



**SUSTAINABILITY
REPORT**

20
23

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LETTER TO STAKEHOLDERS

The objective of the TPS Group Sustainability Report is to communicate the commitment to promoting the involvement of all those who operate within and for the company, in such a way as to combine the company's strategy of attention to sustainability with the ever-present objectives of improving the organisation, quality and the level of service offered to customers.

Sustainability means first and foremost an awareness of the company's positioning in its environmental and social ecosystem. It means adopting decision-making processes that balance economic and financial objectives with the values of ethics, inclusiveness and respect for people and the environment that must always characterise our work. It means recognising that the progressive development of the company's scope and the related economic results would not have been possible without the involvement of all those who, in various ways, relate to our Group, the Stakeholders, together with whom the Company intends to continue promoting a path that will enable it to:

- identify and pursue objectives and methods of action in the field of social and environmental Sustainability;
- control and report on the company's sustainability performance and its evolution towards continuous improvement objectives achieved through a plan of qualitative and quantitative - and therefore measurable - interventions on the company system;
- offer technical services and innovative products in the industrial sectors in which the Group operates, adopting a process of continuous technological and organisational improvement that we consider essential for the maintenance of our competitiveness and customer satisfaction;
- equip themselves with skills, innovative technologies, processes and methodologies that are outstanding with respect to the competitive reference scenario;
- ensure the involvement, motivation and optimum preparedness of the human resources involved in the company's processes.

These are strategic aspects of great importance, which are strongly interrelated and enable the TPS Group to proceed towards an increasing social and environmental responsibility. This objective is an integral part of the business model that we intend to adopt and that we believe has a direct effect on our competitiveness.

Using the institutional definition, the Sustainability Report will allow you, the Stakeholders, to know and make a judgement on how the Company and its management interpret and carry out its mission and mandate in order to obtain better results in terms of social, environmental and economic impact.

On this path, we believe that greater stakeholder involvement remains the key to a success that is certainly within our reach.

Alessandro Rosso
Chairman and CEO

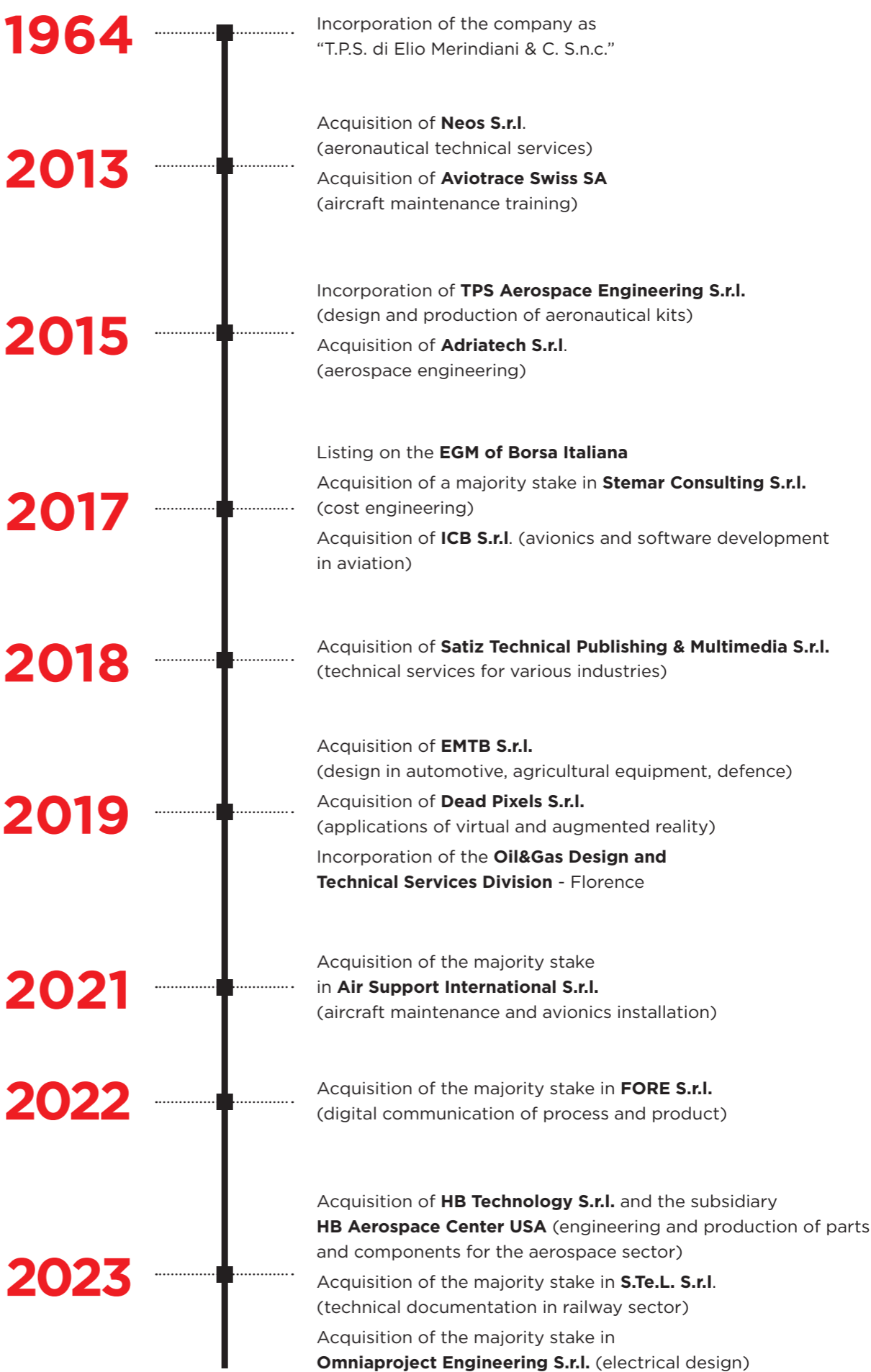
TPS TURNS 60

The year 2024 marks 60 years of T.P.S. S.p.A..
A story that began in Gallarate in 1964 from a small technical design studio for the aeronautical sector that has now become a nationwide player capable of providing a variety of highly innovative and high value-added technical and design services.

Over the years, the company has been able to grow both through investments in people and in information technology to support its production processes and through the gradual aggregation of entities of excellence that have allowed the creation of a Group that is today unique on the national scene.

A path that is still evolving, as demonstrated by the organic growth achieved by the company in 2023, further enriched by three new acquisitions of shareholdings, which have contributed to further increase the TPS Group's scope of activities.

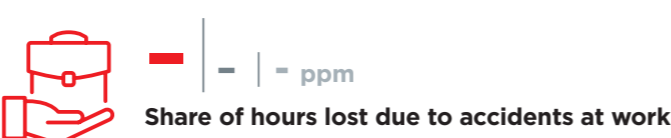
A path that is still ongoing and is set to achieve further growth targets in the coming years.



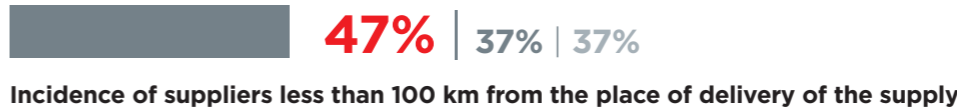
SUMMARY DATA

The figures below are a snapshot of the social and environmental sustainability of the TPS Group at the end of the last three financial years. In view of the changing scope of the company, however, it should be emphasized that the comparison between different years should not be considered in absolute terms, having progressively included new operating entities within a Group that makes dynamism and capacity for development its distinguishing features. The objective, however, remains to provide a detailed indication of the social and environmental sustainability status of the Group regardless of its corporate structure, bearing in mind that by policy the TPS Group adopts the same management methodologies for all its member companies, thus including sustainability policies.

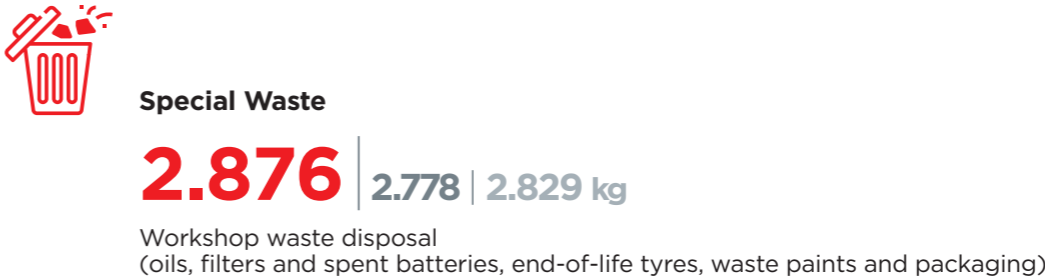
HUMAN RESOURCES



SUPPLY CHAIN



ENVIRONMENT



MAIN PROJECTS OF THE YEAR



Technological Innovation / Research & Development

- Evaluation of the effects of the modified AS332 aircraft tail on generation of lateral force.
- Cockpit development for fixed-wing aircraft for installation of new Garmin avionics components.
- Image generator for virtual simulation environments for the aviation industry
- Digitisation and automation of internal HR processes
- Design of additive manufacturing components for the space sector
- Design of welding line components for special vehicles
- Development of an IT platform (Kairos) for the management of maintenance processes of railway vehicles
- Definition of maintenance processes for KA350 aircraft
- Environment development for guided remote maintenance (augmented reality application)
- Virtual and augmented reality digital applications for commercial automotive applications



Certifications

- Certifications EN9100:2018
- Certifications ISO9001:2015
- Certifications EASA POA
- Certification (Part 21, Section A, Subpart G)
- EASA DOA Certification (Part 21, Section A, Subpart J)
- Continuing Airworthiness Management Organisation Certification (CAMO)
- Maintenance Company Approval Certification (Part 145)
- Maintenance Training and Examination Organisation Approval (Part 147)
- TISAX Certification
- ISO27001:2017 Certification



Supplemental Type Certificate

- Medical Interior for helicopters
- Medical Interior for helicopters AW139
- System for POD helicopter AW109
- Neonatal transport kit for AW169



Social projects for the territory

- Graphic design work in support of the IRCC Foundation (Candiolo Institute for Cancer Research, Turin) magazine
- Financial contribution to the D.i.Re Association (Women on the Net against Violence)



Significant events in 2023

- Acquisition of a 100% stake in HB Technology S.r.l. and its subsidiary HB Aerospace Center USA
- Acquisition of the majority stake in the company S.Te.L. S.r.l. by the subsidiary Satiz Technical Publishing & Multimedia S.r.l.
- Acquisition of the majority stake in the company Omniaproject Engineering S.r.l. by the subsidiary Satiz Technical Publishing & Multimedia S.r.l.
- Concentration in EMTB S.r.l. of all design and engineering activities for industrial sectors other than aerospace
- Concentration of the entire Digital Content Management activity in FORE S.r.l

ACHIEVEMENT OF LEONARDO SUPPLIER AWARDS

In 2023, for the second consecutive year, T.P.S. S.p.A. was awarded in the context of the second edition of the **Leonardo Supplier Awards**: the **Service Excellence** award to reward the results achieved, the spirit of collaboration and commitment to excellence, and the **Sustainability Award** in recognition of the commitment and results achieved by T.P.S. with a view to sustainable development.

The award ceremony took place in Rome in the presence of a hundred of Italy's leading suppliers and is part of the broader LEAP - *Leonardo Empowering Advanced Partnership* - program through which Leonardo is playing a leading role and driving the innovative growth of its suppliers.

With these awards, the customer aims at strengthening and enhancing its supply chain. For both categories (*Service Excellence and Sustainability*) the 5 best suppliers from the various divisions of Leonardo S.p.A. were selected and awarded.

Therefore, Leonardo S.p.A. intended to express a real acknowledgement for those suppliers who have been able to meet its expectations in an excellent manner, sharing its strategical project of building an increasingly competitive, innovative and sustainable industrial ecosystem.



It should be emphasised that in the development of some of its Technological Innovation projects, the TPS Group collaborates with leading Italian universities, such as (in 2023) Turin Polytechnic, Bari Polytechnic, Tor Vergata University in Rome, Milan Polytechnic, and with the Aerospace Districts of the Lombardy, Piedmont and Apulia Regions.

CORPORATE ACQUISITIONS

Continuing on its path of growth by external lines, during 2023 TPS Group acquired stakes in no fewer than four new companies, including one in the United States, and thus continued to pursue its strategy of increasing the value chain by expanding the panel of services offered to corporate customers.



The acquisition of HB Technology S.r.l. is an important investment made in a company that is involved in providing engineering services for the aerospace sector and in the production and assembly of aeronautical parts and assemblies. The company has its Italian headquarters in Gallarate and Rome, as well as a factory in Faggiano (TA). Through this acquisition, the TPS Group consolidates its presence in the aircraft design sector and launches a project to integrate engineering and design activities with the production of parts and components.

HB Aerospace Center USA is a subsidiary of HB Technology operating in the US market, to which the TPS Group is strategically oriented as it has particular potential in the aerospace sector.



Through its subsidiary Satiz Technical Publishing & Multimedia S.r.l., the TPS Group acquired a majority stake in S.Te.L. S.r.l.

It is a small industrial company with a high level of specialisation in the field of technical documentation for the railway sector and a new customer base that will add to Satiz TPM's commercial portfolio. The company, which has around ten employees, is based in Collesalvetti, in the province of Livorno.

Through this new investment, Satiz TPM - and consequently the entire TPS Group - strengthens its position in the Industrial Technical Publishing sector, which is a historical professional asset of the TPS Group and Satiz TPM in particular.



Finally, also through its subsidiary Satiz Technical Publishing & Multimedia S.r.l., the TPS Group acquired a majority stake in Omniaproject Engineering S.r.l.

Omniaproject Engineering specialises in electrical and mechanical design for the Oil & Gas and Industrial Automation sectors, where they develop and produce switchboards that can then be programmed and tested by in-house personnel. The company is based in Pisa.

This was a significant investment that will serve to broaden the TPS Group's skills to the Automation industry and will allow the further development of the Oil & Gas activities carried out by Satiz TPM in the Florence office, being able to count on the qualified engineering support and customer portfolio of the new entity.

SUSTAINABILITY AND OBJECTIVES ACHIEVED IN 2023

In 2023, the TPS Group set itself a number of objectives in the area of sustainability. The results obtained are reported below.

ENVIRONMENTAL INITIATIVES

- Start-up of the existing photovoltaic system at the Gallarate headquarters
- Launch of the project to establish a fleet of electric bicycles for employee use

SOCIAL INITIATIVES

- Increase the company workforce through the recruitment of young people and reduce turnover
- Further develop welfare initiatives
 - Increase in paternity leave days
 - Financial contributions for school textbooks
 - Increased financial contribution for Parenting Support - Childcare
 - Activation of new company agreements
 - Submit a self-assessment questionnaire to suppliers on sustainability issues
- Strengthen collaboration with local suppliers

GOVERNANCE INITIATIVES

- Maintain the absence of non-conformity in all ethical and social contexts

INITIATIVES POSTPONED UNTIL 2024

- Installation of a new photovoltaic system at the San Benedetto del Tronto site, which could not be carried out in 2023 because joint verifications with the property owner concerning the technical feasibility and the necessary authorisations took longer than expected
- Concerning the achievement of gender equality certification under UNI/ PdR 125:2022, the TPS in 2023 activated the examination of the regulations and conditions necessary to obtain certification. During 2024, it will complete its in-depth studies.

