

Sustainability Report 2023



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Letter to Stakeholders



Dear Stakeholders,

I wish to present the Sustainability Report with a short note of my own, in the interest of an integrated understanding.

For MAGROUP Magnaghi Aerospace, sustainability is fundamental to creating value over time. The Group is unwaveringly committed to conducting its activities in consideration of Stakeholders' interests, aware that dialogue and shared objectives are key tools in the growth strategy and for a corporate culture inspired by principles, commitments and good practices for Environmental, Social and Governance (ESG) responsibility.

2023 was a year of financial consolidation, seeing the Group record total net revenues of approximately 86,755,917 Euro at its Italian locations.

We also improved profitability, with our investments mainly directed at upgrading the various plants as well as supporting our industrial and digital plan – areas that will continue to be our priorities in the coming months. The organisation has been strengthened by the acquisition of two companies in Canada and we have great confidence in our strategy.

#HISTORY_IS_FUTURE is yet another of our values. The story that we want to write today is one of sustainability. Indeed, we are committed to improving every aspect of our business management, to be a more inclusive company, with production processes that consider ESG principles, to guide us in a sustainable direction. Each and every day, we strive to shape our business in supporting ESG efforts and we do so with much passion, innovation and the necessary concreteness.

The main challenges facing the Group have been defined and the corresponding responsibilities assigned to successfully implement our **Sustainability Strategy**. This path is paved with the need for radical, collective change, which transversally shapes the way work is approached by us and by the people we collaborate with along the value chain.

In a context of rapid global change, the aviation sector is characterised by new expectations from markets and clients. The challenge we face is to reconcile technological **innovation** with environmental protection, the quality of people's lives and the preservation of economic stability. The push for innovation will continue to be a strategic driver for MAGROUP as we continue to monitor the evolution of new technologies to be matured in the medium- to long-term.

To this end, we have approved a 5-year roadmap, setting targets and lines of action, with Planet, People and Culture as our pillars. Steps have been made towards the most important challenge of strengthening the transition to alternatives with a lower environmental impact, through concrete actions for reducing our carbon footprint. We are likewise addressing these issues from an economic point of view, which is challenging yet essential for pursuing our growth objectives.

With the ambition of being agents of change, we have activated internal projects to directly involve our people, aimed at boosting the dissemination of corporate values and purpose. During the year, the **Landing Green** project continued to encompass the **decarbonisation strategy** of Scope 1, 2 and 3 along with investments in energy under the Environment aspect. This was accompanied by obtaining **Top Employer** certification for the third consecutive year and **UNI PDR 125/2022** certification for Gender Equality, of which we are particularly proud. This is all thanks to the constant work done with a view to people and corporate culture. In the realm of Governance, we constantly assess **ESG performance** to identify strengths and the needs for improvement. What's more, we demand the same from our **supply chain**, which we hope will become a true value chain. With our qualified suppliers, we share the goal of creating sustainable processes that maximise economic, social and environmental benefits, along with innovation and circular economy. In conjunction, we pay attention to **occupational safety**, as a commitment of mutual responsibility between the company, workers and suppliers. Precisely to promote a shared culture, we launched a global communication campaign on safety issues.

MAGROUP's **mission** is based on 3 pillars: our **people**, capable of combining consolidated craftsmanship with constantly-evolving production skills; our **roots**, reaching back 80 years, which make us truly aware of our role; and our constant focus on **innovation** as an enabling factor for our own ambitions and those of our clients.

To this end, **valuing talent** is a priority, allowing us to achieve our goals and those of our people. The aim is to continue to create a favourable work environment, attentive to diversity, fairness and respect, oriented towards career development. This resulted in 8,677 hours of training – 80% above the previous year – through a globally-defined learning strategy based on a hybrid, virtual, online and in-presence **training model**.

And it is to our people that special thanks are due. Thank you to everyone at MAGROUP for the skills, sense of responsibility, dedication and commitment that goes into everything you do each day, being a decisive contribution to our growth and the achievement of all our goals.

I am sure that by reading this Report, you will appreciate the vision behind every action we take, every process, every project, because the world of tomorrow waits for no-one.

HERE LANDS THE FUTURE.

Paolo Graziano
Executive Chairman
 MAGROUP Magnaghi Aerospace

Highlights

92,701,305 Euro
Economic value distributed

+1.59%
Employee turnover

8,677
Hours of training provided

368_t
Waste generated in 2023

637
Number of employees 2023

86,755,917 Euro
Turnover 2023

The companies of the Group

ITALY

- Magnaghi Aeronautica S.p.A. (Naples)
- Metal Sud S.r.l. (Caserta)
- Salver S.p.A. (Brindisi)

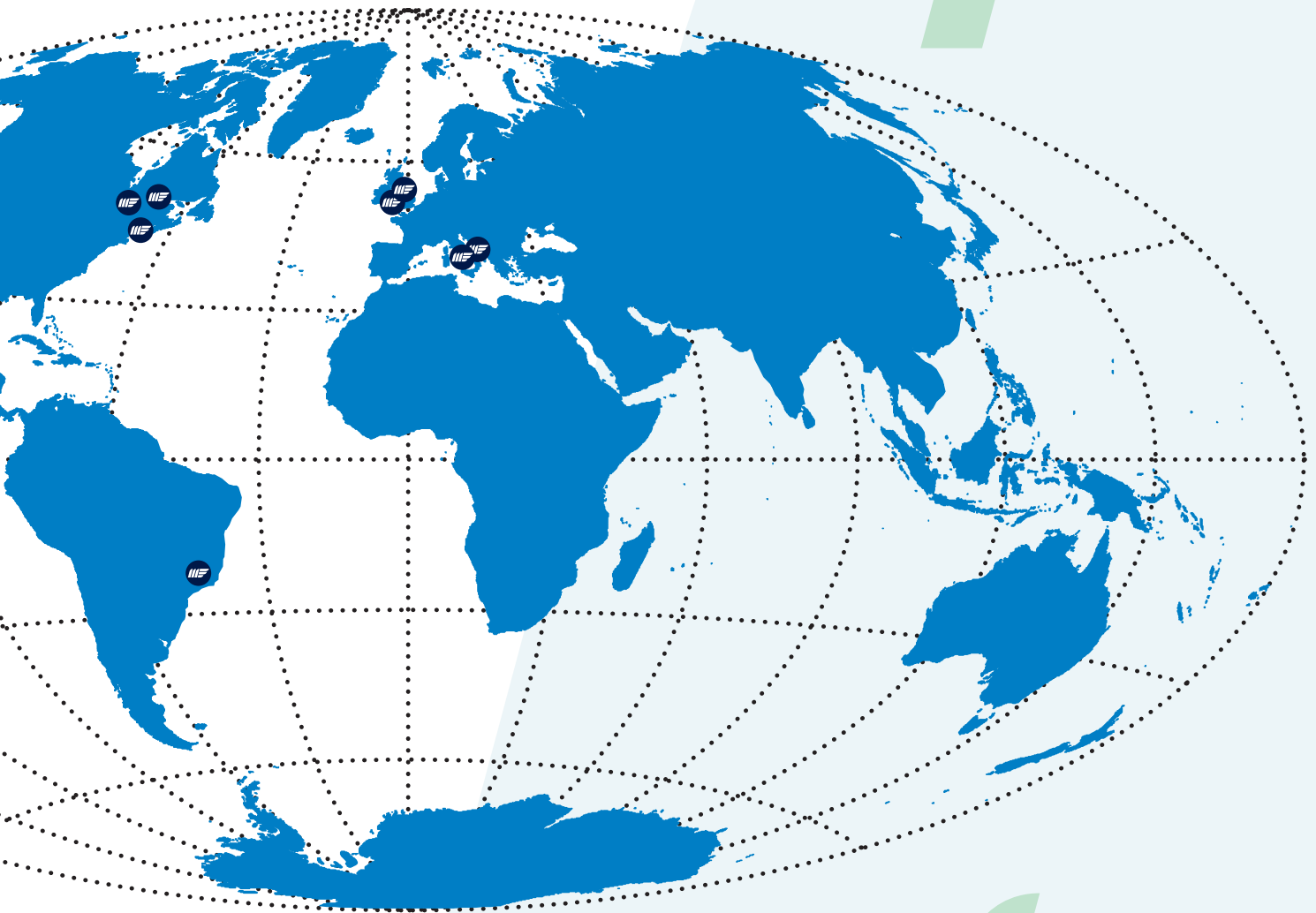
UNITED STATES

- Blair Industries Inc. (Medford, NY)
- Airmarine Electroplating Airlift Hydraulics, Inc. (Freeport, NY)

1,816 tCO_{2eq}
Total Scope 2 emissions

51
Number of hires

40,537 GJ
Energy consumed



3
Production sites in Italy

904 tCO_{2eq}
Total Scope 1 emissions

BRAZIL

- Magnaghi Aeronautica do Brasil (Sao José Dos Campos)

UNITED KINGDOM

- NU-Pro Limited (Stroud Gloucestershire)
- Stanmar Limited (Cheltenham Gloucestershire)

CANADA

- CFN Precision Ltd (Concord)
- Tecnickrome Aéronautique Inc. (Montreal)



Profile and identity



Who we are

| GRI 2-6 |

MAGROUP Magnaghi Aerospace is a Group with deep roots in the aeronautical sector.

more than
80 years
of activity

Our history began in 1936, when Magnaghi Aeronautica S.p.A. was founded with the aim of excelling in the design and manufacture of landing systems for the aerospace industry. Since then, we have come a long way, becoming a trusted partner for the major players in the sector. Throughout more than 80 years of activity, we have built **more than 20,000 landing gears for over 7,000 aircraft**, constantly demonstrating our commitment to innovation and quality.

hydraulic and electronic systems, sectors in which we are distinguished by the use of advanced technologies and the ability to promptly respond to the needs of our customers.

Our growth does not stop here

We continue to look to the future with the same passion and dedication that guided us from day one, determined to leave a significant mark on the aeronautics world.

Between 2013 and 2023, we embarked on one of the most significant phases of our history: internationalisation. This strategic expansion has allowed us to bring our experience and know-how to new markets, opening plants in the United States, Brazil, the United Kingdom and Canada. Today, this global presence helps our business and allows us to quickly adapt to the needs of a constantly-evolving aerospace market.

more than
20,000
landing gears
for over
7,000
aircraft

In Italy, we operate with three production plants located in Naples, Brindisi and Arienzo, where we continue to strengthen our production and technological capacity. **MAGROUP is more than a manufacturer of landing systems – we are innovators in the field of aerostructures, equipment,**



The Group

MAGROUP Magnaghi Aerospace consists of 10 companies, each of which actively contributes to the overall value of the Group, providing skills and maintaining high quality standards. Working in synergy, these companies aim to offer customers efficient solutions capable of getting ideas off the ground.

In line with the scope of reference, we present the companies included in this Sustainability Report:

Magnaghi Aeronautica S.p.A.

With a vision focused on innovation and the development of internal professional skills, Magnaghi Aeronautica is one of the few international players capable of designing, certifying, producing and maintaining complete landing systems in total autonomy. The Company continues to invest in advanced technologies, guaranteeing leadership in the aeronautics sector.

Salver S.p.A.

Since its foundation in 1970, Salver has unwaveringly focused on technological research and development to improve the control and precision of production processes, reducing time and costs. With a particular focus on increasing technological and production capabilities, Salver has qualified for the Airbus

220 aeronautical programme, producing crucial wing parts, such as flaps and spoilers in advanced composite material, with patented technologies.

Metal Sud S.r.l.

