tag systems

Member of AUSTRIACARD (HOLDINGS)

Sustainability Report 2023

DATE OF THE REPORT: SEPTEMBER 2024

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1. ABOUT US

Tag Systems

Tag Systems SAU is a private company with the objective of offering payment products and solutions that meet customer needs, focusing on quality and security to ensure compliance with the highest standards. Professionalism, trust, and flexibility are the foundation of the services we offer. Our values define who we are and how we do things. Everyone at Tag Systems understands the importance of behaving with these values in mind and is committed to doing so at all times.
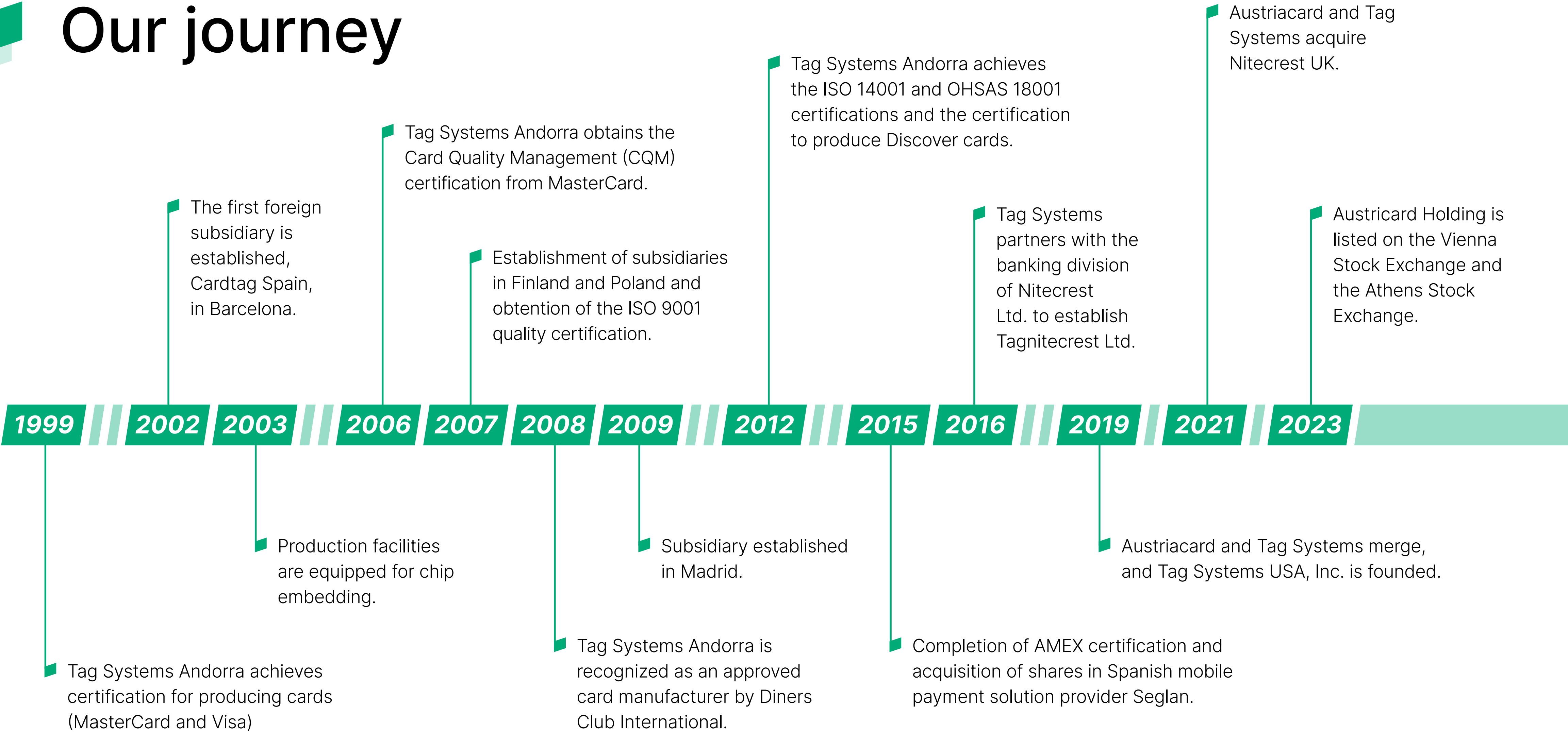
Our journey

Austriacard and Tag Systems acquire Nitecrest UK.

Tag Systems Andorra achieves the ISO 14001 and OHSAS 18001 certifications and the certification to produce Discover cards.

Tag Systems Andorra obtains the Card Quality Management (CQM) certification from MasterCard.

Austricard Holding is listed on the Vienna Stock Exchange and the Athens Stock Exchange.

The first foreign subsidiary is established, Cardtag Spain, in Barcelona.

Tag Systems partners with the banking division of Nitecrest Ltd. to establish Tagnitecrest Ltd.

Establishment of subsidiaries in Finland and Poland and obtention of the ISO 9001 quality certification.

1999 || **2002** **2003** || **2006** **2007** **2008** **2009** || **2012** || **2015** **2016** || **2019** **2021** || **2023**

Production facilities are equipped for chip embedding.

Subsidiary established in Madrid.

Austriacard and Tag Systems merge, and Tag Systems USA, Inc. is founded.

Tag Systems Andorra achieves certification for producing cards (MasterCard and Visa)

Tag Systems Andorra is recognized as an approved card manufacturer by Diners Club International.

Completion of AMEX certification and acquisition of shares in Spanish mobile payment solution provider Seglan.
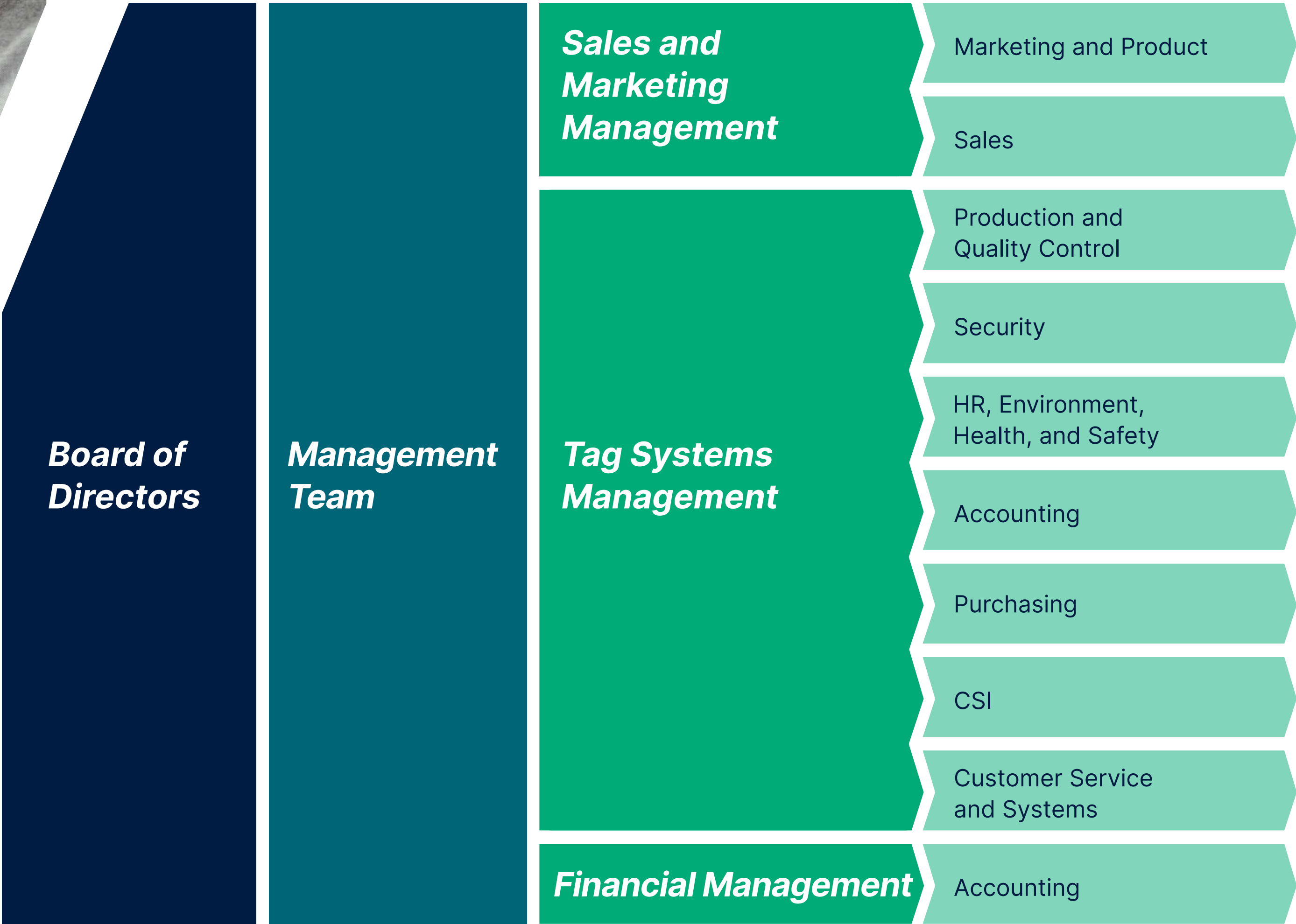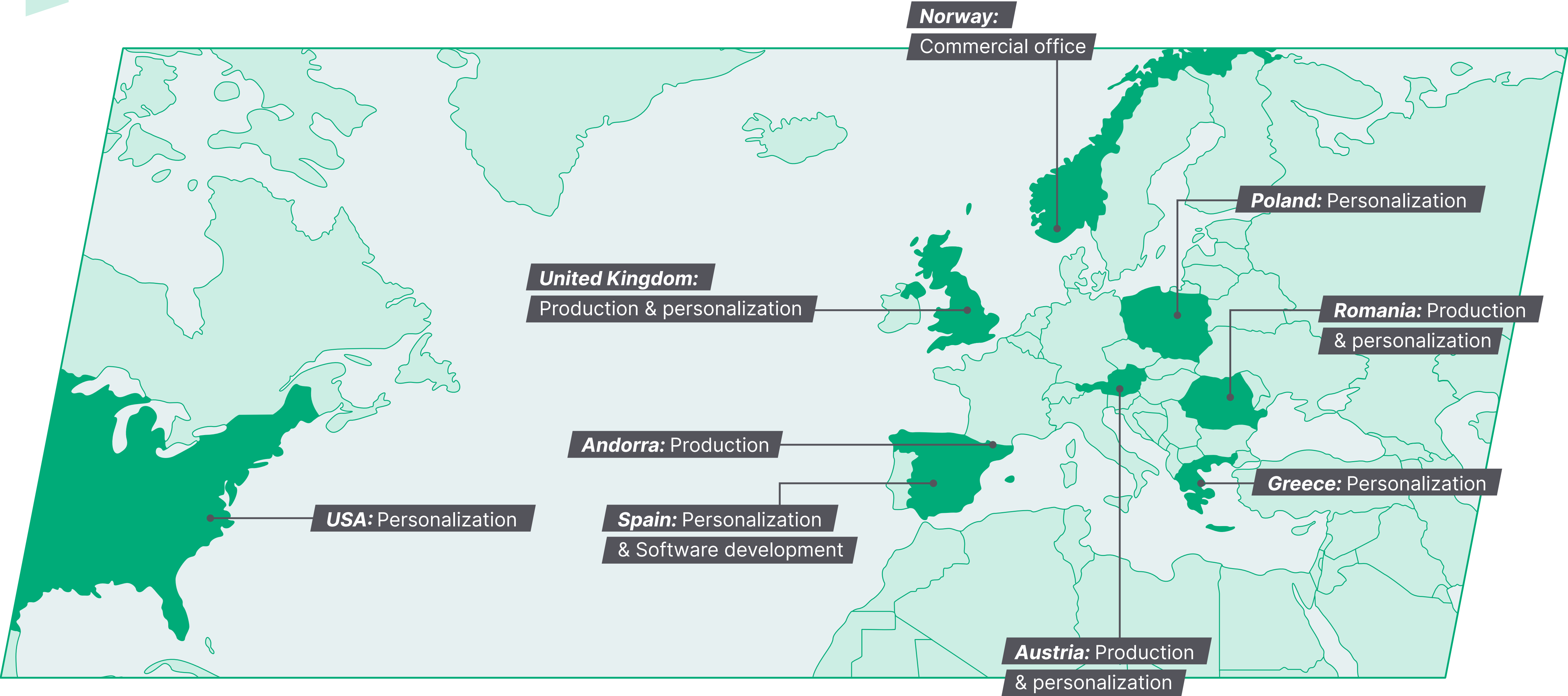
Corporate Structure

The corporate structure of Tag Systems ensures satisfactory compliance with management requirements, based on ethical and integrity to promote responsible and transparent working practices.