SUSTAINABILITY GOALS FOR 2024



New environmental initiatives from 2024

Further increase in the share of renewable electricity purchased by the company
Installation of a new photovoltaic system at the San Benedetto del Tronto (AP) headquarters



New social initiatives for 2024

Increase the company workforce further through the recruitment of young people and reduce turnover
Assess the achievement of gender equality certification under UNI/PdR 125:2022 and ISO45001, which attests to the existence of minimum standards of good practice for the protection of workers worldwide in the company.
In cooperation with the D.i.Re. Association, organise a training session for Group employees and further initiatives to raise awareness of gender-based violence.



Governance initiatives for 2024

Maintain the absence of non-conformity in all ethical and social contexts



Technological innovation

Further enhance the development of innovative solutions for the service supply chain to which the TPS Group belongs

- Further develop welfare initiatives:
- Joining the Corporate Benefit portal in order to extend the conventions already offered to employees
 - Intervention on the value of meal vouchers recognised to date
 - Study of a health care mechanism supplementary to what is currently recognised by the National Collective Labour Agreements
 - Organisation of an artificial intelligence literacy training intervention
 - Company joining the Corporate Program Golden Donor FAI (Fondo Ambiente Italia - Italian Environmental Fund), providing the company's contribution to the protection and enhancement of Italy's historical, artistic and landscape heritage.

METHODOLOGICAL NOTE AND REPORTING STANDARDS

Since 2020, the TPS Group draws up the Sustainability Report of TPS Group S.p.A. and its subsidiaries (hereinafter also "TPS", "TPS Group", "the TPS Group" or the "Group"). The document contains information on economic, environmental, social and governance (ESG) issues, useful to ensure stakeholders' understanding of the activities carried out by TPS, its performance, and its results.

This is the third sustainability report published by TPS that summarises the path of improvement of the sustainability model undertaken by the Group.

Drawing up a Sustainability Report provides information on the most significant impacts of activities on economy, environment and people and enables a better understanding of the company's performance and value, as these impacts are or may become financial in nature over time.

This Sustainability Report has been prepared on the basis of the GRI Universal Standards, using specific standards according to the "in reference to the GRI" approach and the relative level of compliance "reporting with reference to the GRI Standards", as required by requirement a-ii of point 3 of the "GRI 1: Fundamental Principles 2021" standard.

The individual GRI standards used and reported within the GRI Content Index were selected according to their usefulness in providing timely information with respect to the Company's material ESG issues in line with the provisions of "GRI 1: Fundamental Principles 2021" standard.

It should be noted that TPS does not fall within the scope of Italian Legislative Decree no. 254 of 30 December 2016, which, in implementation of Directive 2014/95/ EU, provided for the obligation to prepare a Non-Financial Declaration ("NFD") for public interest entities exceeding certain quantitative thresholds. This Sustainability Report is therefore prepared on a voluntary basis and does not represent an NFD. It is also made explicit that this Report does not include the disclosure relating to the European Union's Taxation of Sustainable Activities required by Article 8 of EU Regulation 2020/852, as TPS Group does not fall under the obligations to publish such reporting.

The performance indicators selected are those envisaged by the reporting standards adopted, representative of the specific areas of sustainability analysed and consistent with the activities carried out by the TPS Group and the impacts produced by it. These indicators were selected on the basis of a materiality analysis of the indicators, as described in the section "Materiality Analysis". In the various sections of the Sustainability Report, the quantitative information for which estimates have been used is reported.

The scope of reporting on qualitative and quantitative data and information refers to the performance of the parent company TPS S.p.A. and of the subsidiaries fully consolidated on a line-by-line basis in the Group's consolidated financial statements as at 31 December 2023. It should be noted that the figure for electricity consumption of the subsidiary Satiz Poland is not included in the overall count, as it is a small operating entity (offices) with consumption that is wholly insignificant compared to the total recorded at Group level.

The Sustainability Report is prepared on an annual basis and, like the economic and financial statement, it is related to the period 1 January - 31 December. In order to allow the comparison of data over time and the assessment of the performance of TPS's activities, the data for the two previous years are presented for comparison purposes. There is no need to make any revisions to the information reported in previous years.

The process of drafting the sustainability report saw the involvement of key figures in each of the company's organisational units.

The Sustainability Report was approved by the Board of Directors of TPS GroupS.p.A. on 26 March 2023 and was submitted for review by Audirevi S.p.A. on the basis of the principles and indications contained in ISAE 3000 (*International Standard on Assurance Engagements 3000-Revised*) by the *International Auditing and Assurance Standard Board (IAASB)*. The Report by the auditor can be found at the end of this document.

T.P.S. S.p.A. has reported the information summarised in the GRI content index for the period from 1 January 2023 to 31 December 2023 with reference to the GRI Standards. Such use will be notified to GRI in accordance with GRI1, requirement 9.

The Sustainability Report is published on the Company's institutional website at the following address www.tps-group.it/sustainability. For more information, please contact the email address sustainability@tps-group.it.

REPORTING PRINCIPLES

The following table shows the principles according to which the previous report was prepared, in line with the requirements of GRI 1: Foundation 2021 – in point 4.

Reporting principles	Description
Accuracy	The TPS Group undertakes to report correct and detailed information to allow an appropriate assessment of its impacts. In doing so, the Company consistently reports the qualitative information based on the available evidence.
Balance	TPS Group, in compliance with the principle of balance, reports information impartially, provides a representation of the negative and positive impacts of the organisation on the environment, people and the market. All this without in any way influencing users' conclusions or evaluations of the information.
Clarity	This report has been prepared in accordance with the principle of clarity and therefore of reporting all information in a way that is accessible and understandable to as many stakeholders as possible.
Comparability	The TPS Group selects, compiles and reports information in a consistent manner, in order to enable analysis of the changes in the impacts of the organisation over time and of these impacts compared to those of other organisations.
Comprehensiveness	The choices made regarding the issues reported and the scope of the Declaration allow Stakeholders to make a comprehensive judgement on the Group's main economic, social and environmental impacts.
Context of sustainability	The reporting of non-financial results was conducted with the concept of sustainable development in mind, i.e. development that meets the needs of the present without compromising the ability of future generations to meet their own needs. All this considering the socio-economic context in which the TPS Group operates and the issues of greatest relevance to it.
Timeliness	The TPS Group is committed to ensuring regular reporting periods, making information available in time for users to make decisions. This report is published in conjunction with the Financial Statements.
Verifiability	All the information contained in this report has been collected, recorded, compiled and analysed so that it can be examined to establish its quality through documentary evidence.



ORGANISATION

01

COMPANY PROFILE

TPS Group has been operating for sixty years in the technical and design services sector for various industrial sectors, including aerospace, automotive, defence, oil & gas, cable transportation systems and precision mechanical design.

TPS Group has its registered office and principal place of business in **Gallarate (VA)**.

Other corporate offices of the Group include:

- Italy
 - Bolzano
 - Biella
 - Collesalveti (LI)
 - Faggiano (TA)
 - Firenze
 - La Spezia
 - Pisa
 - Roma
 - San Benedetto del Tronto (AP)
 - Piacenza
 - Torino
- Poland
 - Bielsko Biala
- Switzerland
 - Mendrisio
- USA
 - Philadelphia

In the financial year 2023, the TPS Group realised production volumes worth EUR 48.3 million.

As at 31 December 2023, the TPS Group’s total workforce amounted to 605 people.

It is worth mentioning that in November 2016, TPS Group was awarded the **Italian Stock Exchange’s Elite Certificate**, testifying to its ability to control corporate processes and its orientation towards sustainable business development.

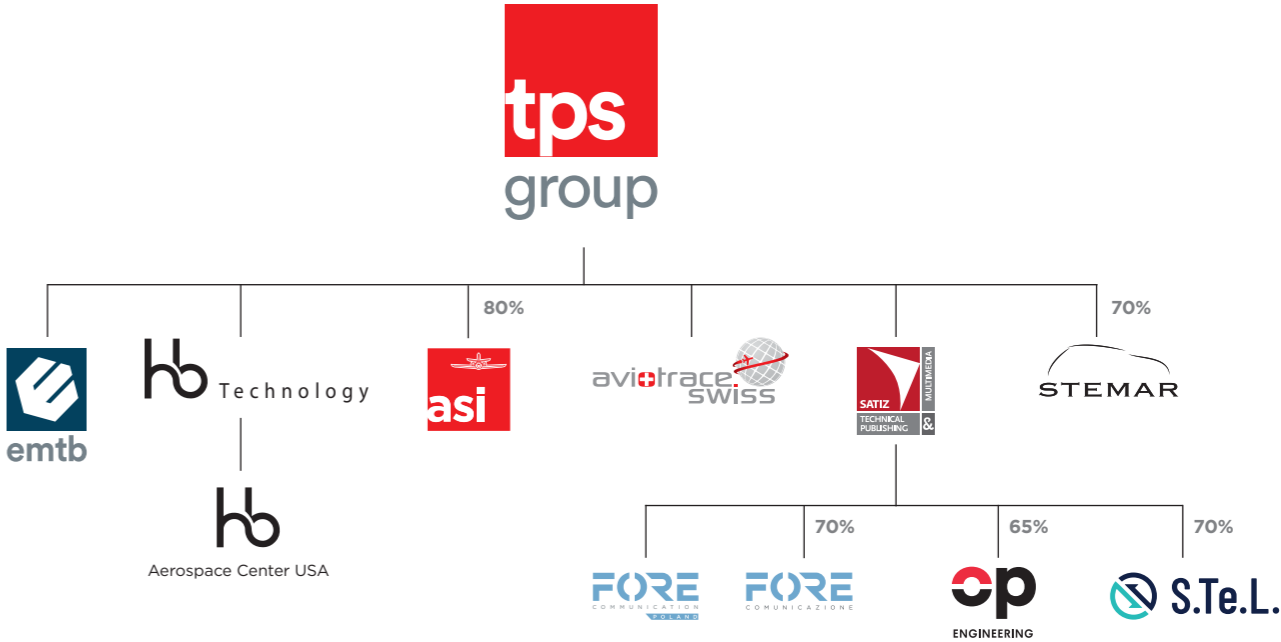
TPS S.p.A. was listed on the **Italian Stock Exchange’s AIM alternative market** (now **EGM Euronext Growth Milan**) on 28 March 2017.

As at 31 December 2023, the subscribed and fully paid-up share capital of TPS S.p.A. amounted to EUR 1,613,910, divided into 7,259,860 shares.

The corporate structure of the Group is composed as follows:

■ G&D S.r.l.	65,43%
■ Value First SICAF S.p.A.	9,71%
■ Sofia Holding S.r.l.	5,00%
■ Anguillesi Massimiliano	3,50%
■ Other shareholders less than 5%	16,36%

In the light of the latest acquisition, as of 1 January 2024, the TPS Group has taken on the following new structure:





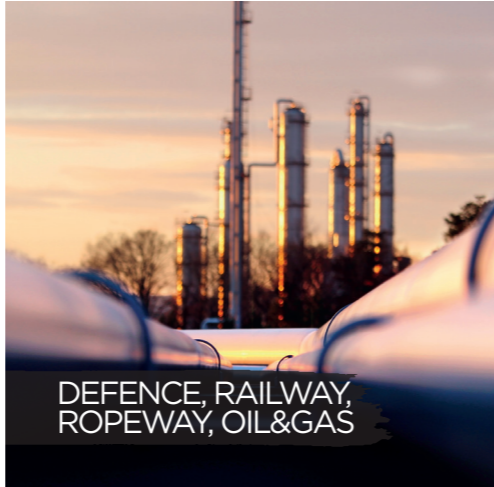
BUSINESS ACTIVITY
AND WORKERS

02

OPERATIONAL ORGANISATION INTO SBU

The TPS Group provides technical and design services for a variety of clients from different industries:

- Aeronautics and space
- Defence
- Automotive
- Heavy goods and passenger vehicles
- Special vehicles, with particular reference to the agricultural sector
- Oil & Gas
- Railway
- Cabin storage areas for cable systems

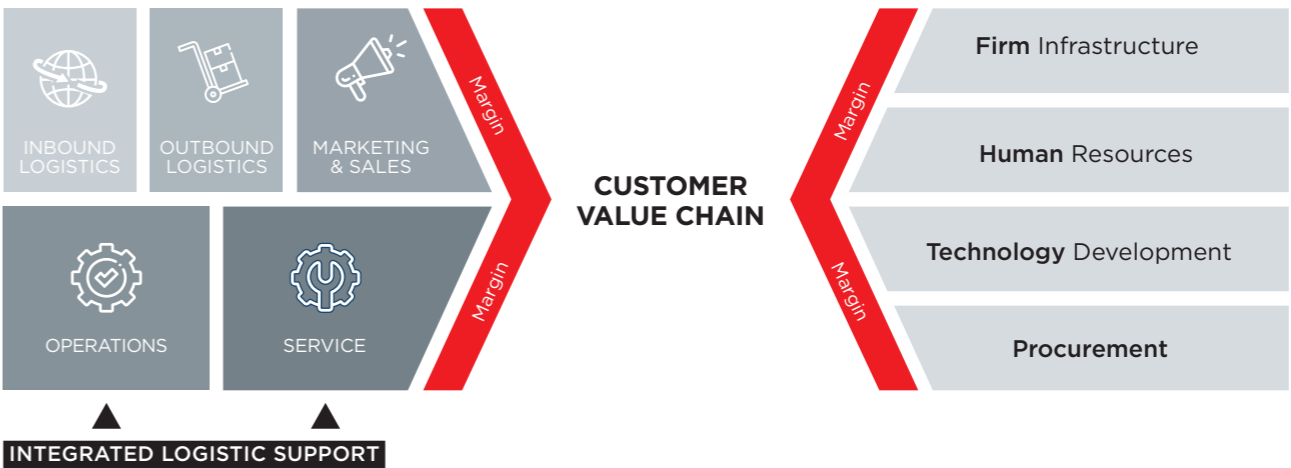


As of 2023, in view of the recent corporate acquisitions that have significantly changed the Group's scope of activities, the operating activities are structured into **five Strategic Business Units** (SBUs):

SBU 1 | Technical Publishing & Training

This SBU brings together the technical documentation, integrated logistics support and training activities of the TPS Group in the aviation, automotive and railway sectors, as well as the technical training activities of the Group's Training Academy (the Swiss company **Aviotrace Swiss SA**). Part of the activities of the parent company **TPS** and the subsidiary **Satiz TPM**, and in particular the **Oil & Gas division**, as well as the activities of the newly acquired **S.Te.L.**, converge in this SBU.