With over thirty years of experience, Metal Sud operates with technologically-advanced and semi-automatic plants and machinery. The Company stands out thanks to its high production capacity and treatments compliant with European regulations, such as the REACH regulation. Its high quality standards are attested by NADCAP certifications, with Metal Sud being qualified by the main international aircraft manufacturers.

These companies represent examples of excellence in the aeronautical sector, thanks to their commitment to innovation and process quality.

The context of reference

In 2023, the Aerospace and Defence (A&D) sector experienced a robust recovery thanks to a renewed momentum in product demand. Commercial aviation, in particular, saw revenue per passenger kilometre exceed pre-pandemic levels in many countries, spurring significant growth in the number of trips by air.

This increase in demand had a direct impact, leading to a boost in requests for new aircraft and associated aftermarket products and services, such as maintenance and upgrading of existing aircraft.

In the defence sector, growing geopolitical instability continues to drive a rise in demand for advanced systems and technologies. Companies are seeing increasing interest in emerging markets, particularly in the field of advanced air mobility. These markets are accelerating their efforts in testing and certifying new products, preparing for future commercialisation that promises to transform the mobility landscape.

In addition, consumer expectations are rapidly evolving. The demand for more advanced technologies, greater environmental sustainability, reduced emissions and improved

performance at lower costs is pushing the A&D sector towards constant innovations. Companies are responding to these challenges with the introduction of new products and the push towards more efficient and sustainable technologies. This commitment to innovation is highlighted by efforts such as those of MAGROUP, in focusing its resources on responding to new market needs.

With an increasingly competitive and restrictive job market, A&D companies face the dual challenge of attracting and retaining talent. The growing difficulty in recruiting and retaining employees pushes companies to explore new strategies and practices for attracting qualified talent and maintaining high levels of motivation amongst employees. These strategies can include improvements in compensation and benefits policies, opportunities for professional development and a more inclusive and stimulating corporate culture. In this context, companies will have to be particularly inventive and adaptable to ensure a workforce that can support innovation and continuous growth in the sector.¹

1. Deloitte Research Center for Energy & Industrials: 2024 aerospace and defence industry outlook. (<https://www2.deloitte.com/us/en/insights/industry/aerospace-defense/aerospace-and-defense-industry-outlook.html>)

Vision, Mission & Values

VISION

Our ambition is not to miss a single flight, bringing at least a part of us aboard every plane.

MISSION

We base our aeronautical production activity on three pillars: our people, capable of combining consolidated craftsmanship with constantly-evolving production

skills; our extensive roots, reaching back 80 years, which make us truly aware of our role; and our constant attention to innovation as an enabling factor for our own ambitions and those of our clients.

VALUES

#EXCELLENCESEEKERS

MAGROUP is oriented towards excellence. Our people seek perfection in every action and every task, trying to surpass the results previously achieved.

#CLARITY&TRANSPARENCY

MAGROUP's reliability depends on the ability to honour one's commitments and individual responsibilities, as fundamental conditions for achieving sustainable success.

#AEROSPACEEVOLUTION

Development means the ability to change by conquering new markets, acquiring new technologies and providing the right responses to our clients. For us, aerospace means evolution.

#DISCOVERYCULTURE

Our talents come from various countries and our strength lies in the power of uniqueness. We believe that the growth of our Company is proportional to the value of our people, to a new concept of work, based on the equality of individuals.

#HISTORY_IS_FUTURE

We are pioneers of the future with a long tradition, deep roots and much expertise. We are proud of our origins and know exactly where our vision is headed.

#SUSTAINAFLY

MAGROUP is committed to sustainability. This means rethinking our projects on landing gear and aerostructures, increasing employees' environmental awareness, improving our social and environmental commitment. We believe in the power of change.

#UNICITY&INCLUSION

We promote an inclusive corporate culture and flexible work models that guarantee the work-family balance for people and the support of parenthood. We are committed to ensuring equal pay.

Market presence and business model

At MAGROUP Magnaghi Aerospace, we stand out in the aerospace industry thanks to a vertical production that covers the entire production cycle, from initial design to final implementation. This approach allows us to have the utmost control over quality and innovation. With a consolidated international presence, we operate through **10 production plants in 5 countries**, of which three are in Italy.

Magnaghi Aeronautica in Naples is the beating heart of our Group, renowned for the production of landing systems.

Salver in Brindisi is specialised in composite components.

Metal Sud in Arienzo is then focused on precision machining.

In 2023, our sales were more focused on the commercial aerospace market, which accounted for some 60% of our revenue, responding to the growing global demand for air mobility. The remaining 40% of sales went to the Aerospace and Defence sector, a strategic field where we continue to develop advanced technologies and innovative solutions.

In 2023, the Group consolidated its presence in Europe, with 46% of sales concentrated on the continent, a result that reflects the solidity of our commercial relations in Europe.

We constantly explore new solutions to strengthen our ability to innovate, supported by a corporate culture oriented towards excellence and continuous improvement.

60%

of sales on commercial aerospace market

40%

of sales on Aerospace and Defence

46%

of sales in Europe





The path to sustainability



Our approach to sustainability

We are aware that our activities affect the environment, both inside and outside the Company.

With this awareness, in 2023 we embarked on a sustainability pathway, voluntarily submitting to an **Environmental, Social and Governance (ESG)** Assessment according to the GRI Standards®, which establish the guidelines for reporting sustainable performance. This process allowed us to analyse and measure our performance not only in environmental terms but also in terms of social responsibility and governance. Through this assessment, we have understood our contribution to the Sustainable Development Goals (SDGs) and identified areas on which to focus our future efforts to actively support those Goals.

To promote wellbeing and sustainable growth, we have identified the most relevant ESG issues in our sectors of reference and defined concrete actions to improve our performance, step-by-step.

This path led us to drafting our first Sustainability Report, with the aim of closely monitoring the performance of the Group and, initially, of the companies operating in Italy. For this year, the Report focuses on the Italian context but we plan to extend reporting to all the other companies in the Group in the coming years.

This Report represents our commitment to extending beyond simple regulatory compliance, demonstrating that **sustainability will be a key and distinctive element of our future.**

In 2023, we embarked on a **decarbonisation pathway** for our three Group companies: Magnaghi Aeronautica, Salver and Metal Sud. In collaboration with Up2You, we have started a detailed analysis of **Scope 1 and Scope 2 emissions for the year 2022**. This process has allowed us to become more aware of our Greenhouse Gas Emissions and to identify the actions necessary for reducing them, thus strengthening our commitment to more responsible resource management. In 2024, we mapped **Scope 3** emissions to 2023 for an increasingly comprehensive overview of our impact.

To complete this pathway, we launched a specific training programme on sustainability, aimed at the management of the Group's Italian companies. The aim was to integrate the principles of sustainability into all areas and business units, promoting a shared and conscious approach within the organisation.

Relations with Stakeholders

| GRI 2-29 |

Stakeholders are individuals or groups that have an interest in the activities and decisions of a company. Each of these stakeholders can be influenced by the actions of the company and, in turn, can influence the company itself through their support, opinions and requests.

At MAGROUP Magnaghi Aerospace, building and maintaining positive relationships with our Stakeholders and actively collaborating with them is fundamental, as only through bonds of trust can we promote balanced and sustainable business growth.

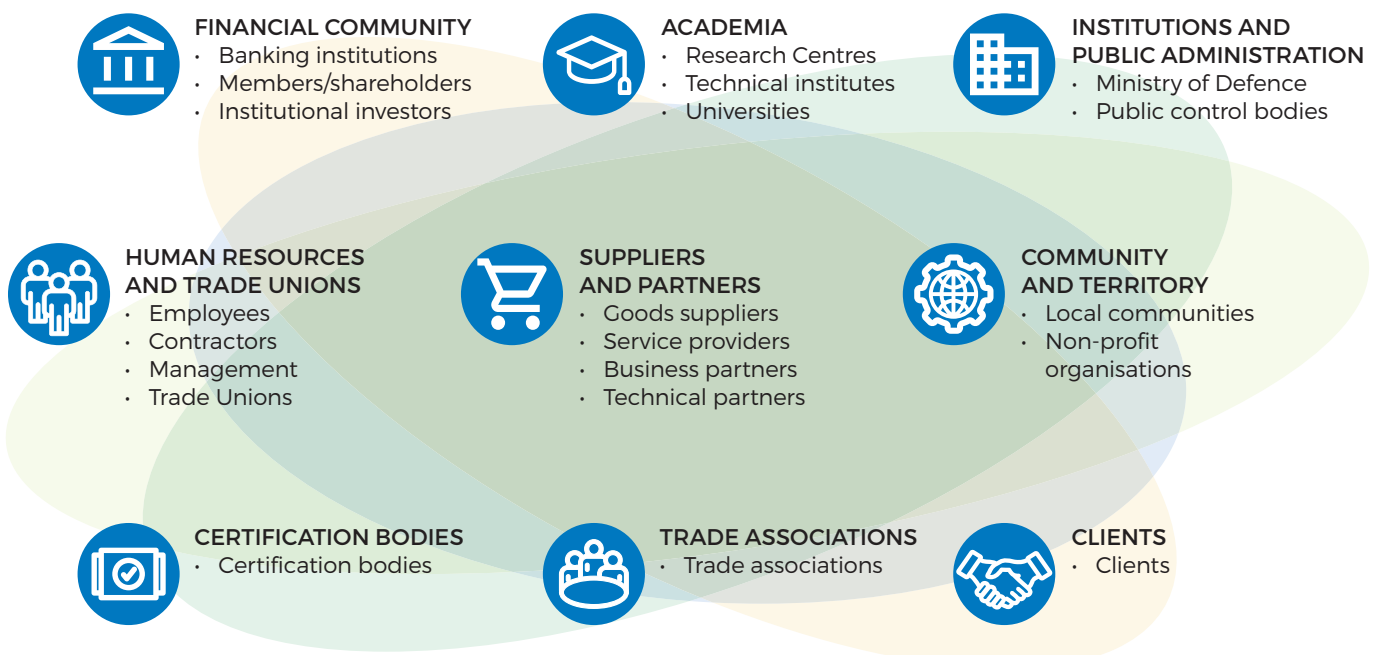
An open and constant dialogue with these interlocutors allows us to fully understand their needs and expectations, along with identifying and handling the potential risks related to our operations. This interaction strengthens trust and transparency, guiding us towards the creation of shared

value, where business success is combined with the wellbeing of the parties involved and their interests.

The relationships we have developed over time have integrated us into a network of excellence that includes important research centres, such as CIRA (Italian Aerospace Research Centre) and have allowed us to establish positive connections with the territory and the community.

The main categories of Stakeholders with whom MAGROUP interfaces are:

The MAGROUP Stakeholder map



Engagement activities

Engagement and discussion with Stakeholders are essential to fully understand their expectations, interests and assessments.

Stakeholder interests and methods of engagement

A careful and proactive approach facilitates a definition of objectives with greater awareness and improved decision-making. Throughout 2023, MAGROUP activated a process of identifying and mapping the interests of Stakeholders, with the aim of directly involving them in the coming years, listening to their expectations in a systematic way.

For each category of Stakeholders identified, we analysed the interests and defined the methods of involvement. The objective of this process was to create a solid foundation for future Stakeholder engagement, ensuring that their voices are heard and integrated into our business strategies and decisions.

