



Sustainability report

ESG - 2024



Headquarters

Via Santa Rita - 21057 Olgiate Olona (VA)

P.IVA 02792930121

Cap.Soc. i.v. 1.600.000 €

Telephone

+39 0331 323202

Fax

+39 0331 323282

Email

info@btsr.com

Website

<https://www.btsr.com/ita>

Reporting Year 2023

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Company Profile

For over forty-five years, BTSR has been the international reference partner of the major companies operating in the **textile supply chain**, from yarn preparation processes to the creation of textile products.

BTSR solutions include electronic sensors and intelligent systems aimed at meeting the most diversified needs regarding the monitoring of yarn flow, the control of the feed tension, and the major quality parameters of all types of fibers and yarns from the most traditional, to elastomers, glass fibers, carbon fibers and technical yarns in general.

Over the years, BTSR has diversified its offer, creating two new divisions, **BTSR COIL** with products dedicated to *the Coil Winding* sector and **BTSR HYGIENE** with control products dedicated to the *Diaper market*.

Finally, the "**Project on Demand**" division is able to offer a design, development and engineering service, capable of creating and producing any type of sensors for the most diverse High-Tech sectors.

The BTSR brand is recognized by operators in the sector as a synonym of **guarantee** and **innovation**. BTSR represents great value in the world thanks to the widespread international distribution network, present in over 30 countries, able to guarantee qualified assistance in all major markets, from Europe to North and South America, to the entire Far East.

Vision and Values

Constant innovation

- Transforming our knowledge into *customer-oriented innovation*.
- Over five hundred (500) patents registered worldwide.
- Excellence through innovation, exploring the future.

Vision of Partnership

- The awareness of the value generated by a deep spirit of partnership.
- Focus on the customer and development of long-term relationships.
- A common *goal* to be pursued together.

Development of Tailor-made Projects

- Consolidated OEM cooperations.
- Implementation of 'tailor-made' solutions.
- Internal R&D teams dedicated to the development of individual projects.
- A common commitment fully shared.

Global Quality Control

- From the single step to the single process, reaching the complete control of the Quality of Production in real time.
- Reduction of response times, increase in production efficiency and improvement of Quality monitoring.
- Production under control, relative to the single factory or several production sites.

Mission

BTSR's mission is divided into two fundamental points:

1. Design and develop **advanced technological solutions for yarn/yarn control in automated industrial processes**, contributing decisively to increasing the efficiency of production processes and the quality of the products made.
2. To confirm our **position as a leader** through the development of innovative solutions capable of anticipating market needs and responding quickly to changes taking place.

Research and Development

BTSR, ISO 9001:15 certified, works according to the canons of the Quality System with a strong orientation of *Problem Solving*, right from the design phase; all customer requests and expectations are analyzed to find the best and most technologically advanced solutions.

In the R&D laboratories, a staff of experts studies and designs exclusive products, geared towards *Customer Satisfaction*. Once the feasibility of the project has been verified, the technical office, equipped with CAD-3D stations, engineers the product both from a mechanical point of view, i.e. Design and Ergonomics of the product, and from an electronic point of view, i.e. PCBs and special "custom" components.

In the Software R&D area, a team of engineers takes care of Software development, the heart of all BTSR products.

Thanks to its R&D teams, BTSR proposes itself as a Project Technology Partner for the development of **on-demand products**, thus establishing consolidated **collaborative relationships** with the main machine manufacturers and companies operating on the entire textile production chain, from yarn preparation processes to the creation of textile products.

The distinctive skills and skills gained within our R&D division have finally led BTSR to **diversify** its business, proposing itself as a partner supplier of electronic components and software solutions 'on demand' to manufacturers of **machine tools, robots and automation**.

Production

The production cycle of our company can be divided into two main sequential phases: the first, **technological and robotic** to the extreme, which involves the use of a minimum (extremely qualified) workforce and the use of fully automated lines for the mass production of electronic components, which constitute the heart of our products; the second phase, **manual**, provides for the division into organized work teams that provide for the verification, assembly, calibration and serial identification of all components, for precise traceability of the finished parts.