Integrated Logistics Support Process



TPS GROUP Value Chain



Technical Documentation Process

- Owner Manuals
- Operator Manuals (OMs)
- Repairs and Service Manuals
- Illustrated Parts Catalogues (IPCs)
- Equipment and Component Maintenance Manuals
- WCM Documentation



SBU 2 | Engineering & Cost Engineering

All design and engineering activities refer to the second SBU, i.e. those in the aeronautical field managed by the parent company **TPS** and the newly acquired **HB Technology**, those oriented towards the configuration and management of PLCs (Programmable Logic Controllers, devices designed to monitor and regulate machines and production processes in industrial environments that use automation technologies) conducted by the newly acquired **Omniaproject Engineering**, and those in the automotive, mechanical, defence, special vehicles and ropeways fields, managed through the subsidiary EMTB. It also includes engineering, aeronautical certification and cost engineering. The latter is an asset of the subsidiary **Stemar Consulting**.



SBU 3 | Avionic Services & Informative Technologies


This SBU brings together the expertise in avionics software, software testing and system integration of the parent company **TPS**, as well as the consolidated know-how in IT development present in **Satiz TPM**.




SBU 4 | Digital Content Management

The fourth SBU includes activities concerning the generation and management of multimedia content for the sale of products or delivery of training programs on electronic media managed by the parent company **TPS** and digital process and product communication services under the subsidiary **FORE**.







3D
Creation of three-dimensional models for digital applications starting from design mathematics.




VIRTUAL REALITY
We specialise in creating for digital applications based on Virtual Reality applications.




AUGMENTED REALITY
We create mobile apps that take advantage of the latest ARKit and ARCore systems.




ANIMATION
We specialise in high-quality animations with the best software, from Maya to Blender.



MOBILE
We create B2B and B2C applications for Android and iOS platforms.



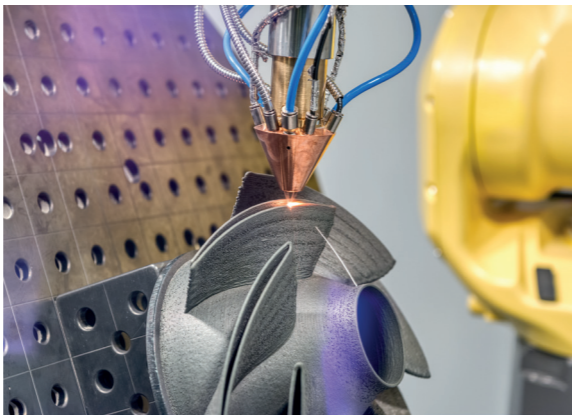
WEB
We create 3D content to interact with directly from the browser also in AR/VR.



AGENCY AND DIGITAL COMMUNICATION SERVICES
We are experts in digital communication, combining creativity and experience in corporate communication with the mastery of new forms of digital content transmission.

SBU 5 | Production

The new SBU 5 was recently configured to bring together all the Group's activities that are characterised as production processes. Whereas in the past, given the almost residual nature of these activities, they were incorporated within the other SBUs, the new perimeter that emerged with the acquisition of the production plant in Faggiano (TA) made it possible to organise a specific area of activity expressly dedicated to non-engineering and non-consulting processes, which are characterised by the construction of parts and the provision of maintenance services. Thus, in addition to the activities that the newly acquired **HB Technology** conducts at the Faggiano plant, the Part-145 and CAMO maintenance activities conducted by **Air Support International**, the production activities of aeronautical kits managed directly by the parent company TPS, and the production of aeronautical and automotive wiring harnesses, also carried out by **TPS**, are also part of this new SBU.



HUMAN RESOURCES
MANAGEMENT AND
DEVELOPMENT POLICIES

For our Group, personnel management is a key issue for the success of the company, which recognises the importance of gender diversity and the expression of individual abilities within its workforce.

The TPS Group encourages, stimulates and incentivises the professional growth of its employees and collaborators, without any distinction of gender, race, sexual orientation or company classification. Policies are adopted for this purpose that promote access to employment opportunities in a fair and non-discriminatory manner.

Beyond the professional aspects, the relationship with employees/collaborators and customers is characterised by the utmost rigour, in compliance with the regulations in force, both in terms of health and safety in the workplace and in the context of administrative aspects and responsibility in relationships between the various parties within the contractual framework.

EMPLOYMENT RELATIONSHIP

All TPS Group personnel is hired under an appropriate employment contract. Having multiple headquarters in Italy and abroad, the situation of the Group's employees is geographically diverse:

- TPS Group's Italian-registered companies apply a National Collective Labour Agreement to 100 % of their employees, in accordance with legal requirements.
- The majority of the Group's employees, including those of the parent company, are covered by the CCNL METALMECCANICA - Aziende industriali (METALWORKING National Collective Labour Agreement - Industrial Companies)
- Aviotrace Swiss S.A., a company incorporated under Swiss law, has an employment contract with each of its employees concluded on a private basis, given the absence in Switzerland of a National Contract applicable to the business sector of activity;
- FORE Communication Poland sp. z.oo, a company incorporated under Polish law, has an employment contract with each of its employees concluded on a private basis, as the legislation in Poland does not provide for national contracts.
- The Group's US company (HB Aerospace Center USA) had no employees in 2023.

THE TPS VALUE SYSTEM

The TPS Group's values guide the day-to-day business operations of the staff, the decisions that are made by the management and the decisions for future choices:

- Attention to the Customer - paying the utmost attention to their needs, explicit and unexpressed, considering their satisfaction as the ultimate goal of everyone's work;
- Taking responsibility and problem solving - taking charge of the Customer's re- quests without unnecessarily involving one's hierarchy when the activity falls within one's area of competence, approaching the activity with a proactive and innovative approach;
- Teamwork - working constructively with one's team members, valuing one's own and others' con- tributions but avoiding unnecessary confrontations and taking an active part in minimising and resolving conflicts;
- Fairness and transparency in relations - ensuring the utmost transparency and loyalty in one's own sphere of competence, guaranteeing the widest possible circulation of information where neces- sary or useful, but at the same time ensuring the utmost confidentiality when sensitive information comes into one's possession. This principle applies to all stakeholders, ensuring completeness and clarity in information provided.

In line with its values and the SDGs (Sustainable Development Goals), the Group is committed to ensur- ing economic and responsible growth, putting people and their development at the centre.

PEOPLE: RESPECT FOR RIGHTS, DIVERSITY AND PROFESSIONAL DEVELOPMENT

TPS Group is an organization of people who are capable of working collectively for the purpose of achieving both individual and collective growth, and this constitutes the Group's added value for its customers and employees. Respect for people and their diversity in all their forms is one of the fundamental corporate values. The TPS Group is committed to ensuring respect for the rights and well-being of its employees through policies aimed at promoting a healthy work environment, gen- der equality and non-discrimination, as well as supporting the professional growth of its employees.

RECRUITMENT AND RETENTION

TPS Group continues to pursue its dual channel of growth, both by organically increasing the num- ber of staff in its companies and by new acquisitions aimed at increasing the value chain of its tech- nical services. All this translates into a strategic growth path, resulting in a progressive increase in the workforce. The year 2023, in particular, shows an **increase in the workforce of 25%** compared to the previous year and more than 26% compared to 2021. Also in 2023, the TPS Group maintained a specific staff engagement and retainment policy, under which a stabilization strategy for its em- ployees exists as a result of which more than **95 % of the total workforce in 2023 is employed under a permanent contract**.

All fixed-term contracts currently have a real prospect of being converted to permanent contracts.

Also as a result of these workforce-focused strategies, turnover in 2023 remained stable compared to the previous year.

In 2024, the TPS Group aims to reduce turnover through the activation of continuous training pro- cesses and job rotation programs, as well as by enhancing corporate welfare initiatives. This is in order to create the conditions to increase the sense of belonging to the company organisation and to obtain greater loyalty of those groups of employees who are more likely to be involved in career changes.

PERSONNEL SEARCH, SELECTION AND RECRUITMENT

The plan for new hires is defined annually during the budget stage and following a careful analysis of the needs of all business areas.

In this area, the Human Resources (HR) area plays a key role, as it manages personnel relations from the selection phase and throughout the employment process.

Where possible, in priority to external recruitment, the HR function verifies, by analysing the internal database, whether the job position can be filled by other personnel already in service, by means of job rotation.

If the position is to be filled through external recruitment, the selection process is divided into sev- eral stages:

FIRST STAGE

- Consultation with managers to gather information on the candidate's duties and role in the company
- Identification of the profile sought, thus defining which skills, qualifications and abilities the candidate must possess in order to occupy the vacant position
- After defining the organisational position and the profile of the resource to be sought, the job description, i.e. the advertisement to be published and disseminated, is drafted
- Subsequently, the job description will be published in the appropriate section of the com- pany website and on other search and selection channels (e.g. on the Group's LinkedIn profile)

SECOND STAGE

- In this second stage, following the screening of resumes, the interview process begins, mainly carried out by internal specialists in the Human Resources area
- The recruiter meets the candidates for the first interview
- Candidates assessed as suitable at the first interview meet the head of the area to which they are assigned for a second, informational and technical interview
- Following the second interview, the recruiter and the area manager carry out a joint eval- uation of the candidates interviewed, based on the information gathered and the individ- ual characteristics of each one; at the end of this analysis, a shared choice of the resource to be proposed for recruitment is made
- The recruiter defines the economic and contractual conditions to be offered to the candi- date for the position sought, proposing the recruitment to the company management

THIRD STAGE

- The last stage starts with the description of the economic and contractual offer to the candidate. Once the candidate decides to accept the proposal, the documentation related to employment (letter of intent and employment contract) is prepared. These documents contain all the necessary elements clarifying the regulatory conditions applied to the em- ployment relationship, in compliance with Legislative Decree No. 104/2022 (so-called "Transparency Decree")
- Finally, the onboarding process involves that on the first day of work the new resources meet the relevant HR Manager, who provides all the necessary explanations regarding the employment relationship, company regulations and available equipment, handing them a "Welcome Kit" containing all the relevant documents
- Lastly, the new employee is introduced to the office colleagues by the Area Manager, who explains the tasks that he/she will be carrying out.



Since 2021, the **TPS Group Training Academy** has been enabling young talents to build up a high level of professionalism in the areas in which the Group operates, especially in highly specialised activities, where it is difficult to find new staff to hire who are already theoretically qualified and have previous experience.

Through the Training Academy, the TPS Group aims to anticipate market needs in order to respond promptly to its customers' requirements.

Each year, the Group organizes several classes, mostly consisting of 6 to 8 graduates/undergraduates who are immediately hired on a permanent basis but who undergo an initial theoretical and practical training course of a few weeks before actually starting their work.

This pathway enables young women and men to follow an initial training course useful for acquiring the specific skills needed to work effectively at the TPS Group.

This first part of the training program covers content related to occupational safety, to which the Group attributes great importance, and also a short training course on corporate compliance, i.e., compliance with privacy regulations, compliance with the Code of Ethics and the Organizational Model pursuant to Legislative Decree 231/01, and TPS Group's approach to sustainability. This training also addresses the fundamental issue of cyber security. In fact, the professional activities that will be carried out by the newly hired staff involve extensive use of personal computers, so in-depth knowledge of best practices in behaviours related to the use of IT equipment, knowledge of the relevant company regulations, compliance with legal regulations on copyright defence and company procedures and controls, is essential to ensure the necessary IT security for the Group.

An overview of all the technical activities carried out by the various companies belonging to the TPS Group is also given through an induction that in some cases also includes a visit to some company sites of particular interest, so as to allow participants to directly acquire full awareness of the variety of technological environments handled by the TPS Group, receiving this content firsthand from local operational managers.

The reinforcement of so-called Soft Skill is another fundamental aspect, with particular regard to teamwork dynamics and time management. These are very important aspects for good integration into projects, since at the end of the training course, these personnel are placed in a work group that carry on TPS Group's technical and specialist projects.

The second part of the program, on the other hand, explores all the technical-specialist content in depth, and the classes are held by internal or external lecturers with the highest expertise in the subject.

The TPS Group's strategic vision related to this initiative is that, thanks to this initial training at the Training Academy, the young recruits will become fully aware of the field in which they have entered, thus gaining further motivation for retention.

In 2023, the TPS Group Training Academy ran 5 classes in the following sectors:

- Avionics (2 classes)
- Mechanical design
- C27J Project
- Cost Engineering

hiring a total of **38 new junior resources**.

Compared to the previous year, new entries increased. This is a great achievement for the TPS Group, which firmly believes that such a tool is a particularly effective way for the company to achieve its goals.

CONTINUOUS TRAINING

Another important achievement of the TPS Group in 2023 was the launch of a new training project, called "continuing education", contextualised within the Training Academy.

This training tool is intended for existing TPS Group employees, and is aimed at approaching specific technical and professional topics for the benefit of small groups of employees.

In 2023, 29 short-to medium term training events (seminars, "training pills", round tables) were organised, totalling 2,105 hours.

Thanks to these training sessions, the Group aims at strengthening the skills of individual workers, paying great attention to their need for professional growth.

In view of the results achieved also in terms of acceptance by the staff involved, "continuous training" is also confirmed for 2024.

OFFSITE TRAINING ACADEMY

A further new initiative was also launched in 2023, this time, however, not for TPS Group employees, but for

- students of higher technical education institutions and postgraduates with a view to employer branding for potential future recruitment
- employees of client companies, with the aim of enhancing the business partnership by strengthening the link with the TPS Group.

In 2023, this second project was implemented by organising three courses:

- 2D drawing using NX
- Welded joints using NX
- 2D drawing using CATIA V5

for the benefit of employees of some important customers of the Group.

In these three courses, 39 people were trained for a total of 378 hours.

In 2023, a series of contacts is underway with local institutes aimed at including in their curricular or optional study programs some targeted training sessions, conducted by teachers from our Training Academy.

As a result of these contacts, the first onsite training interventions aimed at students in these educational institutions are planned to be organized in 2024.

