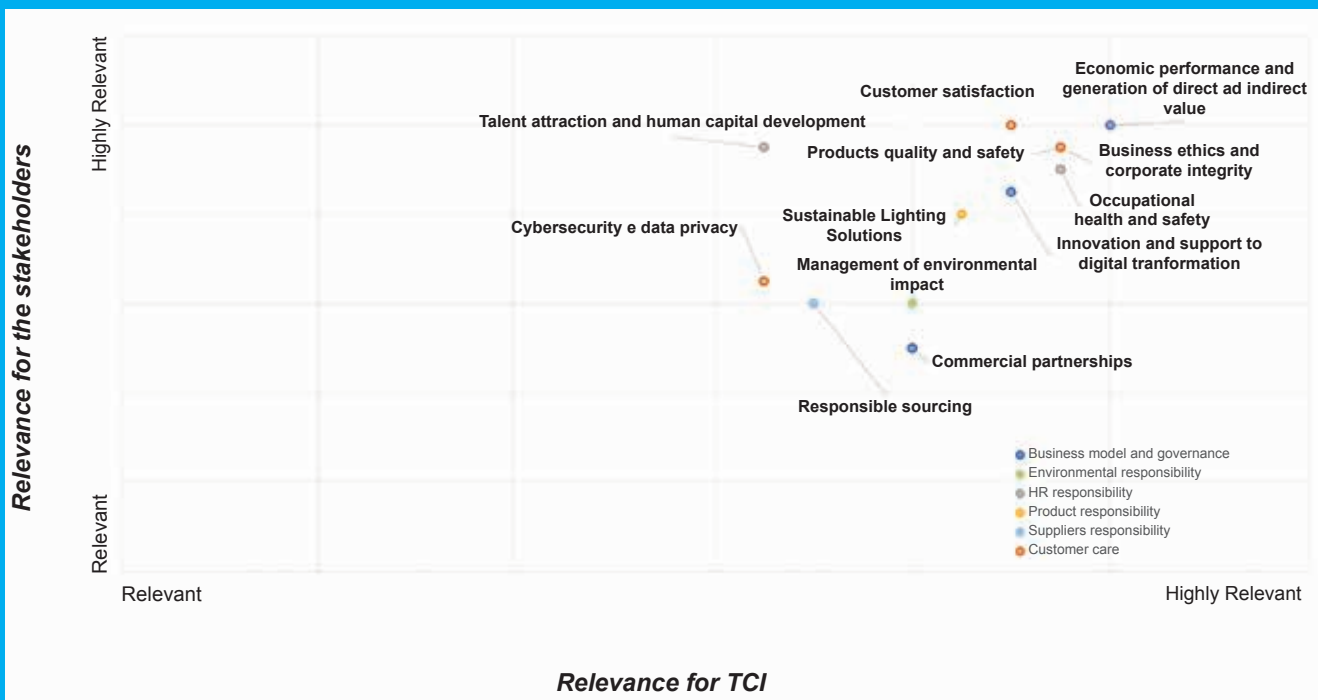
PHASE 3

The votes were reworked to identify the issues with the highest score and, therefore, deemed most relevant.

PHASE 4

The 2020 Materiality Matrix was developed, approved and communicated internally.

2020 Materiality Matrix



From the analysis of the 2020 Materiality Matrix, emerge as most important issues the following on:

- **Economic performance and creation of direct and indirect value;**
- **Customer satisfaction;**
- **Business Ethics and Integrity.**



3

Creation of shared value

3

Generated and distributed value



We are strongly oriented towards the creation of shared value with our stakeholders.

We are aware of the important role that TCI Group has assumed over the years within the communities in which it operates, as a promoter of economic growth and improvement of living conditions. For this reason we are strongly oriented towards the creation of shared value with our stakeholders.

TCI Group closed the 2021 financial year with a turnover of € 213,541,628, recording a significant increase compared to the previous year. This excellent result was obtained thanks to an effective purchasing and production management strategy, which made it possible to cope with the exponential increase in the demand for our products.

The reclassification of the income statement shown below represents the value generated

and distributed by TCI Group, in other words the economic impact of our activities. In 2021, the value generated directly was € 223,773,913, + 49% compared to 2020. More than 90% of the generated value, equal to € 201,628,577, was distributed to our internal and external stakeholders.

Also in 2021, as in the previous years, the majority of the distributed value, equal to 92%, was allocated to the remuneration of suppliers, underlining the importance of our supply chain for the continuity of our business and for the quality of our products.

The residual part was allocated to HR remuneration, equal to 5.2%, and to the remuneration of the Public Administration, equal to 2.5%.

ECONOMIC VALUE DIRECTLY GENERATED AND DISTRIBUTED							
	2019	%	2020	%	2021	%	2020-2021 change
Value distributed to suppliers	134.978	92,0%	122.893	89,5%	185.747	92,2%	51%
HR remuneration	9.081	6,2%	9.562	7,0%	10.447	5,2%	9%
Lenders remuneration	247	0,2%	230	0,2%	186	0,1%	-19%
Public Administration remuneration	1.934	1,3%	4.389	3,2%	5.107	2,5%	16%
Value distributed to the community	410	0,3%	167	0,1%	142	0,07%	-15%
Distributed economic value	146.650	94,6%	137.241	91,3%	201.629	90,1%	47%
Retained economic value	8.391	5,4%	13.126	8,7%	22.145	9,9%	69%
Directly generated economic value	155.042	100,0%	150.368	100,0%	223.774	100,0%	49%

Data are stated in thousands of euros



4

Ethics, integrity and transparency

Ethics, integrity and transparency in our business conduct

TCI Group conducts its business in an ethical and transparent manner, in full compliance with all applicable regulations.

Aware of how important an integrity business conduct is for the purposes of the stability and health of the economic system, we have adopted a Code of Ethics and Conduct that all those who work in our name and on our behalf are called to respect.

We share the importance of fighting corruption to ensure the health of the economic system in which we all operate. Not only we have included this subject in our Code of Ethics but we have also adopted a series of practices such as double signing on purchase orders of considerable amounts.

We also plan to adopt a whistleblowing system that allows all our stakeholders to anonymously report potential situations that could compromise the ethical conduct of our activities. Currently, it is possible to make truthful and detailed reports to a direct superior or to the Human Resources Office. In any case, TCI Group guarantees full respect for the privacy of the whistleblower and the avoidance of any kind of retaliation.

Over 2021 there were no episodes of corruption or any episode of non-compliance with laws and regulations in the socio-economic field.



5

Sustainable lighting

5.1 Our products	32
5.2 Our contribution to Circular Economy	33
5.3 Research and development, technological and digital innovation	34
5.4 Our focus on people well-being	35

5.1

Our products

All our products are approved and provided with a plurality of certifications.

For 40 years, we have been developing and manufacturing electronic components for lighting. Our wide range of products, 100% Made in Italy, includes:

- **LED drivers**
- **IoT control systems**
(Casambi, ZigBee, BLL, ZD Light, VLC e Li-Fi)
- **LED modules**
- **Lighting control systems**

All our products are provided with a plurality of certifications which favour their distribution all over the world.

Since 2006, our Standards and Approvals Department has been testing all our products to ensure they comply with the strictest international standards in terms of safety, performance and electromagnetic compatibility. The implemented procedure, based on ISO/IEC 17025, is recognised by many European and non-European certification bodies including, but not only, DEKRA, VDE, UL, JET-PSE, SAA, CQC, SEMKO and NEMKO.

We are committed to continuous innovation: our products are developed by combining design and performance, flexibility and innovation. We quickly face the main changes in our sector also thanks to our participation in ASSIL, the National Association of Lighting Manufacturers, which monitors market trends and the evolution of both national and international legislation.

We collaborate in synergy with suppliers and customers to create 360° solutions: it is precisely in this regard that, over the years, we have finalised the strategic acquisitions of Allix S.r.l. and Igrox S.r.l.

We are partners of the most important lighting companies with which we create structures and projects of global importance.



5.2 Our contribution to Circular Economy

Going beyond the linear economic model is essential to ensure a development that is fully sustainable.

To this end, it is important to promote the culture of savings and reuse as well as to counter the forms of consumerism that bring the price to the fore at the expense of quality. In terms of Circular Economy, TCI Group carries out its commitment on two levels:

PRODUCT

For the production of our solutions we only use carefully selected components on the basis of their quality.

As our customers are mainly professionals, all the fundamental information for the correct use, storage and disposal of our products is clearly indicated both on the label and on the catalogue pages and in the technical specifications. The above is essential in order to ensure a longer lifetime and to reduce the necessity of their replacement.

Furthermore, although the components of our products are not reusable by their nature, they can still be partially recycled or properly disposed of according to current regulations.

The solutions we develop are increasingly smaller in size, so as to fulfill the most stringent design requirements while contributing to great savings in terms of material used.

Finally, the control systems for LED installations that we design and distribute allow their smart management (modulation of brightness level based on time slots, lighting in the presence of movement, immediate detection of system inefficiencies, etc.), which leads to a clear reduction in energy consumption and environmental impact.

ACTIVITIES

We are constantly striving to reduce scrap and waste and to make our processes more and more efficient.

We are evaluating the use of product packaging materials without our logo so that they can be reused. We promote the culture of savings and reuse in all company areas.



**95% of our solutions
are intended
for high energy
saving lighting.**

95%

5.3

Research and development, technological and digital innovation



We provide our customers with cutting-edge solutions, of the highest quality and with high technological content.

We believe that innovation represents the basis of the progress and the key to reconfirming our position as market leader over time. We provide our customers with cutting-edge solutions of the highest quality, provided with high technological content. Our R&D department (Research and Development) represents the real engine of the innovative drive that distinguishes us and for this reason we allocate important investments to it, in order to equip it with the most sophisticated and recent equipment. We have 60 engineers and 40 highly qualified technicians who work daily on the development of new solutions and the improvement

of existing ones. They support our customers in every choice, providing technical and usage information.

In collaboration with the associated company Allix S.r.l. specialised in APP and software development, we have added to our product range extremely innovative wireless smart lighting solutions. This category includes all the so-called “smart” systems, that is, equipped with technologies that allow a better, immediate and more flexible management of lighting devices compared to traditional manual control. They are also able to interface with other devices connected to the network (IoT, Internet of Things).

