

INVENTORY GREENHOUSE GAS EMISSIONS 2024

PURPOSE



Somec Group, in its effort to gain a deeper understanding of the overall impacts generated across its value chain, has decided to continue its journey in reporting greenhouse gas (GHG) emissions. The Company's GHG inventory has been calculated in accordance with the *GHG Protocol Corporate Accounting and Reporting Standard – Revised Edition*, a highly recognized international framework for GHG accounting and reporting. This protocol provides a standardized approach for measuring and managing emissions throughout the value chain, enhancing both transparency and data comparability.

Scope 1 and Scope 2 emissions are critical components of a company's overall greenhouse gas inventory. Scope 1 emissions refer to direct emissions from owned or controlled sources, such as fuel combustion in company vehicles or emissions from industrial processes.

Scope 2 emissions, on the other hand, are indirect emissions from the generation of purchased electricity, steam, heating, and cooling consumed by the company. Together, these scopes provide a comprehensive view of the direct and indirect emissions associated with a company's operations.

Scope 3 emissions encompass all indirect emissions produced throughout the company's value chain, including those from supply chain activities and product usage. As per the GHG Protocol, these emissions are typically divided into 15 categories, covering everything from the procurement of goods and services to the disposal of products.

When calculating Somec's emissions, six primary greenhouse gases, as outlined by the Kyoto Protocol, are taken into account: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), sulfur hexafluoride (SF₆), and perfluorocarbons (PFCs).

The final result of a Carbon Footprint study is expressed in CO₂ equivalents, which allows for the comparison of the effects of different gases, considering their varying abilities to absorb infrared radiation and their persistence in the atmosphere. This method provides a thorough understanding of the emission impacts of business activities across the entire value chain, aiding in the development of effective emission reduction strategies and supporting global climate change mitigation goals.

Normalization is achieved using a specific index known as Global Warming Potential (GWP), which varies based on the time frame considered. The table below shows the GWPs for a 100-year period. For instance, 1 ton of methane has the same heat absorption and atmospheric warming potential over 100 years as 25 tons of carbon dioxide.



Somec has already disclosed Scope 1 and 2 GHG emissions in its 2022 and 2023 Non-Financial Disclosure (also known as “Dichiarazione Non Finanziaria”, DNF) and Scope 3 emissions in the Greenhouse Gas Emissions Inventory 2023. However, in 2024, the reporting scope has been expanded to include additional categories of Scope 3 emissions.

This document outlines the organizational boundaries, the emission categories considered, the methodologies applied, the emission factors used, and the final results. Specifically, the Group has reported the following Scope 3 emission categories (highlighted in bold character):

Greenhouse Gases	Chemical formula	GWP*
Carbon dioxide	CO ₂	1
Methane	CH ₄	25
Nitrous oxide	N ₂ O	298
HFC-32 (Hydrofluorocarbons)	CH ₂ F ₂	14.800
HFC-125 (Hydrofluorocarbons)	CHF ₂ CF ₃	3.500
HFC-134a (Hydrofluorocarbons)	CH ₂ FCF ₃	1.430
Sulfur hexafluoride	SF ₆	22.800
PFC-14 (Perfluorocarbons)	CF ₄	7.390
PFC-116 (Perfluorocarbons)	C ₂ F ₆	12.200

Scope 3 - Categories
Cat. 1 - Purchase of Goods and Services
Cat. 2 - Capital Goods
Cat. 3 - Fuel and Energy-Related Activities
Cat. 4 - Upstream Transportation and Distribution
Cat. 5 - Waste Generated in Operations
Cat. 6 - Business Travel
Cat. 7 - Employees Commuting
Cat. 8 - Upstream Leased Assets
Cat. 9 - Downstream Transportation and Distribution
Cat. 10 - Processing of Sold Products
Cat. 11 - Use of Sold Products
Cat. 12 - End-of-life Treatment of Sold Products
Cat. 13 - Downstream Leased Assets
Cat. 14 - Franchises
Cat. 15 - Investments



Somec Group is one of the world's leading players in the design, manufacturing, and execution of large-scale projects within the marine and civil sectors.

Their activities encompass the creation of glass façades, unique architectural projects, the development of public spaces, and the production of professional kitchens.

