



Social Report 2024

*Over 40 years of experience
in the development of Numerical
Controls for Machine Tools*



Summary

1	LETTER FROM THE PRESIDENT	4
2	PREMISE	5
3	THE COMPANY	6
3.1	A family story	6
3.2	The challenges	7
3.3	The products	11
4	CERTIFICATIONS	16
5	RESEARCH PROJECTS	17
6	THE WORK TEAM	18
7	THE VALUES	21
7.1	Labour policy	22
7.2	Health and safety	23
7.3	Environment	25
7.4	Support for the community	26
7.5	Promotion of the territory	27
8	SOCIAL PERFORMANCE IN 2023	28
8.1	Economic data	28
8.2	Staff	28
9	CUSTOMERS	31
9.1	Participation in trade fairs	32
10	SUPPLIERS	33
11	AWARDS	34
12	FUTURE GOALS	35
13	CONTACTS	37

1 LETTER FROM THE PRESIDENT

Dear Readers,

On the occasion of the publication of the 2025 Social Report, ISAC's commitment to being transparent about our evolution, the goals we set ourselves and those we have achieved is reaffirmed. Since 2004, we have pursued a path of continuous improvement, undergoing periodic audits by certification bodies, testifying to our commitment to sustainable development. We strongly believe that our strength lies in the spirit of listening and collaboration and the ability to work as a team that characterize us and the continuous synergies we promote to share progress and innovation.

Paolo De Nardis

2 PREMISE

In 2025, ISAC presents its second Social Report, an initiative born from the desire to communicate in a clear and transparent way the values that animate the company, both inside and outside its structure. This document represents a unique opportunity for ISAC to outline its social, economic and environmental commitment, initiating an open and constructive dialogue with all stakeholders.

The Social Report aims to offer a global and detailed view of company performance, stimulating an interactive communication process that contributes to strengthening mutual understanding and trust between the company and its stakeholders. The goal is to enrich knowledge of the company, highlighting not only the quality of the activities carried out but also the commitment to the ethical and responsible management of the company.

Through the Social Report, ISAC intends to:

- Illustrate the corporate identity and the fundamental values that guide every strategic decision and management behavior, showing how these are concretely reflected in the results obtained.
- Present a balanced comparison between the expectations of the various parties and the commitments made by the company towards them, emphasizing the importance of a relationship based on trust and transparency.
- Highlight the level of implementation of the commitments made, offering a clear and objective account of the activities carried out and the progress made.
- Indicate the improvement goals towards which ISAC is committed to work, outlining future strategies aimed at further enhancing its social and environmental contribution.
- Provide an insight into the interactions between the company and the ecosystem in which it operates, enhancing the synergies created and the positive effects generated on the territory and the community.

In summary, with the publication of its second Social Report, ISAC not only reaffirms its dedication to ethical and sustainable business management but is also committed to following a path of continuous improvement, attentive to people, the environment and society as a whole.

3 THE COMPANY



3.1 A family story

In 1993, Paolo De Nardis and his esteemed partner Marco Casini laid the foundations of ISAC, driven by the desire to preserve a wealth of knowledge in the design of Numerical Controls (CNC) in the heart of Tuscany. De Nardis brought with him significant experience, gained in the role of technical director at a prestigious Florentine company, which under the guidance of an eminent figure had marked the evolution of CNC in Italy and in the world. After the purchase of this company by a German giant in the 80s, an event that would irreparably alter its destiny, the need for a new beginning became apparent. This was the terrain on which ISAC began to build its future, proposing to respond to the growing demands of the machine tool sector, which saw the expansion of the use of CNCs beyond traditional mechanical machining to new materials such as wood, stone, glass, leather and plastic.

The main challenge was to design a CNC that offered advanced performance at an affordable cost. ISAC's response was to create a system characterized by high flexibility and scalability, supported by powerful software independent of hardware and operating systems, combined with cheap but effective hardware components. This innovative design direction ensured ISAC, in a short time, the trust and collaboration of important companies in the field of machine tools, recognizing the value of the proposed solutions and sharing future challenges. The success of these initiatives resulted in a rapid economic return and market recognition. ISAC's innovative tradition received new impetus in 1999 with the entry into the company of Andrea De Nardis, fresh from graduating in Physics from the University of Pisa. Although he had undertaken studies and research in prestigious Italian universities and in a US research center, Andrea chose to deviate from his academic career to immerse himself in the world of numerical control and artificial intelligence, areas in which he quickly established himself as a key figure. His passion for the principles of automatic regulation and artificial intelligence not only strengthened ISAC's technological leadership but also underlined the importance of the link with the Tuscan territory and the high

educational and professional profile of the team, largely composed of graduates from the University of Pisa.

3.2 The challenges

The challenge that began in the first decade of the 2000s was significant to ensure that manufacturers could preserve and reuse the application projects developed to customize the CNC for their machines. In fact, an important added value to the machine, in addition to automation, is precisely the application software that increases its productivity. The application software largely resides in the CNC and requires a high degree of flexibility and a considerable simplification of the programming means. Hence our design choice to use programming languages and development environments that are widely used and also well known because they are taught in universities and high schools. For example, standard C language Ansi and others that can be developed with the Visual Studio development software, and IEC61131 languages.