Stakeholders	Interests		Means of co-involvement	
Financial community	<ul style="list-style-type: none"> · Sustainable investments with long-term returns 	<ul style="list-style-type: none"> · Supporting companies in ESG contexts 	<ul style="list-style-type: none"> · Company balance sheets · Minutes of Board and Shareholders' Meetings · Company Registration 	<ul style="list-style-type: none"> · Specific meeting · Budget and business plans · Emails · Website
Suppliers and partners	<ul style="list-style-type: none"> · Continuity of working relationships and historicity · Business integrity · Economic and social sustainability 	<ul style="list-style-type: none"> · Technological development · Special Projects · Synergies 	<ul style="list-style-type: none"> · Website · Contractual documents · Periodic meetings 	<ul style="list-style-type: none"> · Enrolment in the supplier register · Emails · Social media
Institutions and Public Administration	<ul style="list-style-type: none"> · Responsible Governance · Transparent management · Regulatory Compliance 		<ul style="list-style-type: none"> · Website · Financial Statements · Periodic Statements 	
Community and territory	<ul style="list-style-type: none"> · Support of local initiatives · Economic support to local associations 	<ul style="list-style-type: none"> · Economic and non-economic support for the territory 	<ul style="list-style-type: none"> · Meetings 	<ul style="list-style-type: none"> · Website · Donations · Cultural events
Human resources	<ul style="list-style-type: none"> · Employment stability · Wellbeing at work · Career Development · Training 	<ul style="list-style-type: none"> · Responsible Governance 	<ul style="list-style-type: none"> · Website · Notice board · Individual meetings 	<ul style="list-style-type: none"> · Training Activities · Emails · Newsletters
Academia	<ul style="list-style-type: none"> · Opportunities for collaboration · Economic soundness · Financing 	<ul style="list-style-type: none"> · Special Projects · R&D 	<ul style="list-style-type: none"> · Trade Fairs and Events · Career days · Company visits 	<ul style="list-style-type: none"> · Conferences · Collaborations
Trade associations	<ul style="list-style-type: none"> · Product quality · Product safety 	<ul style="list-style-type: none"> · Innovation · Statistics 	<ul style="list-style-type: none"> · Website · Meetings for discussions · Emails containing data 	<ul style="list-style-type: none"> · Corporate Events
Clients	<ul style="list-style-type: none"> · Product quality and safety · Customer care 	<ul style="list-style-type: none"> · Business integrity and customer satisfaction 	<ul style="list-style-type: none"> · Customer Service · Website · Press Releases 	<ul style="list-style-type: none"> · Complaint handling, dispute management · Specific meetings and web meetings
Certification bodies	<ul style="list-style-type: none"> · Regulatory Compliance 		<ul style="list-style-type: none"> · Audits 	

Materiality assessment

| GRI 3-1 | GRI 3-2 |

Material Topics are the aspects that highlight the significant economic, environmental and social impacts generated by the Company and that significantly affect the evaluations and decisions of the Stakeholders. A topic is considered material when it is perceived as relevant by Stakeholders, influencing their decisions and with the

potential to have substantial consequences on Company activities in economic, environmental and social terms.

In the reporting period analysed, the process of identifying the Material Topics involved the work group following the following steps:

The process

- 1 Stakeholder mapping and engagement modalities
- 2 Analysis of market scenarios and prospects, in-depth analysis of comparables both nationally and internationally (Benchmark Analysis)
- 3 Analysis of the Sustainability Accounting Standards Board (SASB) Materiality Map, in relation to the "Extractives and Minerals Processing" and "Transportation" sector
- 4 Identification of the list of ESG issues and evaluation of internal materiality
- 5 Interviews with certain Company representatives on the business model and business priorities
- 6 Validation of materiality themes and level of priority by the work group

Internal materiality process

To identify sustainability issues, we examined ESG issues relevant to the sector at hand, initially identifying around 21. These have been further analysed in detail by Management and the Sustainability Committee, considering their relevance for

the Company and the priority of intervention. This process led to the selection and in-depth analysis of the Topics, identifying 17 Topics on which MAGROUP decided to focus in this first Sustainability Report.

Material topics

Topics considered material for the Company as they are more representative of the sustainability impacts generated by MAGROUP on the environment, the economy and people and already overseen by the Company.

Electricity and Energy Efficiency	The development of initiatives for energy efficiency in the Company's plants and sites, promoting a more sustainable business through the use and production of energy from renewable sources.
Atmospheric Emissions	The analysis of carbon emissions produced by the Company's activities, being aware of its environmental footprint and the definition of adaptation and/or mitigation operations.
Waste Management	Policies and activities aimed at managing the entire waste process, from its production to final treatment (recycling or disposal) or reuse of waste materials, with particular attention to the management of solid, liquid or gaseous substances introduced into the atmosphere that may cause atmospheric pollution.
Material Management	The management of incoming and outgoing materials with a view to extending the life cycle of products, which implies their sharing and reuse in favour of good circular economy practices.
Relationship with the Territory and the Local Community	The development of the territory of reference as an integral part of the business model, not only in terms of distribution of the value generated but also through collaborations/partnerships with organisations and institutions within the territory, relations with the community and its involvement.
Diversity, Inclusion and Equal Opportunities	Respect for the fundamental values of diversity, equity and inclusion taking place by recognising the unique value that each employee represents for the Company, fighting all forms of discrimination and violence in the workplace and ensuring equal opportunities for professional and personal growth in a safe and secure work environment. This topic also concerns the development of a corporate welfare plan and the methods of managing and organising work (smart-working) as tools for balancing the relationship between professional activities and the private sphere of people.
Welfare and Wellness in the Workplace	A guarantee of the fundamental rights of workers not limited to mere compliance with the rules but integrating internal policies in order to offer decent work for every worker.
Occupational Health and Safety	The management of the Company, its people and infrastructure requiring constant control of sensitive processes, with particular regard to the prevention of accidents and occupational illnesses for all personnel to whom the production activities are entrusted, including suppliers/strategic partners. This approach renders it possible to constantly improve health and safety in all workplaces, minimising risks and thus ensuring the best working conditions.

Development of Employee Skills	The management of human resources includes training, Research & Development and the involvement of resources in order to retain talent and enhance potential. Employee professional development is a continuous process through which the workers of the Company improve their skills and acquire new ones in order to carry out their work effectively and efficiently. Communicating how the Company pursues the development of human capital contributes to increasing the value perceived by Stakeholders.
Privacy and Data Security	Actions taken in order to protect and safeguard confidential information regarding clients, personal data of human resources, sensitive information relating to operations carried out and contracts entered into. Security of IT systems involves in particular the adoption of actions, rules and any protocols adopted to guarantee the confidentiality and integrity of the information transposed through digital systems as well as the protection of IT security.
Client Satisfaction	The client and their satisfaction as key elements for a good positioning on the market, subject to continuous improvement of the quality of service and an increasingly transparent and digital communication.
Product/Service Quality and Safety	The commitment and attention to a reliable service with high product quality standards to meet the needs of clients and the market itself.
Responsible Supply Chain Management	An evaluation of the social and environmental impact of suppliers with the aim of spreading a culture of sustainability along the entire supply chain and selecting them with a view to the quality of the products or services purchased and compliance with current regulations in terms of fairness, transparency and respect for human rights.
Product Innovation, Research & Development	Technological innovation that, based on the use of scientific and technical knowledge, concerns the development of new products or the improvement of those already on the market, through the use of new materials and technologies or the innovative application of existing materials and products. The capacity for investment and innovation for the development of new solutions and technologies, together with the progressive service digitisation, favours the achievement of not only economic but also environmental and social objectives with the relative generation of positive impacts.
Risk and Impact Management	Identifying the ESG risks that the Company may incur and the potential impacts on Stakeholders by developing strategies for proper management and continuous monitoring.
Responsible Governance	Meeting the expectations of internal and external Stakeholders, integrating ESG principles into corporate strategies. The strategic management of aspects of sustainability in a systematic and disciplinary approach can allow all business areas to pursue objectives of corporate responsibility.
Transparency and Business Integrity	Responsible governance of a company requires compliance with ethical principles, the respect of regulations and integrity, being necessary to ensure business management. The development of an ethical culture through employee training, effective governance structures and internal controls.



Company governance



The organisational structure

| GRI 2-9 | GRI 405-1 |

Magnaghi Holding S.p.A. is the Parent Company that controls all companies operating in the Group, collectively referred to as MAGROUP.²

The Parent Company adopts a traditional Management System, a consolidated model that ensures clarity in terms of the roles and responsibilities.

The ownership of the Holding reflects a strategic approach that balances private and fiduciary interests, contributing to the financial and decision-making stability of the Company.

Magnaghi Holding's **Board of Directors** consists of 5 members, including Executive Chairman Paolo Graziano. The three Directors complete the framework, bringing complementary skills and experience useful for the decision-making process and the orientation of the Group towards growth and innovation objectives. This body is responsible for defining the strategic lines and ensuring the coordination of the subsidiaries, ensuring consistency and continuity in the management of the business.

The **Board of Statutory Auditors**, composed of 5 members, oversees the correctness and transparency of the Company's operations. 3 Statutory Auditors and 2 Alternate Auditors. This supervisory body is tasked with monitoring corporate management and compliance

with regulations, ensuring that all business practices are in line with accounting and legal principles, thus helping to strengthen the integrity of governance.

Magnaghi Holding avails of a legal representative and two companies as common representatives of the bondholders, thus ensuring an effective and structured management of relations with the bondholders themselves. The legal representative, with specific delegation, represents the Company in certain legal and administrative operations, facilitating the management of daily and operational activities.

The two companies appointed as common representatives of the bondholders, on the other hand, play a crucial role in protecting the rights of the bondholders. These entities act in the name and on behalf of all holders of the bonds issued by Magnaghi Holding, coordinating their requests and ensuring compliance with the contractual agreements relating to the bond loan.

2. With the term MAGROUP, we identify the group of companies managed and controlled by Magnaghi Holding S.p.A.

Transparency, ethics and compliance

| GRI 2-16 | GRI 2-26 | GRI 2-27 | GRI 205-3 | GRI 406-1 |

At MAGROUP Magnaghi Aerospace, ethics and transparency are the invisible driving force behind all our decisions, transforming principles into vital energy that fuels our journey towards a future of integrity and sustainable innovation.

Our **Code of Ethics and Code of Conduct** are essential tools – not simple documents but real operational guides that help us to concretely apply the values and principles that we consider central to our success and the wellbeing of the communities with which we interact. Every business decision is made following these guidelines, with the aim of maintaining high standards of integrity, respect and honesty.

One of the founding principles of our ethical approach is the centrality of the person. **At MAGROUP, we put people at the centre of every activity**, recognising that respect and the value of human life underscore sustainable growth. This principle is concretely manifested through our commitment to maximum safety in all areas – from the work environment where we adopt the best available technologies to prevent accidents, to the communities in which we operate, with initiatives aimed at guaranteeing the protection of the environment. We are aware that the wellbeing of people and the protection of the ecosystem are essential for building a lasting and prosperous future.

Compliance with laws is another fundamental pillar of our business conduct. We are

committed to strictly complying with all laws, regulations and directives, both nationally and internationally. In an increasingly complex and regulated global context, we consider compliance not only a legal obligation but an ethical imperative. This approach allows us to operate responsibly, minimising legal risks while protecting the Group's reputation.

We firmly believe in the **transparency of clear and open communication** as the basis of solid and long-lasting relationships with our Stakeholders, whether they are clients, employees, suppliers or local communities. We are committed to providing accurate and timely information, without hiding data or promoting any particular interest.

Each Group activity – from daily operations to strategic decisions – is based on criteria of **fairness and integrity**. This principle translates into careful and responsible management of resources, through faithful and accurate reporting.

Another central aspect of our transparency and integrity system is the implementation of a **Whistleblowing system**. In accordance with current legislation, MAGROUP has

established a secure and accessible platform that allows employees to anonymously report any critical issues, violations or unethical conduct within the Company. Thanks to this tool, we promote an open work environment, in which every employee feels free to express their concerns without fear of repercussions, thus guaranteeing the timely and correct management of any issues reported.