Our smart solutions ensure the reduction of light pollution, the raising of safety levels, the net reduction of energy consumption and, indirectly, of emissions (operators’ exits for on-site checks are significantly reduced, replaced by remote monitoring).

At the same time, we contribute through our IoT products to the improvement of people’s health, for example by allowing light to be managed in such a way as to support the correct circadian cycle or to actively compensate for variations in natural brightness levels without human intervention.

FOCUS:

Intellectual property

Over the years, we have strengthened our IP (Intellectual Property) strategy in order to protect our innovations, increase our competitiveness and realise our vision.

Our first patent dates back to 1993: an electronic dimmer for halogen lamps controlled by a microprocessor. Its innovative nature and quality made it, almost immediately, one of the most requested items on the market. As evidence of the importance of our patent portfolio, in 2012 we created a dedicated internal office, responsible for the management of intellectual property which, among other things, provides specific advice to our partners on the management of any disputes.

In 2021, we have 22 approved patents.

5.4

Our focus on people well-being

We pay great attention to the impact of our products on the well-being of society and consumers.

Artificial light does not only compensate the natural one but also represents a way to guarantee safety and improve people quality of life.

Over the years, our sector has become aware of the social responsibility of lighting and for this reason one of the targets of our development and research activities is the improvement of the performance of lighting systems in relation to its social implications.

For example, we were the first to put ripple free products on the market, with a percentage of flicker below 3% (flicker is not visible to the human eye but over time it can cause disorders of different severity levels, from simple headaches to epilepsy).

Our wireless systems allow to automatically compensate the variation of natural light to guarantee visual stability, create lighting effects to support the circadian cycle, light up certain areas when needed, combining energy efficiency and people safety.



In addition, the colour rendering index of the LEDs that we mount on our modules is increasingly close to 100 and thus to natural light.

In this connection, our strong partnership with Samsung ensures the use of the best selections of LEDs while the collaboration with world-renowned suppliers of lenses and accessories allows us to provide complete and quality-assured solutions.



We were the first to put ripple free products on the market.



6

Customer care

TCI Group positively distinguishes itself from the competitors primarily because it is a plain commercial partner, which never competes with customers.

We are internationally recognised as the ideal partner for the realisation of large and small projects, thanks to our core values of non-competition and customer support free of conflicts of interest.

The relationships we establish with our customers go beyond simple supply and become collaborations of mutual interest that often lead to the co-development of innovative solutions and the exploration of new opportunities.

6.1 Customer satisfaction: an ongoing dialogue with our customers	38
6.2 Products quality and safety at the center of our choices.....	39
6.3 Data protection and security.....	41

6.1

Customer satisfaction: an ongoing dialogue with our customers



< 0,01%

**Annual failure
rate of our
products.**

Our daily activities are aimed at fully satisfying the needs of all our customers.

We are committed to building and maintaining solid, transparent and lasting relationships based on ongoing dialogue.

We offer our customers professional, fast and reliable technical-commercial support that allows them to make informed choices and to make the best use of our products.

TCI has a shared returns management policy. Our Quality Department performs analysis of the returned products with the aim of promptly identifying and isolating any potential manufacturing defects which, as the internal statistics show, stand below 0.01%.

The returns analysis system also allows to find out the most common installation and use mistakes that turn into additional

indications when reviewing the information material.

We believe that a website must be clear, transparent and user-friendly for this reason we have built ours on this basis, preparing, among other things, a very useful search engine for LED drivers based on the needed technical features.

It is also possible to immediately download the information material, the 2D/3D drawings and the available certifications of each product. Similarly, for LED modules we give the possibility, thanks to a simulation tool, to calculate the luminous flux and the absorbed power by simply indicating the desired supply current.

We keep an ongoing dialogue with our customers, to whom we provide quick and top quality pre- and post-sales support.

Customer satisfaction

6.2

Products quality and safety at the center of our choices

Over the years, TCI Group has built and consolidated its position as international leader in the sector of electronic components for lighting thanks to its strong innovative drive and the high quality of the offered products.

Safety is an essential element of the utmost importance for us, that is why we only choose top-of-the-range and certified components.

QUALITY

TCI Telecomunicazioni Italia S.r.l. has an ISO 9001:2015 certified Quality Management System, which allows us to work on optimising internal processes in terms of efficiency and effectiveness, through their continuous monitoring, actively involving all company representatives under the supervision of the Quality Manager. We arrange regular training sessions and maintain our people updated

Concerning their area of exper-

tise. We annually define a plan of clear and measurable objectives, approved internally and brought to the attention of our staff through notices posted in accessible places and through periodic meetings. Our complaints and returns management system is highly efficient and allows us not only to identify opportunities to improve our products, but also, and above all, to identify the most common installation and use mistakes customers make, in



Safety is an essential element of the utmost importance for us.



order to turn them into use recommendations within our technical and information material. Our Quality, Environmental and Safety Policy is subject to annual review.

SAFETY

The Health and Safety Policy of TCI Telecomunicazioni Italia S.r.l. includes also product's safety, to which we pay particular attention from the development phase to the distribution of our products.

Electromagnetic compatibility, burn-in and temperature analyses are carried out in our laboratory.

Our products are also provided with a plurality of certifications for distribution on international

markets and therefore they are also subjected to third-party controls.

The extreme safety of our products is one of the factors that determine their success and that reconfirm us as a trusted partner of the major market players.

During 2021, no cases of non-compliance regarding the safety of the products and services provided were recorded.



Our products are provided with a plurality of certifications for their distribution on international markets.



6.3

Data protection and security

Security and protection are essential elements that contribute to defining the integrity and reliability of our partnerships with the stakeholders. We are committed to protecting and safeguarding the data processed through the implementation of a structured management system, characterised by confidentiality, integrity, availability and resilience.

All data saved on our servers are backed up daily in order to ensure continuous availability and to minimize system recovery times in the event of failure. The backup is carried out on two different Data Processing Centers, using both hard disk and magnetic disk, to guarantee maximum security and reliability. To further strengthen our security system, we have introduced two-factor authentication for access to Microsoft Office accounts, which will be completed by September 2022.

Our servers are protected by firewalls and our data protection and security service providers are all certified. The storages are redundant in order to guarantee the system resilience.

To oversee this topic, a Data Protection Officer (DPO) was appointed, who keeps up-to-date on regulatory developments,



making use of the support of an external law firm with whom he plans improvement interventions to complete what has already been developed, and then monitors their implementation. Our Disaster Recovery Plan is constantly updated and procedures are also established to test, verify and regularly evaluate the effectiveness of the technical and organisational measures adopted to ensure the optimal functioning of our system for data protection and data security. Employees are adequately informed and involved in any changes to ensure optimal data protection.

As proof of the effectiveness of our data protection management system, no significant data breach incidents occurred in 2021.

“
Over 2021 no significant data breach incidents occurred.



7

Our people

7.1 Talent attraction, training and development of our people.....	46
7.2 Diversity, equal opportunities and non discrimination	48
7.3 Health and safety in the workplace	49
7.4 Work conditions and welfare	51

We are not only the sum of the experience of each of our employees.

We are a large family that shares passion and commitment, always ready to take every opportunity to improve and innovate, thus strengthening its ability to create value over time.

The total workforce as at 31 December 2021 counts 269 people, up 12% compared to 2020, of which 217 are employees (141 women and 76 men) and 52 are external collaborators (32 women and 20 men).

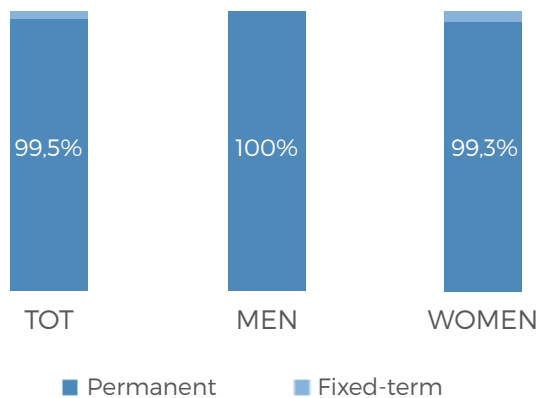
TCI GROUP PEOPLE

Company	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
TCI Telecomunicazioni Italia S.r.l.	75	138	213	74	140	214	74	140	214
TCI Elettromeccanica S.r.l.	3	-	3	3	-	3	3	-	3
Employees	78	138	216	77	140	217	77	140	217
TCI America	1	-	1	1	-	1	1	-	1
TCI Telecomunicazioni Italia S.r.l.	10	9	19	10	11	21	19	32	51
Other collaborators	11	9	20	11	11	22	20	32	52
Total	89	147	236	88	151	239	97	172	269

OUR ASSOCIATED COMPANIES PEOPLE

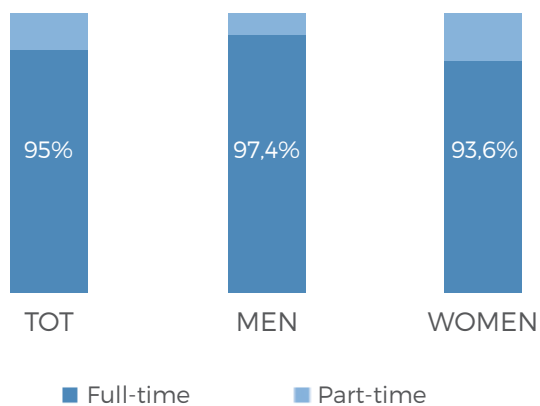
Company	2020			2021		
	Men	Women	Total	Men	Women	Total
ICT Intelligent Components Technology Zhuhai Ltd	1210	790	2000	840	772	1.612
ITH International Technologies Holding Ltd	3	1	4	3	1	4
IGROX S.r.l.	1	-	1	1	-	1
ALLIX S.r.l.	8	-	8	6	1	7
Total	1222	791	2013	850	774	1.624

TCI GROUP EMPLOYEES FOR KIND OF CONTRACT AND GENDER *



In 2021, 99.5% of employees have a permanent contract. Therefore, no changes occurred compared to the previous year.