With the aim of facilitating the reuse of application software and keeping up with machine evolutions, we have developed specific libraries to support application software designers, becoming part of the PLC OPEN consortium.



This approach has also extended to programming tool trajectories during machining, adhering to the ISO 6983 standard.



During the first years of the new millennium, we were faced with a crucial challenge: to reduce the costs of machines by reducing the physical connections between the numerical control (CNC) and the rest of the automation, while aiming to increase their production efficiency and decrease the frequency of failures and the time required for maintenance operations. The solution identified to address this complex issue was the adoption of fieldbus technology. This innovative technology has made it possible to replace traditional electrical connections, which previously required numerous cables, with a digital communication system that uses only two wires to transmit data.

We have also adopted advanced communication protocols to allow the transducers to communicate the position to be controlled through the serial bus. This has significantly increased the speed of data transfer and simplified the hardware architecture, allowing all automation equipment to be integrated within a single shared data network. As a result, machine tool manufacturers are now able to freely select from a wide variety of global suppliers, enjoying greater flexibility in the choice of components.

Despite the many advantages offered by this technology, it also comes with the need to acquire deep technical knowledge. Our company, having fully assimilated these skills, stands as a point of reference for customers, guiding them in the adoption and implementation of these innovative solutions. Our decision to align our design choices with current industry standards led us to join the consortium:



And in the years following the consortia:



As the first decade of the twenty-first century approached, the demands of the manufacturing sector were evolving rapidly, with increasing demands for machining that required precise control of tool orientation along three-

dimensional paths. This trend has led to the need to develop CNC systems capable of integrating advanced functions for the management of robots and specialized automations into a single software and hardware solution, overcoming the limitations imposed by the use of dedicated controllers and facilitating interoperability with the entire machine automation ecosystem.

The response to these needs involved the adoption of CAD-CAM solutions for the programming of complex tool trajectories, while ensuring perfect integration with the CNC system. This approach has made it possible not only to simplify programming but also to optimize production processes.

In parallel, we have faced the challenge of reducing the operating costs of machine tools without compromising their accuracy, through the implementation of advanced algorithms in the CNC software to compensate for thermal and mechanical variations in the materials used in machine construction. These innovations have helped to significantly improve the performance of the machines.

As the second decade of the 2000s progressed, the integration of CNC with production management systems (MES) became a strategic imperative, in line with Industry 4.0 directives that promote interconnectedness and process intelligence. Accepting this challenge, ISAC has implemented the OPCUA standard protocol in its CNC system, further consolidating its position within a consortium dedicated to promoting interoperability, safety and efficient data exchange standards between industrial automation components. This commitment reaffirms our dedication to staying at the forefront of technological innovation, providing our customers with cutting-edge solutions that meet the needs of an ever-changing market.



The CNC system is now positioned as the fulcrum of an extended technological ecosystem, which includes from the production of the machine itself to automation tools, from programming to the overall management of the production process. Within this ecosystem, the need for a component capable of offering a holistic and integrated vision has become evident: the Digital Twin. This solution allows you to accurately simulate the production process, anticipating results and enabling detailed evaluation to optimize the use of resources, prevent damage due to programming errors, and accurately predict machining times and tool consumption.

The Digital Twin is also applied in the initial design phases, promoting unprecedented integration between the various components of the system, both mechanical and electrical and software, and facilitating the testing and validation phases before the actual physical construction of the machines. This not only improves the efficiency of the development process but also contributes

significantly to marketing and sales strategies, allowing highly innovative and reliable products to be presented to the market even before they are built. The contribution of the Digital Twin in reducing maintenance costs is also important: by faithfully reproducing real operating conditions, it facilitates the identification and resolution of problems remotely, optimizing predictive maintenance interventions and minimizing downtime and production interruptions.

Reliability is another fundamental pillar of our ecosystem.

In this regard, the CNC hardware has been designed according to the requirements of CE marking and UL certification:



The hardware has been designed and certified in accordance with the EMC Directive 2014/30/EU limiting the electromagnetic emissions of the equipment in order to avoid interference during its normal use:



Finally, in the area of hardware design, we have paid particular attention to the environmental impact of our products. All electronic components comply with current environmental regulations, such as the ROHS directive and the provisions of the Environmental Code (Legislative Decree 152/2006), minimizing electromagnetic emissions and promoting sustainable management of electronic waste. This commitment reflects our dedication not only to technological excellence but also to respect the environment and the safety of our users:



The CNC software has been designed in accordance with the most stringent cybersecurity regulations to ensure protection from cyber threats.