Board of Directors	Management Team		
		Sales and Marketing Management	Marketing and Product
			Sales
		Tag Systems Management	Production and Quality Control
			Security
			HR, Environment, Health, and Safety
			Accounting
			Purchasing
			CSI
			Customer Service and Systems
		Financial Management	Accounting

Global Business

Norway: Commercial office

Poland: Personalization

United Kingdom: Production & personalization

Romania: Production & personalization

Andorra: Production

Greece: Personalization

USA: Personalization

Spain: Personalization & Software development

Austria: Production & personalization

The stakeholders

Our stakeholders are essential to achieving our goals correctly and consistently. We aim to find solutions to common challenges, maintaining relationships of trust with each one. Aware of their intrinsic value, we establish communication channels to exchange views on any aspect related to our activity.

○ **Constant dialogue with stakeholders is key to identifying improvements in strategic business design, as well as in designing specific actions aimed at providing solutions.**

→ OUR STAKEHOLDERS

Material sustainability

The identification of key sustainability areas at Tag Systems, both directly and indirectly, is based on information from various sources, including the Global Reporting Initiative (GRI) Standards.

Once approved by the management team, and to pursue our objective of being more sustainable, these areas are prioritized based on their importance to us and our external stakeholders.

This prioritization is the foundation of all our sustainable actions and changes

→ MATERIAL SUSTAINABILITY CATEGORIES

HIGH

✓ Environmental compliance

✓ Client privacy

✓ Socio-economic compliance

✓ Carbon emissions reduction

High importance for external stakeholders

✓ Anti-corruption

✓ Training and Education

✓ Diversity and equal opportunity d'oportunitats

✓ Quality employment

✓ Green materials

✓ Client satisfaction and quality

✓ Economic performance

✓ Occupational health and safety

✓ Health and safety

LOW ⟶ HIGH

High importance for Tag Systems

2. VALUE CHAIN

→ **Sustainable Production**

→ **Internationalization**

→ **Committed Suppliers**

→ **Commitments achieved in 2023**

→ **Certifications**

Sustainable Production

Tag Systems manufactures and customizes cards and develops software in Europe, the UK, and the USA.

Our production process allows us to oversee all stages of production and development, ensuring that our products and solutions meet the highest western quality standards. Our constant commitment to offering the latest trends in products and services allows us to meet the needs of various client profiles.

→ OUR PRODUCTS

**Tag Systems has integrated more sustainable materials and processes into production.
All areas of the factory undergo continuous analysis based on sustainability criteria. This is an ongoing process with the goal of achieving tangible improvements in sustainability ratios year after year.**

Payment Cards

Sustainable Payment Cards

Innovation in Card Design

Wearable Payment Cards

Biometric Cards

Metal Cards

Internationalization

○ **Our products and services are primarily offered in the following markets:**

These markets supply products to the banking and commercial sectors.

UK
16.5%

Latam
2.8%

USA & Canada
10.2%

Other
0.5%

Europe
70%
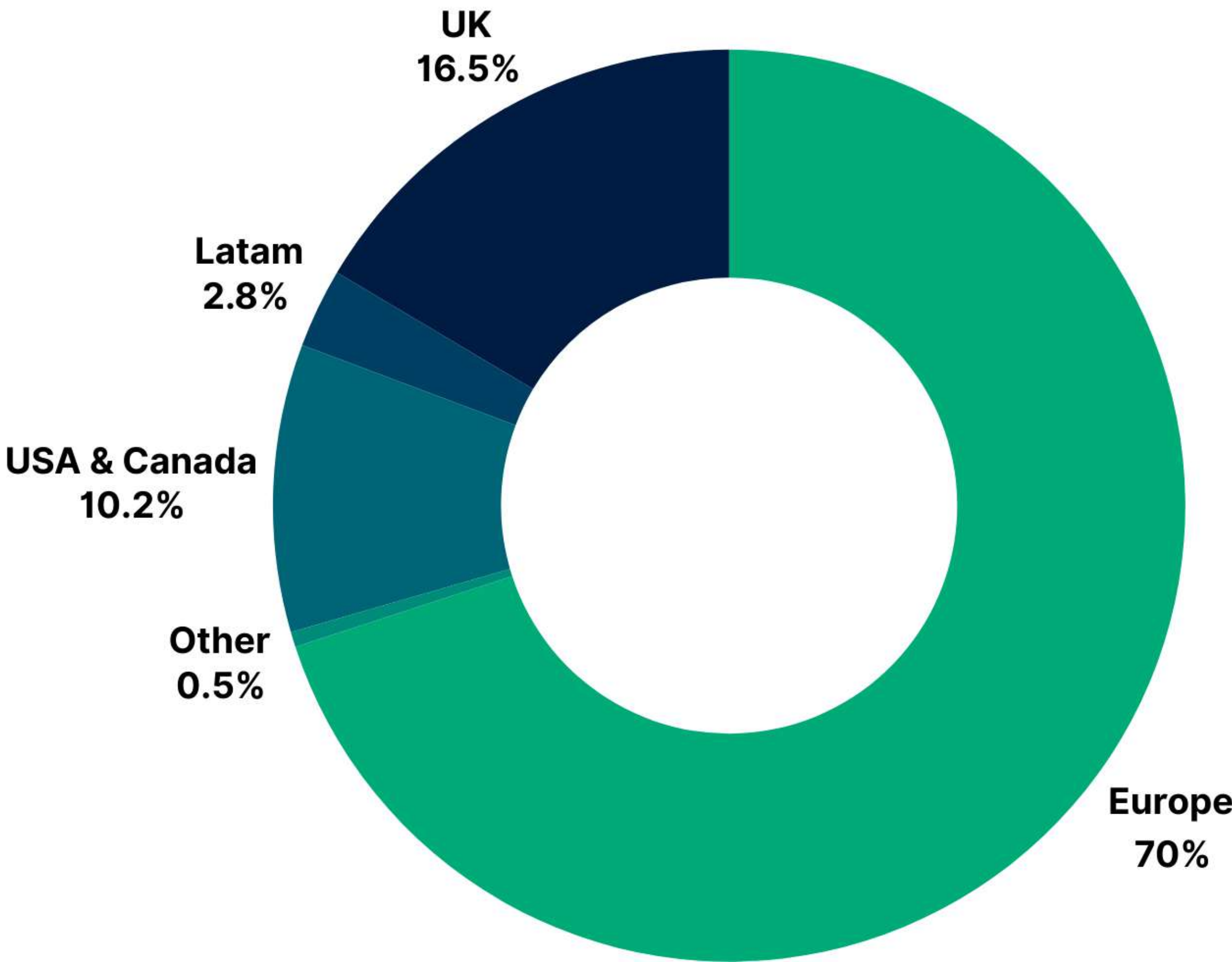
Committed Suppliers

In addition to seeking high technical performance and quality, we ensure that suppliers meet our criteria, including environmental and social standards, such as having environmental management certifications. **Our suppliers must sign the company's code of ethics**, which reflects our standards and commitments. We periodically review and update our supplier database to ensure compliance with environmental, quality, and occupational safety certifications.

2024 Objective: We aim to increase the sustainability of our suppliers. We will require sustainability certificates, including health, safety, and environmental standards, from our key suppliers. **Furthermore, we will increase the evaluation weight of this aspect, raising it from 0.25 to 1 point.**

Tag Systems uses products and services for production raw materials, machinery maintenance, transport, facilities, IT services, consulting and cleaning. **We make sure to select the best raw materials for our cards through a strict approval protocol.**

◯ **96% of the total of your raw materials come from European countries. In the procurement of services we give priority to local suppliers in Andorra.**

**Others
4%**

**Europe
96%**
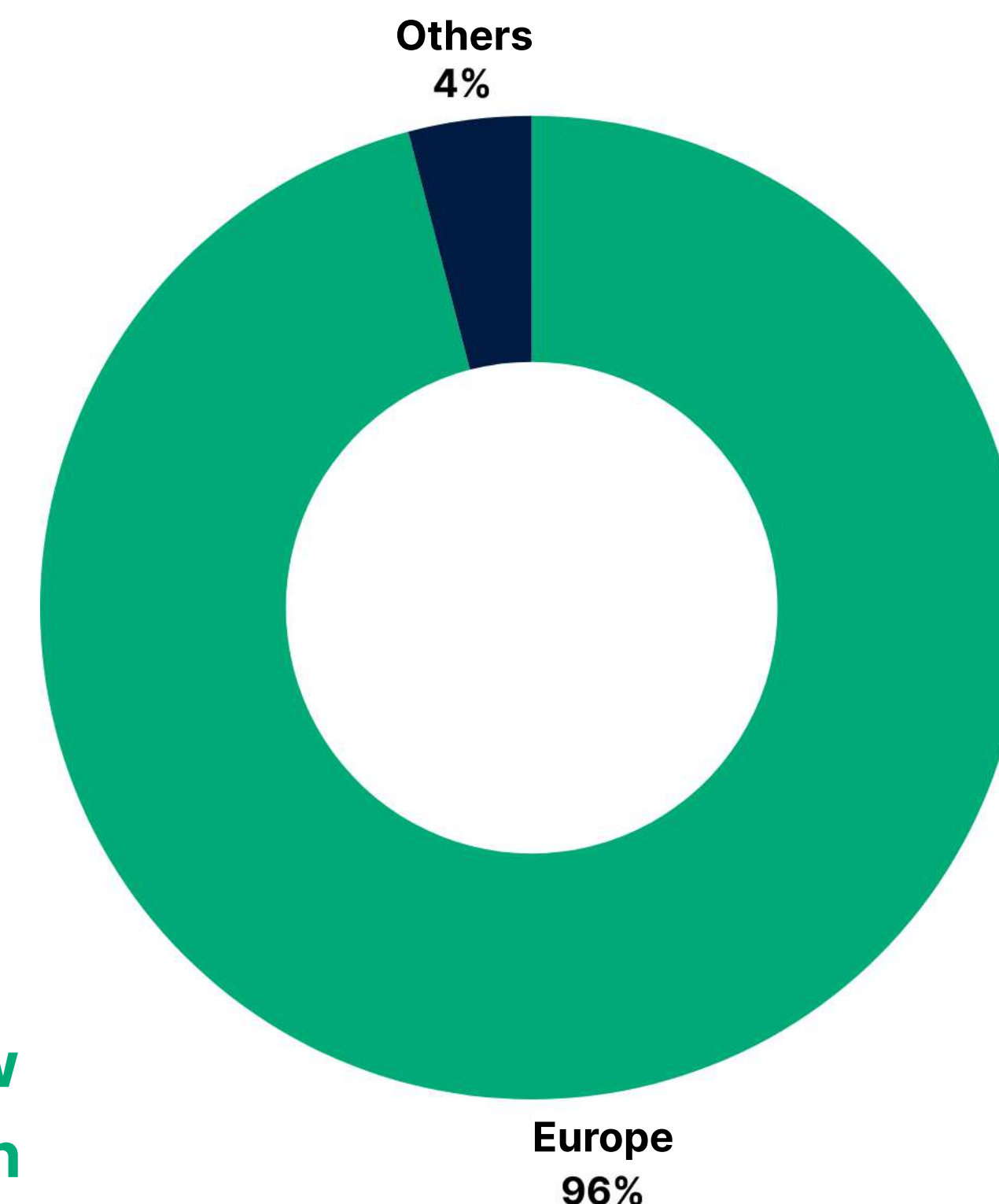
To ensure an appropriate selection of suppliers, we use a series of specific indicators that allow us to evaluate different key aspects of their performance and capacity. These indicators focus on factors such as the **quality of the products or services offered, the punctuality of delivery, the sustainability of its business practices, and its ability to adapt to the changing needs of the company**. In order to maintain the highest ethical standards and ensure a professional conduct of integrity, the company adopts a series of firm commitment measures against corruption and other illegal practices:

Legal compliance

Obligation to comply with local and international regulations in all operations.