Finally, the relationships we have with our Stakeholders are based on **trust and collaboration**. We believe that only through open, honest and participatory dialogue can solid and beneficial relationships be built for all parties involved. Indeed, only through this cooperation can we create shared and sustainable value, capable of growing over time and responding to the needs of all Stakeholders.



Privacy and data security

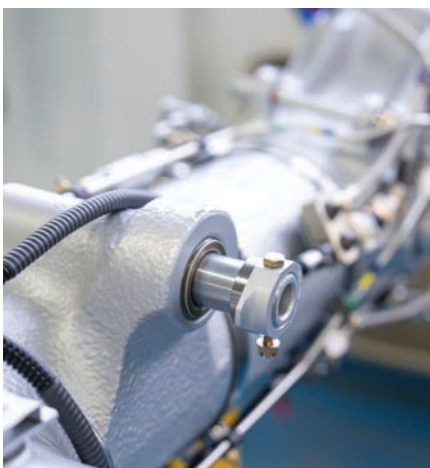
We work in an industry where the secure management of sensitive data is crucial not only for our reputation but also for safeguarding global security.

For this reason, we carefully adhere to Regulation (EU) 2016/679, adopting strict measures to ensure the protection of information, both internal and from our partners. Guiding our efforts is a **Privacy Officer**, an external consultant who oversees the entire Privacy and Data Security Management System, ensuring compliance and constant updating with the latest regulations.

In 2023, we delivered **in-depth cybersecurity training to all our staff, in collaboration with Cyberguru**, strengthening our employees' skills in preventing cyberattacks and recognising

threats, with a particular focus on internally-managed phishing simulations. Looking ahead to 2024, we are continuing to strengthen our commitment, providing further specific training sessions on privacy and security so that every employee is aware of the responsibilities related to secure data management.

Our goal is to create an ecosystem where information is handled with the utmost confidentiality and integrity, aware that protecting data means protecting the future, both for us and for the organisations and people with whom we work.



Economic performance

| GRI 201-1 |

Euro
86,755,917
Total net revenues
of the three Italian companies



At MAGROUP, we are committed to managing our activities according to principles of economic responsibility, ensuring a transparent and constant dialogue with all Stakeholders, in full compliance with current rules and regulations.

We believe in the importance of clear, truthful and transparent communication regarding our financial situation, business performance and future prospects.

The economic data below represents the consolidated result of the three companies included within the scope of reporting and refers to the years 2022 and 2023. Such information does not provide a global view of the Group's economic performance but provides a specific overview of the economic performance of the three Italian companies included within the scope of the analysis.

In 2023, the market showed signs of significant recovery, recording extremely positive results and overcoming the difficulties related to the critical period of the COVID-19 pandemic. The steady increase in turnover reflects the consolidation of the positive trend already observed in previous years, confirming the solidity of corporate growth.

During the 2023 financial year, total net revenues of approximately Euro 86,755,917 were generated by the three companies.

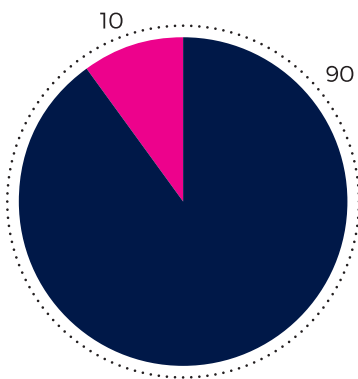
The tables below highlight the **value generated and distributed**, calculated on the basis of the consolidation of the Income Statement for the period of reference, limited to the three companies included in the scope of reporting.

The aim is to indicate the economic value directly generated by Magnaghi Aeronautica, Salver, and Metal Sud and the distribution to Stakeholders.

The **economic value generated** refers to the value of revenues deriving from the sale of finished products (90%), as well as the value of other revenues deriving from extra-characteristic activities (10%). The economic value received includes part of the other revenues received from the Public Administration in the form of contributions during the year, mainly intended to strengthen the Company's investment activities.

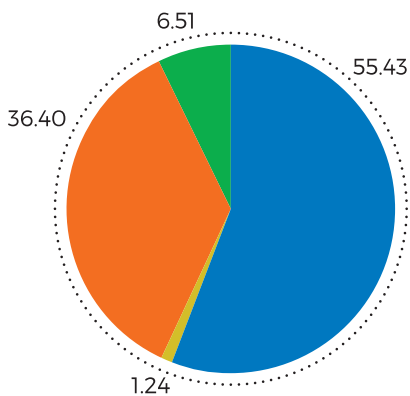
The **distributed economic value** includes the costs, classified by the main categories of Stakeholders who have benefited

Economic value generated (%)



- Revenues from sales and services
- Other revenues

Economic value distributed (%)



- Suppliers
- Directors and Auditors
- Human Resources
- Banks and other financiers

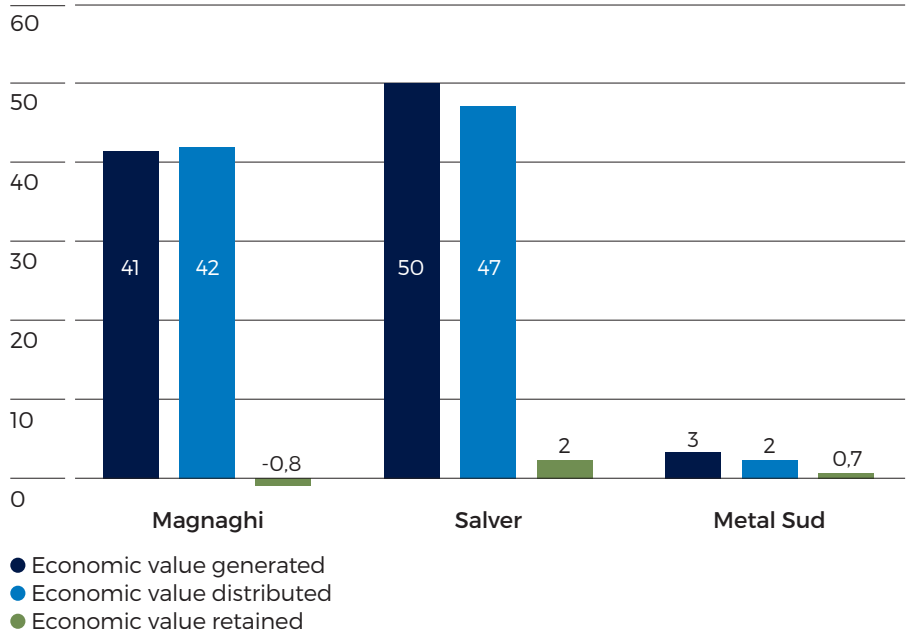
therefrom. In 2023, a large part of this facilitated the remuneration and support of the business system of the supply chains and our employees. Indeed, of the value directly generated in 2023, about 97.1% was distributed.

Distribution of this value among³ Stakeholders was as follows: 55.43% to suppliers, 36.40% to employees and 1.24% to Directors and Statutory Auditors in the form of remuneration, 0.40%

to the Public Administration through the flow of relevant taxes, 0.03% to the community and the remaining 6.51% to banks and lenders.

The **economic value retained** is represented by the difference between the economic value generated and received, along with the economic value distributed to the various categories of Stakeholders.

Distribution of value 2023 (Millions of Euro)



3. The data represents the average of the distribution between the three realities of the scope considered.

Below is a breakdown of the consolidated economic value generated and distributed by Magnaghi Aeronautica, Salver and Metal Sud in compliance with the GRI standards.

To ensure greater clarity, presented below is the reconciliation between the retained value and the net result for the period reported

in the Financial Statements. The Statement includes the depreciation/amortisation of tangible and intangible assets, provisions, value adjustments of financial assets and prepaid/deferred taxation. The structure represents the consolidation of the reports of the three companies included in the scope of reporting.

Economic value directly generated and distributed (Euro)

	2022	% on total	2023	% on total
Economic value generated and received	98,594,691	100.0%	95,474,013	100.0%
Economic value generated	84,988,354	86.2%	88,123,443	92.0%
Economic value received	13,606,337	13.8%	7,350,570	8.0%
Economic value distributed	89,988,955	91.3%	92,701,305	97.1%
Suppliers	47,031,443	47.7%	51,380,940	55.4%
Directors and Auditors	1,364,280	1.4%	1,148,948	1.2%
Human resources	33,737,177	34.2%	33,745,562	36.4%
Banks and other financiers	5,220,822	5.3%	6,031,752	6.5%
Public Administration	2,577,194	2.6%	367,842	0.4%
Local community	58,038	0.1%	26,261	0.0%
Economic value retained	8,605,736	8.7%	2,772,708	2.9%

Reconciliation Statement with the
annual Financial Statements (Euro)

	2022	2023
Economic value retained	8,605,736	2,772,708
Unallocated economic value	(15,941,700)	4,147,036
2) Changes in inventories of work in progress, semi-finished and finished goods	(18,477,144)	624,311
3) Changes in contract work in progress	-	-
4) Increases in fixed assets for internal work	(3,849,712)	(5,552,978)
of which others	(1,507,840)	(153,087)
7) Costs for services	1,034,772	2,433,946
10 a) Amortisation of intangible assets	2,419,718	3,071,291
10 b) Depreciation of tangible fixed assets	3,036,189	3,588,881
10 c) Other write-downs of fixed assets	338,419	470,000
10 d) Write-downs of receivables recorded in current assets and cash and cash equivalents	20,008	-
11) Changes in inventories of raw and ancillary materials, consumables and goods	(234,039)	(1,565,374)
12) Provisions for risks	-	-
13) Other provisions	-	-
14) Other management costs	1,834,486	707,125
17 bis) Exchange rate gains and losses	(556,557)	522,920
Profit for the year	24,547,436	(1,374,327)



Quality, innovation
and cutting-edge
technology



Quality

At MAGROUP, quality is not just a goal but the fil rouge that directs our every action and ties our operations to our ambitions.

Our companies – Magnaghi Aeronautica, Salver and Metal Sud – bear witness to this commitment through the implementation of a Quality Management System that meets the most rigorous international standards: UNI EN ISO 9001:2015 and UNI EN ISO 9100:2018. These standards certify our ability to manage quality at every stage of our work and likewise reflect our commitment to maintaining high levels of compliance and continuous improvement in highly-specialised sectors such as Aerospace and Defense.

Accreditation from NADCAP (National Aerospace and Defense Contractors Accreditation Programme), which we have obtained for all three of our companies, is tangible proof of our success in quality management. NADCAP verifies and certifies the competence and quality of critical processes in the Aerospace and Defense sectors. This certification not only confirms that our production processes comply with the most stringent requirements in the industry but also that we operate with a **high degree of technical excellence and safety**, thus meeting the expectations of a highly competitive and regulated market.

Our Quality Management System is based on rigorous monitoring of key indicators to ensure optimal performance. Among these, **On Time Delivery** is a crucial indicator that measures our ability to meet the established delivery deadlines. Being on time is not only a matter of meeting commitments but a manifestation of our operational efficiency and dedication to meeting client expectations. In parallel, **On Quality Delivery** allows us to ensure that our products not only meet the agreed quality requirements but exceed expectations, ensuring that each delivery is impeccable. Through the monitoring and analysis of these indicators, we are able to continuously refine our processes and improve the quality of our products and services.

All feedback and every result give us the opportunity to grow and refine our offer, consolidating our position as a leader in the sector.

Certifications

At MAGROUP, we use certification systems as fundamental tools for ensuring compliance with specific standards, promoting transparency, quality and trust in all business processes.

Below, are the certifications adopted by the different companies of the Italian context.