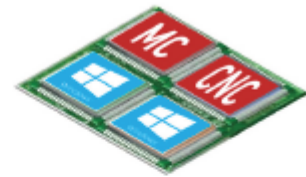
3.3 The products

The victories of the Challenges have resulted in several products that have been applied to machine tools and, while all maintaining the same guidelines, have evolved with technological progress and increased functionality. However, we have always respected the guarantee of Longevity in order to guarantee machine manufacturers the investment made in the software of the application project. Our parent product is called Costantino and is well represented by the following figure:



The technology: Robust and Reliable

- Cheap, reliable
- One or more processor cores dedicated to time-critical process, using a Real Time OS, other cores dedicated to Windows OS, they host CAD-CAM and HMI
- Multi-core architecture to achieve unprecedented processing performance with low-power CPU
- Multitasking environment to minimize reaction times
- All hardware resources needed to CNC, they are accessed exclusively by Real Time OS
- Servo driver connected through different fieldbus can work together also for interpolation functionality



MC	CNC	RC
<ul style="list-style-type: none"> • Handling • Positioning • Transporting • Packaginging <p>And much more...</p>	<ul style="list-style-type: none"> • 5 Axis machining • Hybrid machining • Glueing • Turning • Milling • Cutting • Welding <p>And much more...</p>	<ul style="list-style-type: none"> • 5 Axis machining • Hybrid machining • Processing • Milling • Glueing • Welding <p>And much more...</p>
CAMMING PHASING GEARING BENDING FLY CUT POSITIONING	C-AXIS TRACKING HIGH SPEED MACHINING COORDINATE TRANSFORMATION VOLUMETRIC COMPENSATION CYLINDER MACHINING RTCP NURBS, SPLINE INTERPOLATION TOOL VOLUME COMPENSATION	PUMA SCARA DELTA

ONE KERNEL FOR ALL APPLICATIONS

The product is sold as a software license, or as a central unit of the CNC that includes it.

The products can be completed with components from the Periphery.

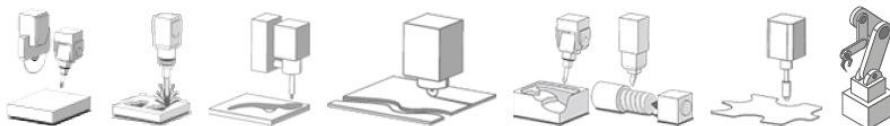


And they can be supplemented with motion components for the machine tool.



The Costantino Product (Father) is accompanied by various products dedicated to specific applications(Childs)

The child products derive from the experience gained with the application of CNC on machines used in manufacturing for the construction of building infrastructures, in furniture, footwear, fashion, curtains, health care.



The father Costantino product is accompanied by a sister product called Traiano



Introduction

The result of almost 50 years of experience in the CNC fields. Traiano is the embedded version of Costantino.

A reliable and safe technology

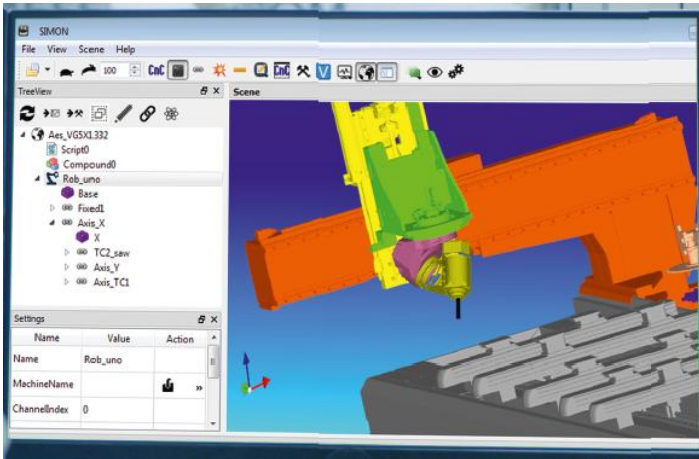
- Rugged, compact, fanless central unit
- Multicore architecture to reach unprecedented processing performance with low power CPU.
- Multitask environment to minimize reaction time to inputs
- EtherCAT high speed communication to connect field devices
- Prevention of machining intellectual property violation
- Protection against cybercrimes targeting production stop



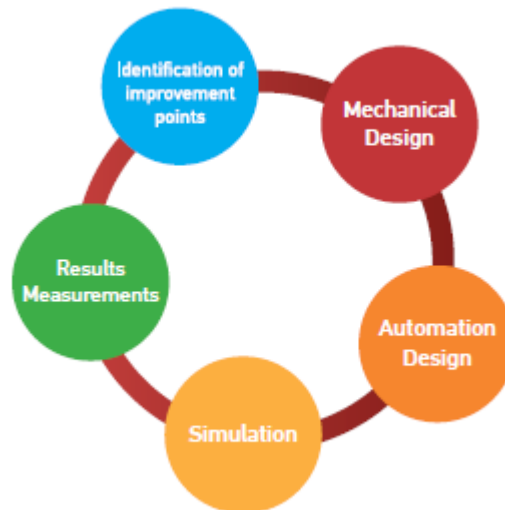
<p>MC</p> <ul style="list-style-type: none"> • Handling • Positioning • Transporting • Packaging <p>And much more...</p>		<p>CNC</p> <ul style="list-style-type: none"> • 5 Axis machining • Hybrid machining • Glueing • Turning • Milling • Cutting • Welding <p>And much more...</p>		<p>RC</p> <ul style="list-style-type: none"> • 5 Axis machining • Hybrid machining • Processing • Milling • Glueing • Welding <p>And much more...</p>	
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ONE KERNEL FOR ALL APPLICATIONS

Both products (Brothers) are summarized by the Digital Twin software, SIMON Simulator.