Due Diligence

Thorough verification of suppliers to assess their identity and financial profile.

Certifications

Currently, 22.46% of our suppliers have HSE certification. This represents 31 of the 138 most relevant suppliers to whom we have requested this certification.

Commitments achieved in 2023

As part of our 2023 commitments, Tag Systems has successfully achieved the following goals:

→ 1. SUSTAINABILITY IN PACKAGING

We have significantly improved our packaging materials, adopting more sustainable solutions and reducing the quantity of packaging materials used.

→ 2. CIRCULAR ECONOMY IN PLASTICS

We have developed a comprehensive project for plastic waste management, which includes:

- *Separation:* classification of plastic waste

- *Collection and transportation:* organization of the transportation of the material

- *Set-up of the material:* preparation of the plastic for recycling.

- *New material:* production of material from the recycled plastic

- *Purchase and production:* integration of recycled plastic in our products

- The project has been successfully initiated and is expected to solidify throughout 2024.

Certifications

We integrate excellence at all levels through efficient management tools and systems that ensure continuous improvement and performance. Excellence is an essential part of the way we work and our value proposition, focused on competitiveness, productivity, quality and safety. We guarantee to offer the highest quality in all our products and services. We put all our effort into implementing protocols, standards and certificates that guarantee strict compliance with quality and safety standards.

The quality management system guarantees that our products and services meet the applicable legal requirements, while aiming for customer satisfaction.

→ CERTIFICATIONS OF EXCELLENCE

Tag Systems ensures quality through various certifications, from controlling ethical and environmental standards in our supply chain to environmental management systems, including:

- Application of **environmental and energy efficiency criteria in production**, rational use of natural resources, and waste and emission reduction.

- **Compliance with environmental and energy legislation, as well as voluntary commitments.**

- Employee **training and resources allocation to promote active participation in achieving environmental goals.**

→ QUALITY MANAGEMENT SYSTEMS

We have certifications that reaffirm our commitment to offering quality products and solutions:

- **ISO 9001.** A certified quality management system designed by the International Organization for Standardization.

- **Card Quality Management (CQM) for MasterCard.**
Certification as part of the MasterCard approval process that refers to product quality and security standards. All cards manufactured by Tag Systems (banking and commercial) comply with this certification.

- **ISO 45001.** We focus on strengthening the culture of prevention and managing occupational health and safety.

mastercard.

Card Quality Management (CQM)

A+ Applus⊕ ISO 9001 Systems Certification

A+ Applus⊕ ISO 45001 Systems Certification

→ COMMITMENTS TO THE ENVIRONMENT

Tag Systems ensures respect for the environment through certified systems such as:

- ◤ **ISO 14001.** An international standard that sets out the requirements for an efficient environmental management system, helping organizations reduce their environmental impact and comply with environmental regulations.

- ◤ **MasterCard Card Eco Certification.** Certification that recognizes sustainable payment cards manufactured in compliance with rigorous environmental impact reduction criteria, from recycled materials to eco-efficient production processes.
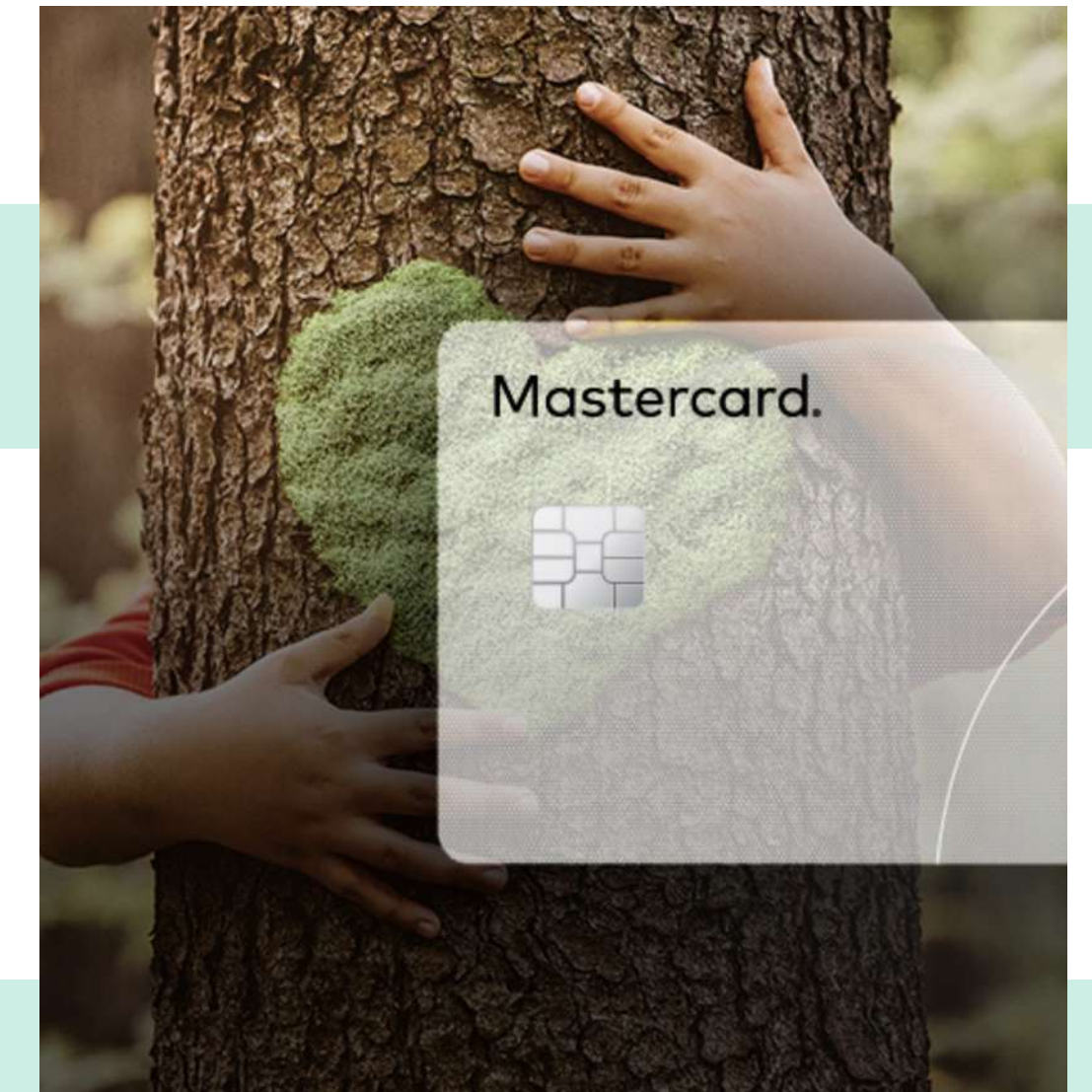
mastercard.
Card Quality Management (CQM)

A+
Applus⊕
ISO 14001
Systems Certification

3. OUR ACTIVITIES

Performance

At Tag Systems, we are convinced that the performance of our company is closely linked to its workforce.

○ **Tag Systems also takes advantage of its different networks to improve who we are and what we do as a company, sharing experiences and knowledge of the future challenges of our market and the economic and business contexts.**
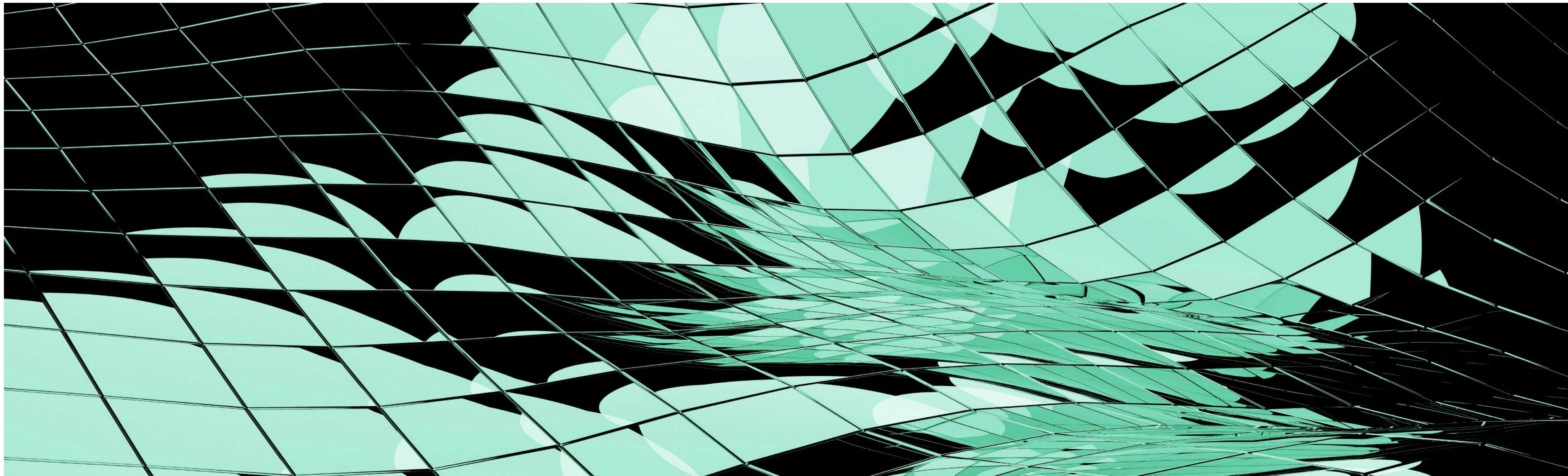
Employee Development

Human resource management plays a fundamental role in achieving the global objectives of Tag Systems. Beyond that, we have always thought of our people as the element that marks our difference and competitiveness. For this reason, we offer quality employment, we encourage growth with training programs, **we offer a safe and healthy work environment and we guarantee equality and non-discrimination**.
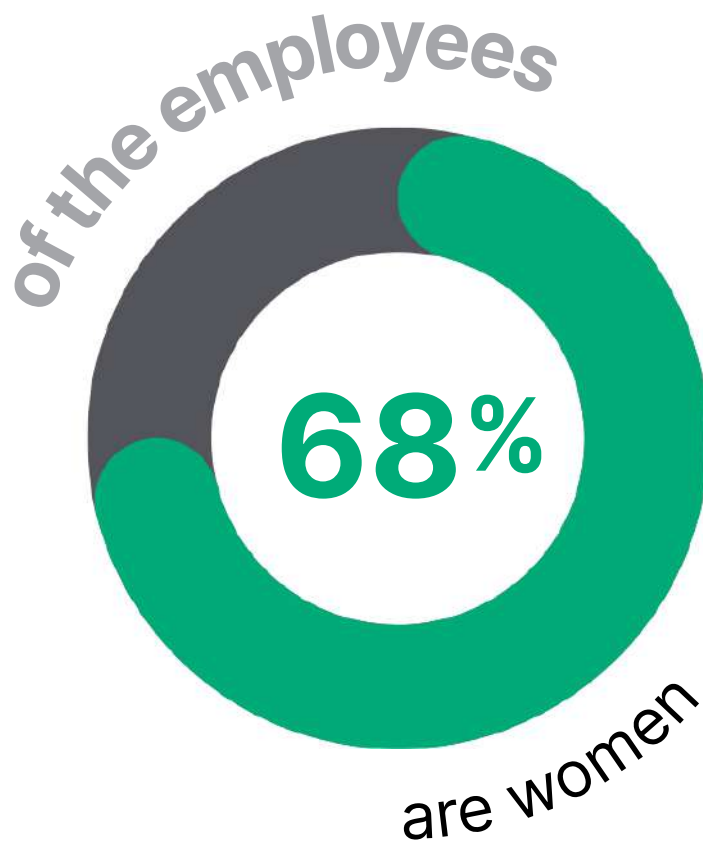
→ THE PROFILE OF OUR EMPLOYEES