EMPLOYEES

The figures reported below refer to the workforce as at 31 December of each year

	2023					2022					2021				
	Women		Men		Total	Women		Men		Total	Women		Men		Total
Employees by placement in key roles / gender	11	25,0%	33	75,0%	44	10	23,8%	32	76,2%	42	7	18,4%	31	81,6%	38
Employees by geographic area	133	22,0%	472	78,0%	605	123	25,3%	363	74,7%	486	121	25,3%	358	74,7%	479
Italy	130	21,5%	464	76,7%	594	119	24,5%	353	72,6%	472	117	24,4%	347	72,4%	464
Abroad	3	0,5%	8	1,3%	11	4	0,8%	10	2,1%	14	4	0,8%	11	2,3%	15
Employees by qualification/gender	133	22,0%	472	78,0%	605	123	25,3%	363	74,7%	486	121	25,3%	358	74,7%	479
Executives	1	0,2%	8	1,3%	9	1	0,2%	4	0,8%	5	1	0,2%	4	0,8%	5
Managers/office workers	132	21,8%	425	70,2%	557	122	25,1%	345	71,0%	467	120	25,1%	339	70,8%	459
Manual workers	-	0,0%	39	6,4%	39	-	0,0%	14	2,9%	14	-	-	15	3,1%	15
Employees by contract type/gender	133	22,0%	472	78,0%	605	123	25,3%	363	74,7%	486	121	25,3%	358	74,7%	479
Fixed-term	6	1,0%	21	3,5%	27	9	1,9%	25	5,1%	34	6	1,3%	37	7,7%	43
Permanent	127	21,0%	451	74,5%	578	114	23,5%	338	69,5%	452	115	24,0%	321	67,0%	436
Employees by working hours/gender	133	22,0%	472	78,0%	605	123	25,3%	363	74,7%	486	121	25,3%	358	74,7%	479
Full time	114	18,8%	459	75,9%	573	105	21,6%	357	73,5%	462	113	23,6%	319	66,6%	432
Part time	19	3,1%	13	2,1%	32	18	3,7%	6	1,2%	24	8	1,7%	39	8,1%	47
Employees by age group/gender	133	22,0%	472	78,0%	605	123	25,3%	363	74,7%	486	121	25,3%	358	74,7%	479
Under 30	29	4,8%	153	25,3%	182	21	4,3%	105	21,6%	126	12	2,5%	74	15,4%	86
31 to 50	76	12,6%	241	39,8%	317	71	14,6%	194	39,9%	265	75	15,7%	210	43,8%	285
Over 50	28	4,6%	78	12,9%	106	31	6,4%	64	13,2%	95	34	7,1%	74	15,4%	108
New hires by age group/gender	18	16,5%	91	83,5%	109	16	20,5%	62	79,5%	78	9	18,4%	40	81,6%	49
Under 30	9	8,3%	61	56,0%	70	11	14,1%	48	61,5%	59	1	2,0%	17	34,7%	18
31 to 50	5	4,6%	22	20,2%	27	3	3,8%	11	14,1%	14	7	14,3%	15	30,6%	22
Over 50	4	3,7%	8	7,3%	12	2	2,6%	3	3,8%	5	1	2,0%	8	16,3%	9
New hires by geographic area	18	16,5%	91	83,5%	109	16	20,5%	62	79,5%	78	9	18,4%	40	81,6%	49
Italy	18	16,5%	91	83,5%	109	16	20,5%	61	78,2%	77	9	18,4%	40	81,6%	49
Abroad		0,0%		0,0%	-	-	0,0%	1	1,3%	1	-	0,0%	-	0,0%	-
Turnover by age group/gender	5	21,7%	18	78,3%	23	3	13,0%	20	87,0%	23	3	18,8%	13	81,3%	16
Under 30	4	17,4%	13	56,5%	17	2	8,7%	15	65,2%	17	-	0,0%	10	62,5%	10
31 to 50	1	4,3%	5	21,7%	6	1	4,3%	4	17,4%	5	3	18,8%	3	18,8%	6
Over 50	-	0,0%	-	0,0%	-	-	0,0%	1	4,3%	1	-	0,0%	-	0,0%	-
Turnover by geographic area	5	21,7%	18	78,3%	23	3	13,0%	20	87,0%	23	3	18,8%	13	81,3%	16
Italy	5	21,7%	18	78,3%	23	3	13,0%	19	82,6%	22	3	18,8%	13	81,3%	16
Abroad	-	0,0%	-	0,0%	-	-	0,0%	1	4,3%	1	-	0,0%	-	0,0%	-

FEMALE STAFF AND EQUAL OPPORTUNITIES

The salaries of all staff are defined in accordance with the applicable collective agreements and regulations, without regard to differences in gender, race, religious and sexual orientation. Staff contractual levels are recognised with reference to the specific activity and responsibilities of the assigned role.

TPS Group is committed to ensuring gender equality in terms of grading, remuneration and career opportunities, avoiding any discrimination. The professional contribution made to the assigned activity is in fact what is rewarded.

Also within the Code of Ethics, the desire of the TPS Group to avoid any gender discrimination in all company activities and at every functional level is clearly expressed, as well as in the selection of candidates.

In 2023, female staff represented more than 22% of the total workforce. This figure is down from 2022, due to the increase in personnel brought about by the acquisition of the three new companies, which have a workforce with a large majority of men.

Nonetheless, female staff in key roles within the organization amounted to 25 percent, a figure that is up from the previous two financial years.

SUPPORT FOR YOUTH EMPLOYMENT

The TPS Group has always placed special emphasis on the development of new talent. In fact, almost all new hires made in 2023 involved workers under 30.

In order to facilitate the integration of young people into the world of work, the strong relationships that the Group has created over the years with educational institutions, such as universities and Higher Technical Institutes (ITS), are fundamental.

TPS believes that the synergy between companies and educational institutions is a fundamental element for young people entering the labour market.

Establishing the TPS Group Training Academy is a proof of this strategic vision of the TPS Group.

The type of economic and contractual placement of young people in the TPS Group depends on the skills and actual work experience of the young people hired.

Placements in the Group can take place through a fixed-term or open-ended employment contract, but also through the activation of curricular or extra-curricular traineeships or the conclusion of second or third level apprenticeship contracts.

Traineeships are a useful tool for young people who are about to finish or have finished a course of study. Concrete experience in the company allows them to acquire technical-operational knowledge and also the ability to “stay in the company”, thus helping to facilitate their entry into the world of work.

All of the young men and women who completed their extracurricular training in 2023 were subsequently employed with a contract of employment with the Group, which testifies to the excellent results of this orientation and training policy.

In 2023, 30% of staff were under the age of 30. This figure is significantly higher than in previous years, when it was 26% in 2022 and 18% in 2021.

DEVELOPMENT AND TRAINING IN TPS

TPS Group has a special focus on training, considering it an important motivational lever for its employees, who increase their professional background and are better prepared to profitably tackle new projects managed by the company.

Furthermore, TPS considers training to be a distinctive element in attracting young talent from outside, who, in addition to remuneration and regulatory conditions of absolute interest, also find in the hiring proposal a training path that contributes to improving their entry into the world of work.

Investment in training is essential to adapt to ongoing technological, cultural and social changes, both for the fulfilment of each employee and for the sustainability of the Group. Through the development and increased competence of its staff, the TPS Group is growing as it improves the level of services offered to its customers and can always respond and pursue new business opportunities. Indeed, training reduces the costs of new external recruitment because it fills temporary gaps that staff may have in order to perform a new activity.

For effective training, the competencies of existing staff are mapped annually through HR meetings with area managers. Following these meetings, the training programs to be carried out are organised so that they are linked to the professional needs actually present in the company.

The TPS Group encourages discussion between colleagues and the exchange of knowledge and skills for the continuous growth of all personnel. Consequently, training activities can be carried out by TPS Group employees when the interventions are short-term, usually closely related to the daily activities carried out in the company or at the customer's premises. In these cases, seminars of a maximum duration of two days are organised, while when more structured and time-intensive courses are needed, external teaching is used.

In 2023, the Group provided **8,208** training hours to upskill its employees, which is an **increase of more than 20%** compared to the previous year.

Looking at the total number of hours, 24% were given to female staff, in line with the composition of the company's workforce. As regards the breakdown of training by qualification, however, 98% of the hours provided involved white collar workers and the remaining 2% blue collar workers, which also in 2023 accounted for a very small proportion of the total workforce.

Furthermore, in 2023, demonstrating how much the TPS Group cares about professional growth of its personnel, thanks to the launch of the 5 classes of the TPS Training Academy, the new recruits involved in this initial training course attended training courses to improve both their soft skills and specialized skills for a total of **14,061** hours of theoretical and practical training. A new important milestone for the TPS Group and its Training Academy.

In 2024, further growth in training hours is expected, to a total of about **9,500** hours to which the specific training programs of the TPS Training Academy can be added.

WORK-LIFE BALANCE, WELFARE AND EMPLOYEE ENGAGEMENT

The TPS Group recognises the importance of providing its resources with a peaceful working day, ensuring a good work-life balance.

In addition to its commitment to professional development, the Group is aware of the importance of the well-being of its staff as an essential element of business success.

The Group, as already stated, recognises the centrality of people. Indeed, it is believed that when employees are satisfied and therefore more motivated in their daily work, the company benefits by reducing absenteeism and turnover, despite the current historical phase, which is particularly critical in this respect.

SMART WORKING AND FLEXIBLE WORKING HOURS

Following the health emergency a few years ago, the importance of work-life balance has become increasingly relevant for people.

With regard to working hours, the TPS Group, in order to improve the reconciliation of work and family life, allows employees of all Group companies to benefit from flexible working hours. Thanks to this flexibility, which allows workers to delay their entry into the company within a certain tolerance and then make up for missed work during the day, everyone can better manage the balance between their private sphere and their professional commitments.

Regarding smart-working, it is certainly the tool that best enables a better work/life balance. In fact, the recent employee survey revealed that staff enjoyed working in this mode very much.

In fact, the TPS Group has been allowing its staff to work remotely for several years now, when the type of work allows it.

For this purpose, the company has issued its own "Smart Working Company Regulations", which apply to all personnel and which outline the framework to which both employees and the company must adhere.

Under this Regulation, interested workers may apply for smart-working for a maximum of 8 days per month.

Not least, as well as having an innovative approach to work through the use of new communication technologies, smart-working also contributes to reducing the environmental impact of home-to-work travel. Another important element supports the TPS Group's approach to sustainability.

WELFARE TPS GROUP

TPS Group offers all personnel a variety of initiatives with the aim of increasing the well-being of employees and to involve them more closely in the company's development and growth dynamics.

Company regulations describing the numerous welfare initiatives are issued every three years and periodically updated, in an attempt to concretely support all age groups of staff. Its most recent edition dates back to the beginning of 2023.

The TPS Group's above-mentioned Regulations include a series of actions geared towards the development of human capital and the growth of a sense of belonging, through a set of actions aimed at increasing the well-being of the worker and their family.

Below are some of the initiatives of the Regulation:

TPS Talent Finder

It is an "ERP" - Employee Referral programme, which involves all personnel and enables them to refer candidates who are interesting for the company and potentially interested in joining the Group to Human Resources. The applications received are screened by the Human Resources department and if they are in line with what is being sought, or with skills of interest to the Group's activities, they are included in the company's selection process.

The successful outcome of such an activity also provides financial recognition to the referring worker. The initiative aims to actively involve workers in the development of the company's human capital, focusing on the gratification that each individual can gain by promoting their company and feeling involved in the paths of choosing new team colleagues.

Parenting support - *Childcare*

To support and enhance parenthood, the TPS Group has long since launched an initiative to offer financial support to new parents. As written above, the TPS Group places great emphasis on reconciling work time with the individual life and care time of employees, with the aim of creating a climate in the company that favours the personal organisation of new parents while maintaining their bond with the company.

The aim of this initiative is to contribute to the expenses incurred for the registration and attendance of day-care centres and is reserved for all Group employees with children under three years of age. In 2023, in view of the continuous general increase in costs and in order to further facilitate the reconciliation of work time with the individual life and care time of employees, the TPS Group has doubled the amount of the previously recognised economic contribution from the current Euro 600 per year to Euro 1,200.

An initiative that further demonstrates how much TPS Group cares about supporting its workers and their families.

Scholarships for deserving students

With this initiative, TPS Group wanted to reward the children of its staff in force who have completed non-compulsory schooling with merit.

TPS believes strongly in education and individual commitment, and the scholarship is intended to support deserving young people in the further stages of their education.

Financial support

The TPS Group is particularly keen to support its staff with concrete actions. Starting from the common professional and business objectives, it is also important to consider the individual projects of each member of the group. For this reason, TPS Group has activated a program of concrete support for the projects of its employees and their families, providing them with the possibility of accessing an interest-free loan repayable over 36 or 48 months.

TPS Group puts people at the centre, and this initiative is a strong signal of this focus, which aims to reduce the need for TPS Group employees to resort, even for relatively small sums, to onerous and long-term financing channels such as "salary assignment".

INCREASE IN PATERNITY LEAVE DAYS

In 2023, a further strong signal of concern for the families of TPS Group personnel was to recognise an intervention concerning paternity leave in addition to the benefits provided by current legislation.

This takes the form of 10 additional days of paternity leave, granted by the company in the form of paid leave.

As well known, paternity leave is a paid leave of absence from work, recognised by Italian law for father employees. It is granted upon the birth, adoption or fostering of a child and consists of a compulsory 10-day period of leave, available to the employed father between the two months preceding and the five months following the birth.

We believe that increasing the leave to enhance a father's greater responsibility and to give a concrete message of closeness to the families of their employees is a very important initiative to support parenthood.

FINANCIAL CONTRIBUTIONS FOR SCHOOL TEXTBOOKS

Finally, also in 2023, the TPS Group resolved to provide financial support to families in the purchase of school books for their children, in order to support the investments of families for the cultural growth of future generations.

The Group's employees who applied for it received an annual financial contribution, differentiated according to the level of studies attended, for the purchase of school books for the children of employees attending middle school, high school or university.

ACTIVATION OF NEW COMPANY AGREEMENTS

The TPS Group has been involved with external parties, signing a series of company conventions covering sport, personal wellness, health, culture and leisure and negotiating discounts specifically for its employees and their families.

With this intervention, the Group aims to support its staff and families also in their free time, trying to improve their psycho-physical well-being.

ENGAGEMENT MECHANISMS

To communicate and engage with its staff, TPS Group runs a corporate intranet portal called "People", which has been active since 2017.

This tool, designed and built in-house by the company's IT development team, which ensures its continuous and constant evolution. It is managed by the Human Resources team and conveys communications and information of various kinds for the benefit of employees.

By way of example, every time there is a new recruit within the Group, a short welcome message is published, indicating the name and role that the new recruit will perform, and detailing the location where the new colleague will work.

This is a concrete way of involving all staff in the new additions and thus in the growth of the Group.

NEW CORPORATE WELFARE INITIATIVES FROM 2024

In 2024, given the results of the social initiatives indicated above, TPS Group intends to further enhance these tools, thus further strengthening the company's support for its employees. The TPS Group will therefore integrate the following relevant welfare initiatives in the company regulations resolved in 2023:

HEALT SUPPORT

In 2024, given the results of the social initiatives indicated above, TPS Group intends to further enhance these tools, thus further strengthening the company's support for its employees. The TPS Group will therefore integrate the following relevant welfare initiatives in the company regulations resolved in 2023:

INTERVENTION ON THE VALUE OF COMPANY MEAL VOUCHERS

In 2024, it was decided to change the value of electronic company meal vouchers. These vouchers can be redeemed in all participating catering services and shops. This is a very important initiative, useful to support their staff in their everyday expenses.