Simon allows to proceed with the design phases in a synergic way



All ISAC products are developed using *AGILE* technology that provides *for the Continuous Integration* of components. The company has invested significant resources in project-level continuous verification systems for hardware and software modules. All phases of project management have defined their verification phases, requirements to elementary components (V-Model of Project Management)

These continuous verification systems extend to manufactured components: the manufacturing function performs functional verification on each component, and implements in-depth verification models on batch samples.

The company maintains a database with serial numbers of all products sold for any

recall actions. In addition, it carries out periodic reviews of the requirements, documentation and certifications that accompany the products.

4 CERTIFICATIONS

ISAC has obtained ISO 9001:2000 certification since 2004, UNI ES ISO 9001:2015 certification since 2015. During 2024, the company started the implementation of an Information Security Management System compliant with the requirements of the ISO/IEC 27001 standard, with the aim of achieving the relevant certification by the year 2025. This initiative is a testament to the organization's commitment to ensuring data protection and business continuity, strengthening stakeholder trust and adapting to growing security and regulatory compliance needs. The certifying body is TÜV. On the occasion of the annual Audit, the Management Review report is presented, where in addition to customer satisfaction and supplier evaluation, the status of the company projects started a year earlier and those to be started for the following year is reported. All this, together with the risk analysis represented with the SWOT method.



5 RESEARCH PROJECTS



Smart-nc



Progetto MAMBO 5 RELOADED



ISAC International Marketing



BANDO MICROINNOVAZIONE



AIUTO AGLI INVESTIMENTI



Inova



Coast to Coast



ISAC New Sustainability



ISAC for Digitalization and Security



Progetto Suolution

6 THE WORK TEAM

Today the company has 25 employees, of whom more than 50% work in Research and Development, a 1300 m2 site. The production of electronic boards is carried out by Tuscan subcontractors selected for their production capacity and quality.

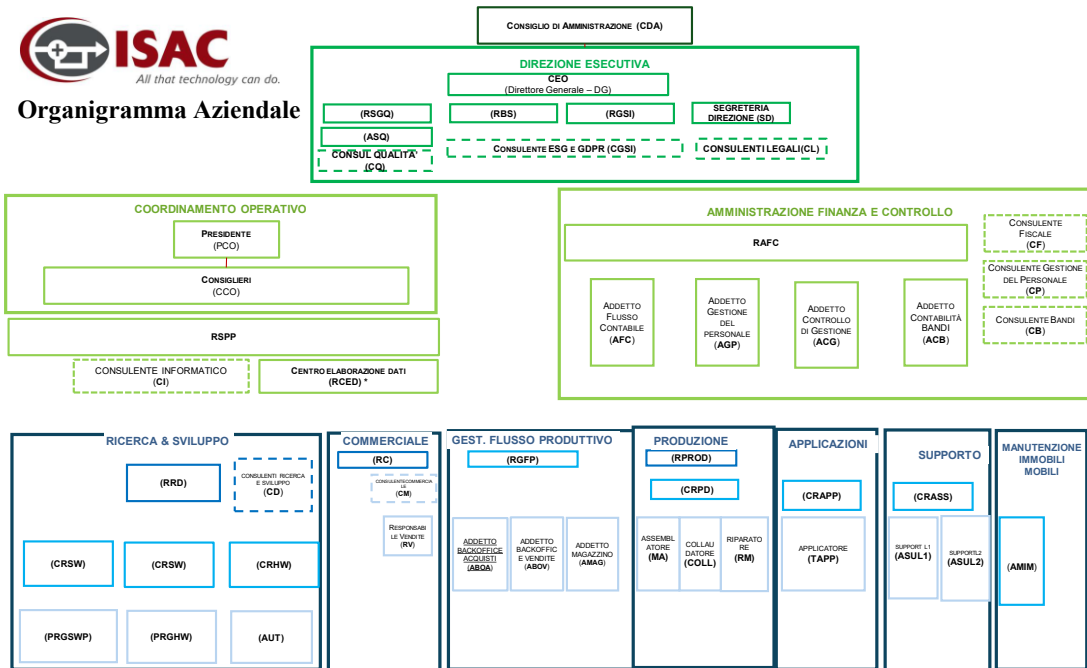
The ISAC team is made up of Directors who carry out their daily coordination of Marketing and Sales Management Control, Research and Development and Production, Sales staff, Senior Researchers, Senior and Junior Designers, Senior and Junior Production and Support technicians and Administrative, Accounting and Back Office Sales and Purchasing staff. The Team is expanded with Administrative, Management Control and Health and Safety consultants.