200
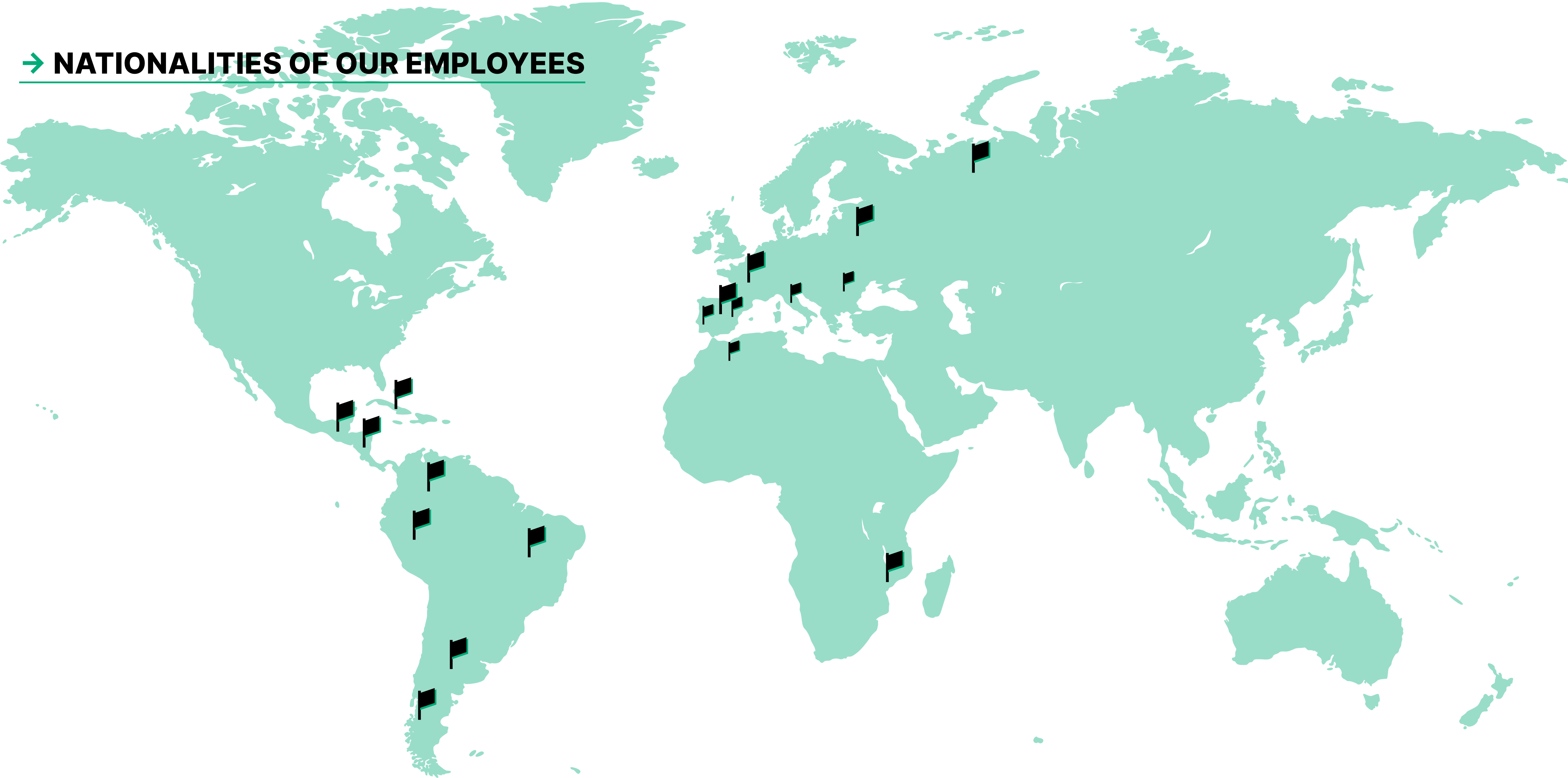### Employees

66% of management positions are held by women

FULL-TIME WORKERS
99,5%

of the employees
68%
are women

15%
are young

1,5%
have disabilities

1,5%
are vulnerable
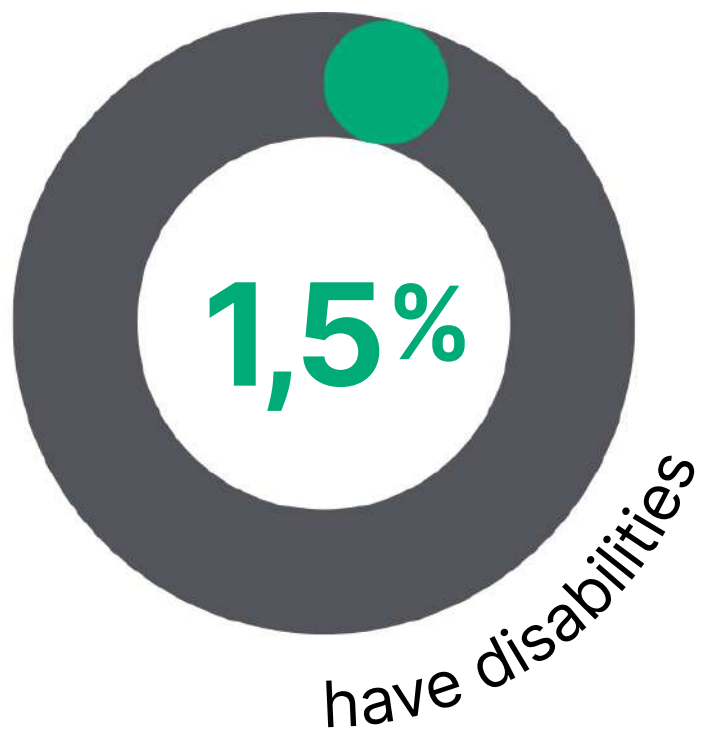
→ **NATIONALITIES OF OUR EMPLOYEES**

Our Commitment to Quality Employment

In 2023, we achieved:

4.276,25
Hours of training

14 workplace accidents

38%

of training was completed by women

Internal promotions

|	Men	Women	Youth

67% retention rate
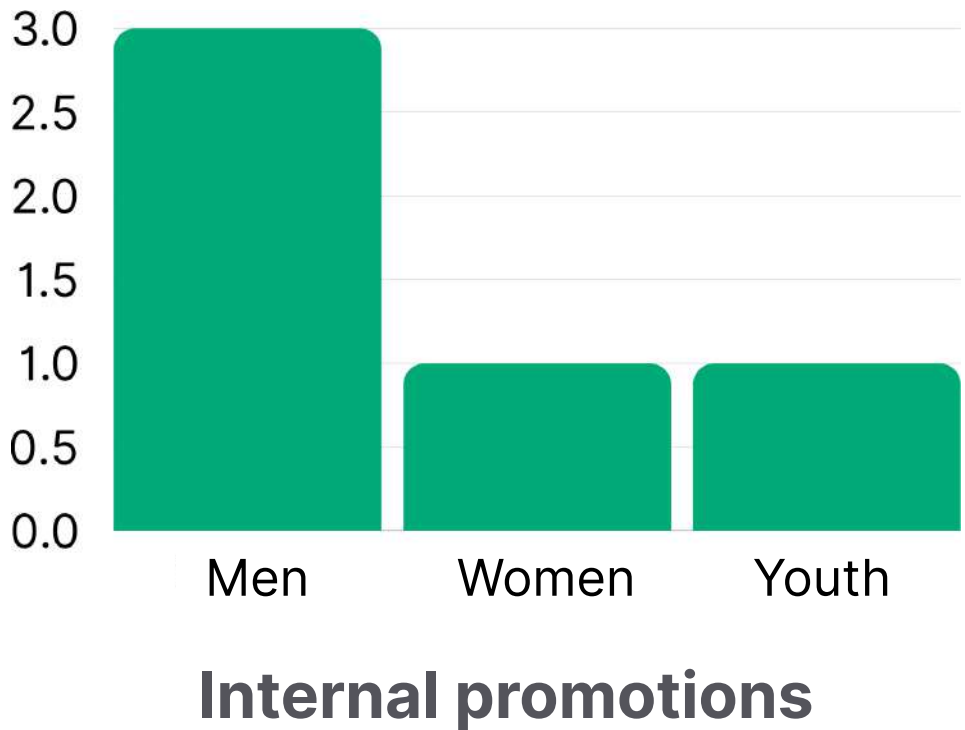
→ EMPLOYMENT STATISTICS (2017-2023)

200 *highest number of workers in 2023*

139 *current number of women employed*

Over the past four years, we've introduced some improvements and changes that demonstrate TagSystems' commitment to quality employment, including flexible working hours, healthy Mondays and casual Fridays.

■ New Hires (Men) ■ New Hires (Women) ■ Terminations
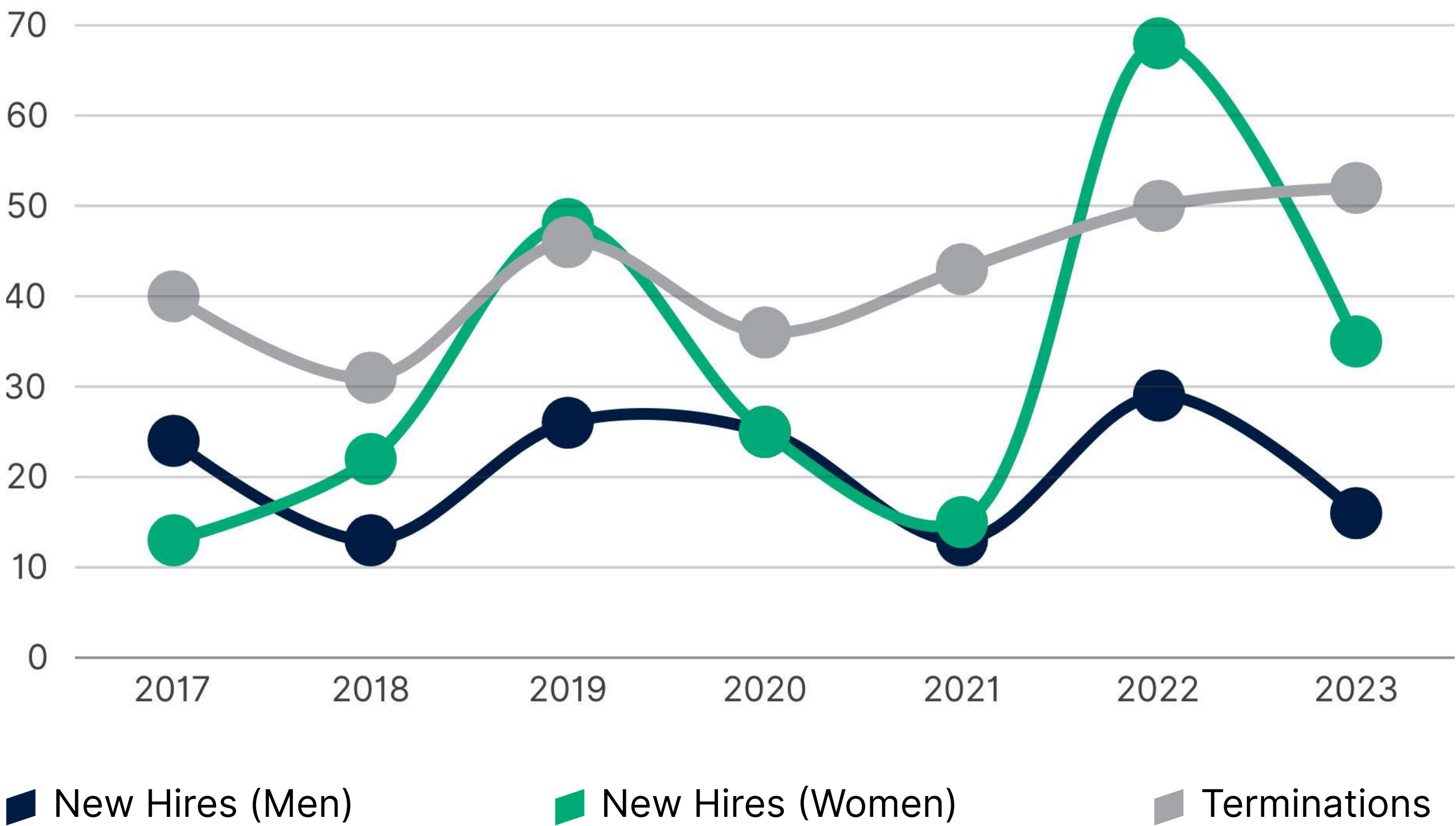
Recognitions

We are committed to engaging with Andorran society and institutions to offer our employees the best quality of life and work-life balance.