TCI GROUP EMPLOYEES FOR KIND OF EMPLOYMENT AND GENDER *



2021 data remain essentially in line with 2020 data.

* Data updated to 31.12.2021

7.1

Talent attraction, training and development of our people



TCI Group is aware of the importance of its people.

The number of employees in 2021 did not change compared to 2020.

50% of employees are in the 30 to 50 age group, 41% are over 50 and the remaining ones under 30. Women represent 65% of total TCI Group employees.

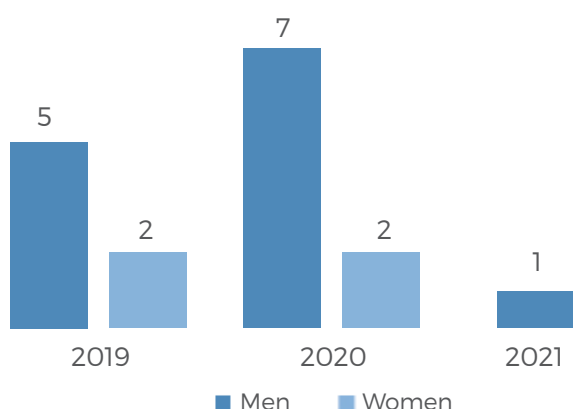
The centrality of people also translates into the enhancement of HR resources and their responsible management throughout the employee lifecycle, that is

the *employees lifecycle* within a company.

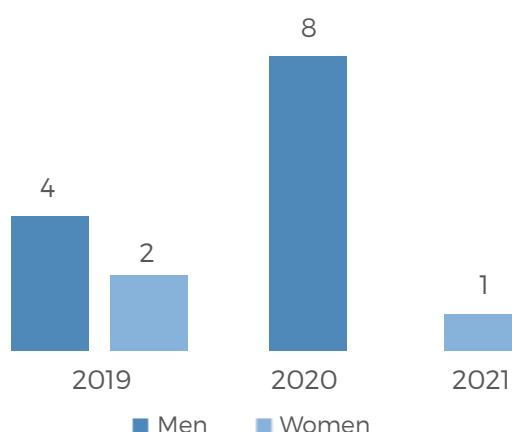
TCI Group is aware of the importance of our people and for this reason we are committed to supporting our professional and personal growth, based on our vision and the desire to create value over time.

Attracting and acquiring talented people is critical to building a successful team, capable of combining tradition and

**TCI GROUP ENTRIES
FOR GENDER ***



**TCI GROUP EXITS
FOR GENDER ***



* Data updated to 31.12.2021

TALENT
Attraction

innovation. For this reason, we have been relying on professional recruiters and university platforms for years.

During 2021 we decided to strengthen our social network in order to gain further visibility.

We want our people to consolidate and expand their skills and for this reason we not only encourage continuous training, but we also support those who want to continue their studies by alternating university attendance with work in the company.

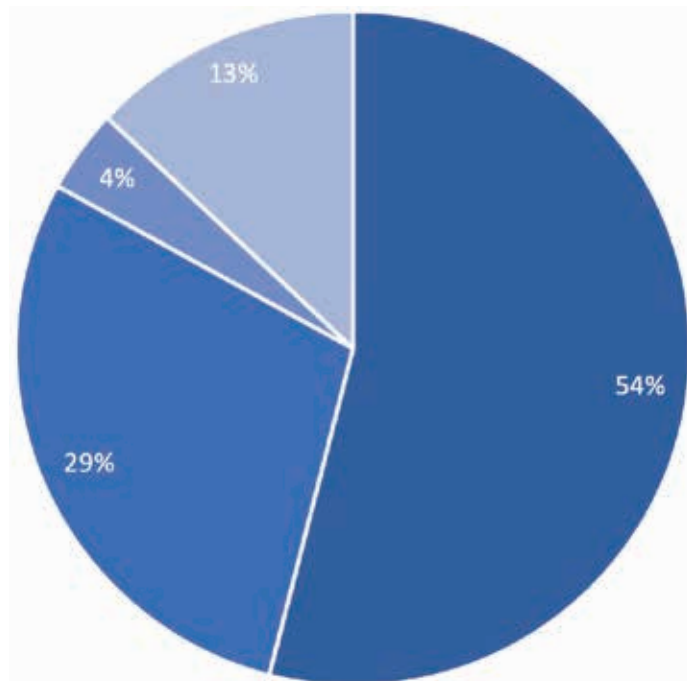
We also offer scholarships to the most deserving students.

In 2021, 746 hours of training were provided, an increase of 104% compared to 2019.

54% of the training concerned health and safety issues in the workplace, approximately 17% had technical-commercial nature while the rest was intended for those employed in production and handling of goods.

Compared to 2019, the number of TCI people attending university courses has doubled.

TYPES OF TRAINING COURSES FOR EMPLOYEES *



- Health and safety training
- Professional training
- Language training
- Technical and administrative training

* Data updated to 31.12.2021



7.2

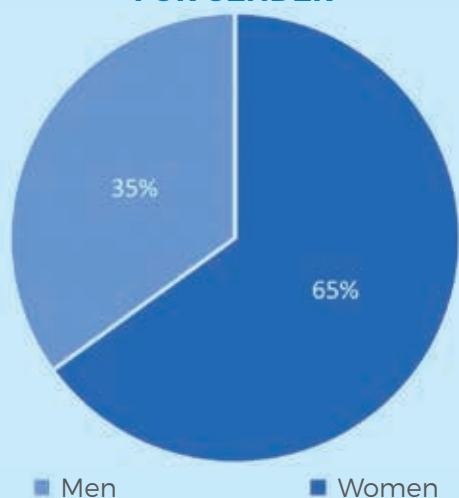
Diversity, equal opportunities
and non discrimination

*We promote
dialogue and
collaboration among
our people.*

TCI group is constantly committed to ensuring that its work environment is healthy and inclusive, free from any form of discrimination based on factors such as gender, ethnicity, nationality,

age, religion, political opinion, sexual orientation, marital status, trade union affiliation, form of physical or mental disability and any other personal characteristics or status.

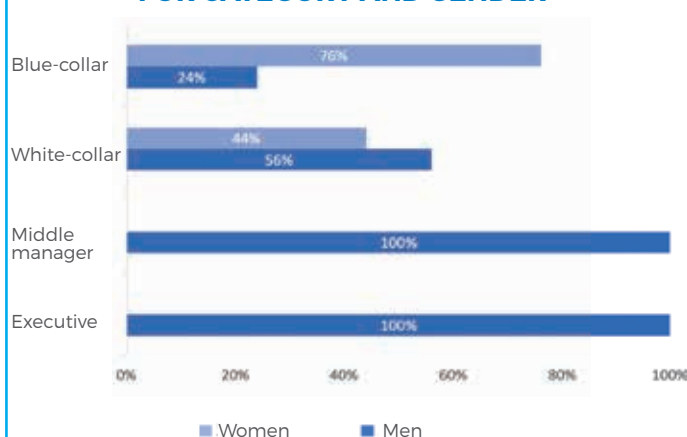
**TCI GROUP EMPLOYEES
FOR GENDER ***



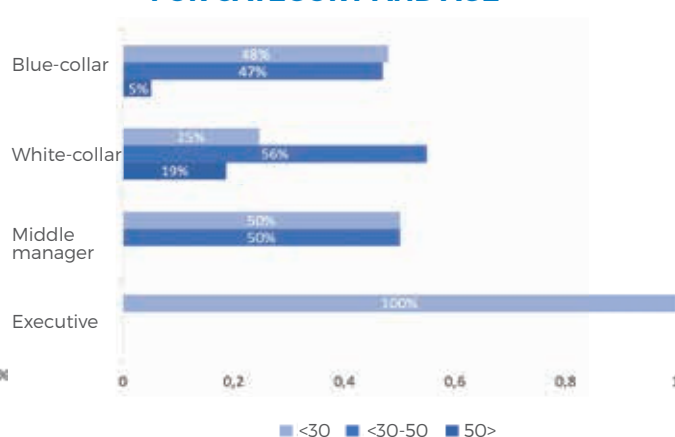
We promote dialogue and collaboration among our people and between them and management because we believe this is the key to continuous growth and improvement.

For the year 2021 we reconfirm the presence of 12 female employees belonging to protected categories and no episodes of actual or alleged discrimination within TCI Group.

**TCI GROUP EMPLOYEES
FOR CATEGORY AND GENDER ***



**TCI GROUP EMPLOYEES
FOR CATEGORY AND AGE ***



* Data updated to 31.12.2021

7.3

Health and safety in the workplace

Aware of the crucial importance of protecting the health and safety of our employees and collaborators, we are committed to ensuring a safe and secure workplace, in line with international best practices and current legislation.

During 2021, as usual, the health of our employees was monitored in relation to their tasks performed. The service was organised at our facility by qualified professionals. In full respect of everybody's privacy, we only received an official notification from the occupational doctor regarding the suitability to carry out the activities. For 2021, the most recent work-related stress risk assessment (carried out in 2020), which gave a low result, remains valid. Still on the subject of our people's health, we give all workers the opportunity to undergo medical check-ups under the agreement through the UniSalute service and we provide a free annual check-up service for around 13% of staff.

Training and information relating to health and safety in the workplace are tools of fundamental importance for the prevention of related risks. We ensure mandatory training in the field of health and safety in accordance with



the requirements of current legislation. During 2021, 401 hours of dedicated training were provided (equal to more than 5 times that provided in 2019).

We fill in the Risk Assessment Document (DVR) with the support of an external Prevention and Protection Service Manager (RSPP). This document, made accessible to all our employees, maps and analyses the risks associated with health and safety in the workplace and defines any corrective actions to be implemented in order to guarantee optimal conditions of health and physical integrity.

At the request of our customers, we produce the Consolidated Document for the Assessment of Interference Risks (DUVRI) in



**We commit to
ensure a safe and
protected work
environment.**

compliance with the current legislation.

Each worker has the possibility and the duty to report any dangerous situations to their safety manager so that he can intervene and then report to the owner the measures taken to eliminate the risks identified.