Always attentive to technological innovations, our production division uses the most modern machinery and tools on the market.

State-of-the-art production systems allow just-in-time *controlled production* with high profitability in terms of product yield, and therefore able to satisfy any order in real time.

The automatic assembly lines of electronic components in SMT technology guarantee high quality and **extreme electronic miniaturization** of all BTSR products.

In the Quality Control Center, the assembled electronic boards are inspected. **100% of our production** is inspected through sophisticated vision instruments and tested with automatic testing systems, in order to guarantee and maintain the high-quality standards that distinguish us. In each testing line, all BTSR products must pass numerous verification steps before they can be certified with our brand and then be placed on the market.

The products

BTSR's technological offer finds a wide range of applications along the entire **textile supply chain**, from yarn preparation processes to the creation of textile products. Wherever there is an application need **for wire control within a production process**, our company is able to provide the optimal solution, ensuring 'top' performance in terms of **precision, flexibility and reliability**.

BTSR devices (available in standard and/or 'custom-made' versions) can control **all types of threads and yarns** -traditional, elastomers, glass fibers, carbon fibers-, improving the performance of the textile process and the quality of the product made.

Why we need sustainable development

The scientific path of sustainable development is enshrined in its official definition of 1987 in the Brundtland Report, also known as "*Our Common Future*":

Sustainable development is development that allows the present generation to meet its own needs without compromising the ability of future generations to meet their own needs.

Since then, there have been numerous international agreements, protocols signed, political and individual initiatives to reduce the environmental impacts of our actions. Many goals have been achieved, unfortunately many have also been disregarded, and today we are beginning to see those changes against which the scientific community had warned us.

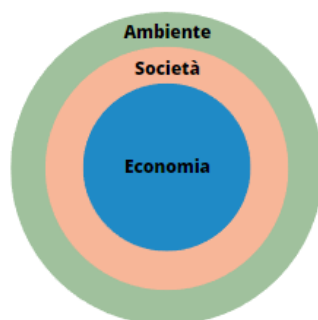
We are still in time to change course and abandon a linear development model such as the current one, which provides for a single direction from the withdrawal of resources to the disposal of waste, towards a more circular system of reduce-reuse-recycle, which provides for less impact and more awareness in consumers, more social equity and redistribution of wealth and benefits.

In all this, companies can promote the new model by transforming their products/services, communicating the results and demanding certain standards along the value chain towards all their stakeholders.

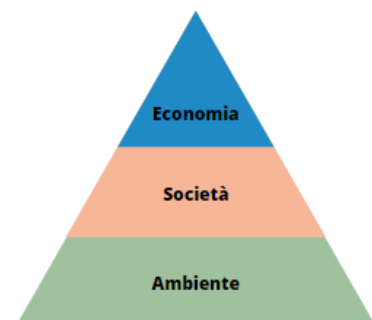
If in the past **environmental protection** was seen more as an obstacle to socio-economic development (or even worse: to "infinite growth"), today it is one of the three pillars that support the principle of **sustainable development**, together with **social inclusion** and **economic sustainability**, as elements of equal importance.



Visione a cerchi sovrapposti



Visione a cerchi concentrici



Visione piramidale

Figure 1 - The evolution of the representation of sustainable development

The best way to represent sustainable development is the one that goes beyond its "overlapping circles vision", passes through a "concentric circles vision" and finally arrives at a "pyramid vision".

The latter perspective allows us to consider important relationships between the environmental, social and economic system. The environmental system at the base of the pyramid is also the largest and represents, in essence, the entire planet.

The economic system at the top of the pyramid is not "the most important" but rather "the most dependent" on the social system, without which it could not exist, and on the environmental system, which provides all the raw materials that feed the production chains.

The social system, in the middle, is supported in its primary needs by the environmental system and benefits from the products and services created by the economic system.