○ **We collaborate with various organizations to maintain our commitment to business associations and legislative initiatives.**

PIMEC

CEA

EMPRESA INCLUSIVA

4. OUR COMMITMENTS

→ **Our commitments with the environment**

→ **Our commitments with the local community**

→ **Corporate Social Responsibility (CSR) Actions**

Our Commitments with the environment

Respect for the environment is a fundamental requirement for a company that aims to be sustainable, like Tag Systems. In this regard, **we systematically evaluate the environmental impact and effects of our activities and manage the prevention of environmental risks.**
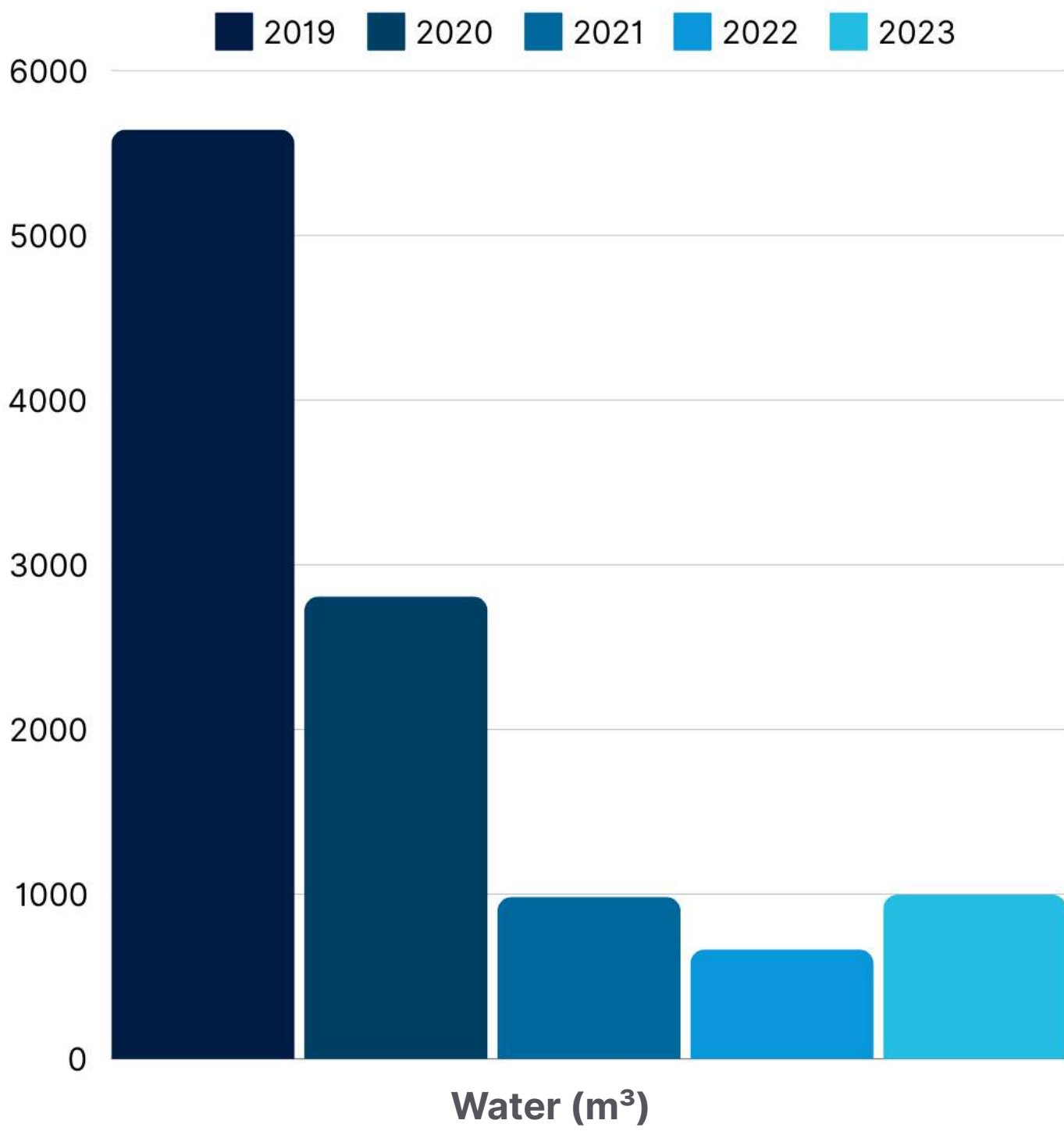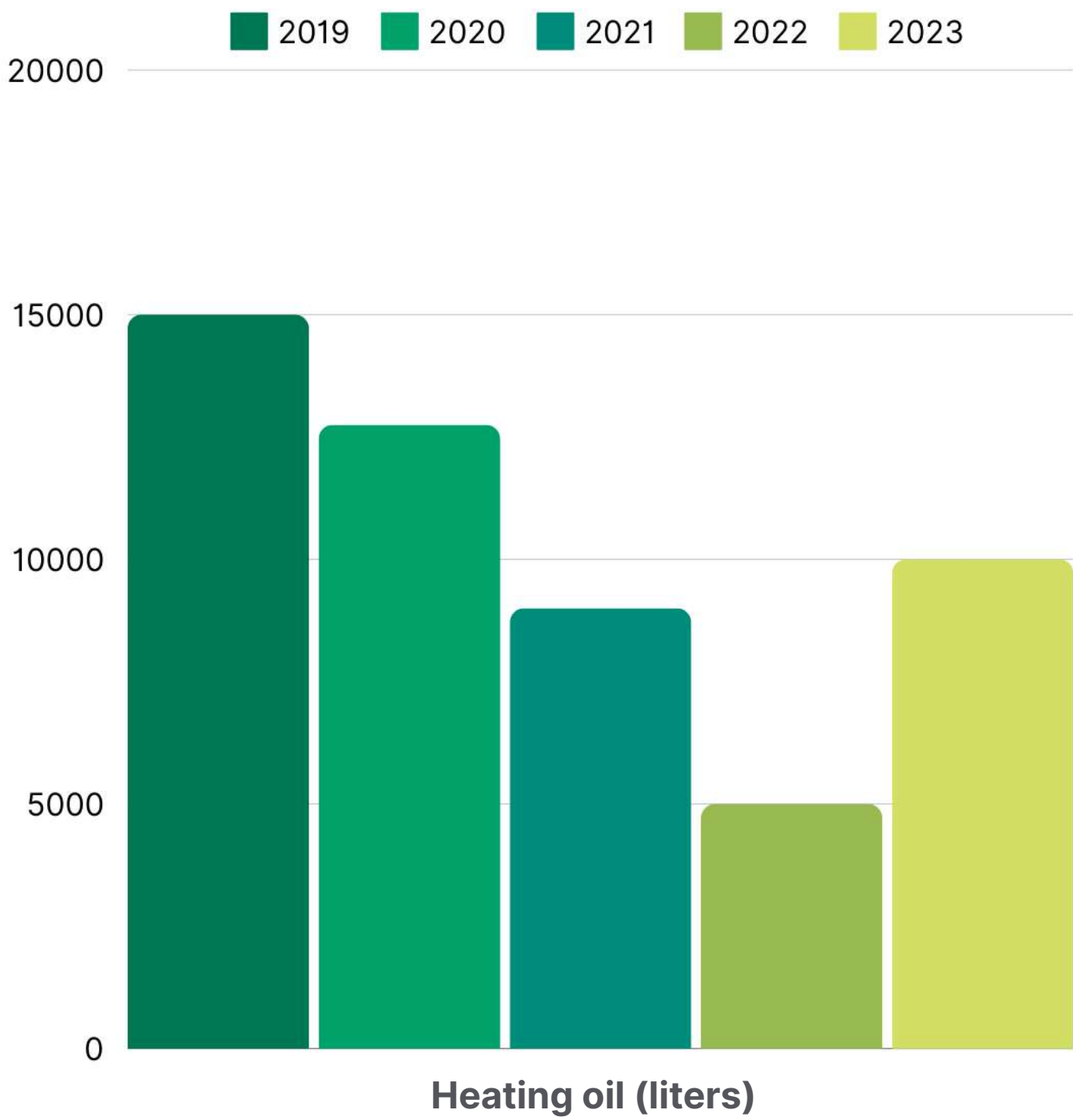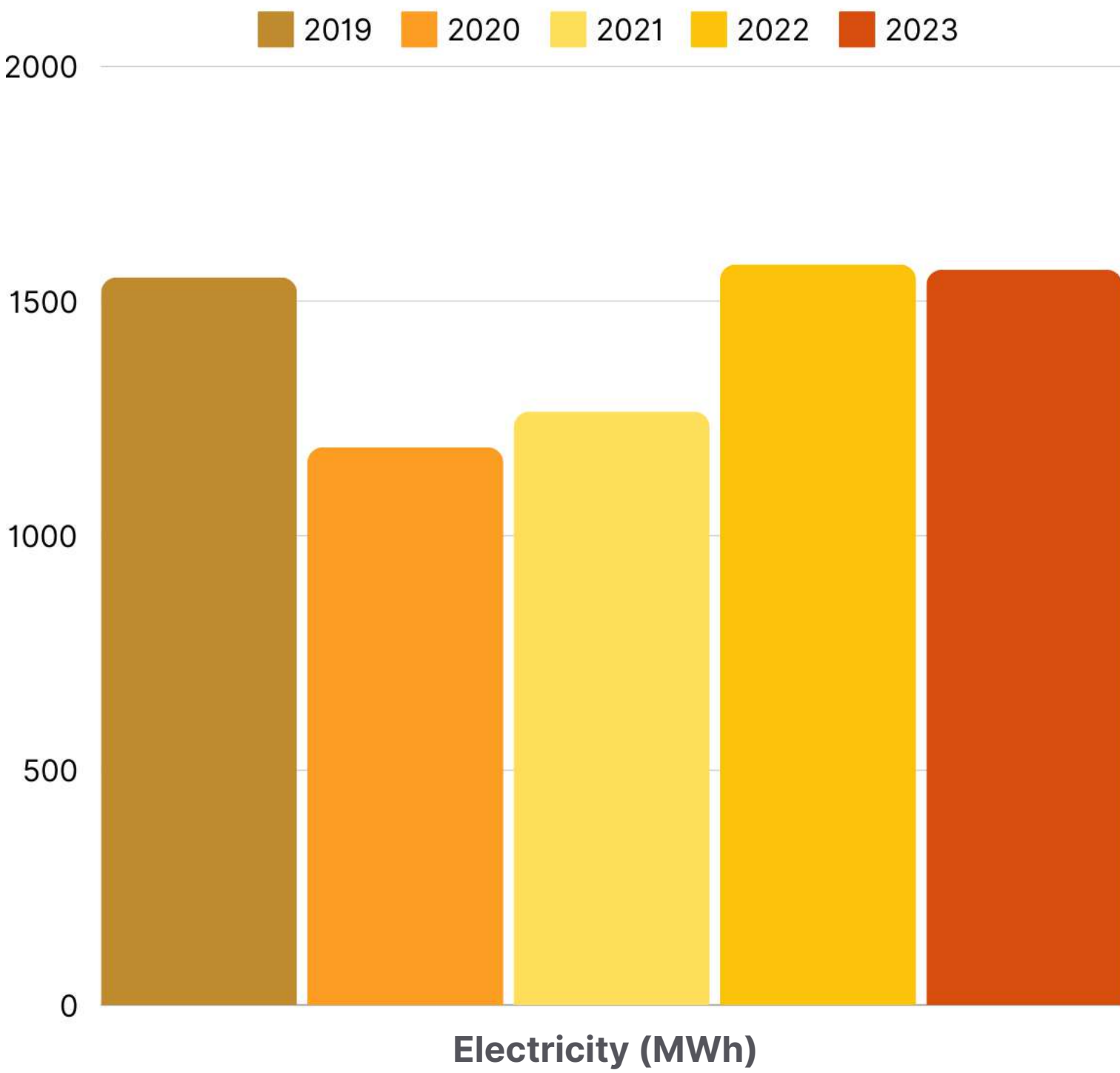
We are constantly investing to minimize energy consumption and improve waste management and processing. We remain loyal to our principles and values, ensuring that our stakeholders also adhere to them. As such, we comply with applicable environmental legislation and hold all necessary licenses for water discharge, air emissions, and hazardous waste production.