Certifications	Salver	Metal Sud	Magnaghi
NADCAP Chemical Processing	√	√	
NADCAP Composites	√		
NADCAP NonDestructive Testing	√	√	√
NADCAP Surface Enhancement			√
UNI EN ISO 9001:2015	√	√	√
UNI EN 9100:2018	√	√	√
UNI EN ISO 14001:2015	√		√
UNI PdR 125:2022	√	√	√



State-of-the-art engineering

At MAGROUP, we like to think that innovation is our engine, the driving force propelling us to new frontiers.

As a recognised leader in civil and military aerospace, we constantly invest in Research & Development, believing that this is at the heart of our success. This commitment has allowed us to strengthen our competitive position globally, distinguishing ourselves by the quality and reliability of our products.

Every day, we invest time and resources to develop increasingly efficient and safe solutions, responding to the ever-changing challenges of the aerospace industry. **We actively collaborate with Universities and Research Centres, creating synergies that enrich our know-how and allow us to remain at the forefront of our field.** Indeed, we collaborate with centres of excellence such as, among others, CIRA (Italian Aerospace Research Centre), the Federico II University of Naples, the University of Sannio and the University of Campania Luigi Vanvitelli.

Our corporate culture is rooted in the pursuit of excellence. This dedication has rendered us a partner of reference for the main aircraft manufacturers with whom we share common objectives of innovation and sustainability.

Our commitment to innovation is not limited to creating state-of-the-art products but also **reflects our ability to anticipate the future needs of the sector.** Part of this commitment is to ensure that the development of new products always responds to the needs of sustainability, with particular attention to the replacement of materials such as chromium and cadmium for the protection of surfaces. For all development programmes, regardless of the specific client request, we have been operating for over six years in a reach environment, guaranteeing the **use of chromium-free and water-based paints**, thus reducing the environmental impact.

In addition, we are creating a new **Technology and Innovation Academy**, which will involve our design and innovation divisions. This ecosystem of technological innovation will also include leading international research centres, universities, suppliers and clients, organising workshops with the latter to be fundamental to understanding how the aerospace sector is already moving towards more sustainable and responsible practices.

ANGELA Project

MAGROUP is breaking new ground with the ANGELA project, a cutting-edge initiative to develop the landing system for the LifeRCraft, the helicopter destined to break every speed record.

In collaboration with Airbus Helicopters, MAGROUP designs and produces an innovative landing system for the LifeRCraft, a long-haul aircraft that combines high cruising speed with low fuel consumption and low gas emissions. The project also stands out thanks to its low noise impact, improving sustainability and productivity for operators.

ANGELA's goal is to bring the landing gear system to the TRL6 (Technology Readiness Level 6), ready to be integrated into the LifeRCraft, in turn an advanced version of the X3 prototype. This aircraft aims to become a leader in the sector, thanks to an extremely advantageous efficiency-to-cost ratio, superior take-off and landing performance, as well as a significantly reduced environmental impact, both in terms of emissions and noise pollution.



Lilium Project

Confirming its commitment to solutions with a low environmental impact, MAGROUP is collaborating with Lilium on the development, production and qualification of the main landing gear and nose structures for the Lilium Jet, a revolutionary aircraft powered 100% by electricity.

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This one-of-a-kind jet harnesses electric power not only for vertical take-off but also for all other engine components, marking a breakthrough in sustainable air mobility.

The partnership between MAGROUP and Lilium aims to ensure zero-emission take-off and landing.

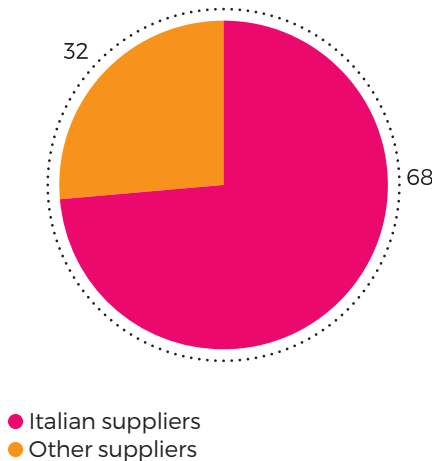


Our value chain: partners and suppliers

| GRI 2-6 | GRI 204-1 |

In line with our commitment to a more sustainable future, MAGROUP pays great attention to transparency and accountability along the supply chain.

Supply cost (%)



● Italian suppliers
● Other suppliers



68%

of the supply expenditure among Italian suppliers (2022-2023)

We believe it is essential that our suppliers share our values in terms of sustainability and innovation, which is why we require all partner companies – both Italian and international – to sign a **Certificate of Compliance for sustainability performance** at the same time as signing each contract.

MAGROUP provides all suppliers with its own Code of Ethics, an essential guide that outlines the Group's expectations in terms of good conduct and sustainable practices. In this way, we create a shared culture of sustainability that permeates every aspect of our collaborations. To further deepen the knowledge of the capabilities and commitments of each supplier, they are required to fill out a questionnaire that analyses the technologies in use and the certifications already obtained. This allows us to map the current quality level of our partner network and to identify opportunities for improvement.

For us, **territoriality is a conscious choice that transforms local excellence into global momentum**. By supporting the Italian economy through the purchase of national products and services, we create a combination of innovation and tradition, where all progress is rooted in the territory yet

projected towards the future of Made in Italy. In the 2022-2023 two-year period, 68% of our supply expenditure was directed to Italian suppliers, testifying to our concrete commitment to support and strengthen the local economy.

Metal Sud in particular stands out for having allocated 99% of its supply expenditure to national partners, a result that further highlights our choice to exalt the territory.

Looking to the future, in 2024 we will launch an ambitious project of advanced supply chain mapping through the Sinesgy platform.

This platform will allow us to obtain a more complete and dynamic vision of our suppliers' performance in the field of sustainability, facilitating continuous monitoring and alignment with our ESG objectives.

Through this initiative, we aim to inspire and incentivise our partners to take concrete action for a positive impact on the planet and communities.

In this way, we build a supply chain that is not only efficient but also deeply focused on creating sustainable value for future generations.



Responsibility
towards people and
the community



Human capital

| GRI 2-7 | GRI 401-1 | GRI 405-1 |

People are not simply cogs in a system but real propulsive forces capable of getting ideas off the ground and landing them precisely on concrete objectives.

In 2023, our total workforce in relation to the three companies that fall within the scope of the reporting, reached 637 people, registering a positive turnover of 1.59% over the previous year.

This achievement reflects our commitment to fostering sustainable growth while expanding skills and opportunities for all of our team members.

The Magnaghi Holding Board of Directors, which manages the Magnaghi Group, consists of 21 members – all men and most of whom are over the age of 50. Looking to the future, **the Group is committed to increasing the integration of women within the governing bodies**, with the aim of ensuring a more balanced governance, enhancing different perspectives and exalting the decision-making capacity of the Group in an increasingly complex and dynamic business context.

94% of our total staff is employed indefinitely, an increase of 2 percentage points compared to the previous year, once again confirming our **desire to ensure safety and professional continuity**. In addition, 99.9% of our employees are employed full-time, meaning only 0.01% are employed part-time.

The majority of the staff – 66% – are workers and 27% are employees, professional figures that represent a fundamental pillar upholding our daily operations.

MAGROUP firmly believes in the value of the contamination of knowledge, skills and know-how, made possible by the collaboration between individuals of various generations. In fact, for the three companies included in the scope of reporting, the distribution by age group of employees is homogeneous, with 52% between 30 and 50 years, 39% over 50 years and the remainder made up of employees under 30 years.

The inclusion of protected categories also recorded a significant increase, with a 73% rise compared to the year prior.

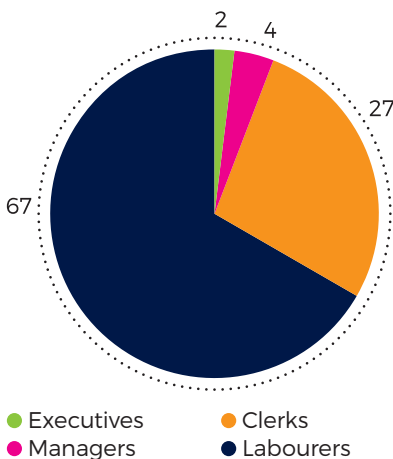
+1.59%

Turnover 2023 vs. 2022

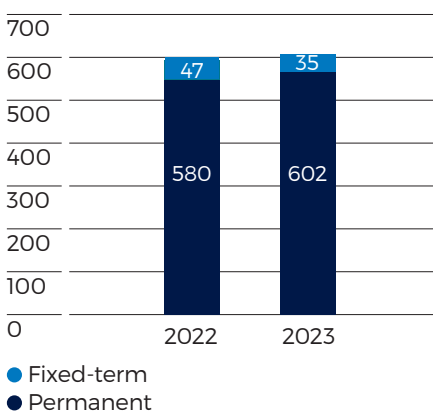
637 people

Total workforce of the Italian companies in 2023

Professional figures in MAGROUP - 2023 (%)



MAGROUP Workforce



Diversity and inclusion

| GRI 401-3 |

“When no-one is left behind, everyone moves forward.”

Source: UN Agenda for Sustainable Development



In the industrial sector, gender inequality is a truly entrenched problem, often fuelled by a culture that has historically favoured male predominance. This imbalance is reflected not only in leadership positions but also in the operational roles and career opportunities offered to women. However, we firmly believe that greater **diversity is a value that also serves as an engine for innovation and competitiveness.**

To address this problem in a concrete way, in 2023 we introduced an **Equal Pay Policy** that represents a milestone in our diversity management strategy. This approach extends to all key moments in corporate life, including selection and hiring processes, performance evaluation, continuing education and professional development pathways. Our goal is to ensure that every individual – regardless of gender – has the same opportunities to grow and contribute to the success of the Group.

A concrete sign of our commitment was the hiring of two women to join our workforce in 2023. Although it may seem like a small step in numerical terms, this choice has generated a significant cultural change within the Group. The two

new colleagues have proven to integrate perfectly into the work environment, bringing a new perspective and helping to break down long-standing stereotypes. This success has reinforced our belief that a greater female presence in sectors historically dominated by men is not only possible but actually desirable. Indeed, we hope that this trend can expand to the entire sector in the coming years.

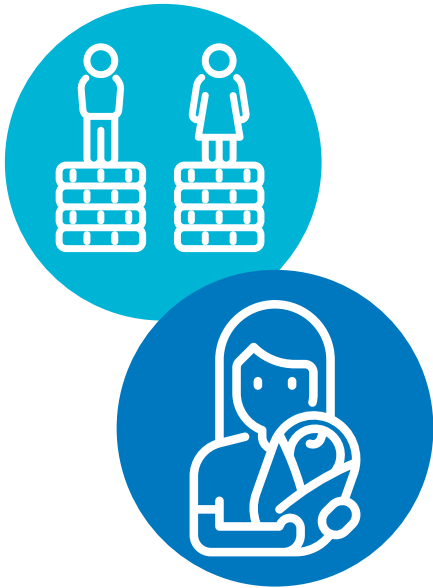
2023 even saw a slight increase in the representation of women, who made up 8% of the workforce, with an increase of one percentage point compared to 2022. This progress, albeit gradual, reflects our constant commitment to greater inclusion and diversity, fundamental elements for the success and sustainable growth of our Company.

At the same time, we actively participated in **4 Weeks 4 Inclusion**, an intercompany initiative aimed at promoting the culture of inclusion through discussing and sharing experiences and good practices. This event allowed us to broaden our vision of how diversity can be not only respected but also valued as a strategic lever.

In addition to the commitments made in terms of internal



4 WEEKS 4 INCLUSION



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policies, we have introduced concrete initiatives to support our employees. At Magnaghi Aeronautica, for example, we have set up a **nursing room**, complete with a refrigerator for storing breast milk, to facilitate the return to work of new parents. We have likewise reserved specific **parking spaces for pregnant people**, further improving the working conditions of our expecting employees.