In 2021, we recorded a single injury due to distraction of an employee which, given its nature, was classified as a minor injury and had no material consequence. The total hours worked for 2021 are equal to 381,625 for the employees, up 5% compared to 2020.

Over the year, we maintained all the safety measures necessary to

optimally manage the situation caused by the pandemic crisis from Covid-19, in order to protect the health of our people and at the same time keep the company fully operational, ensuring stability and continuity to our customers and to all our stakeholders in general.

* Considered perimeter: TCI Telecomunicazioni Italia S.r.l. and TCI Elettromeccanica S.r.l.



7.4 Working conditions and welfare

The well-being of our employees is held in great consideration and it is for this reason that in addition to ensuring a healthy and stimulating environment, we provide a plurality of welfare tools:

- Agreements with healthcare facilities, in collaboration with EBM and Policlinico Universitario Campus Biomedico of Roma;
- Free internal cardiological and ophthalmological visits;
- Tickets for cultural and sporting events;
- Internal fitness area and courses accessible to all employees.



In accordance with current legislation, 100% of TCI Group employees are covered by national collective bargaining.



**We provide
a variety of welfare
tools.**



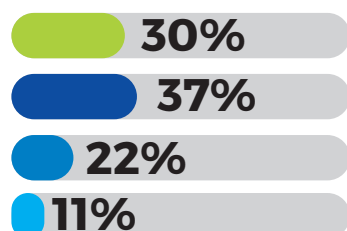
8

Supply chain responsibility

8.1 Our supply chain profile	54
8.2 Responsible sourcing	55
8.3 Conflict Minerals	55

8.1

Our supply chain profile



The "Other" category includes Slovenia, Finland, Taiwan and the Netherlands.

The percentages have been calculated on the basis of the total annual expenditure by country.

TCI product stands out for its quality, reliability and unique performance. These features are the result of the combination of several factors: careful planning, the use of latest generation machinery in the production processes and procurement practices aimed at qualitative excellence and maximum safety.

Our supply chain, made up of partners with a solid market position and high-level quality reputation, ranges from raw materials to semi-finished products, packaging materials and finished products for marketing.

We believe that the diversification of the supply chain is as fundamental to guaranteeing the supplies stability as the establishment and maintenance of solid relationships with our suppliers: thanks to this approach we have managed to guarantee the operational continuity not only of TCI but also of all our customers in a period of severe materials shortages and extreme upward fluctuations in prices.

During 2021 the number of suppliers and their geographical distribution slightly varied due to

the strategical choices we made to ensure the operational continuity, without compromising our quality and safety standards.

JUST IN CASE

For years we have adopted the "just-in-case" philosophy by building and maintaining an important stock of raw materials. This choice, which goes against the trend of the more widespread "just-in-time" philosophy, proved to be successful during the most acute phases of the pandemic, assuring us operational continuity where others began to falter due to the shortage of raw materials. In fact, we were one of the few companies that remained operational even during the repeated periods of lockdown. During 2021, the worsening of the components shortage and the parallel growth in market demand inevitably produced an extension of order fulfillment times but, also in this case, thanks to a strategic management of the production and purchasing processes and to the continuous dialogue with our customers we have managed to provide confirmations where several competitors have failed.



TCI product stands out for its quality, reliability and unique performance.

8.2

Responsible sourcing

Within the corporate social responsibility context, it is essential to ensure that the supply chain respects the values and ethical principles that guide the company's business, that it conducts its activities in full compliance with the regulations in force in the operation countries and that it is committed to manage its environmental and social impacts, with a view to continuous improvement.

To this end, we have integrated ESG clauses in our General Purchase Conditions, pending the completion of the Supplier Code of Conduct. Quality and safety

are always at the top of our priority list when talking about sourcing, therefore we ask suppliers for detailed reports of each delivery to allow us to monitor incoming components that, due to their nature and quantity, could not be analysed otherwise.

We plan to equip ourselves with an automated system for collecting certifications of compliance with international environmental and social standards as well as declarations of a technical nature and related to the possible use of dangerous substances, using a dedicated software platform.



*Quality and safety
are always at the top
of our priority list.*

8.3

Conflict Minerals

As a socially responsible manufacturer, we are committed to fight against the use of minerals from conflict zones. For this reason, we are particularly careful to trace the origin of purchased materials containing tantalum, tin, tungsten and gold: we ask suppliers to declare whether their products contain them and, if so, we invite them to fill in the appropriate form developed by the Responsible Minerals Initiative to facilitate the dissemination of information on the country of origin of the minerals, smelters and refineries used along the supply chain. The modules are then checked and if the supplier is unable to provide evidence of what has been declared, we intervene by requesting corrective actions and possibly suspending supply relationships.



9

Our commitment to the environment

9.1 Our environmental footprint	58
9.2 Responsible management of energy and emissions.....	59
9.3 Waste responsible management...	62

9.1

Our environmental footprint



It is necessary to identify and evaluate one's impacts in order to act.

We share the importance of respecting, restoring and preserving the environment and its resources to give future generations the opportunity to live in a healthy world and to fully satisfy their needs.

We are aware that in order to be able to act, it is first of all necessary to identify and evaluate the impacts generated and suffered by one's activities and this is what we have focused on in this second year of reporting.

TCI Telecomunicazioni Italia S.r.l. has always complied with all current environmental regulations and collects and monitors data relating to consumption, emissions, production waste, waste and materials used.

We have an ISO 14001 certified

Environmental Management System and every year we draw up a document called "Report to the Management" which reports current consumption and future objectives for approval by our CEO, who has the highest responsibility for managing environmental impacts and opposing to climate change.

In addition to data monitoring and collection, we are committed to reducing our environmental footprint by focusing on:

- efficiency of production processes;
- reduction of scraps and waste;
- reduction of energy consumption;
- development of new, eco-efficient solutions.

All our products are designed in compliance with the requirements of the EU 2019/2015 and EU/2019/2020 regulations for ECO-DESIGN and, in order to satisfy the broadest design requirements but also to reduce the use of materials, we provide increasingly smaller solutions, without compromising their high quality and safety.

During 2021, TCI Group did not report any cases of environmental non-compliance.

"We want to give present and future generations a healthier world"

Gianfranco Librandi
CEO

9.2 Responsible management of energy and emissions

We pay great attention to the energy consumption of our activities and we try to make our processes increasingly more efficient, both through the choice of latest generation systems and through the promotion of the culture of energy saving.

All the buildings of TCI Telecomunicazioni Italia S.r.l. have a LED lighting system, that require around one tenth of the power of traditional systems.

In various company areas we have installed presence sensors to activate the lighting only when actually necessary and we are organising to install wireless control and monitoring solutions that allow us to constantly supervise consumption and promptly identify any system inefficiencies.

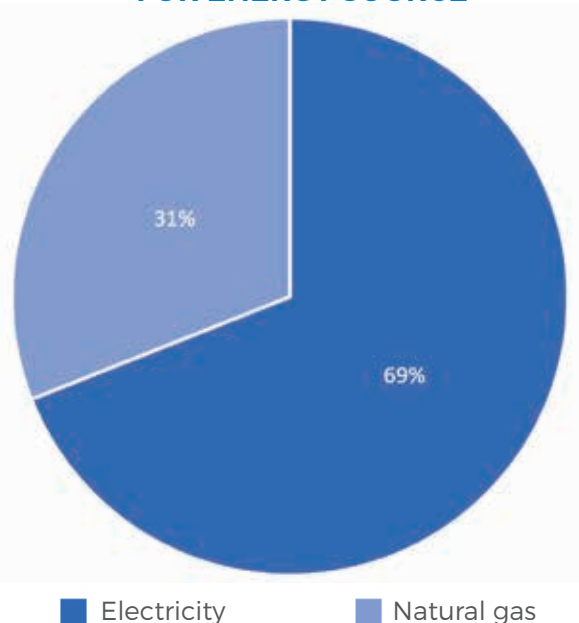
Also in 2021, as in the previous ones, we filled in the questionnaire prepared by the Climate Disclosure Program (CDP) on request for a voluntary assessment of the environmental impact of our business.

CDP

CDP is an international non-profit organisation that provides businesses, local authorities, governments and investors with a global system of environmental measurement and re-orting on a voluntary basis.

There are four programs supported by CDP: Climate Change Program, Water Program, Forests Program and Supply Chain Program, plus a specific program dedicated to cities and regions, the Cities, States and Regions Program. Of these, in 2021 we completed the Climate Change Program Questionnaire in order to monitor and reduce emissions and address the risks associated with climate change.

TCI GROUP ENERGY CONSUMPTION FOR ENERGY SOURCE *

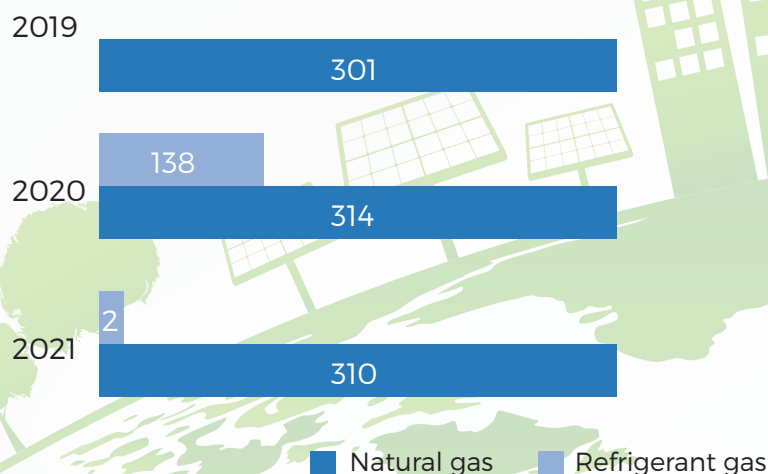


* Data updated to 31.12.2021

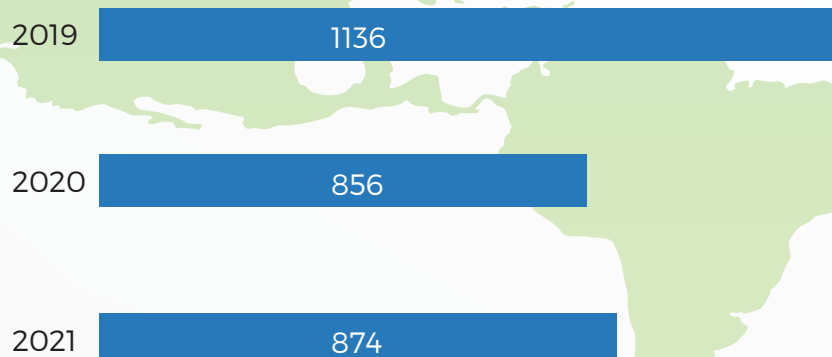
The energy sources of TCI Group are represented by electricity, natural gas for heating, fuel and diesel.