This vision highlights and reminds us how it is the economy that exists for the benefit of social development, while we are now led to think of the economic system as essential and fundamental at any cost, even at the sacrifice of the environment and society itself.

ESG reporting for companies

The demand for transparency on sustainable and socially responsible practices is growing. Businesses must be accountable to various stakeholders, including investors, customers, employees and non-governmental organizations (NGOs), who are committed to assessing their impact on the planet.

Environmental, social, and governance (ESG) performance analysis and reporting can provide valuable insights and help create long-term value for stakeholders. This analysis can have a significant impact on the company's financial metrics and allow for more informed investment decisions.



ESG reporting refers to the disclosure of data regarding the company's operations in three areas: environmental, social and governance. This communication, aimed at investors, broadly describes the company's impact in these three areas.

ESG performance analysis summarises quantitative and qualitative statements, helping to guide investments. ESG reporting helps investors avoid companies that could pose a greater financial risk due to their environmental performance or other social or governance practices.

European standards and obligations

In November 2022, the European Parliament definitively adopted the Corporate Sustainability Reporting Directive (CSRD) which, from 2024, will oblige companies to make public data on their environmental and social impact, with the dual objective of combating greenwashing and giving a tangible boost to the integration of sustainability into production processes.

The application of the rules provided for by the CSRD Directive will take place between 2024 and 2028 according to the following phases:

- from January 1st, 2024, for large public-interest undertakings (with more than 500 employees) already subject to the Non-Financial Reporting Directive, with a deadline for publication of data in 2025;
- from January 1st, 2025, for large companies not yet subject to the Non-Financial Reporting Directive (with more than 250 employees and/or €40 million in turnover and/or €20 million in total assets), expiring in 2026;
- from January 1st, 2026, for SMEs and other listed companies, expiring in 2027. SMEs can choose not to participate until 2028.

The sustainability report must be prepared according to the European standards defined by **EFRAG** and the information collected here has been organized according to this model.

The analysis of performance against ESG factors thus summarises quantitative and qualitative statements, helping to guide investments. ESG reporting allows the promotion of a good reputation in the eyes of the public, to stand out from the competition and to attract investors and funding.

The structure of the report

The ESG sustainability report was structured on a capillary survey divided into 10 different areas of the three sections envisaged (environment, society and governance).

The subdivision follows the structure set out in the guidelines of the EFRAG (*European Financial Reporting Advisory Group*), an advisory body to the European Commission in the field of corporate reporting, and which will presumably be published in a final version during 2024.

The areas of application are therefore as follows:

ENVIRONMENTAL	SOCIAL	GOVERNANCE
E1. Climate change	S1. Internal workforce	G1. Business conduct
E2. Pollution	S2. Workers in the production chain	
E3. Water and marine resources	S3. Communities involved	
E4. Biodiversity and ecosystems	S4. Consumers and end users	
E5. Circular economy		

Tab.1 Areas of application referred to the EFRAG guidelines

For each area, information was collected to identify:

- external **risks** that may compromise the work of the organization;
- the **potential** impacts for which the organization may be responsible in that area;
- **solutions** that the company knowingly already puts in place;
- future **objectives** on which to focus and therefore to be monitored;
- economic **investment evaluations** for present solutions and future objectives.

For each hazard identified by the potential chain of cause-effects applicable to the company, an objective risk assessment was made, analysing the frequency of occurrence and the severity in the event of an impact. The table below (Table 2) identifies the matrix with which the level of risk is assessed. Future solutions and objectives will aim to lower the identified risks to acceptable levels.

Frequency \ Gravity	Rarely	Infrequent	Possible	Very frequent	Practically certain
Negligible	Minimal risk				
Light		Mild risk			
Moderate			Low risk		
Significant				High risk	
Catastrophic					Serious risk

Tab.2 Risk analysis matrix

Despite the attempt at objectivity, risk analysis will suffer from a certain degree of subjectivity due to the personal interpretation of hazards and their possible frequency.

Surveys are based on the previous fiscal year; so, in this case, the answers are based on the calendar year 2023.