In addition, we are proud to **offer parents two hours of paid leave** to help ease the entry of their children into nursery and primary school.

In 2023, a total of **21 men took parental leave**, an important step forward in promoting gender equality also in terms of family responsibilities.

Finally, we are proud to announce that over the past two years, there has been no incident of discrimination.

We are excited to announce that in **2024 we certified the Group according to the UNI/PdR 125:2022 guidelines**, an important milestone that enshrined the adoption of an advanced management system to ensure gender equality within our Companies.

We are committed to continuously monitoring and improving our practices, ensuring that gender equality is integrated into every aspect of our business model.

Among the key objectives for 2024 is also to boost the representation of women on the Boards of Directors of the Companies of the Group, with the aim of ensuring greater equity at the decision-making level and promoting lasting and systemic change.

Our dedication to gender equality also passes through the 2024 introduction of a **programme dedicated to new mothers, aimed at facilitating and promoting their reintegration into work after childbirth**, aware of the difficulties that many women face in balancing family and professional responsibilities, especially during the delicate phase of returning from maternity leave.

We are convinced that only through continuous and structured commitment is it possible to create a truly inclusive environment, in which everyone can express their full potential.

Training and skill development

| GRI 404-1 |

Training is not only about transferring knowledge but also about giving space to curiosity, stimulating creativity and preparing our employees to become protagonists of change.

In an environment that rewards curiosity and continuous improvement, training becomes a strategic investment that strengthens competitiveness, creates opportunities for personal and business growth, and promotes a future-oriented culture.

This significant investment in training has allowed us to improve the technical and transversal skills of our employees, rendering them more prepared and competitive in a constantly-evolving market.

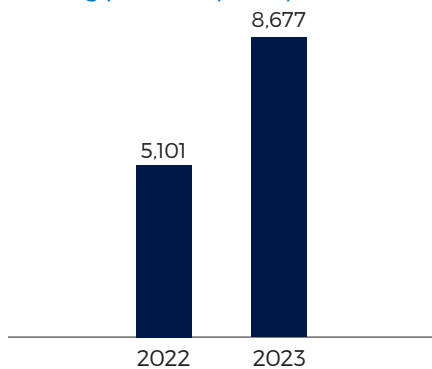
In particular, our training catalogue offered a broad range of courses, covering specific technical areas, soft skills and other fundamental transversal skills. While employees can choose courses from our catalogue, the selection is not limited to just these options, ensuring greater flexibility in meeting individual learning and growth needs.

This drive towards training fits perfectly into the context of our reward system, which values individual and corporate results in terms of productivity, absenteeism, quality and alignment with the values of the Group. Thanks to this focus on professional development, **MAGROUP continues to invest in people, convinced that business success is inextricably linked to the growth and wellbeing of its employees.**

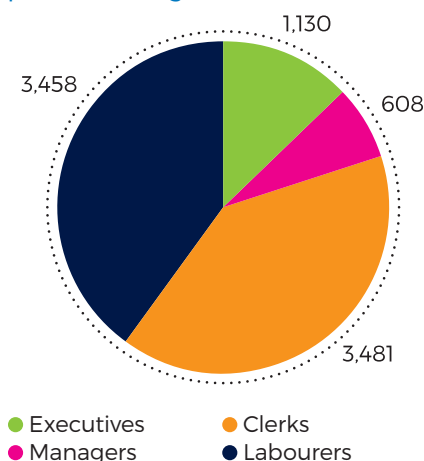
In 2023, MAGROUP delivered a total of 8,677 training hours, marking a significant 70% increase compared to the previous year. This increase testifies to our ongoing commitment to enhancing our employees' skills and promoting a Company culture geared towards continuous development.

The training was distributed equally among the various categories of workers. 40% of the hours were allocated to employees and a further 40% to labourers, underlining the importance of guaranteeing equal opportunities for growth and improvement across all levels of the Company. 13% of the training involved executives, with the aim of strengthening the management and strategic skills necessary to lead the Group, while 7% was allocated to managers in order to support their crucial role in connecting management and operational personnel.

Training provided (hours)



Distribution of training hours among professional figures - 2023



Employee welfare



Workplace wellbeing is the foundation on which we build our idea of shared success. This is not just about creating a good working environment but about generating an **ecosystem where people's wellbeing is reflected in a stronger and more communal corporate culture.**

With this vision, in 2022 we launched an internal survey to better understand what "wellbeing" means to our employees, the results of which have provided us with key insights to improve. However, we know that the path does not stop there. In 2024, we will repeat the survey, convinced that open dialogue and continuous adaptation are essential for creating a work environment that evolves together with people.

In 2023, benefits provided for permanent employees were also granted to fixed-term and part-time contracts.⁴

In addition, in 2022 and 2023, **MAGROUP was recognised as a Top Employer by the Top Employers Institute**, an international certification body that rewards companies that stand out for excellence in human resources management practices.

Among our initiatives, we offer a coach who supports employees in achieving their personal and professional goals, promoting individual wellbeing while simultaneously enhancing work performance. In addition, we have made available the **welfare platform**, a portal full of services, from agreements with diagnostic centres at the Teatro San Carlo in Naples, to hotels in the area, in the interest of allowing employees to access customised benefits. We have also extended remote-working and smart-working, as an opportunity to better manage one's time and personal needs.

At Magnaghi Aeronautica, we offer a Company Canteen with a minimum contribution from employees. We even organise days dedicated to proper nutrition, with the support of a nutritionist. In addition, we promote meetings to stop smoking, underlining how important it is to take care of yourself.

Finally, at Salver, employees can benefit from agreements with sports centres, encouraging an active lifestyle that goes hand-in-hand with mental wellbeing.



4. For greater detail, reference may be made to Table GRI 401-2 attached.

Support for the territory

| GRI 2-28 |



MAGROUP has always maintained a strong bond with the territory, promoting initiatives and events aimed at involving and actively supporting the local community. **We believe that the territory represents the fertile ground on which to build long-term business success.**

Investing in strong relationships with the local community and offering our support is our way of expressing gratitude to all those who contribute to our growth in various extents.

Throughout 2023, MAGROUP consolidated its commitment to numerous social, environmental and corporate sustainability initiatives, integrating fundamental values such as innovation, solidarity and responsibility towards the territory. One of the most prestigious awards this year came with the **CEO for Life Project**, an initiative that rewards business leaders who stand out for their contribution to building a prosperous future. In this context, we were honoured to receive the **award in the Innovation and Sustainability** section, a recognition that underlines our commitment to the adoption of advanced technologies.

Our dedication to the territory was also expressed through concrete acts of solidarity.

During the Easter holidays, we gave Easter eggs to young patients in the paediatric ward of the Santobono Pausilipon Hospital in Naples, to Caritas in Brindisi and to families in the Naples Healthcare district. These gifts represent a small sign of affinity while representing a moment of joy for those facing difficult situations.

In the spirit of sharing, at Easter we also extended this gesture to our employees, presenting them with chocolate eggs. To further underline our commitment to social responsibility, we gave out Panettone at Christmas, in bags created as part of the *Made in Carcere* project. Translating to “Made in Prison”, this project that we fully support offers opportunities for redemption to incarcerated women, involving them in training courses that promote their reintegration into society and the world of work.

Health and prevention are at the heart of our priorities. In this regard, we have donated a defibrillator to the Rotary Club of Rome, because we believe that safety is a common good.

In addition, in collaboration with Komen Italia, we support the *Carovana della Prevenzione* project, offering free dermatological screening to women in difficult situations.



This project is part of a broader commitment of Komen, which for over 25 years has invested in scientific research initiatives, in promoting prevention and supporting women with breast cancer.

Always alongside Komen, we are proud sponsors of the *Race for the Cure*, the largest event in the world for the fight against breast cancer. This event raises funds to support research, raising

awareness among millions of people about the importance of prevention. In 2023, we also attended a charity dinner at Palazzo Caracciolo in Naples, an initiative that raised funds to further support the battle against breast cancer.

MAGROUP's commitment even extends to the protection of biodiversity. Through our nature-tech partner 3Bee, we adopted a





hive with the aim of contributing to the fight against the decline in biodiversity, an increasingly crucial issue for the health of the global ecosystem.

Attention to new generations is yet another pillar of our work. Through our companies Salver and Metal Sud, we actively collaborate with schools and universities in the area, offering young people the opportunity to participate in *Alternating School and Work Programme* (PCTO) programmes. In the Arienzo and Brindisi offices, young people have the opportunity to directly interact with the world of work, acquiring practical and professional skills in a context of industrial excellence. We firmly believe that investing in the training of young talent is essential to ensure a successful future, not only for our Company but for the entire community.

Finally, we are proud to be part of important associations such as **AIAD** (Italian Federation of Aerospace, Defence and Security) and the **General Confederation of Italian Industry** (Confindustria), with which we share the objective of promoting the development of Italian industry, never deviating from the principles of innovation and social responsibility.

Every initiative we have undertaken in 2023 reflects our desire to make a positive impact, both locally and globally. For MAGROUP, social inclusion and sharing represent a real mission, one that guides us in our work each day and drives us to do more and more for people and the territory.

Occupational health and safety

| GRI 403-1 | GRI 403-2 | GRI 403-3 | GRI 403-4 | GRI 403-5 | GRI 403-6 |
| GRI 403-9 |

The protection of people is the foundation on which we build all our actions, transforming health and safety into a value shared by everyone.



In a complex production context such as ours, consisting of precision machining, assembly and advanced processes, constant attention to safety becomes key to operating with serenity and confidence, ensuring a working environment where every individual feels protected.

We believe that no business result can be considered satisfactory if it is not achieved by ensuring the safety of those who contribute to our success every day.

Our processes include milling, turning, heat and protective treatments, as well as non-destructive testing and the assembly of key components such as shock absorbers and trolleys. In each of these activities, we are committed to preventing risks and ensuring that worker safety always remains at the heart of all operational decisions.

We have a participatory approach to safety, meaning every employee is called upon to report non-safeguarded risks, both during regular meetings and through training sessions or surveys.

This continuous exchange with supervisors allows us to constantly adapt and improve our safety procedure. In addition,

each accident is carefully analysed, assessing working conditions, the use of equipment, protective equipment and the operating environment, with the aim of preventing future accidents.

To strengthen our commitment to wellbeing, we have activated a clinic service staffed by medical staff four days a week, providing health support and motivational counselling to also address the psychological challenges of work. Access to these services is facilitated by transparent and constant internal communication, which helps workers feel supported both physically and mentally.

In 2023, we delivered over 802 hours of safety training, with a focus on specific training involving 114 employees.

802 hours
of safety training

-7%
rate of accidents
2023 vs. 2022

At the same time, we actively promote the health of workers through initiatives dedicated to proper nutrition, physical activity and the prevention of addictions and harmful behaviours.

We are proud to see that the efforts are bringing about concrete results. Indeed,

commensurate with the hours worked, the rate of accidents in the workplace has decreased by 7% compared to the previous year. Metal Sud recorded an exceptional result of zero injuries, while Magnaghi Aeronautica and Salver reported 4 and 9 injuries respectively, one of which was serious.