→ **OPTIMIZATION OF RESOURCES**

At Tag Systems, we ensure that we use resources rationally and efficiently. **Our efforts focus on energy consumption (electricity, heating oil, and water).**

Consumption Data (2019-2023):

Electricity (MWh) — 2019, 2020, 2021, 2022, 2023

Heating oil (liters) — 2019, 2020, 2021, 2022, 2023

Water (m³) — 2019, 2020, 2021, 2022, 2023

Our commitments with the local community

The actions of Tag Systems in the local community are carried out through initiatives that allow the projection of corporate values, such as teamwork, or that allow it to participate actively in bringing solutions to local challenges.

In 2023, we participated in various activities to promote a healthier lifestyle and raise funds for charitable organizations:

- Participation in "Mou-te" (Move), a government of Andorra initiative promoting a healthier and more active lifestyle.

- Sponsorship of various Andorran athletes (Kevin Esteve, Margot Llobera), FC Club Andorra, Orgel·lia football school, and the Women's Association of Andorra.

- Donation and participation in the "Walk for Cancer" to raise funds for cancer research.

We have also continued our collaboration with the University of Andorra and the Vocational Training Centers in the country to offer students a work experience that facilitates their incorporation into the labor market.

○ **During 2023, our teams included 6 disabled workers.**

Corporate Social Responsibility (CSR) Actions

In 2023, we continued our commitment to CSR activities promoting community well-being, solidarity, and health. We have collaborated with various organizations and participated in events to make a positive impact on society.

- Donations to Caritas: We donated shoes and shirts to help those in need, contributing to their comfort and well-being.

- Sponsorship of the Women's Race: We actively sponsored Assandca (local NGO) and participated in this solidarity race that raises awareness for breast cancer.

- Participation in the Illa Carlemany Race: This event helped promote an active lifestyle among employees and the community.

- Team Building: During an internal team-building event, we delivered 500 kg of food to Caritas to support those in need.

- Participation in the ProAm Tournament: An event where our first team and sponsors shared the field.

2023 has been a year full of solidarity and commitment. With these actions, we have not only contributed to the improvement of the quality of life of many people, but also strengthened our corporate values. We will continue to work for a more inclusive and supportive future.

5. OUR CONTRIBUTION TO THE SDGs

The Sustainable Development Goals (SDGs)

The Sustainable Development Goals (SDGs) consist of 17 integrated and interrelated objectives aimed at ending poverty, protecting the planet, and ensuring peace and prosperity for humanity by 2030.

As part of our Corporate Social Responsibility strategy, we are committed to the 17 SDGs, which guide the implementation of the United Nations' 2030 Agenda for Sustainable Development. We actively communicate this commitment to all stakeholders and work continuously to make these goals a reality.

Alignment with the SDGs

The 17 Sustainable Development Goals (SDGs) are global, inclusive, and ambitious, guiding the implementation of the United Nations' 2030 Agenda for Sustainable Development. Throughout this Sustainability Report, we have included the SDGs that align with Tag Systems' activities and who we are as a company. Through dialogue with stakeholders, we have validated the sustainability topics that are relevant to us.

○ **This allows for strategic planning with a greater awareness of our capacity to create positive impacts on people and the environment.**
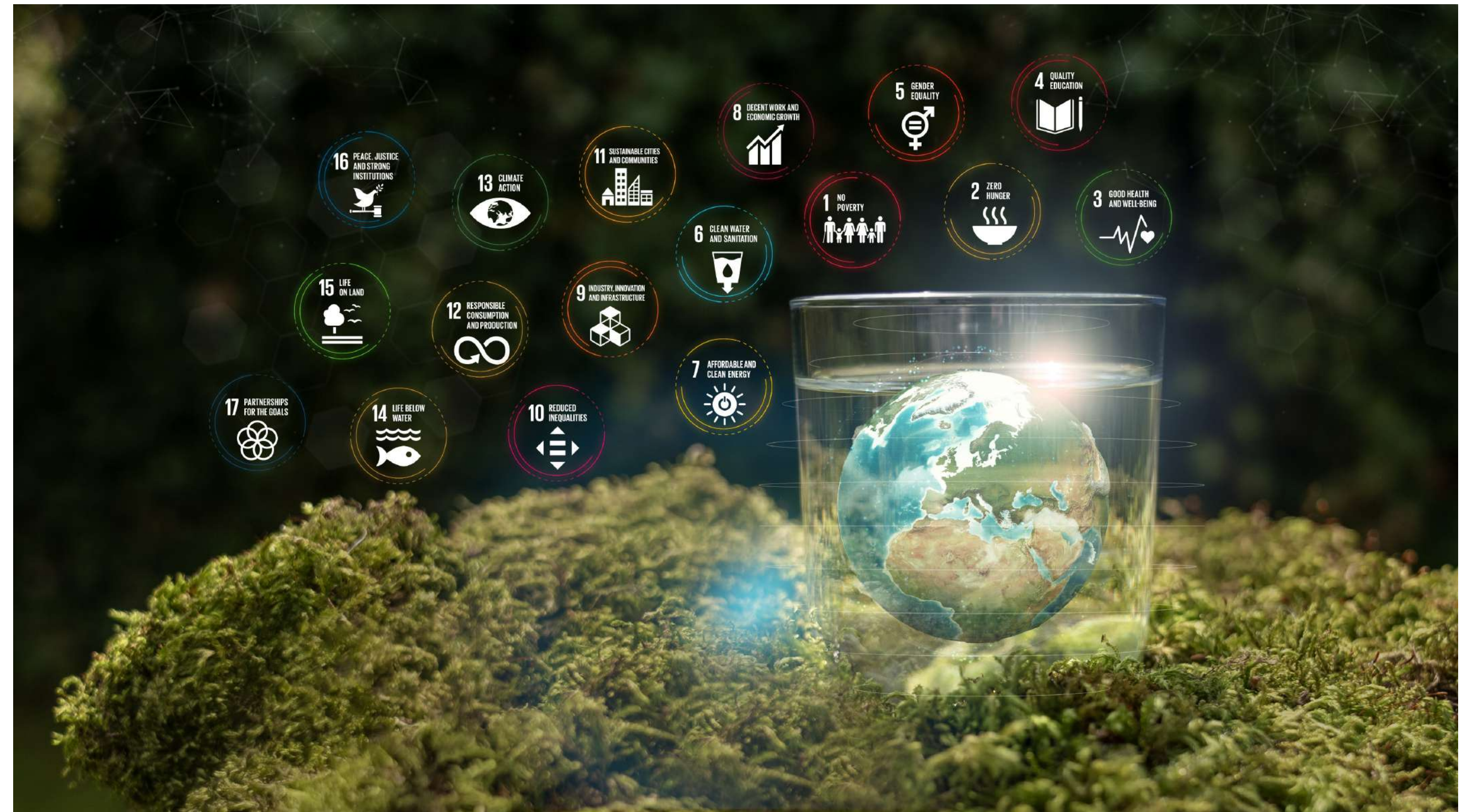
Our Contribution to the SDGs

Our commitment to sustainability is present in all departments and activities: from product marketing to the well-being of our employees, through the responsible purchase of raw materials to suppliers and ecologically efficient production processes.

At Tag Systems, we participate in initiatives proposed by the government to promote healthier and more active lifestyles.

Promote wellness among our employees.

At Tag Systems, we offer training programs to most of our employees, encouraging them to develop their skills throughout their careers.

Promote lifelong learning for all our employees.

At Tag Systems, we incorporate gender perspectives into our corporate culture and promote equality and integration.

Achieving gender equality / Offer the same opportunities to all our employees, regardless of gender.

6 CLEAN WATER AND SANITATION

At Tag Systems, we promote sustainable water management with the implementation of new machinery to reduce water consumption during the production process.

Promote the substantial increase in water use efficiency throughout the organization.

8 DECENT WORK AND ECONOMIC GROWTH
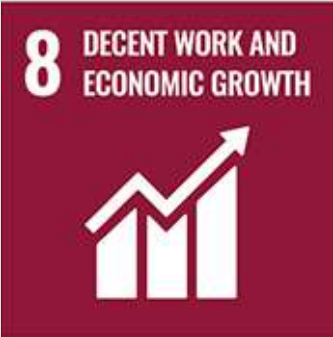
At Tag Systems, we promote sustainable, inclusive economic growth and decent work for everyone by fostering youth employment, diversity, and cultural inclusivity.

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

At Tag Systems, we adopt clean and environmentally respectful industrial processes and technologies.

Build resilient infrastructures, promote inclusive and sustainable industrialization and foster innovation.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

At Tag Systems, we make efficient use of energy and natural resources, we choose raw materials taking into account their environmental impact and incorporate environmental criteria when choosing suppliers.

Guarantee sustainable production and consumption patterns.

13 CLIMATE ACTION

At Tag Systems, we have introduced an ISO 14001-certified environmental management system. We require environmental policies and certifications from our suppliers and work to minimize our environmental footprint by optimizing resource consumption and properly managing waste.

Take urgent measures to combat climate change and its impacts.

17 PARTNERSHIPS FOR THE GOALS

Tag Systems alliances allow us to be part of different networks that enhance what we are and what we do as a company, as well as share experiences and knowledge of the future challenges of our market and the economic and business context.

Leverage partnerships and networks to achieve the SDGs faster and with greater impact, especially for climate action and quality employment.

The fundamental pillars of Tag Systems' activities are ethics and integrity. Beyond what we are required to comply with according to regulations, we are committed to sustainability, professional ethics, and respect for society and working people.

Next Steps

At Tag systems, we are always looking forward to new actions that we can implement to achieve the SDGs and the United Nations 2030 Agenda. The projects presented here will be launched from 2023, with special emphasis on Andorran society and environment.

Circular economy

The requirements d to start a circular economy project are being developed with the main objective being to make use of 100% of the purchased PVC.

Corporate Well-being Program

A wellness program will be implemented for employees, focusing on physical, mental, and emotional well-being.

Gender Equality

Our corporate culture promotes gender equality and the inclusion of disadvantaged groups.

At Tag Systems, in addition to contributing to the growth and positive development of Andorran society and its environment, we also care about helping the less privileged and strive, through our actions, to make the world a more just and equal place, as well as a safe space for minorities.

Solidarity food bank

Creation and maintenance of a solidarity food bank in collaboration with the Red Cross of Andorra, aiming to support families in need.

Donations and sponsorships

Restructuring of donations and sponsorships to offer more specific support to the Andorran community.

Climate action

Follow established environmental management principles and contribute to reducing waste during the production process.