In 2021 TCI Telecomunicazioni Italia S.r.l. consumed a total of 17,634 GJ of energy, of which approximately 69% is attributable to the consumption of purchased electricity and a minority to purchased natural gas. CO₂ emissions of TCI Group therefore refer to the energy sources mentioned above and to the releases of refrigerant gas of the cooling system. Out of the total, direct emissions, attributable to energy sources purchased by the Group, are equal to 313 tCO₂; the indirect ones, attributable to the purchase of electric energy are equal to 874 tCO₂ under a location-based approach, 1.544 tCO₂ under a market-based approach.

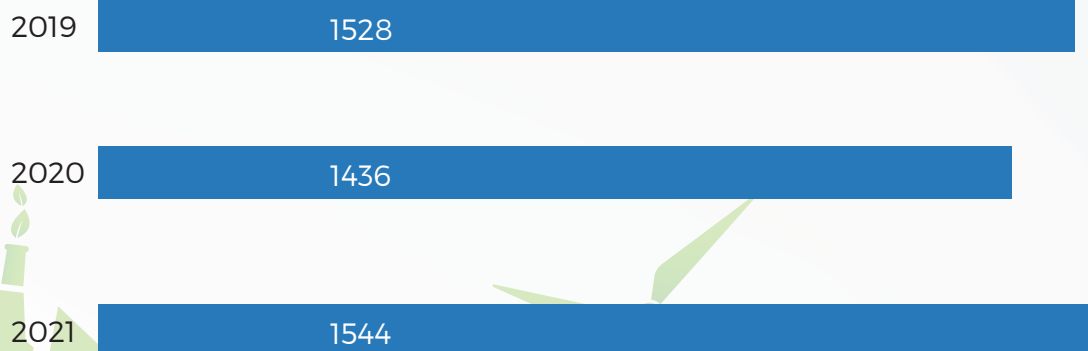
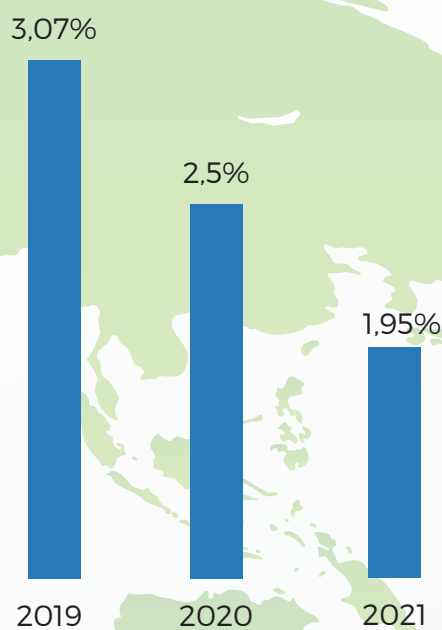
DIRECT GREENHOUSE GAS (GHG) EMISSIONS (SCOPE 1) OF TCI GROUP *



INDIRECT GREENHOUSE GAS (GHG) EMISSIONS (SCOPE 2) OF TCI GROUP, CALCULATED ACCORDING THE LOCATION-BASED APPROACH *



* Data updated to 31.12.2021, expressed in tCO₂

**INDIRECT GREENHOUSE GAS (GHG) EMISSIONS (SCOPE 2) OF TCI GROUP,
CALCULATED ACCORDING THE MARKET-BASED APPROACH *****EMISSIONS OF TCI GROUP OF OTHER SIGNIFICANT POLLUTANTS
(VOLATILE ORGANIC COMPOUNDS - VOCs) IN THE ATMOSPHERE ****

* Data updated to 31.12.2021, expressed in tCO₂

** Data updated to 31.12.2021, expressed in t

9.3

Waste responsible management

The waste produced by TCI Group is divided into special waste, coming from production activities, managed and disposed of by authorised disposal companies and, to a lesser extent, WEEE (waste from electrical and electronic equipment).

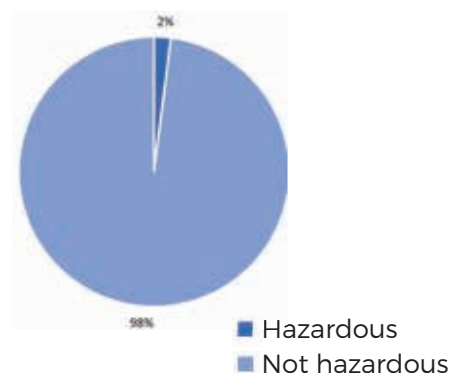
The special waste we produced in 2021 includes a small percentage of hazardous waste and 98% of non-hazardous waste, the totality of which requires a recovery process.

The main categories of produced waste include:

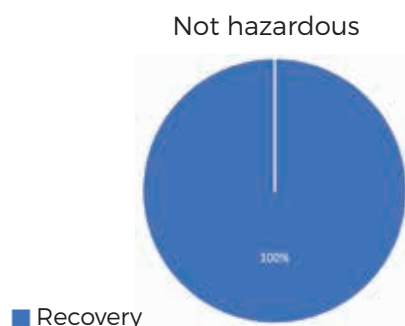
- Mixed material packaging;
- Paper and cardboard packaging;
- Plastic packaging;
- Wooden packaging.

Waste management and disposal takes place in full compliance with current legislation. The data relating to this issue is collected and presented annually to the CEO, as part of the "Report to the Management".

SPECIAL WASTE PRODUCED BY TCI GROUP FOR TYPOLOGY *



SPECIAL WASTE PRODUCED BY TCI GROUP FOR DISPOSAL METHOD *



■ Disposal 100%

* Data updated to 31.12.2021

98% of our waste goes to recovery



Methodological Note

This document (hereinafter also the “Report”) represents the second Sustainability Report of the company TCI Telecomunicazioni Italia S.r.l. and its subsidiaries (hereinafter the “TCI Group” or “Group”) with reference to the 2021 financial year (from 1 January to 31 December).

Taking into account the expectations of its stakeholders, the Report offers a description of the main economic results and the social and environmental impacts generated.

In order to report and communicate the sustainability performance of the TCI Group in a comparable and transparent way, the 2021 Sustainability Report was prepared in compliance with the reporting standards “Global Reporting Initiative Sustainability Reporting Standards” (hereinafter GRI Standards) issued in 2016 by the Global Reporting Initiative (GRI), according to the “in accordance – core” option.

The definition of the material issues for the Group and for its stakeholders and the selection of the related indicators to be reported took place following a materiality analysis process, in line with the GRI Standards and with industry best practices, as reported in the chapter “Our commitment to sustainability”

In the appendix to the document, it is possible to find the GRI Content Index which lists the GRI indicators associated with each material topic. The perimeter of the economic data, as well as of the social information, appears to be the same as the 2021 Consolidated Financial Statements of the TCI Group, which includes companies consolidated using the line-by-line method, i.e. TCI Telecomunicazioni Italia S.r.l., TCI ELETTROMECCANICA S.r.l. and TCI AMERICA Inc. As regards the scope of environmental issues, it should be noted that the companies TCI AMERICA Inc. and TCI ELETTROMECCANICA S.r.l. were excluded due to their modest size and negligible environmental impacts.

In order to be able to guarantee a better and more accurate representation of the impacts of the TCI Group’s activities along its entire value chain, this document contains some data regarding the subsidiaries Intelligent Components Technology Zhuhai Ltd. (ICT), International Technologies Holding Ltd (ITH), IGROX S.r.l. and Allix S.r.l.

Further exceptions to the reporting perimeter indicated above are duly reported in the relevant sections of this document.

To facilitate the reading of the document, it should be noted that the following definitions have been used within the text:

- TCI Group, representing all of the following companies: TCI Telecomunicazioni Italia S.r.l., TCI ELETTROMECCANICA S.r.l. and TCI AMERICA Inc.;
- ICT, representing the company Intelligent Components Technology Zhuhai Ltd;
- ITH, representing the company International Technologies Holding Ltd;

- IGROX, representing the company IGROX S.r.l.;
- ALLIX, representing the company Allix S.r.l.

The information relating to the reference period is compared with that of the previous year. To ensure the reliability of the data, the use of estimates has been limited as much as possible, which, if present, are appropriately reported and based on the best methodologies available.

The Sustainability Report is subjected to a limited examination ("limited assurance engagement" according to the criteria indicated by the ISAE 3000 Revised standard) by Deloitte & Touche S.p.A., according to the procedures indicated in the Independent Auditors' Report included in this document.

The periodicity of this publication is set on an annual basis.