MEMBERSHIP OF AN EXTERNAL PORTAL DEDICATED TO CORPORATE CONVENTIONS

The TPS Group, in order to improve the capillarity of the agreements offered to its staff regardless of their place of work, decided to rely on a dedicated external platform. A facilitated online shopping platform completely free of charge for all Group employees. This portal offers discounts on purchases of various brands that are consistently higher than what is available on the individual portals of partner companies.

With this initiative, TPS Group aims to offer significant savings opportunities to its staff.

MEMBERSHIP PROGRAM WITH FAI - ITALIAN ENVIRONMENTAL FUND

In 2024, TPS Group decided to join the Corporate Golden Donor program of FAI - Fondo per l'Ambiente Italiano (Italian Environmental Fund).

The FAI - Fondo per l'Ambiente Italiano ETS is a national non-profit foundation established in 1975 to care for special places in Italy for present and future generations, to promote education, knowledge and enjoyment for the environment, the landscape and the historical and artistic heritage of the nation, and to supervise the protection of the landscape and cultural heritage.

By joining this program, employees will also be able to access exclusive discounts for individual FAI membership.

TRAINING COURSE ON ARTIFICIAL INTELLIGENCE TOOLS

In view of the growing importance of artificial intelligence, which in the future will also affect the sectors in which the TPS Group operates, training will be organised in 2024 for employees working in highly technological activities, in order to provide them with basic information on the existence and usefulness of available artificial intelligence tools.

The aim of this initiative is to raise staff awareness of the potential and opportunities offered by AI technology, promoting greater understanding and competence in the use of such tools.

NON-EMPLOYEE WORKERS

For the performance of specific professional activities of a non-continuous nature, in 2023 the TPS Grupo used 93 non-employee workers, of whom 2 were hired with a management contract, 66 with VAT consultancy contracts and 12 with coordinated and continuous collaboration contracts, in addition to 8 young people with curricular traineeships and 5 with extracurricular traineeships, subsequently integrated into the company's workforce.

OCCUPATIONAL HEALTH AND SAFETY

For TPS Group, safety has always been a very important issue, which becomes even more relevant in the light of the Group's changed perimeter resulting from the acquisition of HB Technology's Faggiano production facility.

Thanks to the continuous collaboration with the company doctors, the H&S Officer (RSPP) and the Workers' H&S Representative (RLS), TPS Group is committed to prevent and minimise health and safety risks in the workplace.

From 2021 to 2023, there were no cases of work-related illnesses.

As far as non-commuting accidents are concerned, in 2021, 2022, and 2023 no accidents occurred.

ACCIDENTS AT WORK



As required by the regulations, upon commencing employment, newly recruited staff receive information on health and safety in the workplace and undergo training consistent with the risks associated with their job.

tion, in order to maintain a high level of attention on these highly relevant issues, all staff members take a refresher course every five years.

In order to concretely protect the health and safety of its staff who frequently use cars for work purposes, also in 2023, TPS Group organised a "Safe Driving" course for a pool of workers and intends to repeat the initiative in 2024.



GOVERNANCE | 03

GOVERNING BODIES

The governance adopted by TPS, according to the traditional organisational model, provides in particular for the following corporate bodies:

- Shareholders' meeting - matters provided for by law and by the Articles of Association;
- Board of Directors - management of the Company;
- Board of Statutory Auditors - supervision;
- Supervisory body (Model 231)

Board of Directors	
Alessandro Rosso	Chairman of the Board of Directors and CEO
Massimiliano Anguillesi	Board member with delegated powers
Luigi Gagliardi	Board member
Raffaella Pallavicini	Independent Board member
Stefano Pedrini	Independent Board member
Alessandro Scantamburlo	Board member
Renzo Torchiani	Board member

Board of Statutory Auditors	
Marco Curti	Chairman of the Board of Statutory Auditors
Stefania Barsalini	Regular Auditor
Alessandro Maruffi	Regular Auditor
Calogero Caternuolo	Alternate Auditor
Giovanna Conca	Alternate Auditor

Auditing Company: Audirevi S.p.A.

Supervisory Board (Organisational Model pursuant to Italian Legislative Decree no. 231/2001): Roberto Beltrami.

Data Protection Officer (DPO): Roberto Spreafico.

With regard to the composition of the Board of Directors, 14% of the members are female, in line with the two previous years.

This instead is the breakdown of the Board of Directors in terms of age:

- Under 50	28,5 %
- Between 50 and 59 years	42,0 %
- Over 60 years	28,5 %

IDENTIFICATION OF THE MEMBERS OF THE EXECUTIVE GOVERNING BODIES AND OPERATING RULES

The fundamental principles governing the selection of members of the executive governing bodies are **competence, integrity and responsibility**.

TPS Group provides for structured corporate governance, capable of effectively leading the company in the areas in which it is present, interpreting the scenario and adapting to the conditions in which the company operates and interacts, maintaining its development strategy and sustainability.

The Board of Directors (BoD) acts both through executive directors and through directors with powers of representation.

The position of Chief Executive Officer and Chairman of the Board of Directors is held by Alessandro Rosso, a manager with long and proven experience in the fields of industry and services for companies.

The BoD approves the financial statements, monitors the company's performance and ensures compliance with the legal principles and guidelines that the TPS Group has set for itself to conduct its business effectively.

The members of the highest governing bodies have been selected on the basis of criteria of integrity and professionalism and represent both the professional soul of the company, with particular reference to the business sector to which they belong, and the management components indispensable for organising the company's activities.

The BoD approves the Sustainability Report, which is published annually.

Potential critical issues in the various areas are reported to the BoD by the various individuals and bodies in charge of overseeing the most sensitive processes:

- Decree 231/01: the Supervisory Board sends an annual report to the Board of Directors and has the right to intervene even more frequently if it deems it necessary;
- Privacy: the DPO periodically monitors the company's work and prepares a report to the BoD on an annual basis.

The management of critical processes, such as operational management and Human Resources were delegated to Managing Director Massimiliano Anguillesi and Director Alessandro Scantamburlo, respectively, who also holds the appropriate power of attorney.

Any new projects and/or situations of particular relevance are brought to the attention of the BoD when they become concrete.

In managing any audits and assessments, the Company generally adopts an approach aimed at resolving any disputed issues through proactive and transparent discussions with the public administration and, therefore, through the use of so-called measures to avoid litigation.

There is currently no evaluation of the performance of the Board of Directors, and there is no remuneration committee. The only Committee that currently operates in the company is, in fact, the one that supervises the related parties and is composed of the two independent directors.

The ordinary management of company activities is monitored within the framework of periodic Management meetings. It is led by the Chief Executive Officer and attended by those responsible for key business activities (Operations, Administration and Finance, Human Resources, Information Technologies) and holds monthly meetings on Operations progress. During these meetings, the main issues concerning the company are discussed, including the corporate guidelines and the most relevant indications for their implementation.

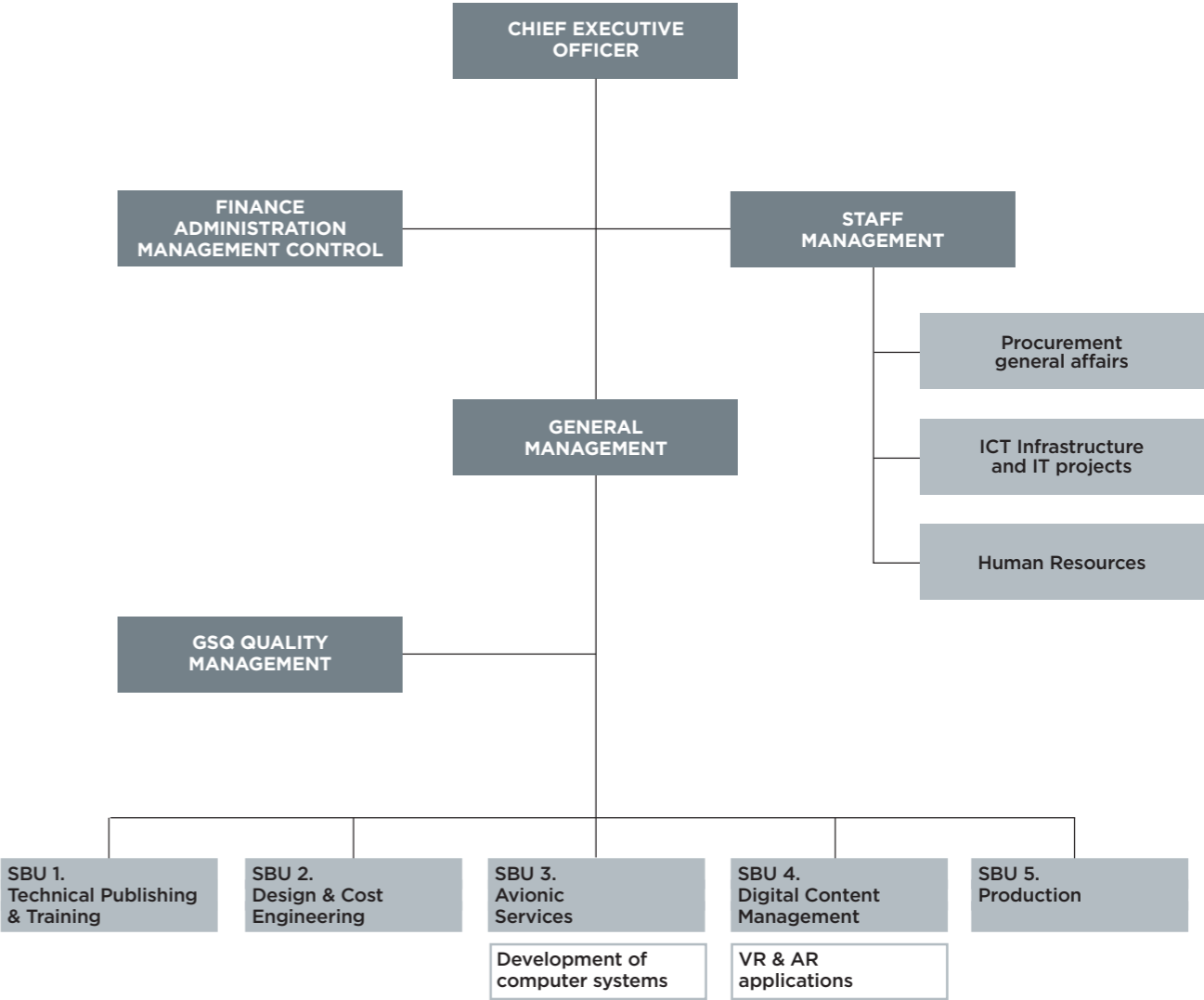
The Board of Directors is informed annually, on the occasion of the approval of the Sustainability Report, about the company's initiatives and achievements in the field of sustainable development

The Sustainability Committee was established in 2022. It operates within the company, ensuring the implementation of the policies outlined by the Board of Directors. Its work is coordinated by a member of the Board of Directors.

TPS is currently associated with Confapi (the Italian Confederation of Small and Medium Private Industry) but does not play any active role in the association.

TPS GROUP ORGANISATION

Below is a functional representation of the TPS Group at 31 December 2023.



An aerial photograph of a lush, dense green forest. A winding river or stream flows through the center of the forest, creating a natural path. Mist or low clouds are visible, partially obscuring the forest floor and adding a sense of depth and atmosphere. The overall color palette is dominated by various shades of green, with some white highlights from the mist.

SUSTAINABILITY
STRATEGY
AND POLICIES

04

TPS GROUP AND COMMITMENT TO SUSTAINABILITY

MISSION

Through clear and transparent procedures, the TPS Group aims to be a reliable partner for its customers and employees.

The mission of TPS Group is to support the growth and economic and technological development of its customers, through technological innovation and by exploiting the significant professional skills in the organisation. In fact, it is thanks to the important professional skills of the staff that the Group's services stand out.

TPS Group has a wide and varied panel of skills and experience in the fields of Technical Publishing, Engineering & Consulting, Certification, Design & Production, Development of Avionic Services, Digital Content Management and Training, as well as an increasing reputation in the reference industrial sectors.

The objective of the Group is the growth and the strategic lines of the company therefore remain geared to enhancing the value chain of the technical services offered to the market. This shall be achieved through an organic growth, continuous strategic investments in digital technologies and innovation and by implementing a strategy of external growth, with the acquisition of strategic shareholdings.

TPS'S COMMITMENT TO SUSTAINABLE DEVELOPMENT AND THE IMPLEMENTATION OF THE 2030 AGENDA

The 2030 Agenda for Sustainable Development is an action program for people, the planet and prosperity signed in September 2015 by the governments of the 193 member countries of the United Nations.

An integral part of the 2030 Agenda are the SDGs (**Sustainable Development Goals - SDGs / Sustainable Development Goals**). The SDGs are a tool for companies to identify business objectives that can contribute to achieving the goals set by the 2030 Agenda. The use of the SDGs tool allows companies to assert and highlight their commitment to contribute to the achievement of the global objectives set by the 2030 Agenda.



In line with Agenda 2030, it is important for the TPS Group to ensure the economic, social and environmental sustainability of its business and to pursue its goals by valuing the people, community and territory in which it operates.

The Sustainable Development Goals are important goals that can change the world and are guidelines for its approach to sustainability.

With the aim of promoting the integration of sustainability in all areas of the business, TPS Group has outlined a specific programme of initiatives.

In this regard, the Group has identified the indicators it has considered consistent with its business model and strategic objectives, confirming the choices already made in previous years.

The Group's mission is to provide technologically advanced technical and design services in different industrial areas, in order to support customers in their development projects. In this context, TPS Group is present in the design chain of air and land transport systems with low environmental impact and high efficiency (electrically powered vehicles, new innovative technologies for air transport, adoption of lower specific weight materials that allow the reduction of energy consumption).

Similarly, the activity of designing mechanical transmissions for agricultural vehicles must be highlighted, where, also thanks to proprietary patents, TPS is able to design automatic gearboxes with a higher level of performance (and therefore of reduction in consumption) than traditional technologies.

Finally, the line of business that sees TPS design and produce systems for medical air transport must be recalled, an activity that allows operators a more effective management of the patient on board. This includes the design, certification and production of innovative systems for the loading of an incubator on board a flight and developments for biocontainment systems, extending the applicability of certification to other aircraft models.