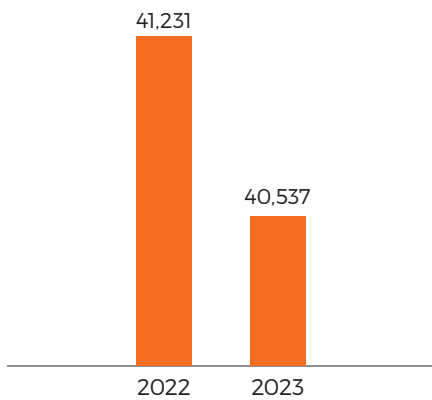
Responsibility
towards the
environment



Electricity and energy efficiency

| GRI 302-1 |

Energy consumption (GJ)



We recognise how crucial it is to embrace sustainability and carefully manage our impact on the environment. Despite the challenges of a competitive market, **we are committed to taking concrete steps towards a more conscious use of resources and a reduction of our ecological footprint.**

Although our efforts are still in the development phase, they represent an important contribution towards a more sustainable future, with the will to constantly improve.

The management of energy resources in MAGROUP is the result of a holistic strategy

involving each individual Company in the Group, with initiatives aimed at improving energy efficiency.

In 2023, the three Companies within MAGROUP's scope of reporting recorded a significant reduction in total energy consumption, reaching 40,537 GJ, with a slight decrease of 1.7% compared to the year prior.

This result is thanks to targeted interventions involving Metal Sud, Magnaghi Aeronautica and Salver, each of which has contributed to the improvement of energy efficiency through good energy management practices.

As to **Metal Sud**, the Company uses a combination of electricity taken from the grid and natural gas, in particular for heating the polymerisation furnaces, which are fundamental in the production process. **A crucial part of energy management is entrusted to electric temperature regulators**, devices that regulate the maximum temperature at 60°C, allowing optimal heat control without excessive energy waste. Such temperature regulators allow the ovens to be kept at a constant temperature, improving thermal efficiency and reducing consumption.

Despite the increase in productivity in 2023, electricity consumption has dropped significantly, going from usage of 5,190 GJ in 2022 to just **2,228 GJ in 2023**, a remarkable result that demonstrates the success of more efficient practices. In addition to this, Metal Sud is working to **replace the old asbestos roof of the warehouse with photovoltaic panels**, a project in collaboration with the region that will not only improve environmental safety but will boost the Company's energy autonomy thanks to solar energy.

Magnaghi Aeronautica has adopted a pragmatic approach in managing its energy resources. Although there are no formal procedures yet, the maintenance team has consolidated **good practices such as the timed running of air conditioning systems**, which reduces energy consumption during downtime. **In 2024, the Company will install a photovoltaic system** that will come into operation the following year, in 2025. This system will be accompanied by a monitoring system to accurately track the energy consumption of both the grid and the new photovoltaic system. Currently, Magnaghi Aeronautica does not buy electricity from renewable sources, yet has already planned to progressively up the share of renewable energy certified with **guarantees of origin** in the coming years. Another important step was the **replacement of two gas boilers with heat pumps**, a more efficient and ecological solution, while in 2024 further **structural interventions** on buildings are planned, such as the installation of thermal coats, new windows and a latest-generation compressor, all aimed at improving energy efficiency and reducing waste.

Salver has adopted a series of initiatives aimed at energy optimisation and production efficiency. **Relamping** the plants, involving the replacement of old bulbs with new low-consumption bulbs, was a fundamental step to reduce energy needs. At the same time, the Company has implemented targeted interventions on the machinery, reducing production times and thus improving overall efficiency. Measures have also been introduced to optimise dust extraction, interrupting the process when not necessary to further help reduce consumption. Another important initiative was the **replacement of an old compressor** with a new generation for significant energy savings. Salver has also implemented a system for **monitoring energy consumption** in various parts of the plant, with capillary coverage for monthly consumption monitoring. Still, the Company intends to go even further, improving even more the granularity of monitoring up to the department level, thanks to the upcoming replacement of an electrical panel that will provide a more detailed and accurate reading of consumption. Finally, Salver aims to install a **photovoltaic system** by 2025, a fundamental step to further reduce dependence on grid energy and move closer to more sustainable energy management.

Emissions produced

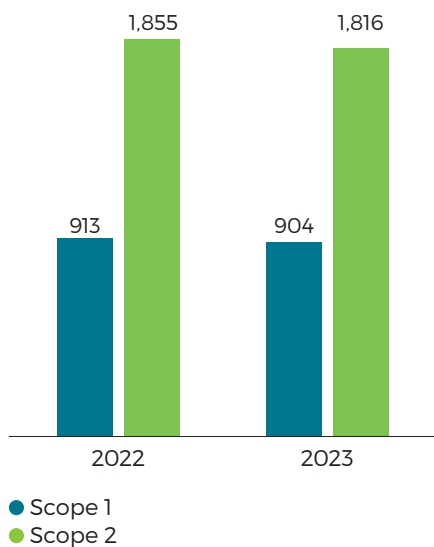
| GRI 305-1 | GRI 305-2 |



Managing Greenhouse Gas (GHG) emissions is one of our strategic priorities at MAGROUP, firm in our belief that our commitment to sustainability passes through concrete and measurable actions. In recent years, we have dedicated ourselves to reducing the impact of our activities on the climate, embarking on a structured path for monitoring and reducing emissions. In 2022, we launched an in-depth analysis of GHG emissions from Scope 1, 2 and 3, working with Up2You to define an effective decarbonisation strategy. This analysis has allowed us to identify the critical areas on which to intervene and to implement targeted solutions.

allows for the monitoring of impacts in a timely manner and to set realistic and achievable environmental objectives, supported by a shared environmental policy, the **Health, Safety and Environment (HSE) Policy**, which guides all actions in terms of sustainability. In addition, solutions to encourage sustainable mobility have been adopted in both companies, installing bicycle racks to facilitate environmentally-friendly home-to-work travel. Looking to the future, one of Salver and Magnaghi's main objectives for 2024 is the installation of **electric car-charging stations**, thus supporting the transition to zero-emission vehicles.

GHG Emissions (Tonnes)



In 2023, our Scope 1 emissions, linked to the direct consumption of fossil fuels, decreased by 0.9%, amounting to 904 tonnes of CO₂ equivalent. Scope 2 emissions, deriving from the consumption of electricity, saw a 2% reduction, falling to 1,816 tonnes. These results, although positive, are only the first step towards our long-term goal of reducing emissions.

At the same time, we have taken initiatives to offset part of our emissions, thanks to the partnership with **Treedom**, through which we have planted a 690-tree forest. This initiative has not only improved air quality and contributed to biodiversity but has also absorbed around **166.25 tonnes of CO₂** in the last year alone. Our forest grows together with our awareness that every gesture – no matter how small – can make a difference in the fight against climate change.

Magnaghi Aeronautica and Salver, both certified with the ISO 14001 Environmental Management System, are among our most proactive players in the pursuit of environmental objectives. This certification

Waste and water resource management

| GRI 303-5 | GRI 306-3 | GRI 306-4 |



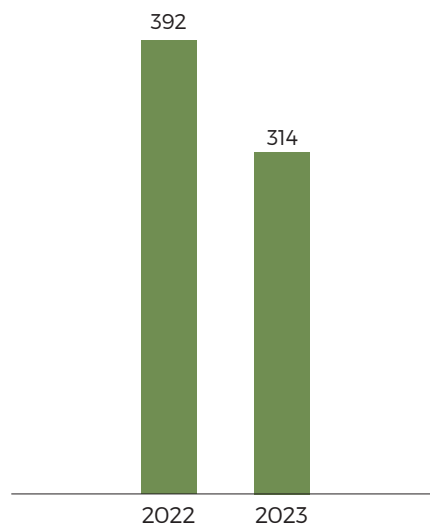
By operating in a sector that uses hazardous materials such as solvents, paints and oils, waste management is an essential responsibility for us. Each stage of the production process requires constant attention to ensure that disposal takes place in a safe and sustainable manner. In the last year, we have produced 314 tonnes of **hazardous waste**, registering a 20% reduction over the previous year, as the result of greater efficiency and waste reduction policies. At the same time, **non-hazardous waste** increased by 28%, reaching 54 tonnes. Still, a large portion of this was destined for reuse and recycling initiatives.

During 2023, our overall waste production showed a significant change.

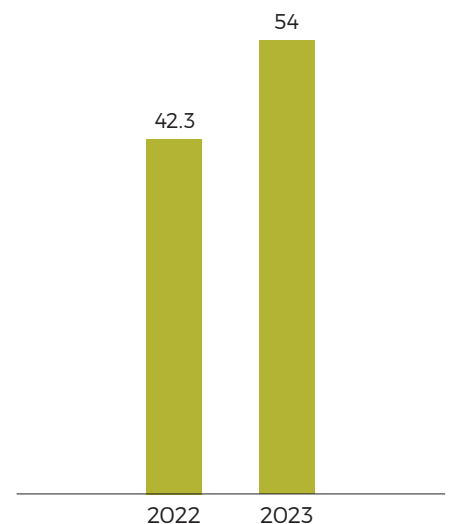
The share of non-hazardous waste accounted for 15% of the total, while the remaining 85% was comprised of hazardous waste. It is important to note that, compared to the previous year, the total volume of waste generated decreased by 15%, marking a tangible improvement in the management and reduction of Company waste. This data highlights our ongoing commitment to improving environmental sustainability and optimising waste management processes.

We are also particularly attentive to waste management even beyond our direct borders. Magnaghi Aeronautica regularly carries out audits on suppliers responsible for waste disposal, to verify that operations are

Hazardous waste (Tonnes)



Non-hazardous waste (Tonnes)



carried out in compliance with environmental regulations, ensuring a responsible life cycle for all waste materials.

We have also strengthened waste separation and distributed a guide to users to promote the reduction of printing in the Company, with the aim of reducing paper usage.

Even for **water usage**, we are committed to minimising consumption. In 2023, our total water use was 25,996 litres, a figure that reflects our commitment to the economical management of this resource. Salver, for example, has installed five meters to monitor water consumption at various points along the internal network.

On average, 50% of the water is used for the production cycle, while the rest goes to civil uses such as toilets and gardening.

Among the objectives set for 2024, there is the introduction of new airbrushes that do not require washing with water, thus contributing to a significant reduction in water consumption. For Metal Sud, each treatment line is equipped with a filter system with mixed bed resins for the recovery of washing water, contributing to less waste. The only exceptions is chromic water, which requires special treatment, processed in a chemical-physical plant to convert hexavalent chromium into trivalent chromium, then safely disposed of at authorised facilities.



A note on methodology



A note on methodology

| GRI 2-1 | GRI 2-2 | GRI 2-3 | GRI 2-5 |

Scope of reporting

Company name	Magnaghi Holding S.p.A.
Nature of ownership	Private
Legal form	Joint-stock Company
Location of the main office	Via Galileo Ferraris 76/80 - 80142 - Naples (NA)
Countries served	Europe and Extra EU

The document

This document represents the first Sustainability Report of **Magnaghi Holding S.p.A.** (hereinafter, also the “Group” and/or “**MAGROUP**”). The information contained in the document has been collected and reprocessed in order to ensure an understanding of the activities carried out by the Company, its performance, results and impact. For the first year of analysis, it was decided to include only Italian companies in the reporting scope. Therefore, the scope used in this document includes information relating to the activities carried out by Magnaghi Aeronautica S.p.A., Salver S.p.A. and Metal Sud S.r.l.

NFD for public-interest entities that exceed certain quantitative thresholds.

The analysis will be further developed and deepened over the following periods, through the inclusion of the Group’s other entities within the reporting scope and the performance of one or more Stakeholder listening activities and the reporting of the Company’s contribution to the achievement of the defined objectives.

The Sustainability Report is drawn up annually and published on the official MAGROUP website.

The Sustainability Report has been prepared on a voluntary basis and does not represent a Consolidated Non-Financial Statement (NFD); in fact, the Company does not fall within the scope of Italian Legislative Decree no. 254 of 30 December 2016 which, in implementation of Directive 2014/95/EU, provides for the obligation to draw up a

For further information on the contents of the document, please contact the email address: externalcomms@MAGROUP.net.