The Group's strategy focuses on strengthening its capabilities through targeted acquisitions and expansions, aiming to better understand the needs of major clients and to develop innovative solutions backed by a diverse range of specialized expertise. By 2024, the Group included over 30 subsidiaries.

The organizational boundary considered for the GHG Inventory comprises the following companies:

- Atelier de Façade Montréal Inc.
- Bluesteel S.r.l. (incl. Bluesteel Group UK Ltd)
- Budri S.r.l. (incl. Budri London and Budri Switzerland)
- Fabbrica LLC
- Fabbrica Works Srl
- Gico S.p.A.
- Gino Ceolin S.r.l.
- Hysea S.r.l.
- Inoxtrend S.r.l.
- Oxin S.r.l. (incl. branches)
- Pizza Group S.r.l.
- Pizza Group USA LLC
- Lamparredo S.r.l.
- Mestieri S.p.A.
- Mestieri USA Inc.
- Primax S.r.l.
- Skillbuild S.r.l.
- Skillmax S.r.l.
- Somec S.p.A. (incl. branches)
- Somec Shangai CO. Ltd.
- Somec Sintesi S.r.l.
- Sotrade S.r.o. (inc. Slovakia, Italy, Finland)
- TSI S.r.l.

In light of the new European Corporate Social Responsibility Directive (CSRD), we have had to reassess our approach to reporting. In order to align with the financial reporting perimeter, **Squadra S.r.l.** will not be included in the DNF (Non-Financial Statement).

However, it will still be part of the GHG emissions inventory, albeit with a more limited data request. Under the new directive, the GHG inventory will now be integrated into the DNF and, consequently, into the consolidated financial reporting. This year, the financial and non-financial documents will be combined.

The inventory reporting period spans from January 2024 to December 2024. All the GHG emissions reported by Somec Group are in terms of carbon dioxide equivalent (CO₂e), with the oxidation factor consistently assumed to be 1. The inventory has not undergone external verification.



Somec Group has pinpointed its primary GHG emission sources by adhering to the guidelines in the GHG Protocol Corporate Accounting and Reporting Standard, particularly "Appendix D - Industry Sectors and Scopes", which details GHG sources and activities across different industry sectors. For calculating Scope 3 emissions, the process utilized two supplementary documents: the "Corporate Value Chain (Scope 3) Accounting and Reporting Standard - Supplement to the GHG Protocol Corporate Accounting and Reporting Standard" and the "Technical Guidance for Calculating Scope 3 Emissions - Supplement to the Corporate Value Chain (Scope 3) Accounting & Reporting Standard", both issued by the GHG Protocol.

The emission categories considered are the following:

Scope	Category and source
Scope 1 (Direct GHG emissions)	Stationary Emissions: natural gas, LPG and Diesel (Gas Oil).
	Mobile Emissions: diesel and petrol consumption.
	Fugitive Emissions: leakages of refrigerant gases from air-conditioning systems.
Scope 2 (Energy indirect GHG emissions)	Stationary combustion: Electricity purchased from the national grid.
	1 - Purchased Goods and Services: Upstream emissions from the production of products purchased or acquired.
	2 - Capital Goods: Emissions from the production of capital goods purchased or acquired by the reporting company in the reporting year.
	3 - Fuel and energy-related activities: Emissions related to the production of fuels and energy purchased and consumed.
	4 - Upstream Transportation and Distribution: Transportation and distribution of products purchased and third-party transportation and distribution services purchased by Somec.
	5 - Waste Generated in Operations: Emissions from third-party disposal and treatment of waste generated by the company's owner or controlled operations.
	6 - Business Travel: Emissions from the transportation of employees for business-related activities.
	7 - Employee Commuting: Emissions from the transportation of employees between their homes and their worksites.
	9 - Downstream Transportation and Distribution: Emissions that occur in the reporting year from transportation and distribution of sold products in vehicles and facilities not owned or controlled by Somec.
	11 - Use of Sold Products: Emissions from the use of goods and services sold by the reporting company in the reporting year. It includes the scope 1 and scope 2 emissions of both consumers and business customers that use final products.
	12 - End-of-life Treatment of Sold Products: Emissions from the waste disposal and treatment of products sold by the reporting company (in the reporting year) at the end of their life.
Scope 3 (Other indirect GHG emissions)	