Solidarity Food Bank

In collaboration with the Red Cross of Andorra, Tag Systems aims to create and maintain a solidarity food bank. This initiative will involve all employees in addressing the realities of Andorran society and supporting families in need.

The goal of this project is to engage employees with the community and provide vital support to families through the Red Cross' food bank.

CREU ROJA ANDORRANA

Donations and Sponsorships

Tag Systems will continue to support the Andorran community through donations and sponsorships, restructuring these efforts to focus on specific causes and athletes that align with the company's values and interests.

The goal of this restructured program is to ensure that Tag Systems' contributions have a more direct and meaningful impact on Andorran society.
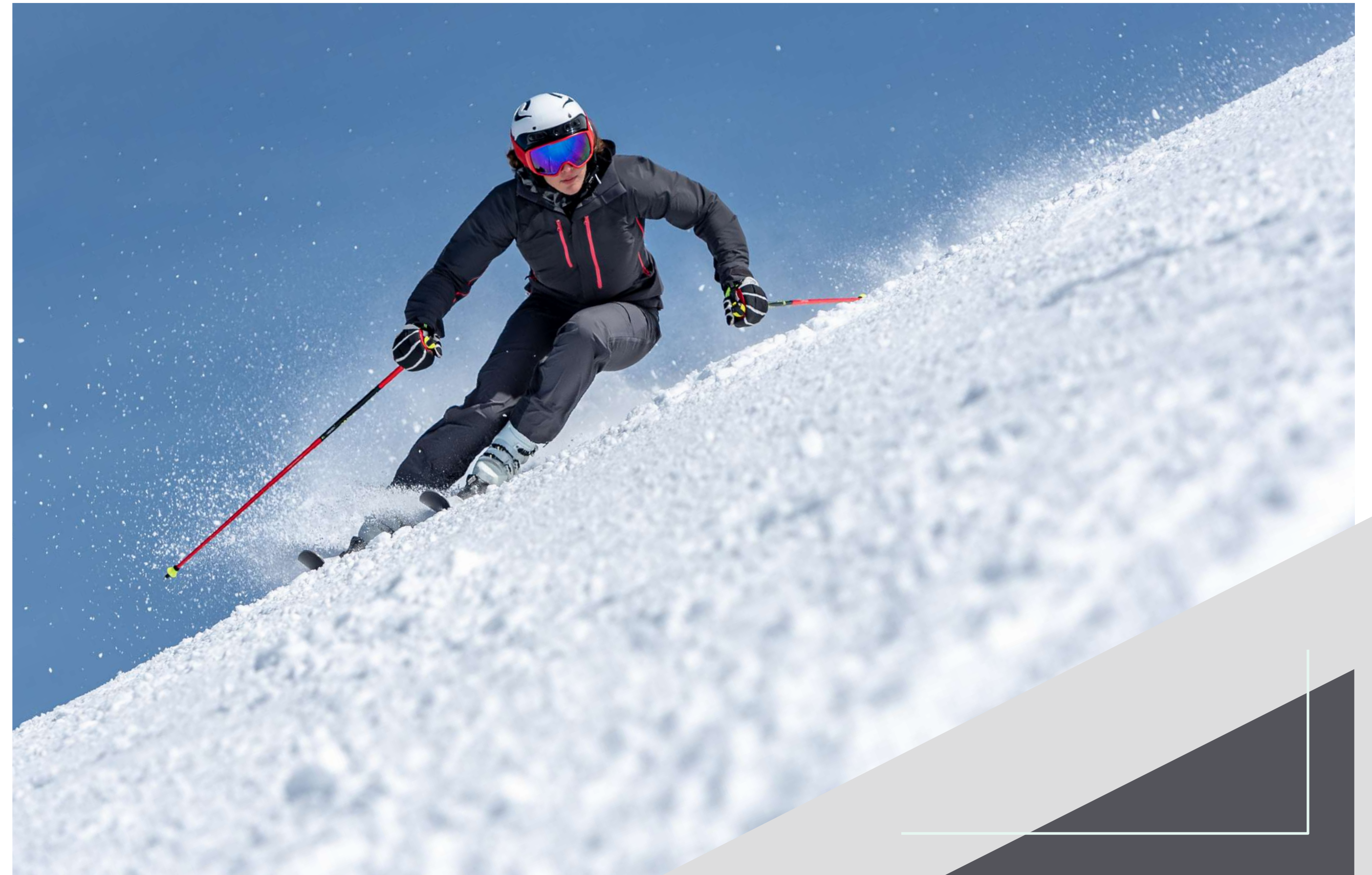
Environmental Management and Climate Action

Tag Systems follows established environmental management principles and contributes to waste reduction during the production process.

In 2023, we implemented solar panels at our headquarters, combined with the use of ECOTERM-produced energy and water consumption reduction initiatives, making us more energy-efficient and environmentally friendly. Tag Systems also received the "Green Light" certificate, guaranteeing that 100% of the company's electricity consumption comes from renewable sources (hydraulic resources).

Tag Systems is working on reducing the carbon footprint of its employees by implementing a Mobility Plan, which encourages employees to reduce their environmental impact through actions like carpooling or using electric vehicles.

AQUÍ TENIM
LLUM VERDA
Energía certificada
100% renovable
FEDA

Sustainable Mobility

In line with the goals of the Energy Transition and Climate Change Law, the Mobility Plan aims to reduce the carbon footprint of Tag Systems' employees and lower emissions related to the company's mobility.

In 2022, we launched several actions as part of the Mobility Plan, including awareness campaigns, carpooling initiatives, bike use, public transportation promotion, and parking limitations. In 2023, we will take further steps to achieve the plan's objectives.
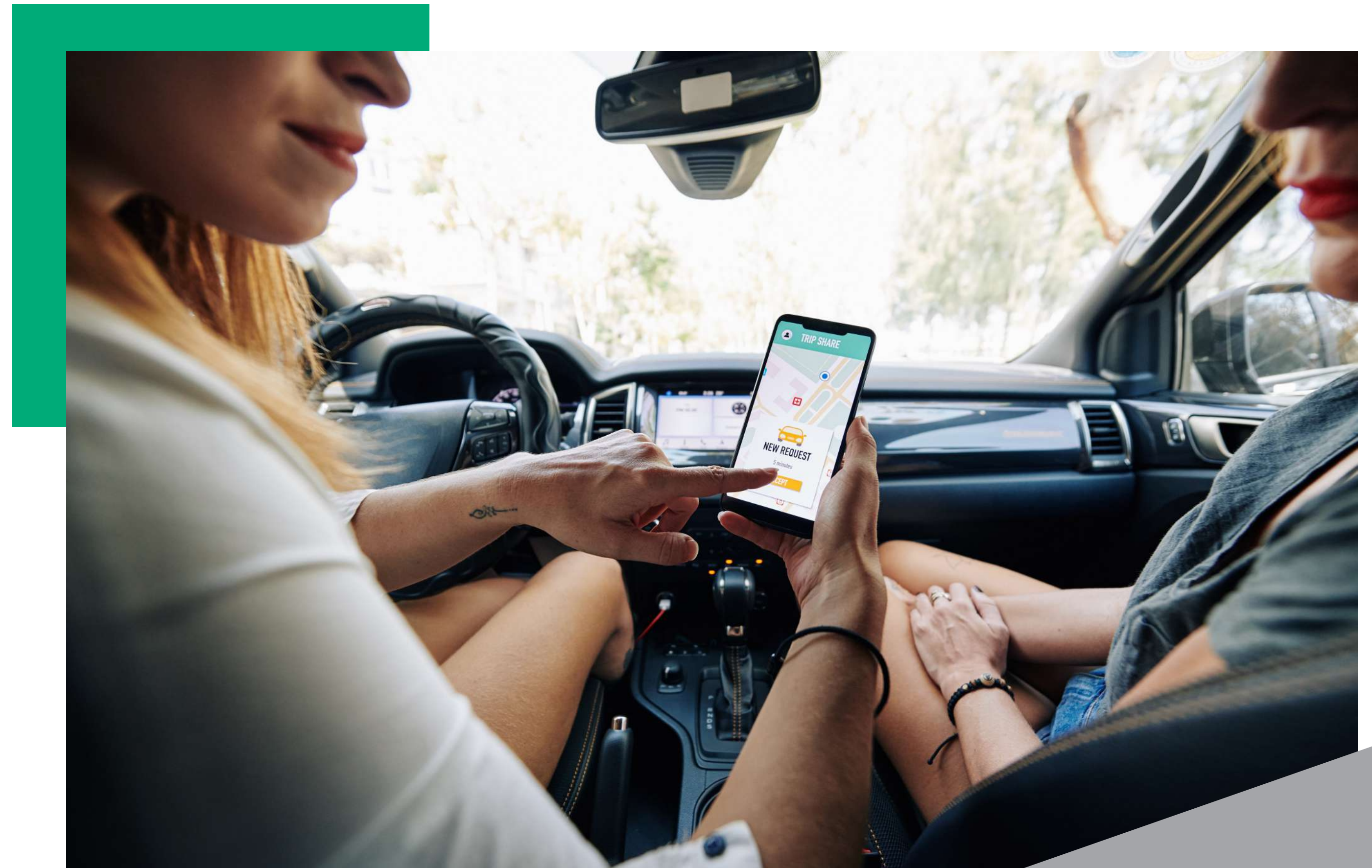
6. REPORTING METHODOLOGY

→ **Methodology**

→ **Carbon Footprint Breakdown**

→ **Emissions Compensation Projects**

Methodology

Tag Systems has initiated a process for calculating and monitoring its carbon foot-print, as well as other indicators included in the GRI Index, in order to better address the challenges our planet faces and establish a series of actions and changes to align with the 2030 Agenda and its SDGs. The methodology presented below primarily refers to the calculation of the carbon footprint across all scopes, as well as the calculation of waste produced and managed for 2022.

→ CARBON FOOTPRINT CALCULATION METHODOLOGY

Scope 1

Refers to direct emissions from combustion processes, such as those from boilers, ovens, or company-controlled vehicles. It also includes fugitive emissions, such as air conditioning leaks.

Scope 2

Refers to indirect emissions from greenhouse gas (GHG) associated with the generation of electricity purchased and consumed by the organization. Scope 2 specifically refers to emissions from electricity and heat generation consumed by the organization.

Scope 3

Includes other indirect emissions not controlled by the organization. This scope covers emissions related to the production system for cards.

Carbon Footprint Breakdown

In 2023, Tag Systems calculated the **total carbon footprint** of its organization:

The total carbon footprint for the organization in 2023 was:

266 t
CO2eq

TCO2eq/M Cards

25.00
21,7
20.00
15.00
12,7
10.00
-64%
7,9
5.00
0.00

Million Cards

TCO2eq/M€

20.00
15,8
15.00
10.00
8,1
-72%
5.00
4,4
0.00

Million Euros

SCOPE 1: **19.6%**
52,14 tCO2eq (Direct).

SCOPE 2: **0%**
0,00 tCO2eq (Indirect).

SCOPE 3: **80.4%**
213,84 tCO2eq (Other Indirect).

Global Emissions Distributed as
TCO2eq/Million Cards

-45%

2021	2022	2023
21,7	12,7	7,9

→ CARBON FOOTPRINT PER PRODUCT

Tag Systems **calculated the carbon footprint** for its credit cards using the following methodology:

ISO 14040. LIFE CYCLE ASSESSMENT SOFTWARE SIMAPRO 9.1 AND THE ECOINVENT 3.6

Credit Card Material	Units produced	kgCO2eq/unit
R-PVC 80%	9.470.916	0,0263
R-PVC 95%	3.333.955	0,0256
PVC Standard+degradable	20.856.394	0,0373

In 2023, the annual production of our credit cards amounts to:

1.112,4 t CO2eq

Thanks to LIVEO RESEARCH and the use of recycled PVC (SICO-R CORE), we contribute to the reduction of the environmental impact associated with the production of raw materials.

The new solution generates only 1.15 kg of CO_2 equivalent per kg of film, a significant reduction of 65% compared to the 3.29 kg of CO_2 emitted by VIRGIN PVC FILM.