Environmental Section

Environmental hazards and risks

The ESG environmental assessment section for EFRAG guidelines investigates and follows the areas as provided for in the European Taxonomy (EU Reg. 2020/852). These are:

- | | |
|--------------------------------|---------------------------------|
| E1. Climate change | E2. Pollution |
| E3. Water and marine resources | E4. Biodiversity and ecosystems |
| E5. Circular economy | |

The environmental analysis developed in this way will therefore also correspond to the principle of "Do *No Significant Harm*" (DNSH), compliance with which is required by interventions that want to access PNRR funds.

BTSR International S.p.A. has been ISO 14001:15 certified for years and from the beginning has undertaken the process of analysing its environmental risks and impacts with the desire to align with environmental regulatory requirements.

The environmental impacts directly attributable to the company's activity are not numerous, since the creation of BTSR products and devices does not require excessive energy consumption or significant harmful emissions in the environmental matrices. The use of water resources is limited as there are no processes in which the use of water is envisaged.


While it is true that BTSR products require specific raw materials for production, some of which can significantly impact the environment, such as plastics, metals, ceramic components, conductive materials like silicon with various doping systems for electronic components, and resins and paints used to protect electronic assemblies.

In general, BTSR's products can be traced back to the textile industry, whose impacts on the environment have been well highlighted, especially over the last few years with the advent of *fast fashion*. This implies that the company's environmental impacts are mainly indirect, linked to the procurement of raw materials and the activities carried out by its customers.



BTSR currently believes that it does not suffer from major financial risks due to the issues of climate change and environmental damage that are increasingly encountered, also by all the actions taken in the past, to protect itself on the one hand and reduce its impact on the other. These actions will be reported below.

Environmental solutions and future goals

BTSR International S.p.A. has identified solutions already integrated on the various environmental aspects taken into consideration by the analysis, which are reported below, divided according to the theme on which these actions aim to mitigate negative impacts of the company or financial risks. Keep in mind, however, that the same action can have positive effects in several areas.

<p>Climate change</p> 	<ul style="list-style-type: none"> - Purchase of fully certified renewable electricity - Reduction of energy consumption, through the efficiency of the company lighting system and the introduction of low-consumption reflow ovens - Preference for paper/cardboard packaging, with internal subdivisions in <i>Stratozell</i>, an easily recyclable material - Installation of heat pumps to replace gas systems - Installation of photovoltaic panels, with an increase during 2023
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Especially in this area, BTSR International S.p.A. has set itself specific improvement objectives: in the short term, the vehicles in the company fleet will be replaced with more sustainable fuel alternatives; it has also scheduled an assessment of the impact of its organization in terms of CO2 equivalent, to be able to evaluate the financing of projects for the compensation of its emissions.

<p>Pollution</p> 	<ul style="list-style-type: none"> - Monitoring of one's emissions into the atmosphere, for the maintenance of air quality - Choice of environmentally friendly detergents and washing liquids with low VOC content - Choice of low-impact, low-VOC bonding systems
<p>Water and marine resources</p> 	<ul style="list-style-type: none"> - Control of your water consumption - Application of good practices and technologies for reducing consumption - The water used for processing is disposed of by a specialized company, so as not to cause environmental damage - In the final product as in the packaging, the company replaces fossil fuel-based plastic with sustainably sourced plastic or other alternative material

Resource use
(circular
economy)



- The company is committed to maximizing the lifetime of its products both during use and after, favouring their maintenance and repair
- The company implements industrial symbiosis solutions, i.e. it makes sure to make its electronic waste (which would otherwise be considered hazardous waste) available to 2C Ecologia in order to recover the individual components and prevent them from being sent to landfills, with the consequent loss of precious materials
- The company's products such as control sensors and yarn feeders can reduce yarn and textile waste by up to 80%, thus preventing unnecessary waste
- Commitment to increasing the environmental awareness of other companies and consumers using product disclosures

It should also be noted that B TSR products have always been designed with a circular economy in mind. From the design phase, repairability, recovery and reuse of parts are taken into account.