SOMEC GROUP

TOTAL GREENHOUSE GAS EMISSIONS



2024 / Somec Group	
GHG Emissions	tCO ₂ e
Stationary Emissions: natural gas, LPG and Diesel (Gas Oil)	1,157.27
Mobile Emissions: diesel and petrol consumption	597.94
Fugitive Emissions: leakages of refrigerant gases from air-conditioning systems.	104.81
Total Scope 1	1,860.02
Electricity consumption - market based: this method considers purchased renewable electricity, or if zero, the residual mix of the market is used	981.24
Electricity consumption - Location based: the average emission factor relative to the national energy mix is used	1,472.71
Total Scope 2 market-based	981.24
1 - Purchased Goods and Services: Upstream emissions from the production of products purchased or acquired	149,691.35
2 - Capital Goods: Emissions from the production of capital goods purchased or acquired by the reporting company in the reporting year	7,308.06
3 - Fuel and energy-related activities: Emissions related to the production of fuels and energy purchased and consumed	644.39
4 - Upstream Transportation and Distribution: Transportation and distribution of products purchased and third-party transportation and distribution services purchased by Somec	10,842.39
5 - Waste Generated in Operations: Emissions from third-party disposal and treatment of waste generated by the company's owner or controlled operations	304.73
6 - Business Travel: Emissions from the transportation of employees for business-related activities	413.52
7 - Employee Commuting: Emissions from the transportation of employees between their homes and their worksites	1,744.91
9 - Downstream Transportation and Distribution: Emissions that occur in the reporting year from transportation and distribution of sold products in vehicles and facilities not owned or controlled by Somec	2,852.87
11- Use of products sold: emissions from the use of goods and services sold by the reporting company in the reporting year. Includes emissions in Scope 1 and 2 from both consumers and business customers using the end products	5,714.98
12 - End-of-life treatment of products sold: emissions from waste disposal and treatment of products sold by the reporting company (in the reporting year) at the end of their life cycle	4,816.30
Total Scope 3	184,333.50
Total Scope 1&2 (Market Based), Scope 3	187,174.76
Total Scope 1&2 (Location Based), Scope 3	187,666.24

METHODOLOGIES & EMISSION FACTORS



The Group has determined its GHG emissions by using established emission factors. These factors are ratios that link GHG emissions to a representative measure of activity at the emission source.

The formula applied is:

- **Activity Based methodology: GHG Emissions = Emission factor * Activity data**
- **Spend Based Methodology: GHG Emissions = Emission factor * Spend data**

The main sources of the emission factors considered are identified based on the following Databases:

DEFRA (*Department for Environmental, Food & Rural Affairs*): it is the UK government department; its database contains EFs for Scope 1 and Scope 3 emissions.

Ecoinvent v 3.11: its database covers life cycle inventory (hereafter "LCI") and provides well-documented process data for thousands of different products and processes. For the purpose of this GHG inventory, the Ecoinvent database was used to calculate part of Scope 3 Category 3 emissions: Fuel and energy related activities.

EPA 2021: The EPA 2021 GHG Emission Factors Hub was designed to provide organizations with a regularly updated and easy-to-use set of default emission factors. In the case of categories calculated using the spend-based methodology, the data was assigned to an EPA 2021 emission factor, appropriately adjusted for inflation based on the nature of the expenditure. These factors were further adjusted for purchasing power parity (PPP) €/USD 2021 (Ref. OECD) and updated to reflect Italy's inflation rate (2021-2024) (Ref. MEF).

The following paragraphs will explain the data and emission factors applied, by emission source. Any exception and assumption considered during the emission categories calculation is duly specified in the corresponding section.



SCOPE 1

For Scope 1, the Corporate Standard mandates the quantification of emissions from natural gas and other fossil fuel consumption, fluorinated gas emissions, and emissions from transportation activities that are under the company's direct control.