2024 BUSINESS OBJECTIVES

	Technological innovation	Ethical management of the business	Equal opportunities	Support for youth employment	Development and training of corporate human resources	Corporate social initiatives	Management of occupational health and Safety	Social projects for the territory	Digitization of business processes	Energy efficiency	The "plastic free" project
3 GOOD HEALTH AND WELL-BEING						⚙️	⚙️				
4 QUALITY EDUCATION				⚙️	⚙️	⚙️					
5 GENDER EQUALITY		⚙️	⚙️			⚙️					
7 AFFORDABLE AND CLEAN ENERGY										⚙️	
8 DECENT WORK AND ECONOMIC GROWTH	⚙️	⚙️	⚙️	⚙️	⚙️	⚙️	⚙️		⚙️	⚙️	
9 INDUSTRY INNOVATION AND INFRASTRUCTURE	⚙️									⚙️	
10 REDUCED INEQUALITIES		⚙️									
11 SUSTAINABLE CITIES AND COMMUNITIES								⚙️	⚙️	⚙️	⚙️
12 RESPONSIBLE CONSUMPTION AND PRODUCTION									⚙️	⚙️	⚙️

RESPONSIBLE BUSINESS MANAGEMENT

THE CODE OF ETHICS

In order to prevent unlawful conduct and to outline the implementation of ethical, responsible and transparent conduct, the TPS Group has since 2019 adopted a corporate Code of Ethics, the contents of which still reflect the values by which the Group is inspired. The Code of Ethics was revised and approved by the company's Board of Directors on 26 March 2024 in order to incorporate the recent developments in the legislation on whistleblowing.

All employees of the Group and those who cooperate in the exercise of its activities are required to fully comply with the corporate rules and precepts set out in the Code, as an indispensable element for a successful and fruitful professional relationship.

This document defines the ethical responsibility of the whole personnel and the set of values by which the Group is inspired to achieve its objectives, the observance of which is essential for the proper functioning, re- liability, reputation and corporate image of the company, and whose principles constitute the foundations for the current and future success and development of the activities managed by the companies belonging to the TPS Group.

TPS Group recognises the importance of ethical and social responsibility in conducting business and company activities and is committed to respecting the legitimate interests of its Stakeholders and the community in which it operates.

ORGANISATION, MANAGEMENT AND CONTROL MODEL - PURSUANT TO ITALIAN LEGISLATIVE DECREE 231/01

Together with the Code of Ethics, since 2019 TPS has adopted an Organisation, Management and Control Model drafted pursuant to Legislative Decree 231/01 and subsequent amendments and additions. This model was recently revised and updated, incorporating all recent legislative measures, and was approved by the company's Board of Directors on 26 March 2024.

Prior to revising the Model, a Risk Assessment was carried out, which, by mapping and analytically assessing all individual company processes, highlighted the necessary adjustments to make the Model fully consistent with the company situation and the regulatory context.

Model 231 is a document setting out the company's procedures, which are useful for ensuring the prevention of the commission of offences for which the company could be held liable, and is periodically updated to ensure that it is always in line with company procedures and regulatory developments. In this context, a Supervisory Board (SB) was appointed to verify the actual efficiency of the Organisation, Management and Control Model and that it is effectively applied.

This document has among other things the effect of raising awareness among Stakeholders (employees, suppliers, customers, etc.) regarding the responsibility borne by each subject in case of violation of the relevant legal regulations pursuant to the aforementioned Decree.

This responsibility, which is of an administrative nature, and which invests the company, is essentially criminal in nature and adds to the personal responsibility of the offender, entailing the application of sanctions (pecuniary and disqualifying) to the company, as an autonomous legal entity. In this context, TPS Group reiterates, as a fundamental principle of its work, compliance with the law, for which it rejects and stigmatizes any conduct that may violate the regulations summarized in Decree 231/01.

With the adoption of the Organisation Model, the company has, among other things, once again reiterated to all its Stakeholders, also through useful information tools to understand the context and conform to it their behaviour, which are not condoned and tolerated behaviours in violation of the law.

Particular attention has been paid to the description of the conduct that, mostly in dealings with the State, Public Bodies and the European Union, could constitute the offence of corruption, clearly detailing the areas of risk, sensitive processes and the persons involved, and unequivocally clarifying the absolute prohibition for the latter to engage in any conduct in breach of these provisions.

The Model is monitored thanks to the contribution of the Supervisory Board, which has the task of stimulating the organisation to keep it constantly updated on the basis of any regulatory developments.

Since 2019, when the Organisation Model was activated and, in particular, also in the 2023 financial year as well as in the two previous years, no episodes of active or passive corruption involving TPS directors or employees have been ascertained.

In order to ensure maximum awareness by company employees of the presence, usefulness and use of the Organisational Model, a basic training session was held in 2022 for all workers in force at the time, and the same session was then held for all workers subsequently hired. This event was held online and was conducted by an external company specialising in this field.

IL WHISTLEBLOWING

Since the first application of the Organisational Model, the TPS Group had put in place a specific procedure aimed at protecting employees wishing to report wrongdoing (whistleblower), as prescribed in Article 2-bis of Law No. 179 of 2017, which had amended Article 6 of Legislative Decree No. 231/2001, extending its effectiveness to the private sector.

In the meantime, in 2019, the EU approved what is more commonly known as the European directive on whistleblowers, or "directive 2019/1937 on the protection of persons who report breaches of Union law".

The aim of the directive is to create a minimum standard to protect the rights of whistleblowers in all member states.

The new directive, which has recently entered into force in Italy, following Lgs. Decree no. 24 of 10/03/2023, which transposes and implements EU law, covering those who report breaches in different areas in which corporate activities are performed:

- Public tenders
- Services, products and financial markets and prevention of money laundering, financing terrorism and the financial interests of the EU
- Product safety and conformity
- Transport safety
- Environmental protection
- Protection against radiation and nuclear safety
- Safety of food and animal feeds, health and well-being of animals
- Public health
- Consumer protection
- Protection of privacy and personal data, safety of networks and IT systems
- Sectors pertaining to the EU domestic market, including breaches of regulations on state aid, competition laws and corporate tax.

The directive 2019/1937 requires not only the protection of employees who become whistleblowers, but also freelance workers, contractors, interns, volunteers, non-executive directors and shareholders.

Moreover, it includes future employees who may become aware of information that indicates unlawful behaviour as part of their hiring process.

Even colleagues who help a whistleblower and the family of same must be protected against any retaliation.

This protection is extended to those who report breaches which at the period they felt to be real even if it later emerges not to be the case.

One of the key elements of the directive is the creation of reporting channels with certain features that whistleblowers can use if they identify breaches of the law.

For this purpose, the TPS Group has set up the channel that Article 4 of Legislative Decree No. 24 of 10 March 2023 identifies as the “internal” reporting channel, which consists of making available a platform, external to the company’s information systems, which has the function of collecting the report and forwarding it to the person in charge of receiving and managing such matters.

The platform allows whistleblowers, where they consider it appropriate, to maintain their anonymity but in any case, to establish a communications channel, using a unique number assigned to the report and which will allow the manager of the report to dialogue with the whistleblower and to update them on the progress and outcome of their report.

The entity that TPS has appointed to handle any reports is the Supervisory Body (SB) pursuant to Legislative Decree 231/01, namely Roberto Beltrami, a professional external to the company with the appropriate skills, who performs this role with reference both to offences relevant to Legislative Decree 231/01 and those identified by the European Directive on Whistleblowing.

The reporting platform can be reached at <https://tps-group.integrity.complylog.com/> As required by the above-mentioned regulations, the TPS Group companies that set up this procedure during 2023 are

- TPS S.p.A.
- E.M.T.B. S.r.l.
- HB Technology S.r.l.
- Satiz Technical Publishing & Multimedia S.r.l.

As mentioned above, since the first set up of the Organisational Model and the related whistleblowing procedures and until the end of 2023, no reports of wrongdoing have been received.

BUSINESS CONTINUITY AND CYBERSECURITY

Since 2022, TPS Group has set up a **Business Continuity Plan** to safeguard the continuity of its fundamental processes. This initiative aims to provide the company with a tool in line with its growing role in consumerism and customer support.

Due to their implications for customers, some of the services provided by TPS Group must be classified as “critical”, as a possible lack of the necessary conditions for their provision (in relation to human resources, IT equipment, TLC services) could cause potential serious repercussions on the operation of the customers themselves.

The document is divided into a **Business Continuity Plan (BCP)** and a **Disaster Recovery Management Plan (DRP)**, in order to have procedures in place to manage and overcome any emergency conditions that might impede the normal delivery of services.

The BCP is therefore the organisational, procedural and governance document of Disaster Recovery situations. The document will be periodically verified with the aim of maintaining its validity and effectiveness over time, also in relation to potential internal organisational changes or the entry of new members into the TPS Group. The events of 2023 did not change the fundamentals of this document, which is therefore confirmed without any changes.

While the BCP lays down precise instructions that enable the governance of disaster situations by defining the reference structure, responsibilities and time sequence of recovery, the **BCP Operational Plan** provides the timing and responsibilities for the activation of technical recovery plans for the various services, which are specifically documented in the DRP.

Particular attention is paid to the issue of Cybersecurity, which has resulted in the overall review of the company’s IT system and global interconnection of all the group’s offices. This infrastructure has enabled better protection against possible cyberattacks, and the protection structure is monitored daily by the Information & Communication Technology staff.

CODE OF CONDUCT TO BE ADOPTED IN THE FIGHT AGAINST SEXUAL HARASSMENT

For TPS Group, it is essential to guarantee all workers a safe, peaceful working environment based on equality, mutual fairness and respect for personal freedom and dignity. The companies TPS S.p.A. and Satiz Tecnichal Publishing & Multimedia S.r.l., also in 2023 joined the European Framework Agreement on harassment and violence in the workplace, drawing up their own Code of Conduct for the management and suppression of possible transgressions. Via the company’s People portal, all employees received the Code of Conduct and appropriate information material.

Furthermore, a trusted Board Member has been appointed for each company to provide support, advice and assistance to personnel who request their intervention for the informal treatment of cases of violation of the Agreement.

In 2024, the intention is to extend this initiative to the other Group companies.

In 2023, T.P.S. S.p.A. started an analysis for the achievement of certification on gender equality pursuant to UNI/PdR 125:2022. In particular, the requirements of the standard and the technical-procedural aspects to be resolved before tackling the certification phase were analysed, but the complexity of the subject, together with the evolution of the corporate context, did not allow the analysis to be completed. In 2024, the company will complete this journey and decide whether to proceed with the achievement.

RULES COMPLIANCE - COMPLIANCE

NON-COMPLIANCE WITH LAWS AND REGULATIONS IN THE SOCIAL, ECONOMIC, AND ENVIRONMENTAL AREAS

At the date of this document, there were no cases of violations of laws and/or regulations relating to social, economic, fiscal and environmental provisions.

EINCIDENTS OF NON-COMPLIANCE CONCERNING HEALTH AND SAFETY IMPACTS OF PRODUCTS AND SERVICES

The service, design and production activities (with specific reference, in the last case, to what was developed thanks to the possession of the POA Certification and the activities of the subsidiary Air Support International S.r.l. for the previous two-year period, and to the new SBU Production perimeter for 2023) did not produce any non-compliance with current regulations.

DATA AND INFORMATION SECURITY

TPS carries out its activities in full compliance with data security and privacy regulations (European Regulation No. 2016/679 “GDPR” as re-enacted in Italian Legislative Decree No. 101/2018).

The way in which data is processed is summarised in the company’s processing register, to which the organisation complies in its day-to-day management.

Although this is not a legal obligation for a company of TPS’s characteristics, the company has appointed a DPO (Data Protection Officer) in the person of Roberto Spreafico, a lawyer. This decision pursues the company’s objectives of maximum transparency and rigorous management of all stakeholder issues.

As last year, during the year 2023, TPS did not record any complaints regarding the violation of the privacy of the stakeholders surveyed (employees, contractors, customers, suppliers), nor was there any data breach detected that could potentially compromise the security of the data collected by the company.

MANAGEMENT SYSTEMS AND CERTIFICATIONS

ISO 9001:2015 MANAGEMENT SYSTEM / QUALITY

This certificate attests that the activities carried out by the company meet the requirements of ISO 9001, i.e. that the services and products placed on the market correspond to certain specifications and that all steps in their realisation are tracked and verifiable.
The ISO 9001 certified management system is adopted by the following Group companies:

- TPS S.p.A.
- HB Technology S.r.l.
- SATIZ Technical Publishing & Multimedia S.r.l.
- E.M.T.B. S.r.l.
- S.Te.L. S.r.l.
- Omniaproject Engineering S.r.l.

In 2023, the companies underwent their annual surveillance or recertification visits by certification bodies; all audits were successfully concluded.

The validity of Omniaproject Engineering’s certificate ended on 8 March 2024; on 19 February 2024, the surveillance audit took place, which resulted in a positive outcome, so the certificate will be renewed for a further year.

EN 9100:2018 CERTIFICATION

This certification is applicable to organisations producing parts and components for the aerospace sector, operating in aerospace maintenance and marketing products and/or services for the aerospace sector. It also certifies the possession of specific requirements regarding the management of operational risk, product safety, critical details, configuration management, delivery performance, counterfeit parts and supplier management.

In 2023, TPS S.p.A. underwent the recertification process, which was successfully completed, as well as HB Technology successfully passed the second surveillance visit.

DOA (DESIGN ORGANISATION APPROVAL) CERTIFICATION

Part 21, Section A, Subpart J

The certification is issued by EASA (European Aviation Safety Agency). The certificate authorises, within the limits of the required approval, the design and certification of complete aircraft, aircraft modifications, parts and equipment. The certificate is valid indefinitely after annual verification of compliance with the procedures. The last audit was carried out by EASA in April 2023.

The certification was granted to TPS S.p.A.

POA CERTIFICATION (PRODUCTION ORGANIZATION APPROVAL)

Part 21, Section A, Subpart G

This certification is issued by ENAC (National Civil Aviation Authority), based on standards issued by EASA. The certificate authorises, within the limits of the required approval, the production of complete aircraft, aircraft modifications, parts and equipment. The certificate is valid indefinitely after annual verification of compliance with the procedures. The last audit was carried out by ENAC in April 2023.

The certification was granted to TPS S.p.A.

MAINTENANCE COMPANY APPROVAL CERTIFICATION

Section A of Annex II (Part 145) of EU Regulation no. 1321/2014

This certification is issued by ENAC (National Civil Aviation Authority), based on standards issued by EASA. The certificate authorises, within the limits of the required approval, the maintenance of products, parts and appliances listed in the Specification of Authorisations annexed to the Certificate, the issuance of relevant certificates of release to service as well as the issuance of recommendations and airworthiness review certificates. The certificate is valid indefinitely after annual verification of compliance with the procedures. The last audit was carried out by ENAC in December 2023, while the next one is scheduled for 2024.

The certification was granted to Air Support International S.r.l.

CONTINUING AIRWORTHINESS MANAGEMENT CERTIFICATION (CAMO)

Annex Vc (Part CAMO) of EU Regulation no. 1321/2014

This certification is issued by ENAC based on standards issued by EASA. The certificate entitles the company to manage the continuing airworthiness of the aircraft specified in the Airworthiness Specification annexed to the Certificate as well as, when authorised therein, to issue recommendations or Airworthiness Review Certificates. The certificate is valid indefinitely after annual verification of compliance with the procedures. The last audit was carried out by ENAC in December 2023.