For more information on TCI Group Sustainability Report, send an email to sustainability@tci.it

The Sustainability Report is available on the website of TCI Telecomunicazioni Italia S.r.l. www.tci.it

Performance Indicators

Employees and turnover

All the data in the tables are updated to 31.12.2021

GRI 102-8 TCI Group employees for kind of contract and gender

	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Temporary	1	-	1	1	-	1	-	1	1
Permanent	77	138	215	76	140	216	76	140	216
Total	78	138	216	77	140	217	76	141	217
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Full-time	75	130	205	70	134	204	74	132	206
Part-time	3	8	11	7	6	13	2	9	11
Total	78	138	216	77	140	217	76	141	217

GRI 405-1 TCI Group employees for professional category and gender

	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executive	100%	-	0,5%	100%	-	0,5%	100%	-	0,5%
Middle manager	100%	-	1,5%	100%	-	0,5%	100%	-	0,5%
White collar	55%	45%	25%	57%	43%	30%	56%	44%	31%
Blue-collar	28%	72%	73%	25%	75%	69%	24%	76%	67%

GRI 405-1 TCI Group employees for professional category and age

	2019				2020				2021			
	<30	30-50	50>	Total	<30	30-50	50>	Total	<30	30-50	50>	Total
Executive	-	-	100%	0,5%	-	-	100%	0,5%	-	-	100%	0,5%
Middle manager	-	100%	-	1,5%	-	100%	-	0,5%	-	50%	50%	0,5%
White collar	-	78%	22%	25%	11%	74%	15%	30%	19%	56%	25%	31%
Blue-collar	6%	63%	30%	73%	5%	67%	28%	69%	5%	48%	47%	67%

GRI 401-1 TCI Group entries

	2019					2020					2021				
	<30	30-50	>50	Total	Turnover	<30	30-50	>50	Total	Turnover	<30	30-50	>50	Total	Turnover
Men	2	2	1	5	6,4%	7			7	9%	-	1	-	1	1,3%
Women	1	1	-	2	1,4%	-	2	-	2	1,4%	-	-	-	-	-
Total	3	3	1	7	3,2%	7	2	-	9	4,1%	-	-	-	1	0,5%
Turnover	30%	2,1%	1,6%	3,2%		46,7%	1,3%	0,0%	4,1%		0%	0%	0%	0,46%	

GRI 401-1 TCI Group exits															
	2019					2020					2021				
	<30	30-50	>50	Totale	Turnover	<30	30-50	>50	Totale	Turnover	<30	30-50	>50	Totale	Turnover
Men	2	-	2	4	5,1%	2	4	2	8	10,4%	-	-	-	-	0%
Women	2	-	-	2	1,4%	-	-	-	-	0,0%	-	1	-	1	0,7%
Total	4	-	2	6	2,8%	2	4	2	8	3,7%	-	1	-	1	0,5%
Turnover	40%	-	3,3%	2,8%		13,3%	2,7%	3,8%	3,7%		0%	0,92%	0%	0,46%	

Health and safety

All the data in the tables are updated to 31.12.2021

GRI 403-9 TCI Group ¹ work-related injuries			
TCI Group	2019	2020	2021
Number of work-related injuries	0	0	1
Of which, number of deaths as a result of accidents at work	0	0	0
Of which, accidents with serious consequences (excluding death)	0	0	0
TCI Telecomunicazioni Italia S.r.l. worked hours	351.710	357.941	375.394
TCI Elettromeccanica S.r.l. worked hours	5.390	5.367	6.231
Total worked hours	357.100	363.309	381.625
Rate of work-related injuries	-	-	0,52
Rate of death as a consequence of work-related injuries	-	-	-
Rate of serious work-related injuries	-	-	-

¹ The boundary of the data relating to TCI Group Health and Safety issue refers to the employees of the parent company, TCI Telecomunicazioni Italia S.r.l. and to its subsidiary TCI Elettromeccanica S.r.l.

Training

All the data in the tables are updated to 31.12.2021

GRI 404-1 - TCI Group employees average training hours									
	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executive	-	-	-	-	-	-	-	-	-
Middle manager	12	-	12	-	-	-	-	-	-
White-collar	5	1,2	3,3	1,2	0,1	0,7	2,7	2,8	2,8
Blue-collar	3,4	0,1	1	-	-	-	10,9	1,6	3,8
Total	4,2	0,3	1,7	0,6	0,02	0,2	6,4	1,9	3,4

Tipology of training provided to TCI Group employees						
	2019		2020		2021	
	n. of attendees	Total hours	n. of attendees	Total hours	n. of attendees	Total hours
Health and safety training	6	72	1	12	67	401
Management training	1	12	5	35	-	-
Professional training	37	282	-	-	24	216
Language training	-	-	-	-	1	30
Technical-administrative training	-	-	-	-	18	99
Total	44	366	6	47	110	746

Energy and Emissions ²

All the data in the tables are updated to 31.12.2021

GRI 302-1 Energy consumption for kind of source ³				
	u.m.	2019	2020	2021
TCI Telecomunicazioni Italia S.r.l.				
Purchased electricity	GJ	11.391	11.095	12.110
of which renewable and certified with GO (Guarantee of Origin)	GJ	-	-	-
Natural gas	GJ	7.377	5.585	5.524
Total	GJ	18.768	16.680	17.634
Participated companies (ALLIX S.r.l. and ICT Intelligent Components Technology Zhuhai Ltd.)				
Purchased electricity	GJ	36.972	40.917	47.022
of which renewable and certified with GO (Guarantee of Origin)	GJ	-	-	-
Natural gas	GJ	-	-	-
Gasoline (for transport)	GJ	860	658	623
Diesel (for transport)	GJ	24	18	14
Total	GJ	45.233	41.592	47.659

² 2019 and 2020 data have been restated with respect to those published in the previous Sustainability Report following the update of the emission factors aimed at ensuring better comparability. It is not due to a data restatement.

³ The following source was used to calculate energy consumption in GJ: DEFRA, UK Government - GHG Conversion Factors for Company Reporting 2019, 2020 and 2021.

GRI 305-1 Direct Greenhouse Gas (GHG) Emissions (Scope 1) ⁴				
	u.m.	2019	2020	2021
TCI Telecomunicazioni Italia S.r.l.				
Natural gas	tCO ₂	293	314	310
Gasoline (for transport)	tCO ₂	-	-	-
Diesel (for transport)	tCO ₂	-	-	-
Refrigerant Gas ⁵	tCO ₂	-	138	2
Total Scope 1	tCO₂	293	452	312
Participated companies (ALLIX S.r.l. and ICT Intelligent Components Technology Zhuhai Ltd.)				
Natural gas	tCO ₂	-	-	-
Gasoline (for transport)	tCO ₂	58	42	39
Diesel (for transport)	tCO ₂	3	1	1
Refrigerant Gas ⁶	tCO ₂	-	154	81
Total Scope 1	tCO₂	61	197	121

⁴ Scope 1: this category includes emissions from sources owned or controlled by the organisation. Scope 1 emissions are expressed in tons of CO₂. The sources of the emission coefficients for fossil fuel sources used are: the Ministry of the Environment - national standard parameters 2019, 2020 and 2021.

⁵ As it concerns R410A refrigerant gas leaks, reference was made to the source DEFRA, UK Government - GHG Conversion Factors for Company Reporting 2019, 2020 and 2021, which expresses the related emission factor in terms of tCO_{2eq}. The difference between CO₂ e CO_{2eq} is minimal, since carbon dioxide constitutes by far the predominant share of greenhouse gases. The other substances that contribute to the greenhouse effect, such as methane and nitrous oxide, are therefore negligible. For this reason, by expressing this value in tCO₂, the error is minimal.

⁶ The leaks include R22 refrigerant gas leaks and reference was made to the source DEFRA, UK Government - GHG Conversion Factors for Company Reporting 2019, 2020 and 2021, which expresses the related emission factor in terms of tCO_{2eq}. The difference between CO₂ and CO_{2eq} is minimal, since carbon dioxide constitutes the majority of greenhouse gases, therefore the relative value was approximate.

GRI 305-2 Indirect Greenhouse Gas (GHG) Emissions (Scope 2), calculated according to location-based and market-based approaches ⁷				
	u.m.	2019	2020	2021
TCI Telecomunicazioni Italia S.r.l.				
Total Scope 2 location-based	tCO ₂	1.001	856	874
Total Scope 2 market-based	tCO ₂	1.528	1.436	1.544
Participated companies (ALLIX S.r.l. e ICT Intelligent Components Technology Zhuhai Ltd.)				
Total Scope 2 location-based	tCO ₂	6.489	7.091	7.953
Total Scope 2 market-based	tCO ₂	6.490	7.092	7.954

⁷ Scope 2: emissions (expressed in t of CO₂) deriving from electricity consumption fall into this category. The reporting standard used (GRI Sustainability Reporting Standards 2016) provides for two different methods of calculating Scope 2 emissions: "Location-based" and "Market-based". The "Location-based" approach involves the use of an average national emission factor relating to the specific national energy mix for the production of electricity (source of emission factors for Italy: ISPRA - National Inventory Report 2018, 2019 and 2020; source of emission factors for other countries: TERNA, Confronti Internazionali, 2017 and 2018). The "Market-based" approach provides for the use of an emission factor defined on a contractual basis with the electricity supplier and that the purchase of renewable electricity with Certificates of Origin Guarantee does not involve greenhouse gas emissions calculated according to this approach. For all the plants, given the absence of specific contractual agreements with the electricity suppliers, the emission factors relating to the national "residual mixes" were used (source of the residual mixes: AIB European Residual Mixes 2018, 2019 and 2020) where possible. For the countries whose "residual mix is not available, the national average emission factors relating to the specific national energy mix were used (TERNA, Confronti Internazionali, 2017 and 2018)).

GRI 305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions ⁸				
	u.m.	2019	2020	2021
TCI Telecomunicazioni Italia S.r.l.				
Volatile organic compounds (VOC)	t	3,07	2,50	1,95
ICT Intelligent Components Technology Zhuhai Ltd.				
Volatile organic compounds (VOC)	t	18,72	8,24	4,38

⁸ Allix S.r.l. was not included in the boundary of the data relating to significant emissions since it has a single office.