The assumptions made are as follows:

- For car fleet emissions, using a conservative approach, long term-leased vehicles are considered as property assets as per Scope 1 accounting.
- The refrigerant gas amount released in the atmosphere has been supposed to be equal to the total amount of gases added to the air conditioning devices for cooling during the reporting year. For the plants based in Italy, data source for refrigerant gases refilling is the “FGas Declaration”, which is mandatory for the devices with a capacity of more than 3kg of refrigerant gases (D.P.R. n. 43/2012). GWPs have been calculated considering the refrigerant gases composition and blends found on the maintenance report.

GHG Emissions Scope 1 - 2024				
Emission source	Activity data	Emission Factors		
Natural gas for heating and oven testing	Fuel consumption	DEFRA 2024	kg CO2e/m3	2,05
Diesel (Gas Oil) for heating and over testing	Fuel consumption		kg CO2e/liter	2,76
LPG for heating and oven testing	Fuel consumption			1,56
Fuels for car fleet (property and long-term leasing)	Fuel consumption (diesel)			2,66
	Fuel consumption (petrol)			2,35
Leakages from air-conditioning systems of refrigerant gases	Leakages (R407C)		kg CO2e/kg	1624



SCOPE 2

The Corporate Standard mandates that organizations quantify emissions resulting from the generation of purchased and consumed electricity, steam, heat, or cooling. These are classified as indirect emissions because they stem from the reporting organization's activities but occur at facilities owned or controlled by another entity. Scope 2 emissions are calculated using two distinct methods:

- **Location-Based Approach:** this method is based on an average emissions factor related to the national energy mix specific to each country in which Somec Group operates. The higher the share of renewable energy used within the country the lower the associated emissions factor.
- **Market-Based Approach:** this method considers the renewable electricity purchased. Following this approach, a zero emissions factor is applied to any share of renewable energy that has been purchased with Guarantee of Origin (GO) certificates or other instruments. The remaining purchased energy is considered through an emission factor that considers the residual mix of the market, that reflects the energy share produced by non-renewable sources.

GHG Emissions Scope 2 - Location Based - 2024		
Emission source	Activity data	Emission Factors
Electricity purchased from the national grid IT	Electricity consumption [kWh]	Ecoinvent 3.11
Electricity purchased from the national grid US		
GHG Emissions Scope 2 - Market Based - 2024		
Emission source	Activity data	Emission Factors
Electricity purchased from national grid IT	Electricity consumption [kWh]	Ecoinvent 3.11
Electricity purchased from the national grid US		

SCOPE 3

Scope 3 indirect emissions encompass all indirect emissions not covered under Scope 2, occurring throughout the reporting company's value chain. These emissions are categorized into 15 distinct groups, divided into upstream and downstream activities.

Somec Group calculated the following categories' selection:

- Cat. 1 - Purchase of Goods and Services
- Cat. 2 - Capital Goods
- Cat. 3 - Fuel and Energy-Related Activities
- Cat. 4 - Upstream Transportation and Distribution
- Cat. 5 - Waste Generated by Operations
- Cat. 6 - Business Travel
- Cat. 7 - Employees Commuting
- Cat. 9 - Downstream Transportation and Distribution
- Cat. 11 - Use of Sold Products
- Cat. 12 - End-of-life Treatment of Sold Products