The certification was granted to Air Support International S.r.l.

MAINTENANCE TRAINING AND EXAMINATION ORGANISATION APPROVAL CERTIFICATE

- REGULATION (EU) N. 1321/2014 SECTION A OF ANNEX IV (PART 147)

This certification is issued by the Federal Office of Civil Aviation (FOCA) of the Swiss Confederation based on standards issued by EASA. The certificate authorises the company to run maintenance training activities in the aviation industry and to conduct the examinations listed in the certificate of approval, issuing appropriate certificates to the students. The certificate is valid indefinitely after annual verification of compliance with the procedures. The last audit was conducted by FOCA in October 2023.

The certification was granted to Aviotrace Swiss SA.

IT CERTIFICATIONS

TISAX - stands for *Trusted Information Security Assessment Exchange*. This standard that aims to support the inter-company recognition of information security assessments in the automotive sector. By choosing to adhere to and certify with TISAX, companies enable their industry customers to verify for themselves whether a service provider or supplier complies with the necessary security standards in the processing and exchange of technical information that is frequently covered by secrecy or confidentiality constraints.

The verification audit by the issuing body took place on 20.09.2021.

UNI CEI EN ISO/IEC 27001:2017 - The ISO27001 standard establishes the requirements for the Information Security Management System, and is designed to certify organisations that process information. It is based on principles, objectives, policies and assessment of risks that can have a negative impact on business. The implementation of the ISO27001 standard improves the overall security of company information and is a valuable tool to ensure Stakeholders that the company treats and manages all information, whether personal or related to the business, in an appropriate way.

The certification was granted on 30.06.2021 and the last periodic audit required by the relevant regulations was carried out in June 2023.



STAKEHOLDER INVOLVEMENT | 05

RELATIONSHIPS WITH STAKEHOLDERS

It is important for the TPS Group to ensure transparency and clarity for all its stakeholders.

The Group also pays great attention to maintaining a correct relationship with its stakeholders, taking care of their information needs and considering their requirements in order to achieve the best possible business result.

All periodic communications for shareholders, customers and suppliers are conveyed through the corporate website.

In addition to the communications addressed to stakeholders in general, employees are given a clear explanation of the objectives of the financial year and, following the publication of the annual and half-yearly financial statements, are provided with additional information and explanations, with the specific aim of ensuring a high level of involvement and participation in the life of the company. For this purpose, the TPS Group not only has a web-capable corporate intranet, but has also developed a specific APP for mobile phones, as this communication channel is considered easier and more immediate for its personnel.

Thanks to the corporate intranet "People" and its APP, all information of interest to employees is immediate and more user-friendly.

Below are the identified Stakeholders:

SHAREHOLDERS

The TPS Group attaches great importance to its relationship with its shareholders, which is not only embodied in the shareholders' meeting but also in the periodic participation in meetings and presentations in order to provide reports on business performance, which are then made public on the institutional website www.tps-group.it.

CLIENTS

Thanks to the technical skills present in the company, TPS Group assists its customers in the ordinary and extraordinary management of production activities and their evolution, both organisational and technological. This is thanks to a pro-active approach that not only meets emerging needs, but is able to assure an active and competent contribution to problem solving.

EMPLOYEES AND COLLABORATORS

While respecting the necessary sobriety required in the workplace, TPS Group holds in high regard the "quality of relationships" and the establishment of a serene and engaging professional environment, such as to stimulate employees and collaborators to provide an ever greater participatory contribution to the economic, but also social, development of the Company.

SUPPLIERS

The TPS Group attaches great importance to its relationship with its suppliers, with whom it aims to establish a partnership rather than a pure and simple relationship between economic subjects.

In this regard, in order to make communications with the company clearer and more immediate, TPS set up a web portal dedicated to Suppliers in 2022. This tool, which also in 2023 has been further refined with respect to its previous performance and improved with new functions also oriented to the internal management of the supply flow, not only enables the exchange of documents related to the specific supply, but also conveys information on business life and useful news for the optimal management of the business relationship, thus accompanying the growth of both parties.

INSTITUTIONS AND PUBLIC ADMINISTRATION

The TPS Group's relationship with national and local institutions is based on the utmost clarity and correctness of the information disseminated, as well as on the utmost willingness to cooperate with these parties whenever appropriate or necessary.



MATERIALITY
ANALYSIS | 06

In line with GRI 3, TPS Group has identified its material topics.

The material issues, as defined by the GRI Standards, are those aspects that reflect the significant economic, environmental and social impacts of a company and/or substantially influence the assessments and decisions of Stakeholders. Sustainability Report content, according to the GRI Standards approach, focuses on material topics.

In 2020, when preparing its first Sustainability Report, the Group carried out a materiality analysis on the most relevant issues, taking into account the company's situation and the context in which it operated.

Although the last materiality analysis was therefore relatively recent, in 2023 the TPS Group decided to conduct a materiality analysis again.

A useful initiative for continuous improvement and to cultivate an even closer and more transparent relationship with its stakeholders.

The process of analysing the material topics developed as follows:

- Analysis of all activities carried out by the Group;
- Analysis of the social and environmental impacts of the TPS Group;
- A benchmarking analysis of the material issues of the market in which the Group operates;
- Involvement of internal stakeholders and a sample of external stakeholders by means of two separate surveys on sustainability and the material topics considered most relevant to stakeholders, in order to intercept the topics and areas of greatest interest for business development and define the contents of the Sustainability Report;
- Evaluation of the material issues detected and approval by management.

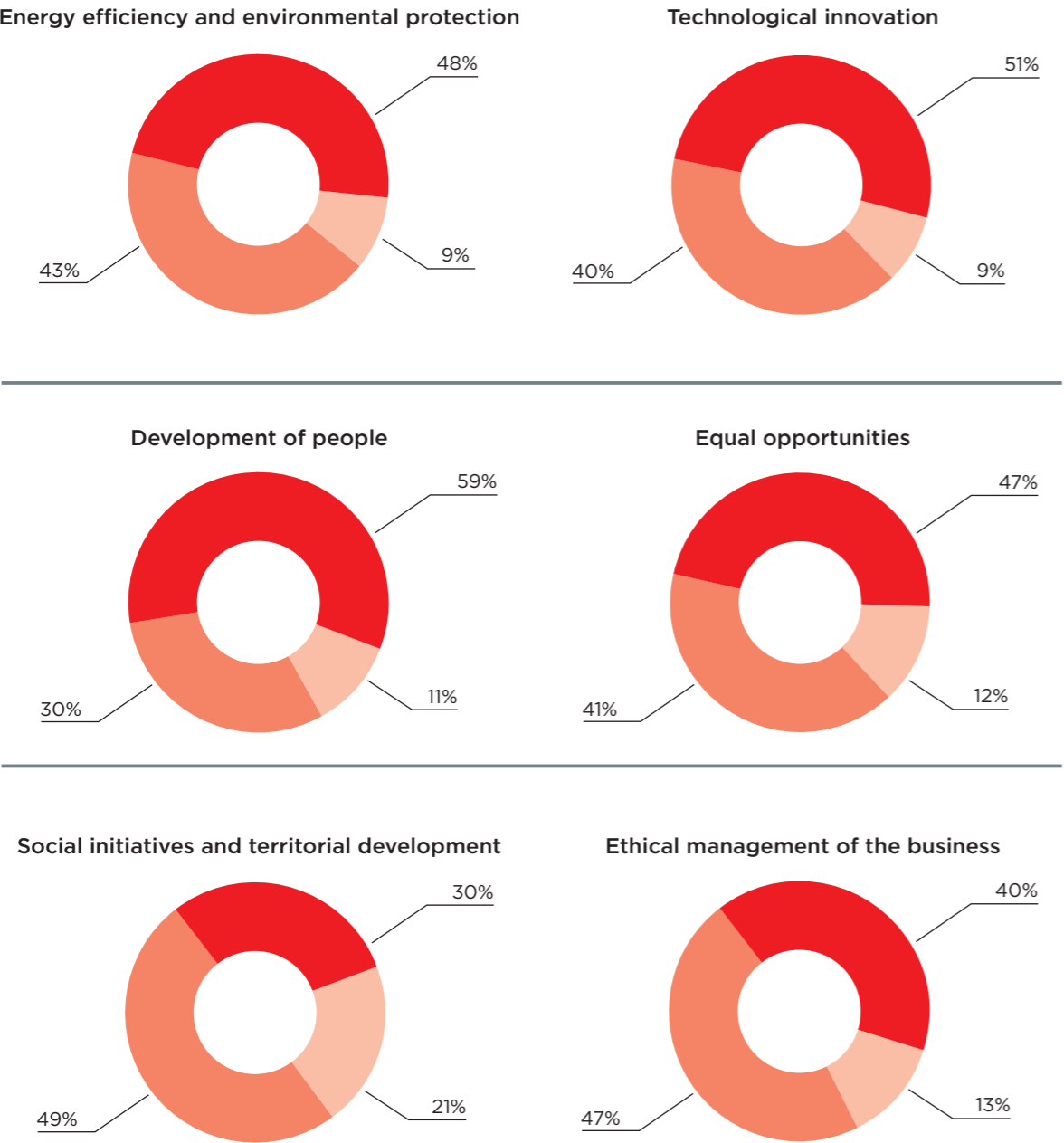
The survey carried out confirmed the material themes previously identified, highlighting a particular focus of stakeholders on human capital aspects.

As a corporate group offering technical services to corporate customers, both TPS and the stakeholders described above give priority to people, their involvement and development, with a special focus on equal opportunities.

Regarding the other relevant aspects that emerged from the survey, although the organisation does not conduct any environmentally impactful activities, environmental sustainability ranks high in priority. Climate change issues are inevitably of great value to the TPS Group and its stakeholders, so TPS Group intends to make an effective contribution to global welfare even in a specific context that is quantitatively insignificant compared to the complexity of the problem.

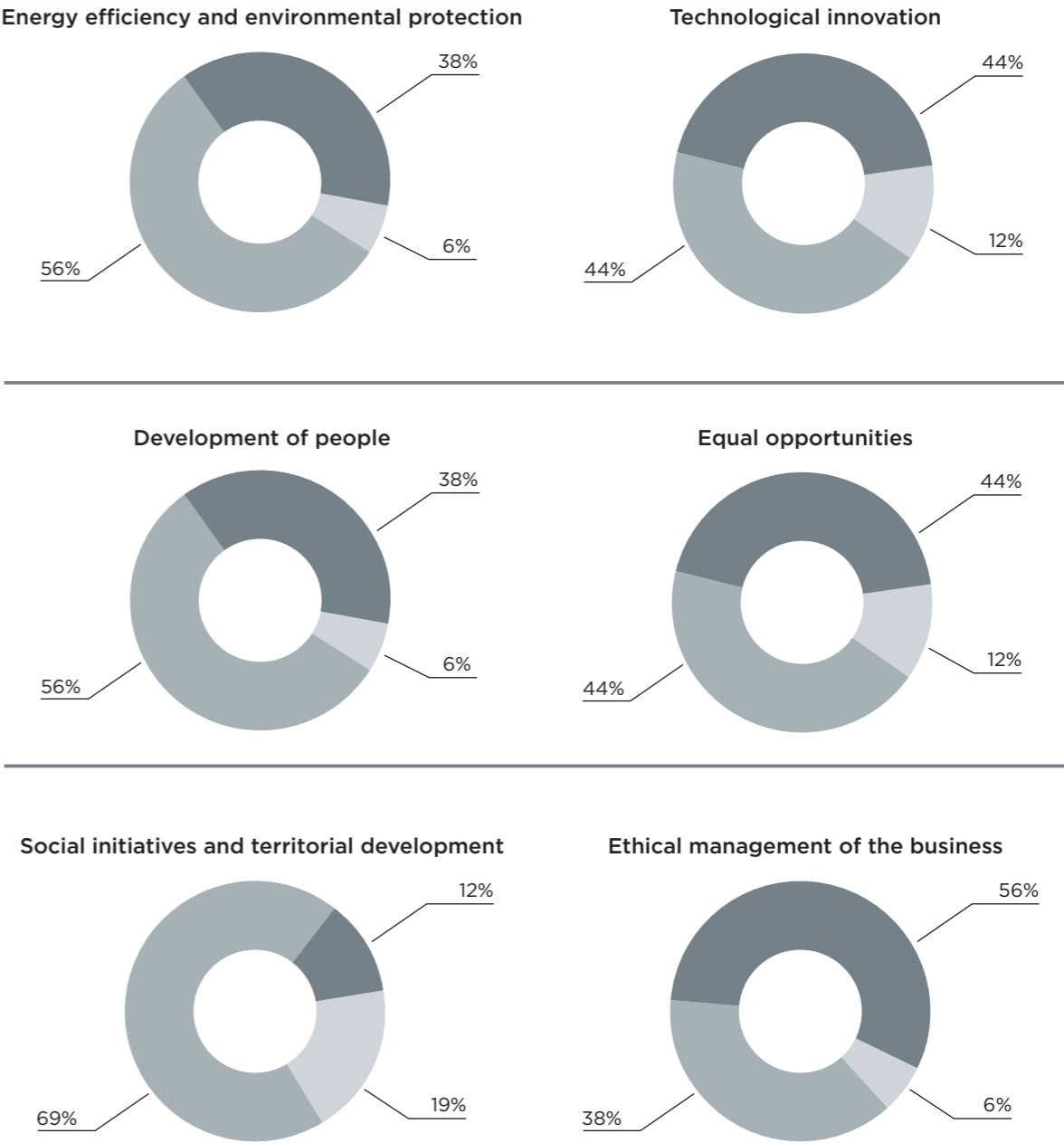
Another topic of high relevance is innovation, which is considered fundamental to ensure the progress of the organisation and, consequently, the human and professional growth of employees and collaborators.

The results of the employee survey are summarised below, from which it can be seen that for all six topics already considered relevant by the company, employee support was at a very high level, around and even above 90% of the sample on five of the six topics.



NOT VERY RELEVANT QUITE RELEVANT VERY RELEVANT

A similar survey was also carried out on another important stakeholder category, namely suppliers. Again, the results of the survey confirmed that the material topics that have always been important to the Group are also important to the suppliers.



NOT VERY RELEVANT QUITE RELEVANT VERY RELEVANT

Therefore, the six relevant material themes were confirmed, which in turn can be traced back to three macro-areas: Environmental, Social and Governance. All topics are discussed in detail in the various sections of the document.