Waste

All the data in the tables are updated to 31.12.2021

GRI 306-2 Special waste for typology and disposal method, in t									
	2019			2020			2021		
	Hazardous	Not hazardous	Total	Hazardous	Not hazardous	Total	Hazardous	Not hazardous	Total
TCI Telecomunicazioni Italia S.r.l.									
Recovery (including the energy recovery)	-	238	238	0,28	204	205	0,01	215	215
Disposal/ Grinding	2	-	2	4	-	4	4	-	4
Total	2	238	240	4	205	209	4	215	219
Participated companies (ALLIX S.r.l. and ICT Intelligent Components Technology Zhuhai Ltd.)									
Reuse	-	60	60	0	70	70	0	0	0
Landfill	-	100	100	-	100	100	-	-	-
Recycle	-	-	-	-	-	-	-	0,076	0,076
Disposal/ Grinding	3	-	3	9	-	9	31	-	31
Total	3	160	163	9	170	179	31	0,076	32

GRI 306-2 RAEE waste for typology and disposal method, in t									
	2019			2020			2021		
	Hazardous	Not hazardous	Total	Hazardous	Not hazardous	Total	Hazardous	Not hazardous	Total
TCI Telecomunicazioni Italia S.r.l.									
Recovery (including energy recovery)	0,1	33	33	-	35	35	0,9	53	54
Participated companies (ALLIX S.r.l. e ICT Intelligent Components Technology Zhuhai Ltd.)									
Recycle	8	83	91	3	129	132	-	158	158
On-site treatment	-	100	100	-	-	-	-	-	-
Total	8	183	191	3	129	132	-	158	158

Suppliers

All the data in the tables are updated to 31.12.2021

GRI 204-1 TCI Group local suppliers and their annual total expenditure						
	2019		2020		2021	
Geographical area	Suppliers	Annual expenditure	Suppliers	Annual expenditure	Suppliers	Annual expenditure
International	22%	58%	25%	64%	25%	63%
Italy	78%	42%	75%	36%	75%	37%

Boundary of material topics

Material topic: Economic performance and generation of direct and indirect value.

Description of the material topic: Financial stability and protection of the organisation's profitability. Furthermore, sharing of economic value and at the same time meeting the needs and expectations of all stakeholders.

Reconciliation with GRI Topics: GRI 201: Economic Performance (2016).

Where impacts occur: Organisation, Society, Value chain.

Involvement of the organisation in impacts: Caused by the organisation and related to the organisation through its commercial relations.

Material topic: Business ethics and corporate integrity.

Description of the material topic: Ethics, integrity and transparency in running business activities and compliance with laws and regulations: adherence to national and international principles and guidelines, compliance with applicable laws and any specific regulations, prevention of corruption in business activities, as well as, the definition of codes of conduct, adherence to internationally recognised voluntary standards. Values, ideals and aspirations, vision and corporate mission.

Reconciliation with GRI Topics: GRI 205: Anti-corruption (2016) GRI 307: Environmental compliance (2016) GRI 419: Socioeconomic compliance (2016).

Where impacts occur: Organisation, Society, Value chain.

Involvement of the organisation in impacts: Caused by the organisation and related to the organisation through its commercial relations.

Material topic: Innovation and support to digital transformation.

Description of the material topic: Research and development activities aimed at designing high-tech products with particular attention to innovative solutions and sustainable applications capable of generating positive externalities for the environment, society and customers. Implementation and use of the most advanced technologies, patents and know-how. Integration and greater use of digital technologies to modify or produce new business processes and improve the experiences of customers and other stakeholders. Cultural change that embraces digital innovation. Go-to-market strategies and measures to protect a competitive advantage and increase market presence.

Reconciliation with GRI Topics: n/a.

Where impacts occur: Organisation, Society, Value chain, Environment.

Involvement of the organisation in impacts: Caused by the organisation and related to the organisation through its commercial relations.

Material topic: Commercial partnership.

Description of the material topic: Development of strategic commercial partnerships aimed at acquiring technological, productive, commercial, financial and managerial resources and skills essential for operating in a rapidly evolving environment. Relationship of trust, transparency and collaboration with its business partners in order to create shared value. Definition of strategic plans that take into consideration the expansion of the business towards new national and international markets through strategic partnerships.

Reconciliation with GRI Topics: n/a.

Where impacts occur: Organisation, Society, Value chain.

Involvement of the organisation in impacts: Caused by the organisation and related to the organisation through its commercial relations.

Material topic: Management of environmental impacts.

Description of the material topic: Conscious management of hazardous and non-hazardous waste connected to the organisation's business activities, spread of the corporate culture aimed at maximizing

Boundary of material topics

efficiency in waste management by promoting aware management methods and practices (e.g. reuse, differentiation and recycling of waste and waste products) and to minimise the environmental and social impacts of products and services along the value chain.

Recycling of production waste, monitoring and management of spills. Aspects related to compliance with current environmental legislation.

Reconciliation with GRI Topics: GRI 302: Energy (2016) GRI 305: Emissions (2016) GRI 306: Effluents and waste (2016).

Where impacts occur: Organisation, Society, Environment.

Involvement of the organisation in impacts: Caused by the organisation and related to the organisation through its commercial relations.

Material topic: Health and safety in the workplace.

Description of the material topic: Adoption of management practices and systems that favour the protection of safety in the workplace, promotion of specific training on employee health and safety, monitoring and prevention of accidents in the workplace aimed at reducing the number of accidents.

Reconciliation with GRI Topics: GRI 403: Occupational health and safety (2018).

Where impacts occur: Organisation, Society.

Involvement of the organisation in impacts: Caused by the organisation.

Material topic: Talent attraction and development of human capital.

Description of the material topic: Selection and hiring practices and procedures able to guarantee the Organisation an important level of know-how and professionalism. Company's ability to implement and increase the skills of all employees, boosting professional growth paths and developing talent attraction and retention policies. Measures aimed at protecting minorities and promoting diversity. In addition, ensure equal opportunities in terms of career, employment practices, pay and benefits regardless of gender, religious or political orientation.

Finally, development of practices and programs capable of improving the Organisation's ability to structure a corporate culture that guarantees gender diversity both within the management and at all the other levels. Development and implementation of corporate policies that are able to make a positive impact on the well-being of all employees regardless of their position and/or the role they hold within the Company. Non-contractual benefits, employee engagement initiatives, parenting assistance and work-life balance, also in light of the new working environment that has developed following the current health emergency.

Reconciliation with GRI Topics: GRI 401: Employment (2016) GRI 404: Training and education (2016) GRI 405: Diversity and Equal Opportunity (2016) GRI 406: Non-discrimination (2016).

Where impacts occur: Organisation, Society, Value chain.

Involvement of the organisation in impacts: Caused by the organisation.

Material topic: Sustainable lighting solutions.

Description of the material topic: Company responsibility for its products. Concepts of Circular Economy, Eco-design and modular products. In particular, sector-specific models, principles, practices and processes aimed at reducing the environmental footprint of products during their entire life cycle, from the selection of raw materials favouring recycled, recyclable or certified materials to marketing (packaging) up to disposal, with the aim of eliminating waste and reducing raw materials and unused resources. Furthermore, design and creation of products aimed at energy efficiency. Finally, the creation of products with a positive social impact aimed at improving the well-being of final consumers.

Reconciliation with GRI Topics: n/a.

Where impacts occur: Organisation, Environment, Value chain.

Involvement of the organisation in impacts: Caused by the organisation and related to the organisation through its commercial relations.

Boundary of material topics

Material topic: Responsible sourcing.

Description of the material topic: Organisation's standards and procedures aimed at supporting the sourcing of Products and services while evaluating suppliers and commercial partners also on the basis of social and environmental criteria. Collaborations and continuous dialogue with all the actors involved in the supply chain to promote transparency, responsible procurement practices, reduction of environmental impacts and respect for human rights.

Reconciliation with GRI Topics: GRI 204: Procurement practices (2016).

Where impacts occur: Organisation, Society, Value chain, Environment.

Involvement of the organisation in impacts: Caused by the organisation and related to the organisation through its commercial relations.

Material topic: Customer satisfaction.

Description of the material topic: Definition of corporate initiatives and policies (e.g. internal policies for after-sales services and product returns) that focus on the customer needs, with the aim of improving the relationship with this type of stakeholder by increasing the level of mutual trust in order to also favour the organisation's business. Furthermore, customer relationship management, customer satisfaction surveys, complaint resolution systems.

Reconciliation with GRI Topics: n/a.

Where impacts occur: Organisation, Society.

Involvement of the organisation in impacts: Caused by the organisation.

Material topic: Products quality and safety.

Description of the material topic: Development and implementation of policies, management systems, processes, activities aimed at protecting the quality of the products offered and the safety of final consumers. Compliance with current legislation and new European regulations and any violations relating to product quality and safety standards.

Reconciliation with GRI Topics: GRI 416: Customer Health and Safety (2016).

Where impacts occur: Organisation, Value chain.

Involvement of the organisation in impacts: Caused by the organisation and related to the organisation through its commercial relations.

Material topic: Cybersecurity and data privacy.

Description of the material topic: Policies, management systems and initiatives aimed at protecting the personal data of the stakeholders involved (employees, customers, suppliers, etc.). Collection, storage, processing, use and sharing of data that is or could be linked to an identifiable person, including sensitive personal information. Mandatory and voluntary regulations and security mechanisms that aim to protect personal data, as well as cases of violation of people's privacy.

Reconciliation with GRI Topics: GRI 418: Customer Privacy (2016).

Where impacts occur: Organisation, Society, Value chain.

Involvement of the organisation in impacts: Caused by the organisation and related to the organisation through its commercial relations.