METHODOLOGIES & EMISSION FACTORS



GHG emissions Scope 3 – Cat. 1: Purchased goods & services (Spend Based) – 2024

Emission factor considered	Emission Factors		
Metal Coating, Engraving (except Jewelry and Silverware), and Allied Services to Manufacturers	EPA 2021*	kgCO ₂ e/€	0,74
Structural Steel and Precast Concrete Contractors	EPA 2021*	kgCO ₂ e/€	0,34
Engineering Services	EPA 2021*	kgCO ₂ e/€	0,17
Other Building Equipment Contractors	EPA 2021*	kgCO ₂ e/€	0,34
Wired Telecommunications Carriers	EPA 2021*	kgCO ₂ e/€	0,11
Postal Service	EPA 2021*	kgCO ₂ e/€	0,27
All Other Legal Services	EPA 2021*	kgCO ₂ e/€	0,07
Other Scientific and Technical Consulting Services	EPA 2021*	kgCO ₂ e/€	0,11
Administrative Management and General Management Consulting Services	EPA 2021*	kgCO ₂ e/€	0,12
Computer Systems Design Services	EPA 2021*	kgCO ₂ e/€	0,11
Other Management Consulting Services	EPA 2021*	kgCO ₂ e/€	0,12
Public Relations Agencies	EPA 2021*	kgCO ₂ e/€	0,18
Advertising Agencies	EPA 2021*	kgCO ₂ e/€	0,18
Other Services Related to Advertising	EPA 2021*	kgCO ₂ e/€	0,18
Insurance Agencies and Brokerages	EPA 2021*	kgCO ₂ e/€	0,05
Office Supplies and Stationery Stores	EPA 2021*	kgCO ₂ e/€	0,23
Janitorial Services	EPA 2021*	kgCO ₂ e/€	0,23
Caterers	EPA 2021*	kgCO ₂ e/€	0,22
Human Resources Consulting Services	EPA 2021*	kgCO ₂ e/€	0,12
Commercial Banking	EPA 2021*	kgCO ₂ e/€	0,07
All Other Professional, Scientific, and Technical Services	EPA 2021*	kgCO ₂ e/€	0,11
All Other Support Services	EPA 2021*	kgCO ₂ e/€	0,17
Stationery Product Manufacturing	EPA 2021*	kgCO ₂ e/€	0,56

*EPA 2021: emission factors appropriately adjusted for inflation

GHG emissions Scope 3 – Cat. 1: Purchased goods & services (Activity Based) – 2024

Emission factor considered	Emission Factors		
Aluminium cans and foil	DEFRA 2024	kgCO ₂ e/kg	9,11
Steel cans	DEFRA 2024	kgCO ₂ e/kg	2,8
Glass	DEFRA 2024	kgCO ₂ e/kg	1,4
Metals mixed cans	DEFRA 2024	kgCO ₂ e/kg	5,1
Mineral oil	DEFRA 2024	kgCO ₂ e/kg	1,4
Solvent production, organic (GLO)	DEFRA 2024	kgCO ₂ e/kg	3,1
Average plastic	DEFRA 2024	kgCO ₂ e/kg	3,2
Metals	DEFRA 2024	kgCO ₂ e/kg	3,8
Insulation	DEFRA 2024	kgCO ₂ e/kg	1,87
Plastics: HDPE (incl. forming)	DEFRA 2024	kgCO ₂ e/kg	3,1
Coating powder production (RER)	DEFRA 2024	kgCO ₂ e/kg	5,92
Phenolic resin production (RER)	DEFRA 2024	kgCO ₂ e/kg	3,12
Wood	DEFRA 2024	kgCO ₂ e/kg	0,27
PS (incl. forming)	DEFRA 2024	kgCO ₂ e/kg	3,76
Steel cans	DEFRA 2024	kgCO ₂ e/kg	2,86
Air separation, cryogenic (RER)	DEFRA 2024	kgCO ₂ e/kg	1,12
Electrical items IT	DEFRA 2024	kgCO ₂ e/kg	24,87
Paper	DEFRA 2024	kgCO ₂ e/kg	1,34
Alkyd paint production, white, waterbased, product in 60% solution state (RER)	DEFRA 2024	kgCO ₂ e/kg	4,76
Soda production, solvay process (RER)	DEFRA 2024	kgCO ₂ e/kg	0,48
Lubricating oil production (RER)	DEFRA 2024	kgCO ₂ e/kg	1,54
Clothing	DEFRA 2024	kgCO ₂ e/kg	22,3
Isopropanol production (RoW)	DEFRA 2024	kgCO ₂ e/kg	2,91
Average construction	DEFRA 2024	kgCO ₂ e/kg	0,08
Paper and board: mixed	DEFRA 2024	kgCO ₂ e/kg	1,28
Plastics: average plastic rigid	DEFRA 2024	kgCO ₂ e/kg	3,35
Plastics: average plastic film	DEFRA 2024	kgCO ₂ e/kg	2,91

METHODOLOGIES & EMISSION FACTORS



GHG emissions Scope 3 – Cat. 2: Capital Goods (Spend Based) – 2024

Emission factor considered	Emission Factors		
Other Industrial Machinery Manufacturing	EPA 2021*	kgCO ₂ e/€	0,29
Motor Vehicle Body Manufacturing			0,34
Land Subdivision			0,33
Office Machinery and Equipment Rental and Leasing			0,19