CO_2 **-65%**

LIVEO RESEARCH
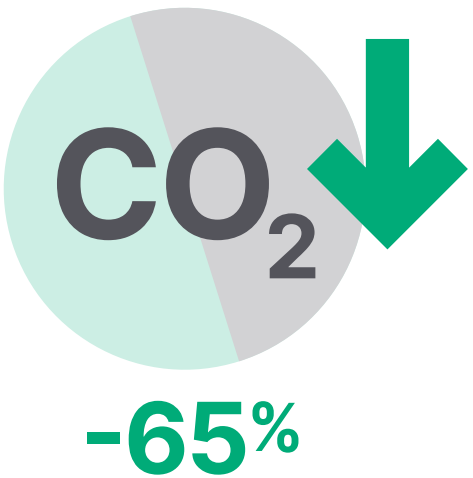
Emissions Compensation Projects

To compensate for our carbon emissions, Tag Systems has selected two projects from the **United Nations carbon offset platform** ↗ .

1. Guatemala: A project that distributes ONIL stoves to households to offset the company's organizational carbon footprint.

2. Ghana: A project that manufactures efficient stoves to replace traditional cooking methods, offsetting the product's carbon footprint.

These efforts have allowed Tag Systems to receive government certification that confirms our carbon emissions were compensated in 2023.
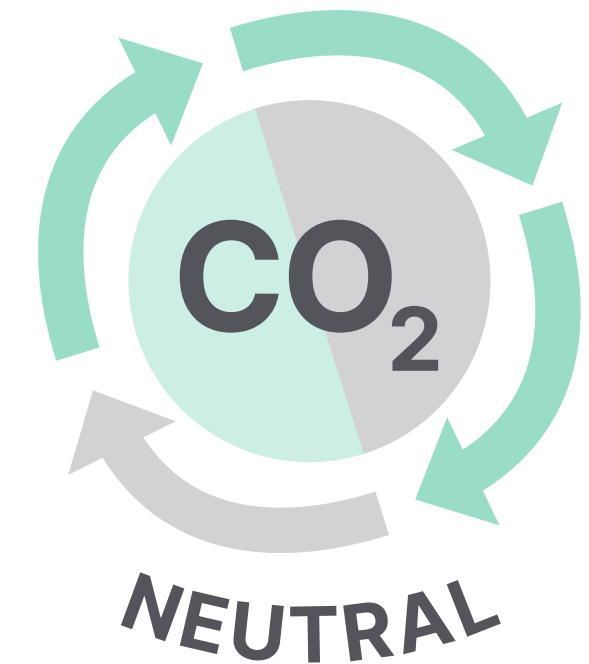
Distribution of ONIL Stoves—Guatemala

"Distribution of ONIL Stoves — Guatemala" project involves the distribution of fuel-efficient, improved cook stoves to households across Guatemala in households that currently use conventional open fire.

Clean Cook Stoves in Sub-Saharan Africa by ClimateCare Limited

CookClean manufactures efficient cookstoves to displace the resources wasteful and unhealthy traditional stoves which kill 13,400 people and subject 21 million to Household Air Pollution yearly in Ghana.

CO₂ NEUTRAL

Govern d'Andorra

ANNEX

GRI Index

This is the third sustainability report published by Tag Systems following the Global Reporting Initiative (GRI) standards, with the objective of informing about our social, environmental, and economic performance. Through this document, we demonstrate our efforts and commitment to contributing to sustainable development.

The report covers the period from January 1 to December 31, 2023.

The information and data contained here relate to Tag Systems' activities in Andorra.

For more information about this report, please contact us at: hseq@tagsystems.net

The following table shows the GlobalReporting Initiative (GRI) organization's general and specific disclosure index according to the GRI standards for the "Compliance - Essential" option.

tag systems

Member of AUSTRIACARD (HOLDINGS)

○ **We thank you for your continued support in our efforts to contribute to the SDGs**

Contact

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Foundation and general disclosures

GRI Standards Indicator	Page	Omissions	External assurance
GRI 102 General disclosures 2016			
Organisation profile			
102-1 Name of the organisation			
102-2 Activities, brands, products, and services			
102-3 Location of headquarters			
102-4 Location of operations			
102-5 Ownership and legal form			
102-6 Markets served			
102-7 Scale of the organisation			
102-8 Information of employees and other workers			
102-9 Supply chain			
102-10 Significant changes to the organisation and its supply chain			
102-11 Precautionary principle or approach			
102-12 External initiatives			
102-13 Membership of associations			
Strategy			
102-14 Statement from senior decision-maker			
Ethics and integrity			
102-16 Values, principles, standards and norms of behaviour			
Governance			

102-18 Governance structure

Stakeholder engagement

102-40 List of stakeholder groups

102-41 Collective bargaining agreements

102-42 Identifying and selecting stakeholders

102-43 Approach to stakeholder engagement

102-44 Key topics and concerns raised

Reporting practice

102-45 Entities included in the consolidated financial statements

102-46 Defining report content and topic Boundaries

102-47 List of material topics

102-48 Restatements of information

102-49 Changes in reporting

102-50 Reporting period

102-51 Date of most recent report

102-52 Reporting cycle

102-53 Contact point for questions regarding the report

102-54 Claims of reporting in accordance with the GRI Standards

102-55 GRI content index

102-56 External assurance

Material topics

GRI Standards Indicator	Page / Direct response			Omissions	External assurance
Economic topics					
GRI 103: Management approach 2016					
Linked to GRI 201: Economic performance and GRI 205: Anti-corruption					
103-1 Explanation of the material topic and its Boundary	**Material topic**	**Boundary[1]**	**Involvement[2]**		
	GRI 201: Economic performance	Inside and outside	Direct		
	GRI 205: Anti-corruption	Inside and outside	Direct		
	(1) Indicates where the impact occurs: inside the organisation, outside the organisation or both inside and outside the organisation.				
	(2) Indicates the involvement of the organisation regarding the impact: direct (the organisation has directly caused the impact) or indirect (the organisation is linked to the impact through its business relationships).				
103-2 The management approach and its components					
103-3 Evaluation of the management approach					
GRI 201: Economic performance					
201-1 Direct economic value generated and distributed					
GRI 205: Anti-corruption					
205-3 Confirmed incidents of corruption and action taken					

GRI 103: Management approach 2016

Linked to GRI 301: Materials, GRI 305: Emissions and GRI 307: Environmental compliance

103-1 Explanation of the material topic and its Boundary			
	Material topic	**Boundary[1]**	**Involvement[2]**
	GRI 301: Materials	Inside and outside	Direct
	GRI 305: Emissions	Inside and outside	Direct
	GRI 307: Environmental compliance	Inside and outside	Direct

(1) Indicates where the impact occurs: inside the organisation, outside the organisation or both inside and outside the organisation.

(2) Indicates the involvement of the organisation regarding the impact: direct (the organisation has directly caused the impact) or indirect (the organisation is linked to the impact through its business relationships).

103-2 Management approach and its components	
103-3 Evaluation of the management approach	

GRI 301: Materials

301-1 Materials used by weight or volume	

GRI 305: Emissions

305-1 Direct (Scope 1) GHG emissions	
305-2 Energy indirect (Scope 2) GHG emissions	

GRI 307: Environmental compliance

307-1 Non-compliance with environmental laws and regulations.	Tag Systems operates within the current legal framework, including applicable environmental legislation. To quickly and efficiently adapt to legislation and its changes, the existing systems are constantly under review. In 2023, Tag Systems has not received any fines or sanctions for non-compliance of environmental laws and regulations.

GRI 103: Management approach 2020

Linked to GRI 401: Employment, GRI 403: Occupational Health and Safety, GRI 404: Training and education, GRI 405: Diversity and Equal Opportunity, GRI 406: Non-discrimination, GRI 416: Customer Health and Safety, GRI 418: Customer Privacy, GRI 419: Socioeconomic compliance and Customer communication, satisfaction and Quality

103-1 Explanation of the material topic and its Boundary			
	Material topic	**Boundary[1]**	**Involvement[2]**
	GRI 401: Employment	Inside	Direct
	GRI 403: Occupational Health and Safety	Inside	Direct
	GRI 404: Training and education	Inside	Direct
	GRI 405: Diversity and Equal Opportunity	Inside	Direct
	GRI 406: Non-discrimination	Inside	Direct
	GRI 416: Customer Health and Safety	Inside and outside	Direct
	GRI 418: Customer privacy	Inside and outside	Direct
	GRI 419: Socioeconomic compliance	Inside and outside	Direct
	Customer communication, satisfaction and Quality	Inside and outside	Direct

(1) Indicates where the impact occurs: inside the organisation, outside the organisation or both inside and outside the organisation.

(2) Indicates the involvement of the organisation regarding the impact: direct (the organisation has directly caused the impact) or indirect (the organisation is linked to the impact through its business relationships).

103-2 Management approach and its components	
103-3 Evaluation of the management approach	

GRI 401: Employment

401-1 New employee hires and employee turnover

		2019	2020	2021	2022	2023
≤ 30 anys		33	17	11	30	19
	Homes	14	8	7	12	7
	Dones	19	**9**	**4**	**18**	**12**
30-50 anys		37	28	15	57	30
	Homes	11	13	4	14	8
	Dones	26	**13**	**11**	43	22
+50 anys		4	5	2	10	2
	Homes	1	4	2	3	1
	Dones	3	**1**	0	7	1
	Total Homes	**26**	**25**	**13**	**29**	**16**
	Total Dones	**48**	**25**	**15**	**68**	**35**
	Total	**74**	**50**	**28**	**97**	**51**

401-3 Parental leave

Parental leave	2019	2020	2021	2022	2023
People who have taken parental leave	6	3	5	4	3
Men	1	2	2	1	1
Woman	5	2	3	3	2
People who have returned to their job after leave	6	3	3	3	3
	1	1	2	1	1
	5	2	1	2	2
Return rate	100%	100%	60%	75%	100%
Men	100%	100%	100%	100%	100%
Woman	100%	100%	33%	67%	100%
People who after returning, continue in the company for over 12 months	6	3	2	2	2
	1	1	2	0	0
Men	5	2	0	2	2
Woman					
Retention rate	100%	100%	40%	50%	67%
Men	100%	100%	100%	0%	0%
Woman	100%	100%	0%	67%	100%

GRI 403: Occupational Health and Safety

403-1 Representation of workers on formal worker-company health and safety committees

403-2 Type of accidents and

accident frequency rates, work-related illnesses, lost days, absenteeism and number of deaths from work-related accident or illness

GRI 404: Training and education

404-1 Average hours of training per year per employee

Average hours training per employee by gender and employement category (h/employee)	2019	2020	2021	2022	2023
Men	**29,14**	**13,25**	**27,22**	**33,73**	**21,38**
Management	0,00	0,00	0,00	0,00	0,00
Heads of departaments	78,00	40,58	67,38	175,50	201,88
Administration & sales	20,50	4,00	118,13	3,75	6,63
Technical & manual workers	22,87	10,78	13,14	20,73	28,01
Woman	**12,31**	**5,75**	**11,80**	**9,90**	**11,78**
Management	45,75	37,00	77,50	45,50	59,25
Heads of departaments	35,38	23,75	38,06	32,80	22,35
Administration & sales	41,29	24,50	38,55	14,85	55,23
Technical & manual workers	5,43	1,49	4,06	7,50	5,80

GRI 405: Diversity and Equal opportunity

405-1 Diversity of governance bodies and employees

GRI 406: Non-discrimination

406-1 Incidents of discrimination and corrective actions taken

GRI 416: Customer Health and Safety

416-2 Assessment of the health and safety impacts of product and service categories

GRI 418: Customer privacy

418-1 Substantiated claims concerning breaches of

customer privacy and losses of customer data	
GRI 419: Socioeconomic compliance	
419-1 Non-compliance with laws and regulations in the social and economic area	In 2023, Tag Systems has not received any fines for non-compliance with laws and regulations in the social and economic area.