In addition, it makes use of technical collaborations with research institutes:



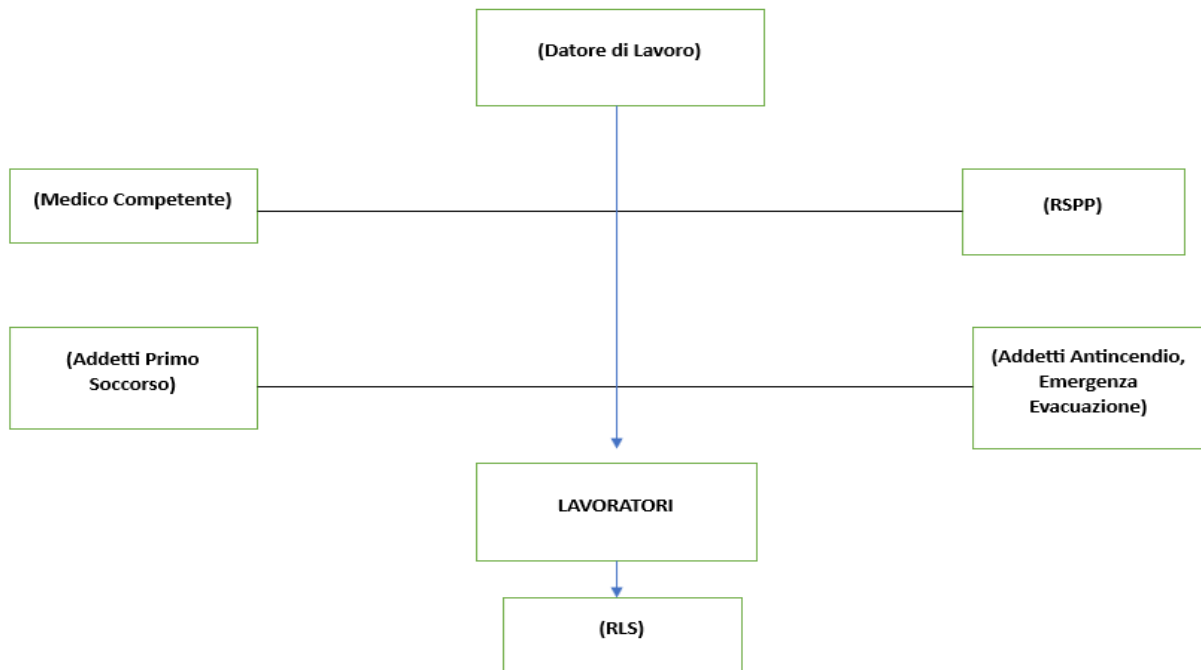
Below is the company organization chart.



* vedi Organigramma Sicurezza Informazioni Organigramma Rev.23

ORGANIGRAMMA SICUREZZA

ISAC



7 THE VALUES

ISAC stands out as a point of reference in the field of industrial automation, thanks to a tradition of continuous innovation and sensitivity to the needs of the market. The corporate culture is based on the recognition of merit and competence, as well as on the importance of constant improvement and full satisfaction of needs, principles that guide all our actions. These values are integrated with a deep bond with the territory and with the aspiration to issues of relevance, fueling the commitment to strengthening relationships and the professional development of our employees. Since 2004, ISAC has been certified according to the ISO9001 standard, adopting an approach that emphasizes the analysis of risks and opportunities, the review of results, the clear definition of objectives and the constant monitoring of company performance through specific indicators.

We have developed a management control system that adapts to the company's assets and promotes training and awareness on these issues for all team members, both internal and external. Our organizational model, in full compliance with ISO9001 standards, is based on extensive and structured data management, which is essential for setting precise objectives and for monitoring and implementing corrective actions. The principles that govern our management control are comparable to those of Numerical Control, highlighting the importance of this approach as a fundamental pillar for our organization.

For ISAC, investing in the skills of our people is an imperative for the continuous improvement of our work activities and our products. We firmly believe in the growth and development of internal skills as the main lever to maintain high standards of quality and innovation.

7.1 Labour policy

For ISAC, it is a priority to ensure that all interactions and services offered reflect a high quality standard. This commitment extends to our employees and collaborators, who are required to operate with the utmost diligence, precision and professionalism, to ensure excellence in our activities.

Transparency and integrity in communications are fundamental pillars for ISAC; Therefore, we are committed to providing clear and detailed information to the users of our services and to all interested third parties, in order to transparently illustrate the motivations and objectives of our initiatives.

Fairness in treatment and non-discrimination are essential values for ISAC, both in internal and external relations within the organization. We firmly oppose any form of discrimination, guaranteeing all members of our company the freedom to express their ideas and beliefs, respecting the rules and dignity of others.

We promote a working environment based on fairness, collaboration, loyalty and mutual respect, values that also define our approach to third parties. Collaboration and constructive dialogue between our employees and all those who come into contact with ISAC are essential for the achievement of company objectives and for maintaining a climate of trust and mutual support.

Recognizing the inestimable value of individual skills for business development, ISAC is actively dedicated to the enhancement of its human capital through continuous training initiatives, also taking advantage of the opportunities offered by advanced training programs, as evidenced by our involvement in regional initiatives related to training 4.0.

In addition, ISAC insists on the need for the purchase of both goods and services, carried out by its employees or collaborators, to be conducted according to principles of integrity, efficiency, quality and legality, always acting with the utmost responsibility and attention to the collective well-being.