GHG emissions Scope 3 – Cat. 3: Fuel and energy-related activities - 2024

Emission factor considered	Emission Factors		
Natural gas	DEFRA 2024	kgCO ₂ e/m3	0,337
CNG		kgCO ₂ e/litres	0,093
Diesel (100% mineral diesel)		kgCO ₂ e/litres	0,624
Petrol (average biofuel blend)		kgCO ₂ e/litres	0,581
LPG		kgCO ₂ e/litres	0,18551
Electricity - Location based Market for electricity, low voltage, IT	Ecoinvent v. 3.11		
Electricity - Location based Market for electricity, low voltage, US			
Electricity, low voltage, residual mix, IT			
Electricity, low voltage, residual mix, US			

GHG emissions Scope 3 - Cat. 4: Upstream Transportation and Distribution – 2024 Cat 9: Downstream Transportation and Distribution - 2024

Emission factor considered	Emission Factors		
General Freight Trucking, Local	EPA 2021*	kg CO ₂ e/€	1,57
Other Support Activities for Air Transportation			0,29
Deep Sea Freight Transportation			0,87

*EPA 2021: emission factors appropriately adjusted for inflation

GHG emissions Scope 3 – Cat. 5: Waste Generated in operations – 2024

Activity Data	Emission Factors				
	Source	UoM	Open loop/ Closed loop	Combustion	Landfill
Average construction	DEFRA 2024	kgCO ₂ e/t	0,98485	6,41061	
Wood	DEFRA 2024	kgCO ₂ e/t	6,41061	6,41061	925,24423
WEEE - mixed	DEFRA 2024	kgCO ₂ e/t	6,41061	6,41061	8,88386
Commercial and industrial waste	DEFRA 2024	kgCO ₂ e/t	6,41061	6,41061	520,3342
Metal: steel cans	DEFRA 2024	kgCO ₂ e/t	6,41061	6,41061	8,88386
Metal: scrap metal	DEFRA 2024	kgCO ₂ e/t	6,41061	6,41061	8,88386
Metal: aluminium cans and foil (excl. forming)	DEFRA 2024	kgCO ₂ e/t	6,41061	6,41061	8,88386
Paper and board: paper	DEFRA 2024	kgCO ₂ e/t	6,41061	6,41061	1164,39015
Plastics: average plastics	DEFRA 2024	kgCO ₂ e/t	6,41061	6,41061	8,88386
Clothing	DEFRA 2024	kgCO ₂ e/t	6,41061	6,41061	496,68303
Aggregates	DEFRA 2024	kgCO ₂ e/t	0,98485		1,23393
Glass	DEFRA 2024	kgCO ₂ e/t	6,4106	6,41061	8,88386
Metals	DEFRA 2024	kgCO ₂ e/t	0,98485		1,26435
Plasterboard	DEFRA 2024	kgCO ₂ e/t	6,41061		71,95
Average construction	DEFRA 2024	kgCO ₂ e/t	0,98485	6,41061	
Soils	DEFRA 2024	kgCO ₂ e/t	0,98485		19,51726
Batteries	DEFRA 2024	kgCO ₂ e/t	6,41061		8,88386



GHG emissions Scope 3 – Cat. 6: Business travels – 2024				
Activity Data	Emission Factors			
Average EU / USA cities	DEFRA 2024	Room per night	12,6333	
Short-haul (<3700 km) - Economy class (without RF)		kCO ₂ e/ passenger.km	0,0225	
Rail - National rail		kCO ₂ e/ passenger.km	0,0355	
Regular taxi		kCO ₂ e/km	0,2081	
Average car (unknown)		kCO ₂ e/km	0,1698	

GHG emissions Scope 3 – Cat. 7: Employees commuting – 2024				
Activity Data	Emission Factors			
Average car	DEFRA 2024	km	0,169826	
Average car (electric)		km	0,054796	
Light rail and tram		passenger.km	0,028603	
Average motorbike		km	0,113674	
Average car		km	0,169826	
Light rail and tram		passenger.km	0,028603	

GHG emissions Scope 3 – Cat. 11: Use of Sold Products – 2024	
Activity Data	Emission Factors
EE - Average residual mix - IT	Ecoinvent v. 3.11