References

The Sustainability Report was drawn up by selecting the indicators contained in the *GRI Sustainability Reporting Standards* published by the Global Reporting Initiative (GRI), according to the Referenced reporting option. The set of GRI Standards used as indicators for reporting is listed in the GRI Content Index of this document.

The general principles applied for the preparation of the Sustainability Report are those established by the GRI Standards, namely *relevance, inclusiveness, sustainability context, completeness, balance between positive and negative aspects, comparability, accuracy, timeliness, reliability and clarity*.

The selected performance indicators are those provided for by the adopted reporting standards, representative of the specific areas of sustainability analysed and consistent with the activity carried out by the Company and the impacts produced by it. These indicators were selected based on an analysis of the relevance of the material issues for the Company and for the reference sector, as described in the section “Materiality Analysis: our internal strategy”.

As part of the path to sustainability, this analysis saw the involvement of Top Management in an evaluation of the issues and consequent attribution of a value in consideration of two different aspects – the importance and priority of actions to take for society.

This Sustainability Report was drawn up with the methodological support of:





GRI Standards



Reporting package

This section contains details of the GRI indicators used in the document for greater clarity and comparability of ESG performance over the three-year period of reference.

GRI 302 - Energy

Fuel consumption divided by renewable and non-renewable source (GJ) ⁵	2022	2023
Natural Gas		
<i>Natural Gas for thermal uses (heating)</i>	15,460	15,315
<i>Natural Gas for thermal uses (production)</i>	3.36	2.08
Total non-renewable sources	18,825	17,395
Purchased electricity consumption (GJ)	2022	2023
Electricity purchased from non-renewable sources	25,767	25,220
<i>With a guarantee of origin to support</i>	-	-
Total purchased electricity consumed	25,767	25,220
Self-produced electricity (GJ)	2022	2023
Total self-produced electricity	-	-
<i>of which total Electricity consumption</i>	-	-
<i>of which total Power supply sold</i>	-	-
Total self-produced energy	-	-
Total electricity consumption within the organisation	41,231	40,537

5. Source of conversion factors used:
 Natural Gas: IPCC 2021 GWP 100 Vers. 1.02
 Electricity: IPCC 2021 GWP 100 Vers. 1.00

Note that updated conversion factors have been used and applied to the two-year data, to allow for more accurate comparability.

GRI 305 - Emissions

GHG Emissions Scope 1 – tCO _{2eq} ⁶	2022	2023
Natural gas for thermal use	913,448	904,866
Natural gas for production	0,200	0,123
Total Scope 1	913,648	904,989

GHG Emissions Scope 2 – tCO _{2eq} ⁷	2022	2023
Purchased electricity	1,855	1,816
Total Scope 2	1,855	1,816

GRI 306- Waste

Hazardous waste (t)	2022	2023
80111	1,000	0,140
80318	0,222	0,183
110109	0,460	0
110111	178	91,160
150101	35,410	42,260
150103	26,480	20,440
150106	40,220	35,300
150110	1,780	2,060
150202	0,994	1,622
160213	0,020	0
160214	0,388	4,401
170202	1,520	0
170405	6,720	52,140
170603	0	0,880
Total hazardous waste (t)	392,574	314,806

6. Source of emission factors used:
Natural Gas: Fuels - Gaseous fuels -
Natural gas - I

7. Source of emission factors used:
Imported electricity: Italian Institute
for Environmental Protection and
Research (ISPRA) -
Emission factors for the production
and consumption of electricity in Italy

Non-hazardous waste (t)	2022	2023
80120	3	0,781
120104	2,380	2,160
200304	4,600	0
070210*	0	4,760
080111*	2,631	4,269
080409*	0	0,331
130204*	0,200	0
140605*	3,920	5,600
150110*	4,353	7,787
150202*	20,658	28,410
160213*	0,360	0,087
170603*	0,024	0
Total non-hazardous waste	42,342	54,185

Hazardous waste: preparation for reuse (t)	2022		2023	
	Off-site	On-site	Off-site	On-site
200121	40	120	0	110
170402	0	320	0	500
Total	40	440	0	610
Total hazardous waste	40	440	0	610

Non-hazardous waste – preparation for reuse (t)	2022		2023	
	Off-site	On-site	Off-site	On-site
160214	260	48	4,401	4,321
150103	13,040	13,440	20,440	12,200
200101	3,460	0	960	0
150101	33,590	1,820	38,880	3,380
170405	6,720	0	52,140	50,240
150106	20,260	14,460	28,540	28,540
170202	1,520	0	0	0
070213	107,440	160	117,240	1,240
Total	186,290	29,928	262,601	99,921
Total non-hazardous waste	186,290	29,928	262,601	99,921

Total waste not destined for disposal (t)	2022		2023	
	Off-site	On-site	Off-site	On-site
	263660	30368	312661	100531

GRI 303-5 Water consumption

Hazardous waste: preparation for reuse (t)	2022		2023	
	Off-site	On-site	Off-site	On-site
200121	40	120	0	110
170402	0	320	0	500
Total	40	440	0	610
Total hazardous waste	40	440	0	610

GRI 2-7 Employees

Employees by gender (No.)	2022	2023
Women	47	48
Men	580	589
Overall total	627	637

Employees by type of contract (No.)	2022	2023
Permanent Contract	580	602
Women	42	45
Men	538	557
Fixed-term Contract	47	35
Women	5	3
Men	42	32
Overall total	627	637

Employees by form of employment (No.)	2022	2023
Full-time	623	635
Women	43	47
Men	580	588
Part-time	4	2
Women	4	2
Men	0	0
Overall total	627	637

GRI 405-1 - Governing bodies and employees classified by gender and age group

GOVERNING BODIES by gender (No.)	2022			2023		
	Women	Men	Total	Women	Men	Total
Board of Directors	0	21	21	0	21	21
Board of Statutory Auditors						
Total	0	21	21	0	21	21
Percentage	0%	100%	100%	0%	100%	100%

GOVERNING BODIES by age group (No.)	2022				2023			
	<30 years	30-50 years	>50 years	Total	<30 years	30-50 years	>50 years	Total
Board of Directors	0	6	15	21	0	6	15	21
Board of Statutory Auditors								
Total	0	6	15	21	0	6	15	21
Percentage	0%	29%	71%	100%	0%	29%	71%	100%

EMPLOYEES by professional profile and gender (No.)	2022			2023		
	Women	Men	Total	Women	Men	Total
Managers	2	13	15	2	11	13
Managers	6	25	31	5	23	28
Employees	30	139	169	28	146	174
Labourers	4	408	412	9	413	422
Total	42	585	627	44	593	637
Percentage	7%	93%	100%	7%	93%	100%

EMPLOYEES by professional profile and age group (No.)	2022				2023			
	<30 years	30-50 years	>50 years	Total	<30 years	30-50 years	>50 years	Total
Managers	0	3	11	14	0	2	11	13
Managers	0	21	9	30	0	15	12	27
Employees	11	108	68	187	19	61	82	162
Labourers	11	271	114	396	35	255	145	435
Total	22	403	202	627	54	333	250	637
Percentage	4%	64%	32%	100%	8%	52%	39%	100%

PROTECTED CATEGORIES by professional profile and gender (No.)	2022			2023		
	Women	Men	Total	Women	Men	Total
Managers	0	0	0	0	0	0
Managers	0	1	0	1	0	1
Employees	1	2	0	3	2	7
Labourers	1	14	0	15	1	22
Total	2	17	0	19	3	30
Percentage	11%	89%	0%	100%	9%	91%

GRI 401 – Turnover

Employees at the end of the period (No.)	2022			2023		
	Women	Men	Total	Women	Men	Total
Total	44	583	627	48	589	637

Newly hired personnel (No.)	2022			2023		
	Women	Men	Total	Women	Men	Total
Up to 29 years	3	6	9	9	15	24
30-50	2	54	56	3	22	25
50	1	3	4	0	2	2
Total	6	63	69	12	39	51

Departures (No.)	2022			2023		
	Women	Men	Total	Women	Men	Total
Up to 29 years	0	0	0	0	2	2
30-50	4	9	13	8	22	30
50	2	20	22	1	8	9
Total	6	29	35	9	32	41

Reason for termination (No.)	2022			2023		
	Women	Men	Total	Women	Men	Total
Voluntary exits	5	25	30	8	26	34
Retirement	0	1	1	0	0	0
Other	1	3	4	1	6	7
Total	6	29	35	9	32	41

Turnover 2023	Women	Men	Total
Positive turnover - incoming	27%	7%	8.13%
Negative turnover - outgoing	-20%	-6%	-6.54%
Overall turnover	7%	1%	1.59%

GRI 404-1 - Average training hours per year per employee

Average training hours (No.)	2022			2023		
	Women	Men	Total	Women	Men	Total
Managers	0	0	0	117,0	89,6	94,2
Clerks - Managers	14,0	7,8	8,4	23,3	30,2	28,8
Labourers	48,0	23,0	23,2	0,3	41,1	13,2
Total	27,6	21,0	21,2	5,0	37,0	20,8

GRI 404-1 - Average training hours per year per employee

Average training hours	2022			2023		
	Women	Men	Total	Women	Men	Total
Managers	0	0	0	117,0	89,6	94,2
Clerks - Managers	14,0	7,8	8,4	23,3	30,2	28,8
Labourers	48,0	23,0	23,2	0,3	41,1	13,2
Total	27,6	21,0	21,2	5,0	37,0	20,8

GRI 2-30 - Collective Bargaining Agreements

Collective agreements	2022	2023
Total number of employees	627	637
Number of employees covered by a collective bargaining agreement	627	637
Percentage of employees covered by a collective bargaining agreement	100%	100%

GRI 403 – Occupational Health and Safety

Worker training on occupational health and safety	2022		2023	
	No. of training hours	No. of employees involved	No. of training hours	No. of employees involved
Health and safety – general training	1,616	346	306	56
Health and safety – specific training	3,740	317	496	58
Total	5,356	663	802	114

Number of incidents	2022		2023	
	Employees	Non-employees	Employees	Non-employees
Total number of deaths due to occupational accidents	-	-	-	-
Total number of serious accidents at work (excluding deaths)	1	1	-	-
Total number of recordable accidents at work	14	13	-	-

Accident type	2022		2023	
	Employees	Non-employees	Employees	Non-employees
Falling and slipping	-	2	-	-
Road accident	-	-	-	-
Striking - hit by/against	5	8	-	-
Other (please specify):	9	3	-	-

Accident rate (No.)	2022		2023	
	Employees	Non-employees	Employees	Non-employees
No. of hours worked	455,487	505,232	188,299	244,597
Recordable rate of workplace accidents	13	14	11	8

The recordable rate of workplace accidents is calculated as:

$$\frac{\text{The number of recordable workplace accidents}}{\text{Number of hours worked}} \times 1,000,000$$

GRI 204-1 – Portion of spending on local suppliers

Spending on local suppliers	2022		2023	
	Euro	%	Euro	%
Total expenditure on suppliers	67,042,225	100%	67,924,912	100%
Budget spent on local suppliers	45,791,502	68%	46,146,235	68%

GRI content index

MAGROUP has reported the information cited in this GRI content index for the period [01.01.2023–31.12.2023] with reference to the GRI standards.

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A special thanks goes to all the MAGROUP Magnaghi Aerospace people who carried out this project with enthusiasm, curiosity and a desire to address new issues from an ESG perspective, to open their minds to the future and to rethink processes and ways of working in a sustainable manner.

This is the first step and we are confident that all our people will face the challenge and sustainability goals we have set ourselves as MAGROUP with the same passion.

Thanks to:

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