ISAC maintains constant and meticulous monitoring of its relations with suppliers, favoring collaborations with Tuscan companies to establish ties based on control, continuity and mutual loyalty. In the recruitment process, we prioritize matching candidates' skills with the specific needs of the organization, always ensuring fairness and equal opportunities. This assessment takes into account not only

professional skills but also psycho-attitudinal aspects, respecting privacy and personal opinions.

Staff are hired through regular employment contracts, mainly open-ended, categorically excluding any form of irregular employment or exploitation. Upon joining the company, each employee receives detailed information regarding the role, duties, salary rights and safety regulations at work, easily accessible at any time by consulting the Quality documentation

Managers are in charge of enhancing the commitment of employees, adapting requests to individual skills and promoting personalized growth plans. These programs are aimed at continuous improvement and consider both professional development and personal well-being, encouraging a cohesive and productive work environment.

ISAC is actively committed to promoting the well-being of its employees by organizing recreational activities that strengthen the sense of community and mutual trust within teams. In addition, the company guarantees the confidentiality of the personal and professional information of its collaborators, in accordance with security standards.

Finally, ISAC adopts a policy of absolute integrity, rejecting and sanctioning any improper behavior, such as bribing public officials or abusing positions of power to gain undue advantages. These principles reflect our commitment to a corporate culture based on ethics, transparency and mutual respect.

7.2 Health and safety

Within the framework of current legislation, ISAC undertakes to take all necessary measures to protect the physical and moral integrity of its workers.

In particular, the Company undertakes to:

- ✓ compliance with current legislation on the safety and health of workers is considered a priority;
- ✓ the risks for workers are, as far as possible and guaranteed by the evolution of the best technique, also avoided by choosing the most appropriate and least dangerous materials, equipment and working methods least possible related to machine checks;
- ✓ unavoidable risks are correctly assessed and appropriately mitigated through appropriate collective and individual safety measures;
- ✓ the information and training of workers is widespread, updated and specific with reference to the task performed;
- ✓ the consultation of workers on health and safety in the workplace is guaranteed;
- ✓ any safety needs or non-conformities that emerge during work activities or during checks and inspections are dealt with quickly and effectively;
- ✓ the organisation of work and the operational aspects of the same are carried out in such a way as to safeguard the safety and health of workers, third parties and the places where the Company operates.

In pursuit of the above purposes, ISAC allocates sufficient organizational, instrumental and economic resources to ensure full compliance with the accident prevention regulations in force and the continuous improvement of the health and safety of workers in the workplace and the related prevention measures. Employees, each within their own area of competence, are required to ensure full compliance with the law and any other internal provisions provided to guarantee the protection of safety and health in the workplace.

7.3 Environment

For ISAC, environmental protection is an essential value, which the Company actively promotes among its employees, collaborators, suppliers and partners. The company's decisions aim at a perfect harmony between economic activities and environmental protection, aiming at a sustainable collaboration with the territory and protecting the health of those who work with us.

With constant monitoring, ISAC is dedicated to assessing and improving the environmental impact of its operations, taking a proactive approach to sustainable and responsible management. The company is committed to strict principles of environmental sustainability, translating them into concrete actions and operational choices that reflect an uninterrupted commitment to reducing the ecological impact of its activities.

In particular, ISAC prefers to collaborate with suppliers who stand out for advanced sustainable practices, demonstrating a strong commitment to minimizing harmful emissions and promoting a circular economy. Investing in renewable energy sources and adopting strategies to limit the physical movement of materials and people are among the main initiatives to reduce the company's ecological footprint, ensuring energy production that exceeds its consumption and promoting an eco-friendly operating model.

7.4 Support for the community

ISAC places the community at the center of its values, deeply believing in the power of solidarity and education as fundamental pillars for the development of a cohesive and advanced society. This belief translates into a constant commitment to attract and train talents, ensuring their professional growth and their roots in the territory to which they belong.

Our company has established strategic partnerships with local professional institutes and the University of Pisa, becoming an attractive hub for students interested in carrying out curricular and extra-curricular internships and participating in school-work alternation programs. We also support academic development through the funding of master's degree theses in areas related to our lines of research, with a particular focus on STEM disciplines (Science, Technology, Engineering and Mathematics).

Beyond its commitment to the educational sector, ISAC extends its solidarity action to the support of local entities and associations, such as the Misericordia di Fornacette and the Public Assistance of Fornacette, actively contributing to the well-being of the community. Internationally, our company promotes humanitarian initiatives, making regular donations to transnational non-profit organizations, including UNICEF, to support global aid and development projects.

Through these actions, ISAC reaffirms its commitment to promoting a better future, based on solidarity, education and integration between the company and the society in which it operates.

7.5 Promotion of the territory

ISAC, deeply rooted in Tuscan and Italian culture, enhances and promotes the identity and distinctive qualities of these regions through its products, which act as true emblems of Italian excellence in the world. The company places great emphasis on the importance of strengthening local and national industry, considering industrial automation as a key tool to keep our country's production system competitive internationally, especially in contexts characterized by lower labor costs.

Aware of the need for production companies to fit harmoniously into the European and global economic fabric, ISAC not only welcomes but also actively promotes dialogue and integration with the international market, supported by the adoption of international standards. However, we are convinced that for sustainable and lasting competitiveness, it is essential to be active protagonists of the innovation process. For this reason, ISAC invests in the development of advanced technologies and distinctive know-how, remaining faithful to global standards but emphasizing our commitment to innovation and Italian distinctiveness.