In the future, B TSR International S.p.A. is committed to maintaining the actions already implemented, with a view to continuous improvement where possible. In particular, a feasibility study is underway for the replacement of paper/cardboard packaging (basically disposable) with reusable plastic or metal boxes for all those suppliers of products made to B TSR design.

Environmental performance indicators

To monitor the achievement of environmental objectives, B TSR International S.p.A. has adopted the following key performance indicators (KPIs) for the various environmental aspects. While some of these have specific targets to assess business progress in this regard, others are used as performance indicators without set goals.

E1. Climate change	Target	2023
Total electricity consumption ^a	---	523,877 kWh
Self-produced electricity through a photovoltaic system	50% of consumption	259,387 kWh
Electric vehicles in the company car fleet/total vehicles	15	5

E2. Pollution	Target	2023
Air pollutant monitoring (mg/Nm ³) ^b		
TVOC	20	6,00; 6,37
Formaldehyde/aldehydes	2	< 0,1
Acrylates	1	< 0,1
Piombo	2	< 0,05
Tin	0,1	< 0,1
Total dust	10	0,83; 0,69

E3. Water and marine resources	Target	2023
Water consumption (m ³)	---	4.381 m ³

E5. Circular economy	Target	2023
Total waste produced	---	26.89 ton
Hazardous waste produced	---	0.87 ton
Hazardous raw materials purchased	---	0.940 ton

Components sent to 2C Ecology		
Description	CER	2023
Soldering cream scraps	120104	10 kg
Plastics Electronic Components	150102	581 kg
Electronic board processing waste	160216	1035 kg
Electronic components discarded from production by indentation devices		1100 kg
Copper, Bronze, Brass	170401	15 kg
Aluminium	170402	288 kg
Cable processing waste	170411	279 kg
Iron and steel scraps	170405	377 kg

^a Sum of energy purchased and self-consumed of what is produced with the photovoltaic system

^b For parameters measured at more than one emission point, both values are reported

Social Section

Social Hazards and Risks

The ESG social assessment section investigates four areas which are:

- | | |
|--------------------------|-----------------------------|
| S1. Internal workforce | S2. Value chain workers |
| S3. Communities involved | S4. Consumers and end users |

Assessing social aspects with an ESG approach is key to fostering a corporate culture based on responsibility, sustainability and well-being both within the walls of the company and at every point in its value chain. Evaluations and increased performance in this area lead to higher scores in public tenders and tenders.

BTSR International S.p.A. so far it has not encountered critical issues with regard to the internal workforce, local communities or its customers, probably also by virtue of the policies already carried out by the company. The only problems never highlighted concern its value chain: in the last year there have been episodes of non-compliance of the material received which have led to delays in processing and in the provision of its services. However, these are isolated cases and of acceptable frequency, also given the care taken by BTSR International S.p.A. in the choice of suppliers, tested and selected to guarantee the end customer a quality service.

Regarding the components made to the company's specific design (which represent 50% of the total purchases made), the suppliers of BTSR International S.p.A., are Italian suppliers based in almost all cases within 20 km from the company headquarters, also given the great variety and availability of companies in the sector in the surrounding area. Every two years they are audited by the company, taking into consideration aspects concerning the environment, compliance with safety regulations and working conditions.

The remaining 50% of total purchases concern electronic components and are made from foreign suppliers.

Future social solutions and goals

Regardless of the business risks identified in the various areas, BTSR International S.p.A. indicated actions already integrated on the various social aspects taken into consideration by the analysis, which are listed below, divided between the four areas of social survey.

Internal workforce



- Training and refresher courses are carried out for employees, in addition to the normal ones required by legal obligations
- Questionnaires are carried out every two years to investigate the level of staff satisfaction
- Solutions have been implemented for overcoming architectural barriers in company offices
- The accident protection and prevention system (in conjunction with risk analysis) is constantly updated and implemented, reducing the number of injuries and accidents
- Flexible entry and exit times allow employees to reconcile work and non-work life

BTSR International S.p.A. takes this opportunity to set itself the goal of adopting questionnaires over the next 2-5 years to be submitted to its employees anonymously to identify any critical issues of hardship not currently assessed by the Management.