GHG emissions Scope 3 – Cat. 12: End-of-life Treatment of Sold Products – 2024					
Activity Data	Emission Factors				
	Source	UoM	Open loop/ Closed loop	Combustion	Landfill
Electrical Items	DEFRA 2024	kgCO ₂ e/kg	6,41061	6,41061	8,88386
Metal: steel cans			6,41061	6,41061	8,88386
Glass			6,41061	6,41061	8,88386
Plastics: average plastics			6,41061	6,41061	8,88386
Wood			6,41061	6,41061	925,24423
Paper and board: board			6,41061	6,41061	8,88386

EMISSION CATEGORIES

The exclusions, limitations, omissions and assumptions made for each emission category are listed below:

Cat. 1 - Purchase of goods and services

Category 1 includes all upstream emissions from the production of products purchased or acquired. For the calculation of emissions related to purchased goods and services, a hybrid methodology was used. For purchased services, a spend-based methodology was used, starting from the income statement data and multiplying them by an EPA 2021 emission factor, appropriately adjusted for inflation. For the calculation of raw materials, the quantities in terms of weight of the purchased products were multiplied by the DEFRA 2024 emission factors, except for the 'Other purchases' item for which the spend-based methodology was used. The calculations considered the cradle-to-gate emissions pertaining to each material and product purchased. Furthermore, given the lack of primary data concerning the composition of some semi-finished and finished products, estimations were made on the materials to be considered. In addition, for Inoxtrend, some materials were excluded since it was not possible to reasonably estimate their weight or Emission Factor.

Cat. 2 - Capital Goods

Category 2 includes all upstream (cradle-to-gate) emissions associated with the production of capital goods—durable assets purchased or acquired by the reporting company during the reference year, used to produce goods or provide services. To calculate emissions from capital goods, a spend-based methodology was employed. The input data consisted of the increase in investment value reported by Somec compared to 2023. This data was then matched with an EPA 2021 emission factor, appropriately adjusted for inflation, selected based on the nature of the expenditure.

Cat. 3 - Fuel and Energy-Related Activities

Category 3 includes emissions associated with the production of fuels and energy purchased and consumed during the reporting year. To calculate these emissions, energy consumption data for each legal entity within the reporting boundary was used. This consumption was multiplied by emission factors from Ecoinvent (v. 3.11) for electricity and DEFRA (2024) for fossil fuel. For electricity-related emissions, a location-based emission factor was applied, as supplier-specific energy mixes were not available.

Cat. 4 - Upstream Transportation and Distribution

Category 4 includes emissions from the transportation and distribution of purchased goods, as well as third-party transport and distribution services used by Somec. To calculate these emissions, a spend-based approach was adopted. The data provided by Somec allowed for the identification of transport modes associated with each purchase. The EPA 2021 emission factors, appropriately adjusted for inflation, for these transport modes were applied to items in the income statement under "Transport on sales" and "Transport on purchases".

Cat. 5 - Waste Generated by Operations

Category 5 accounts for emissions from third-party disposal and treatment of waste generated by the company's owned or controlled operations. Emissions were calculated using a waste-type-specific methodology. The input data consisted of the tons of waste generated in 2024 that were converted into emissions using DEFRA (2024) emission factors, based on the type of waste and the disposal method (e.g., recycling, incineration, landfill).

Cat. 6 - Business Travel

Category 6 includes emissions from the transportation of employees for business-related activities.

A distance-based methodology was used to quantify these emissions. Using Somec's business travel records, the distances between departure and arrival points for all trips taken in 2024 were calculated. These distances were then multiplied by DEFRA 2024 emission factors corresponding to the modes of transportation used. Business travel included transport by train, car, plane, and taxi, as well as emissions from overnight stays in accommodations (e.g., hotels). In addition, it was assumed that a taxi with the same destination and departure is equal to 10 km and in the same case of car rental it was assumed a way of 50 km.

Cat. 7 - Employee Commuting

Category 7 includes emissions from employees commuting between their residences and worksites.