A key element of our strategy is the close collaboration with the University of Pisa, a partnership that allows us to tap into new ideas and cutting-edge technologies. This synergy not only enriches our innovative capacity but also strengthens the link with the territory, contributing to the development of a highly qualified industrial ecosystem. Most of our employees are graduates of the University of Pisa, a fact that testifies to the value we place on excellent training and the ability to attract highly specialized talent, further consolidating our position as a leader in the industrial automation sector.

8 SOCIAL PERFORMANCE IN 2024

The following are the salient data that qualify the social responsibility of the company's behaviour towards all its stakeholders.

8.1 Economic data

ECONOMIC DATA 2024	
Turnover Italy 2024 on total (%)	80%
Foreign turnover 2024 on the total (%)	20%
Production square meters	1 300 m2
Outsourced work	2%
Consultants on total production costs	5 %
COSTS INCURRED IN TUSCANY	
Outsourced work	100%
Consultants	100%
INVESTMENTS IN R&D ACTIVITIES	
Investments in Research and Development activities	24 %

8.2 Staff

ISAC protects and promotes the value and development of its human resources, also as an important success factor for the company, in order to promote their full professional realization.

The loyalty, ability, professionalism, seriousness, preparation and dedication of the staff are decisive values and conditions for achieving the Company's objectives.

PERSONNEL DATA 2024	Number
Administrators	3
Dependents	25
Women in business	7
Women in leadership roles	0
Average age of workers	45 years

Average duration of Senior staff contracts	18 years old
Average duration of Junior staff contracts	5 years
2024 contract advancements	0
Foreign workers	0
Disadvantaged workers/protected classes	1
Total Graduates	14
Graduates in Tuscany	14
Graduates	11
FRAMEWORK 2024	Number
Employees	18
Workers	6
Apprentices/trainees	1
CONTRACT TYPES 2024	Number of employees
Indefinitely	25
Fixed-term	0
Full-time	21
Part-time	4
ABSTENTION FROM WORK 2024	Number of hours
Illness	1008,50
Motherhood	0
Expectations	0
Parental leave (including paternity)	882
Law 104	133
TERMINATION OF EMPLOYMENT 2024	Number
Layoffs	0
Contract Term	0
Resignation	2
WORKING HOURS 2024	Number of hours
Total hours worked	38271
Total sick hours	1008,50
Total holiday hours + leave	5118.00
PAYROLL MANAGEMENT 2024	

Salary advance	0
Advance on severance pay	0
Redundancy Fund	0
Loan to employees	0
Severance indemnity payable to employees	58 %
FREEDOM OF ASSOCIATION 2024	Number
Trade union members	1
Hours of strike	0
Hours of union leave	32,5
DISCIPLINARY PRACTICES 2024	Number
Written reminders	0
Disciplinary measures	0
DISCRIMINATORY EVENTS 2024	Number
Reporting discriminatory events	0

ISAC is actively committed to providing the necessary resources for the efficient management of business processes, aiming to achieve the set objectives. Particular attention is paid to the education, information and training of staff, considered key elements for everyone's contribution to the development of the company and the complete satisfaction of customers. During the year, ISAC invested 156 hours in training programs focused on business processes, as well as 60 hours of specific training on safety in the workplace, in accordance with the provisions of Legislative Decree 81/2008. A 4-hour update was also dedicated to Legislative Decree 559/2008, reinforcing our commitment to safety and continuous updating of our employees.

The checks carried out during the preparation of this Social Report attest to the absence of critical issues within our production reality with regard to child labour, forced labour or situations of contractual and social security irregularities. The total absence of gender inequality or any form of discrimination, both in terms of contributions and treatment, is also confirmed.

During the year 2024, there were no episodes of occupational diseases or unfitness for work. No issues related to freedom to strike and trade union participation were identified, and no complaints were received from staff regarding wages or any situations of social injustice, testifying to the effectiveness

of our personnel management policies and our commitment to a fair and safe working environment.

9 CUSTOMERS

For ISAC, customers are the fulcrum around which all business operations and strategies revolve, with their needs being the main driver for the company's business. Consequently, the primary objective of the company is full customer satisfaction, pursued through a series of deliberate actions aimed at:

- ✓ Continuously improve every internal process,
- ✓ Sharpen your listening skills to customers,
- ✓ Optimize product quality and performance,
- ✓ Strengthen customer loyalty and retention.

With this in mind, ISAC is committed to:

– Accurately and proactively identify customer needs and expectations, ensuring their satisfaction. To this end, the company monitors and analyzes any defects and non-conformities of the products, engaging in timely and accurate feedback.

Ensure the confidentiality, integrity and availability of company information and customer data, through the adoption of organizational and technical measures that strengthen IT security. In this context, ISAC has launched a structured path to improve the management of sensitive information, reduce digital risks and proactively protect its stakeholders in an increasingly connected ecosystem.