Production chain



- The company conducts audits/assessments of suppliers personally and through independent third parties at least once every two years
- The company mapped its internal supply chain processes to assess risks inherent in procurement and procurement. Following these evaluations, BTSR undertakes to search for more than one supplier for each type of product/processing acquired
- The company purchases from foreign suppliers only products that comply with Directive 2011/65/EC (RoHS Directive) and EC Regulation 1907/2006 (REACH Regulation)
- The company uses data capture technology, to facilitate traceability in the supply chain
- The company can demonstrate that its purchase prices of key commodities over time are more stable than the market average
- The company invests in social protection programs and projects in developing countries and has been collaborating for years with *Amici della Guinea Bissau Odv* to support activities carried out on site

**Communities
involved**



- The company prefers to hire people residing in the area and encourages the return of professionals to their territory of origin
- The company fosters dialogue, creates opportunities and promotes training towards the local community to convince/explain the advantages brought by the company's activities and invests in socio-economic development programs/projects for the benefit of the local population and activities, specifically through the two projects promoted by Confindustria Varese: *PMI Day* (for middle schools) and *Generazione d'Industria* (for high schools)
- The company activates first-level apprenticeships with students in the fifth year of high school, in order to facilitate orientation and professional integration

BTSR International S.p.A. aims in the coming years to intercept young people also in the context of internships of ITS (Higher Technical Education) courses.

**Consumers
and end
users**



- The product complies with international standards for environmental protection (ISO 14001:2015)
- The product is compliant with the user's health protection regulations
- The product/service is accompanied by all possible information, explanatory and easy to understand, for safe and informed use;
- The company is equipped with guaranteed systems for the protection of personal data and for the respect of freedom of expression

With regard to these four themes, the company is committed to maintaining the good practices already in use and to continuous improvement. In fact, also given the requests of its customers, BTSR International S.p.A. has begun the evaluation of its social aspects, proposing to obtain a certification attesting to its performance in this area by 2026.

Social performance indicators

To monitor the achievement of social objectives, BT SR International S.p.A. has adopted the following key performance indicators (KPIs) for the various social aspects. While some KPIs have specific targets to assess business progress in this regard, others are used as performance indicators without set goals.

S1. Internal workforce	Target	2023
Employees hired by gender	---	M 53% - F 47%
Executive to employee salary ratio	---	1:7
Percentage of workers with disabilities	7% ^c	7%
Training courses promoted for each employee	Min 3h/year	10h/year
Recorded workplace accidents	0	0

S2. Value chain workers	Target	2023
Supplier evaluation carried out annually	20%	5%
Donations to the association "Friends of Guinea Bissau"	10.000€	10.000€
Donations for projects in the area	5.000€	5.000€

S3. Communities involved	Target	2023
% of staff hired in the area	90%	90%
% of local suppliers	50%	50%
Internships/apprenticeships activated	5	5

S4. Consumers and end users	Target	2023
Customer satisfaction index ^d	40	33 ^e

^c according to the provisions of Law 68/99

^d calculated considering the 21 largest customers (representing 60% of BT SR International S.p.A.'s turnover, analysing four parameters: compliance with delivery times, customer history, reports of non-conformity, and customer feedback (max 10 points in each category)

^e for more information details see the Customer Satisfaction Report Mod. 001/0 PG 13 adj. To 18/01/24

Governance Section

Governance Hazards and Risks

The ESG governance assessment section (i.e. management, business management) currently investigates only one area:

G1. Business conduct

The analysis of governance aspects for BTSR International S.p.A. is an opportunity to align with the requirements set by credit and financial institutions for access to dedicated financing funds.