Emissions were calculated based on the residential zip codes of Somec Group employees and their respective office locations. The distance between these points was measured, with distances exceeding 100 km capped at 100 km. In addition, in case of lack of detailed information on vehicle types and fuels used, an average emission factor for a generic car with unspecified fuel was applied. DEFRA 2024 conversion factors were used, incorporating the modes of transportation identified. In some cases, the distances were directly available from Somec's input documents.

Cat. 8 - Upstream Leased Assets

Category 8 includes emissions from the operation of assets that are leased and not already included in the reporting company's scope 1 or scope 2 inventories. It has not been calculated because all Somec items related to "Leasing and rental costs" have already been accounted for in Scope 1 and 2.

Cat. 9 - Downstream Transportation and Distribution

Category 9 includes emissions from the transportation and distribution of sold products, using vehicles and facilities not owned or controlled by Somec, occurring during the reporting year. To calculate these emissions, a spend-based methodology was applied. Somec's data identified the percentage of EXW sales and the associated transport modes. Expenses related to downstream transportation were proportioned to the percentage of EXW goods sold. These values were then combined with an EPA 2021 emission factor, appropriately adjusted for inflation, for the relevant transport modes to calculate total emissions.

Cat. 10 - Processing of Sold Products

Category 10 includes emissions from processing of sold intermediate products by third parties (e.g., manufacturers) subsequent to sale by the reporting company. It has not been calculated as it is not applicable, there is no further processing of the products (machinery) sold by Somec.

Cat. 11 - Use of Sold Products

Category 11 includes emissions from the use of goods and services sold by the reporting company in the reporting year. For the reporting year 2024, the calculation of category 11 has been implemented, considering the Talenta area (Systems and products of professional kitchens) of the Somec Group. For the calculation of emissions resulting from the use of sold products, a direct-use phase methodology based on sales data of the 100 best-selling products has been adopted. This analysis allowed the evaluation of the impact of sold products considering the energy source used, as indicated by the technical office of the reference company, and the number of annual operating hours of the product. The average consumption was estimated by calculating a weighted average of the mapped consumption based on the quantities sold for each type of product, for which an average useful life was estimated by the technical office, with daily use for a certain number of days per year. The emission factors used are based on electricity - market-based, with reference to EE - Average residual mix - IT, expressed in tons CO₂/kWh, provided by AIB.

Cat. 12 - End-of-life Treatment of Sold Products

Category 12 includes emissions from the waste disposal and treatment of sold products at the end of their life.

For the reporting year 2024, the calculation of category 12 has been implemented, considering the Talenta area (Systems and products of professional kitchens) of the Somec Group. For the calculation of emissions associated with the end-of-life treatment of sold products, a waste-type specific methodology has been adopted. The tons of sold products, including packaging, have been multiplied by the DEFRA 2024 emission factors, assuming that all components of the machinery and related packaging are properly disposed of and recycled. It has been assumed that the various materials are disposed of according to the methods defined in the Global Waste Management Outlook 2024 published by UNEP. The calculation only considers products also included in category 11. The possible disposal of refrigerant gases is not considered.

Cat. 13 - Downstream Leased Assets

Category 13 includes emissions from the operation of assets that are owned by the reporting company (acting as lessor) and leased to other entities in the reporting year that are not already included in scope 1 or scope 2. It has not been calculated as it is not applicable, Somec Group does not engage in downstream leasing activities.

Cat. 14 – Franchises

Category 14 includes emissions from the operation of franchises not included in scope 1 or scope 2.

It has not been calculated as it is not applicable, Somec Group does not engage in franchising activities.

Cat. 15 – Investments

Category 15 includes scope 3 emissions associated with the reporting company's investments in the reporting year, not already included in scope 1 or scope 2. It has not been calculated as it is not applicable, Somec Group does not have investments that generate indirect emissions.

ACRONYMS & DEFINITIONS



Acronyms and Definitions

Acronym	Definition
GHG	Greenhouse gases
EF	Emission factor
GWP	Global Warming Potential
IPCC	Intergovernmental Panel on Climate Change
GO	Guarantee of Origin



For additional information, please consult the Group's website at:

<https://www.somecgruppo.com/en/sustainability-esg/>

Inquiries regarding the contents of this Greenhouse Gas Emissions Inventory can be made directly to the following email address: sustainability@somecgroup.com

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