– Ensure compliance with applicable regulatory requirements, preventing risks and seizing opportunities that could affect product quality. This includes the implementation of information campaigns and, if necessary, the management of recalls of products identified by serial code.

– Evaluate and increase customer satisfaction through the analysis of feedback received, aiming at continuous improvement of the service offered.

– Examine and exploit emerging development opportunities, to maintain and strengthen competitiveness in the market.

Since the beginning of its activities, ISAC has never encountered problems related to violations of its Code of Ethics by customers, such as exploitation of child labor, social or environmental non-compliance, discrimination or illegal behavior, confirming the solid ethical commitment and social responsibility that guide the company's work

9.1 Participation in trade fairs



ISAC, together with its customers and products, marks its presence in almost all the world's leading trade fairs dedicated to industrial automation and participates as an exhibitor at the SPS fair. The latter, with a global scope and an essential reference point for the global manufacturing sector, is dedicated to smart, digital and flexible industry. The commitment to annual participation in SPS is a testament to ISAC's constant effort to remain at the forefront of its field, especially given the internationalization path undertaken in recent years. The editions of the fair, which take place both in Italy and in Germany, represent an unmissable opportunity for ISAC to confront the latest innovations in the market and to extend its network to new international customers. The active presence at SPS emphasizes the value ISAC places on innovation and global expansion, strengthening its position as a leader in advanced industry.

10 SUPPLIERS

Suppliers are a fundamental link in ISAC's production, without them the company's product would not exist and without the quality of the products purchased, it would not be possible to achieve the excellence of the products offered. For this reason, suppliers are chosen according to very stringent selection criteria and their compliance with the requirements is continuously assessed.

To date, the significant cost items can be listed as follows:

SIGNIFICANT COST ITEMS	% OF TOTAL COST
Electronic Components	10 %
Software Licenses	1%
Third-Party Processing	8 %
Energy	0,5%
Transport	2%
Packaging	0.6%
Fuels	0,2%
Rental from third parties	0.5%
Maintenance	1%

During 2024, there were no problems/critical issues with specific suppliers (e.g. complaints for illegal activities, child labour exploitation, breach of contract, situations of discrimination, lawsuits for social/environmental non-compliance, ...).

11 AWARDS

ISAC has earned outstanding recognition for its innovative contribution to the industrial automation industry. In 2011, the company was celebrated with the Innovation Award from the Pisa Chamber of Commerce, an award that underlines its constant commitment to the search for innovative solutions.

In addition to this award, ISAC has received the appreciation and trust of its customers, who are market-leading suppliers of aluminum, wood and metal processing machines. Specifically, it was appointed "Strategic Supplier" in the two-year period 2021 and 2022 by these prestigious partners for its exceptional ability to ensure continuity in the supply of its advanced products during the critical post-pandemic period, characterized by a significant shortage of electronic components and industrial automation. These awards not only attest to ISAC's excellence and reliability but also strengthen its position as a benchmark in the international automation industry, committed to maintaining high standards of quality and innovation.

12 FUTURE GOALS

ISAC, with its constant commitment to respecting the individual and the environment, continues on its path of sustainable development, aiming at increasingly ambitious and significant goals. The company's future vision focuses not only on consolidating and expanding the positive practices already undertaken, but also projects itself towards broader and more challenging horizons.

Among the primary objectives, ISAC aims to intensify the quality and reliability of its products, paying great attention to the needs and expectations of customers and the market. The working environment and the well-being of employees will remain at the center of company policies, with the intention of promoting a constant and productive dialogue within the structure.

The commitment to continuous training and the active involvement of staff will be strengthened, in order to fully exploit individual and collective potential. In parallel, ISAC will work to extend these responsible practices to its network of suppliers and customers, encouraging a more ethical, safe and sustainable supply chain.

Reducing environmental impact and managing health and safety risks will continue to be key pillars of the company's strategy, with the constant search for innovative solutions that can mitigate the ecological footprint and ensure safe working environments.

The strategic priorities for 2025 through a process that began in 2024 also include:

- The preparation of the first Sustainability Report of 2024, as a tool for transparency and accountability towards stakeholders, capable of reporting clearly and measurably on the company's social, environmental and economic commitments;
- The active protection of company data against cyber attacks, through the strengthening of security measures and the structured management of critical information, in order to protect business continuity and corporate reputation;
- The protection of personal and sensitive data in compliance with privacy legislation, through the adoption of management processes oriented towards prevention, transparency and accountability, to ensure full respect for the rights of the data subjects.

A new and ambitious goal for ISAC will be expansion into national and, above all, international markets. This goal will see the company engaged in exploring and penetrating new market segments, taking advantage of the opportunities offered by globalization to increase its presence and influence beyond national borders.

At the same time, ISAC aims to open up to further application sectors, exploring new areas of innovation and development that can enrich the offer and open up new

possibilities for growth and collaboration. This will not only help diversify the company's portfolio but also solidify its reputation as a leader in innovation and sustainability.

In conclusion, ISAC's future looks full of challenges and opportunities, with the company firmly committed to pursuing growth, innovation and social responsibility as pillars of its development, driven by a deep-rooted optimism and an unwavering commitment to a sustainable and prosperous future.

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