The main risks generally associated with governance issues are criminal lawsuits, complaints for corruption or abuse of office, codes of conduct not respected, but also risks of damage to the image, late payments and consequent loss of turnover due to internal mismanagement or relationships with customers and suppliers.

An issue in which the negative effects of weak governance become tangible even in medium-small companies is that of the management of raw materials: the lack of approval procedures, control and constant monitoring of the material used can lead to the excessive or insufficient purchase of raw materials. Both of these scenarios are problematic: on the one hand, there are economic losses and avoidable storage or disposal costs, and on the other hand, a slowdown in production that can generate internal tensions as well as losses in turnover.

These events, serious in their implications, have never occurred at BTSR International S.p.A. so far, which suggest a minimal risk assessment, likely due to the preventive measures already implemented to address these issues.

The company becomes aware through this report that it has a lack of protection systems for those who report irregularities, and this could on the one hand incentivize practices such as abuse of office and on the other prevent correct reporting, thus worsening working conditions.

Future governance solutions and goals

BTSR International S.p.A. has maintained the ISO 9001:2015 certification (the organization's quality management system) since 1998 and the ISO 14001:2015 certification (environmental management system) since 2002.

The company recognizes the importance of spreading the corporate culture, based on solid ethical lines, innovation and collaboration: in this way it strengthens its governance and contributes positively to the organization of activities, employee motivation and general productivity.

BTSR International S.p.A. takes this opportunity to set the goal of developing whistleblower protection mechanisms (so-called *whistleblowing policy*) over the next year, gathering information to produce the most complete and relevant guidelines possible for their company. At the same time, BTSR International S.p.A. aims to review its current privacy policy with the help of specialized consultants in order to keep up with regulatory updates on the one hand and with changes in business that may affect the management of customers' personal data on the other.

Governance performance indicators

To monitor the achievement of the company's management objectives, BTSR International S.p.A. has adopted the following key governance performance indicators (KPIs).

G1. Commercial management	Target	2023
Annual turnover	€ 25.000.000	€ 17.575.458
New products introduced in the company catalog	---	4
Whistleblowing policy	1	0
Privacy policy review	1	0
Irregularities reported and handled	1	1

Conclusions

BTSR International S.p.A. is a solid company that is attentive to environmental, social and economic sustainability issues, able not only to prevent and keep internal and external risks under control but also to create situations of opportunity and improvement, both environmentally and socially, creating economic benefits. The identified risk levels are summarized below.

The environmental impacts directly attributable to the business activities of BTSR International S.p.A. are limited, since the production of the sensors does not involve high energy consumption or significant harmful emissions into the environment for the company. However, specific raw materials are required, the production of which can have a significant environmental impact. In addition, BTSR International S.p.A.'s products are used in the textile industry, which has well-documented environmental impacts, especially with the spread of *fast fashion* in recent years. Therefore, the company's environmental impacts are mainly indirect, related to the procurement of raw materials and the activities of its customers.

BTSR International S.p.A. has not encountered any issues with its internal workforce, local communities or customers thanks to company policies. The only problems encountered are related to the value chain, with episodes of non-compliance of the material received that have caused delays in services. However, these cases are isolated and handled with care thanks to the careful selection of suppliers by the company and adequate control of incoming goods.

From a governance point of view, the company lacks a policy to protect *whistleblowers*, but plans to draft it over the next year.

The current solutions and future objectives that BTSR International S.p.A. has set itself to maintain and implement will serve as investment guidelines and as a code of business conduct. The risks to which the company is subject are summarized below in the table, evaluated according to the matrix in Table 2.

Environmental risk analysis					
Atypical atmospheric phenomena	Light	Low	Medium	High	Serious
Pollution, biodiversity or water issues	Light	Low	Medium	High	Serious
Circularity of resources	Opportunities with 2CEcologia				
Social Risk Analysis					
Delays along the supply chain	Light	Low	Medium	High	Serious
Governance risk analysis					
Protection policies to be implemented	Light	Low	Medium	High	Serious

Tab. 3 Risk analysis of BTSR International S.p.A.