GRI Content index

GRI Standards	Disclosure	Page / Link	Notes and omissions
GRI 101: REPORTING PRINCIPLES (2016)			
GRI 102: GENERAL INFORMATION (2016)			
Company profile			
102-1	Name of the organisation	8; 63-64	
102-2	Activities, brands, products, and services	32	
102-3	Location of headquarters	8	
102-4	Location of operations	8-9; 54	
102-5	Ownership and legal form	8; 12-13; 63-54	
102-6	Market served	9	
102-7	Scale of the organisation	26; 44-45; 54	
102-8	Information on employees and other workers	44-45	
102-9	Supply Chain	54-55	
102-10	Significant changes to the organisation and its supply chain	63-64	
102-11	Precautionary principle of approach	29; 58	
102-12	External initiatives	13; 15	
102-13	Membership of associations	13; 15	
102-14	Statement from senior decision-maker	5	
Ethics and integrity			
102-16	Values, principles, standards, and norms of behaviour	14	
102-17	Mechanisms for advice and concerns about ethics	29	
Governance			
102-18	Governance structure	12-13	
Stakeholder engagement			
102-40	List of stakeholder groups	20-21	
102-41	Collective bargaining agreements	51	
102-42	Identifying and selecting stakeholders	20	
102-43	Approach to stakeholder engagement	20-21	
102-44	Key topics and concerns raised	22-23	
Reporting practices			
102-45	Entities included in the consolidated financial statements	63-64	
102-46	Defining report content and topic Boundaries	70-72	
102-47	List of material topics	22-23	
102-48	Restatements of information	63-64	

GRI Standards	Disclosure	Page / Link	Notes and omissions
102-49	Changes in reporting	63-64	
102-50	Reporting period	63-64	
102-51	Date of most recent report	63-64	
102-52	Reporting cycle	63-64	
102-53	Contact point for questions regarding the report	64	
102-54	Claims of reporting in accordance with the GRI Standards	63	
102-55	GRI content index	73-78	
102-56	External assurance	79	
TOPIC-SPECIFIC STANDARDS			
GRI 200: ECONOMIC SERIES (2016)			
Topic: Economic performance			
GRI-103: Management method (2016)			
103-1	Explanation of the material topic and its boundary	70-72	
103-2	The management approach and its components	26	
103-3	Evaluation of the management approach	26	
GRI-201: Economic performance (2016)			
201-1	Direct economic value generated and distributed	26	
Topic: Procurement practices			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	70-72	
103-2	The management approach and its components	54-55	
103-3	Evaluation of the management approach	54-55	
GRI-204: Procurement practices (2016)			
204-1	Proportion of spending on local suppliers	54	
Topic: Prevention and fight against corruption			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	70-72	
103-2	The management approach and its components	29	
103-3	Evaluation of the management approach	29	
GRI-205: Anti-corruption (2016)			
205-3	Confirmed incidents of corruption and actions taken	There were no incidents of corruption during the reporting period	

GRI Standards	Disclosure	Page / Link	Notes and omissions
GRI 300: ENVIRONMENTAL SERIES (2016)			
Topic: Energy			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	70-72	
103-2	The management approach and its components	39-40; 58-59	
103-3	Evaluation of the management approach	39-40; 58-59	
GRI-302: Energy (2016)			
302-1	Energy consumption within the organisation	58-59; 67	
Topic: Emissions			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	70-72	
103-2	The management approach and its components	39-40; 60-61	
103-3	Evaluation of the management approach	39-40; 60-61	
GRI-305: Emissions (2016)			
305-1	Direct (Scope 1) GHG emissions	60; 67	
305-2	Energy indirect (Scope 2) GHG emissions	60-61; 68	
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	61; 68	
Topic: Water discharges and waste			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	70-72	
103-2	The management approach and its components	39-40; 62	
103-3	Evaluation of the management approach	39-40; 62	
GRI-306: Water discharges and waste (2016)			
306-2	Management of significant waste-related impacts	62; 68	
Topic: Environmental compliance			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	70-72	
103-2	The management approach and its components	29; 39-40; 58-59	
103-3	Evaluation of the management approach	29; 39-40; 58-59	
GRI 307: Environmental compliance (2016)			
307-1	Non-compliance with environmental laws and regulations	During the reporting period, there were no cases of non-compliance with environmental laws and regulations	

GRI Standards	Disclosure	Page / Link	Notes and omissions
GRI 400: SOCIAL SERIES (2016)			
Topic: Employees welfare			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	70-72	
103-2	The management approach and its components	51	
103-3	Evaluation of the management approach	51	
GRI-401: Employment (2016)			
401-1	New employee hires and employee turnover	46; 65-66	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	51	
Topic: Occupational health and safety			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	70-72	
103-2	The management approach and its components	39-40; 49-59	
103-3	Evaluation of the management approach	39-40; 49-59	
GRI-403: Occupational health and safety (2018)			
403-1	Occupational health and safety management system	49-50	
403-2	Hazard identification, risk assessment, and incident investigation	49-50	
403-3	Occupational health services	49-50	
403-4	Worker participation, consultation, and communication on occupational health and safety	49-50	
403-5	Worker training on occupational health and safety	49-50	
403-6	Promotion of worker health	49-50	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	49-50	
403-9	Work-related injuries	49-50; 66	
Topic: Training and education			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	70-72	
103-2	The management approach and its components	46-47	
103-3	Evaluation of the management approach	46-47	

GRI Standards	Disclosure	Page / Link	Notes and omissions
GRI-404: Training and education (2016)			
404-1	Average hours of training per year per employee	46-47; 66	
Topic: Development and enhancement of human resources			
GRI-103: Diversity and equal opportunity (2016)			
103-1	Explanation of the material topic and its boundary	70-72	
103-2	The management approach and its components	48	
103-3	Evaluation of the management approach	48	
GRI-405: Diversity and equal opportunity (2016)			
405-1	Diversity of governance bodies and employees	48; 65	
Topic: Non-Discrimination			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	70-72	
103-2	The management approach and its components	29; 48	
103-3	Evaluation of the management approach	29; 48	
GRI-406: Non-Discrimination (2016)			
406-1	Incidents of discrimination and corrective actions taken	During the reporting period, no episodes related to discriminatory practices were identified	
Topic: Customer health and safety			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	70-72	
103-2	The management approach and its components	32-33; 35; 39	
103-3	Evaluation of the management approach	32-33; 35; 39	
GRI-416: Customer health and safety (2016)			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	In the reporting period, no incidents of non-compliance regarding impacts on the health and safety of products and services were identified	
Topic: Customer Privacy			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	70-72	
103-2	The management approach and its components	41	
103-3	Evaluation of the management approach	41	

GRI Standards	Disclosure	Page / Link	Notes and omissions
GRI-418: Customer privacy (2016)			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	During the reporting period, there were no substantiated complaints regarding violations of customer privacy and loss of customer data	
Socioeconomic compliance (2016)			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	70-72	
103-2	The management approach and its components	29	
103-3	Evaluation of the management approach	29	
GRI 419-1 Socioeconomic compliance (2016)			
419-1	Non-compliance with laws and regulations in the social and economic area	In the reporting period, no non-compliance with laws and regulations on social and economic matters was identified	
MATERIAL TOPICS [NOT RELATED TO A TOPIC-SPECIFIC STANDARD GRI]			
Innovation and support for digital transformation			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	70-72	
103-2	The management approach and its components	34	
103-3	Evaluation of the management approach	34	
Commercial partnerships			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	70-72	
103-2	The management approach and its components	12-13; 54-55	
103-3	Evaluation of the management approach	12-13; 54-55	
Sustainable Lighting Solutions			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	70-72	
103-2	The management approach and its components	30-35	
103-3	Evaluation of the management approach	30-35	
Customer satisfaction			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	70-72	
103-2	The management approach and its components	38-39	
103-3	Evaluation of the management approach	38-39	

INDEPENDENT AUDITOR'S REPORT ON THE SUSTAINABILITY REPORT

To the Sole Director of
TCI Telecomunicazioni Italia S.r.l.

We have carried out a limited assurance engagement on the Sustainability Report of TCI Group (hereinafter also the "Group") as of December 31, 2021.

Responsibility of the Sole Director for the Sustainability Report

The Sole Director of TCI Telecomunicazioni Italia S.r.l. is responsible for the preparation of the Sustainability Report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" established by the GRI – Global Reporting Initiative ("GRI Standards"), as stated in the paragraph "Reading guidance" of the Sustainability Report.

The Sole Director is also responsible, for such internal control as they determine is necessary to enable the preparation of the Sustainability Report that is free from material misstatement, whether due to fraud or error.

The Sole Director is also responsible for the identification of the objectives related to the sustainability performance and for identification of the stakeholders and the significant aspects to report.

Auditor's Independence and quality control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the *International Ethics Standards Board for Accountants*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our auditing firm applies *International Standard on Quality Control 1 (ISQC Italia 1)* and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibility

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the Sustainability Report with the GRI Standards. We conducted our work in accordance with the criteria established in the *"International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information"* (hereinafter *"ISAE 3000 Revised"*), issued by the *International Auditing and Assurance Standards Board* (IAASB) for limited assurance engagements. The standard requires that we plan and perform the engagement to obtain limited assurance whether the Sustainability Report is free from material misstatement.

Therefore, the procedures performed in a limited assurance engagement are less than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on the Sustainability Report are based on our professional judgement and included inquiries, primarily with company personnel responsible for the preparation of information included in the Sustainability Report, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically, we carried out the following procedures:

- 1) Analysis of the process relating to the definition of material aspects disclosed in the Sustainability Report, with reference to the methods used for the identification and prioritization of material aspects for stakeholders and to the internal validation of the process results;
- 2) Comparison between the financial data and information included in the chapter "Creation of shared value" of the Sustainability Report with those included in the Group consolidated financial statements;
- 3) Understanding of the processes underlying the origination, recording and management of qualitative and quantitative material information included in the Sustainability Report.

In particular, we carried out interviews and discussions with the management of TCI Telecomunicazioni Italia S.r.l. and we carried out limited documentary verifications, in order to gather information about the processes and procedures which support the collection, aggregation, elaboration and transmittal of data and information to the department responsible for the preparation of the Sustainability Report.

In addition, for material information, taking into consideration the Group's activities and characteristics:

- at the parent company's and subsidiaries' level:
 - a) with regards to qualitative information included in the Sustainability Report, we carried out interviews and gathered supporting documentation in order to verify its consistency with the available evidences;
 - b) with regards to quantitative information, we carried out both analytical procedures and limited verifications in order to ensure, on a sample basis, the correct aggregation of data.
- With regards to TCI Telecomunicazioni Italia S.r.l. and TCI Elettromeccanica S.r.l., which we selected based on their activity, their contribution to the performance indicators at the consolidated level and their location, we carried out remote call conferences, during which we have met their management and have gathered supporting documentation with reference to the correct application of procedures and calculation methods used for the indicators.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the Sustainability Report of TCI Group as of December 31, 2021 is not prepared, in all material aspects, in accordance with the GRI Standards as stated in the paragraph "Reading guidance" of the Sustainability Report.

DELOITTE & TOUCHE S.p.A.

Signed by
Franco Amelio
Partner

Milan, Italy
December 19, 2022

This report has been translated into the English language solely for the convenience of international readers.







TCI LED
professional led applications