Below is the table on material topics and their brief description:

Material topic	Impacts		“GRI Topic Standards”
	Summary	Characteristics	
E Environmental			
1	Energy efficiency environmental protection	Energy consumed within the organisation	The TPS Group is committed to reducing energy consumption and invests in renewable energy sources
			302-1
S Social			
2	Development of people	TPS Group is an organization of capable of working together to achieve both individual and collective growth. Respect for people and their diversity in all its forms is one of the fundamental corporate values. The TPS Group is committed to ensuring respect for the human rights and well-being of its employees through policies aimed at promoting a healthy work environment, gender equality and non-discrimination, as well as supporting the professional growth of its employees.	TPS Group intends to strengthen its organic by attracting new talent to the company.
			401-1
		TPS is committed to training its staff	404-1
3	Equal opportunities	Within the Code of Ethics, the desire of the TPS Group to avoid any gender discrimination in all company activities and at every functional level is clearly expressed, as well as in the selection of candidates.	Ensuring gender equality in recruitment and during all company activities
			405-1
4	Social initiatives and development territory	Initiatives for the well-being of its personnel and the territory	Welfare initiatives, collaboration with local suppliers
			201-1
			204-1
5	Technological innovation	TPS is committed to innovative projects	Development of new applications and technological platforms
			Indicator covered by GRI2
G Governance			
6	Ethical management of business	TPS Group recognises the importance of ethical and social responsibility in conducting business and company activities and is committed to respecting the legitimate interests of its Stakeholders and the community in which it operates.	The implementation of an ethical, responsible and transparent conduct is expressed through the application of the Company Code of Ethics
			2-27
			205-3
			416-2
			418-1

Finally, we summarise the objectives that TPS Group sets for the near future on its material topics, with reference to the SDGs / Sustainable Development Goals indicators included in the UN Agenda 2030.

Material topic	Goals of the Sustainable Plan		SDGs Sustainable Development Goals		
	Description	Time horizon	#	Target (abstract)	
E Ambientale					
Energy efficiency environmental protection	Further increase in the share of renewable electricity purchased by the company	one year	7		
	Installation and progressive implementation of the photovoltaic system of San Benedetto del Tronto	two years	7		
	Establishment of a fleet of electric bicycles for employee use	two years	11		
S Social					
Development of people	Increase the company workforce through the recruitment of young people	one year	8		
	Reduce turnover	one year	8		
Equal opportunities	Achieve certification on gender equality pursuant to UNI/PdR 125:2022	one year	8		
Social initiatives and development territory	Further develop welfare initiatives	one year	3		
Technological innovation	Further enhance the development of innovative solutions for the service supply chain to which the TPS Group belongs	one year	9		
G Governance					
Ethical management of business	“Maintain the absence of non-conformity in all ethical and social contexts”	one year	8		



ECONOMIC
SUSTAINABILITY

07

SUMMARY
ECONOMIC DATA

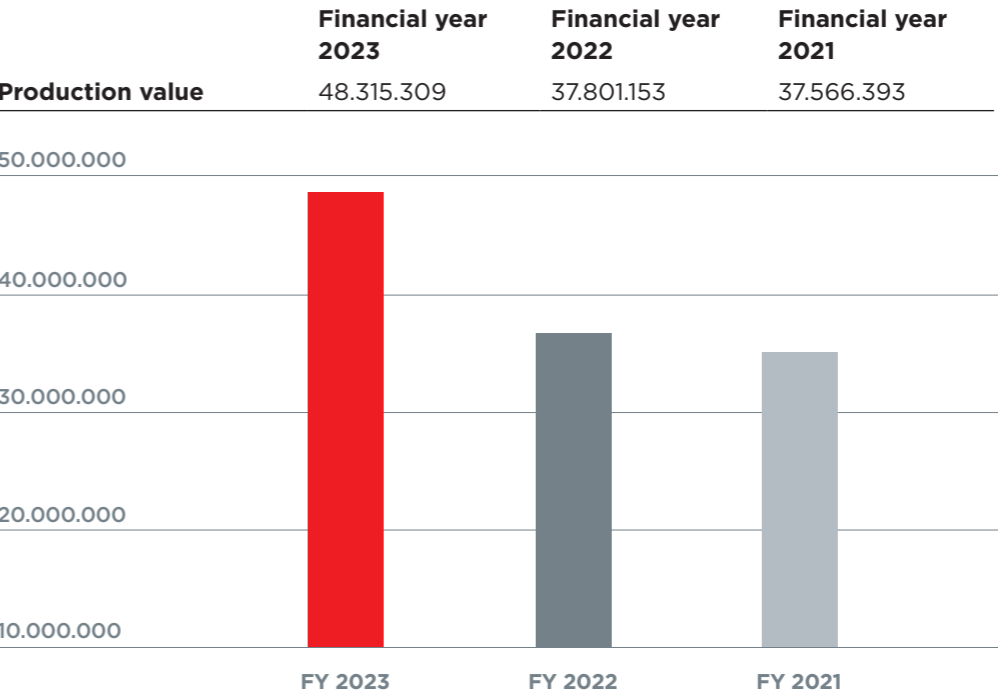
The TPS Group’s economic and financial results for the year 2023 are positive and allow further growth paths to be planned for 2024. The value generation of the production activity in the provision of technical and design services with high added value allows the TPS Group to continue to invest in the development of new, highly innovative technological solutions, in the training of employees and in the acquisition of strategic stakes in companies capable of bringing new skills to the value chain offered by the TPS Group to its customers.

This is a virtuous mechanism based on the rigorous management of all components of our business and from which all TPS Group Stakeholders benefit.

In particular, the investments made in recent periods and, in particular, in 2023, allow the TPS Group to define a different positioning in the reference sectors, both through the possibility of commercialising innovative technological projects in the aeronautical field and through the specific skills of the companies that have become part of the Group: in detail, the possibility of producing parts and components with additive manufacturing and traditional technology, the strengthening of engineering skills in the structural field, and the entry into electrical design.

With the same current perimeter, the 2024 budget sees organic growth on all SBUs and organisational consolidation on the Production SBU. The TPS Group also intends to continue its strategy of growth by external lines according to the three guidelines expressed in recent meetings with investors: (i) strengthening its presence in specific sectors, (ii) geographic diversification and (iii) entry into industrial areas where we are currently not present or only marginally present.

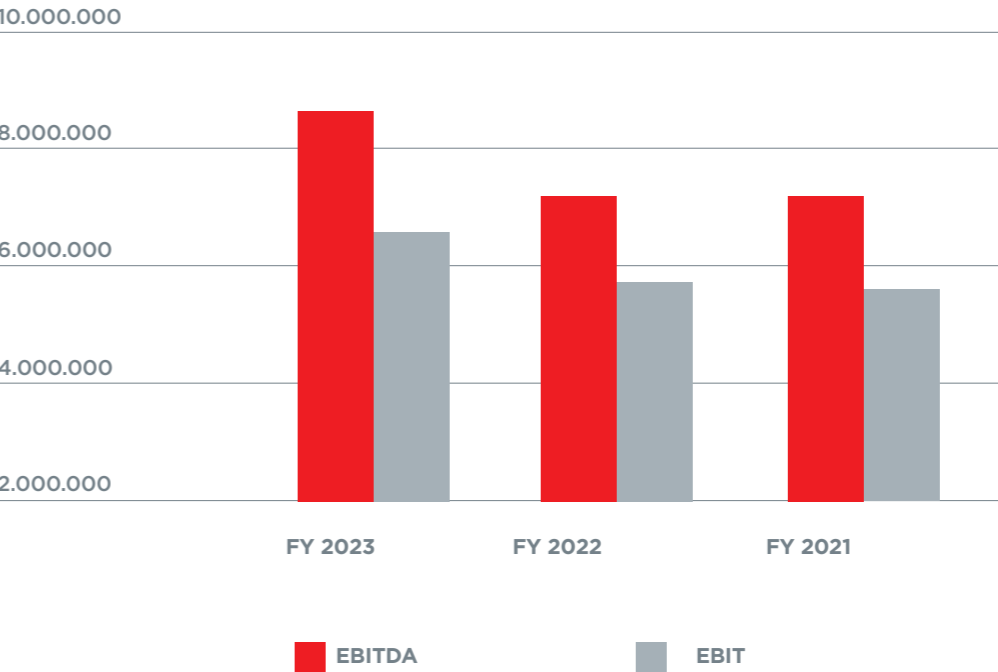
PRODUCTION VALUE



TRENDS IN THE MAIN INCOME INDICATORS

	Financial year 2023	Financial year 2022	Financial year 2021
Ebitda	8.670.345	7.632.889	7.631.235
Ebit	6.684.169	5.739.983	5.442.833

PROFITABILITY



VALUE GENERATED
AND DISTRIBUTED

Below is the reclassification of the 2023 consolidated financial statements in Social Reporting format, an instrument used to provide evidence of generated and distributed value.

As proof of what has been said so far on the subject of organisation and human resources management, the most important Stakeholders continue to be by far the employees, to whom 56% of the Economic Value Generated in 2023 is allocated. These are external suppliers (33% of the Economic Value Generated) and the Public Administration, to which 3% of the Economic Value Generated by TPS Group companies is allocated. Less significant was the remuneration of debt capital, which, as in the previous year, amounted to less than 1% of turnover.

INVESTMENTS
AND TECHNOLOGICAL
INNOVATION

For a number of years, the TPS Group has been investing economic and managerial resources in technological innovations, in order to make its services better and more performant than those of its competitors and, indirectly, to foster the development of technological services and infrastructures in its sectors.

The year 2023 saw some of the R&D projects started in previous years transformed into technical-commercial projects and, at the same time, allowed new technological collaborations to be initiated with the Bari Polytechnic and the Tor Vergata University of Rome, as well as with the aerospace districts of the Italian regions where the Group is present.

These are research and innovation projects that, as in previous years, aim to develop systems that enable our industrial processes to address certain technical issues, both our own and those of our main customers, in new ways.

Overall in 2023, the various companies of the TPS Group invested around **EUR 1,400 thousand** in innovation and development, reflecting a precise strategy aimed at Industry Innovation and creating the conditions for new *business* opportunities.

THOUSANDS OF EURO	Financial year 2023		Financial year 2022		Financial year 2021	
Economic value generated	48.315.309	100%	37.801.153	100%	37.566.393	100%
Economic value distributed	(44.761.384)	-93%	(34.065.645)	-90%	(34.000.909)	-91%
External Operating Costs including Amortisation	(15.868.086)	-33%	(10.452.822)	-28%	(11.080.963)	-29%
Staff Remuneration	(27.005.443)	-56%	(21.725.607)	-57%	(21.203.133)	-56%
Remuneration of Public Administration	(1.648.103)	-3%	(1.598.207)	-4%	(1.498.416)	-4%
Remuneration of credit capital	(239.752)	0%	(289.009)	-1%	(218.397)	-1%
Retained economic value	3.553.925	7%	3.735.508	10%	3.565.484	9%



TPS GROUP
AND THE TERRITORY

08

TPS GROUP AND THE TERRITORY

SOCIAL PROJECTS

The TPS Group has always been committed to making its expertise available to the region to foster its development in the broadest sense, through relations with schools, participation in initiatives and donations.

In fact, the TPS Group is sensitive to participating in non-profit social projects, as it considers it very important to support the people and territories in which it operates.

Supporting the Piedmont Cancer Research Foundation

Also in 2023, the TPS Group continued to support the IRCC, Institute for Cancer Research in Candiollo (Turin), the institutional "Foundation", both in the management of editorial content and by providing professional support in the execution of graphic work.

Support for the Association D.i.Re - DONNE IN RETE CONTRO LA VIOLENZA (Women on the Net against Violence)

On the occasion of the Christmas holidays in 2023, the TPS Group decided to make a contribution through a donation to the D.i.Re - DONNE IN RETE CONTRO LA VIOLENZA Association.

The D.i.Re Association consists of 87 organisations in Italy, which run 106 Anti-Violence Centres and more than 60 Shelter Houses and listen to about 21,000 women every year.

Despite decades of feminist battles, violence against women unfortunately continues to be an issue. TPS Group disapproves all forms of violence and has decided to support the D.i.Re Association, which supports women on a daily basis and promotes actions aimed at making the phenomenon of male violence against women visible.

As a sign of further sensitivity on this issue and with the aim of extending the necessary awareness on such an important topic to all company personnel, in 2024 the TPS Group will organise, in co-operation with the D.i.Re Association, a training session for Group employees and further awareness-raising initiatives on this topic.



SUPPLY CHAIN: TERRITORY AND RESPONSIBLE MANAGEMENT

SELECTION AND QUALIFICATION

The TPS Group selects and evaluates its suppliers according to the provisions of the ISO standards applied by the company, with great attention to the quality and service level of the supplies but without forgetting the necessary cost-effectiveness criteria. In this context, great importance is attached to loyalty in supply relationships, the driving force behind continuous improvement in the quality of services and products managed by the Group.



Total qualified suppliers in 2023

n. 307



of which certified in accordance with ISO9100 for the supply of aeronautical products (100% of suppliers employed) n. 70

Qualified suppliers consist of

- material suppliers 38.4%
- service providers 40.1%
- professional consultancy providers 21.5%

Given the same technical characteristics of the products and services developed, TPS gives priority to the partners that are most virtuous in terms of sustainability.

THE TERRITORY

The incidence of purchases of products and services from Italian and local suppliers is significant and is summarised below:



Incidence of purchases of products/ services from Italy

89%



Incidence of suppliers less than 100 km from the place of delivery of the supply

47%

ENVIRONMENTAL PROTECTION

09

TPS Group considers it essential to protect the environment and preserve the integrity of natural processes, which are threatened by the effects of industrialisation and other human activities.

Due to its specific professional activities, the Group is not an entity with a high environmental impact, as it did not manage, even in 2023, production sites and industrial entities in which there are discharges of wastewater and atmospheric emissions that are significant from an environmental point of view.

In any case, even if the activities it conducts have little impact on the ecosystem, for TPS Group respect for the environment remains among its main focal points.

Incidentally, even in 2023 the TPS Group, although expanded with the entry of new production facilities, received no reports of non-compliance with environmental laws and regulations.

USE OF RENEWABLE ENERGY

The TPS Group is committed to reducing energy consumption and invests in renewable energy sources. In 2023, in fact, the TPS Group operated all its company sites with electricity from 100% renewable sources, except for the sites in Florence, Biella and ASI Turin, as well as the sites of the companies acquired in 2023, where utilisation is only partial, according to a specific declaration by the operators. The combination of these situations leads to an overall utilisation of electricity from renewable sources of 91% of total company consumption, slightly down on the previous year due to the impact of the new companies, but still up from 78% in 2021. In light of the scenarios that are set for 2023, the company aims to further increase the share from renewable sources, even aiming for 100%.

In addition to purchasing energy from renewable sources, the TPS Group also intends to act directly in all locations where this is possible. In this regard, in 2023 it was finally possible to start the process of connecting the photovoltaic panel plant at the Gallarate company headquarters to the grid, while the project for a plant to be installed at the San Benedetto del Tronto headquarters is still being studied jointly with the building owner.

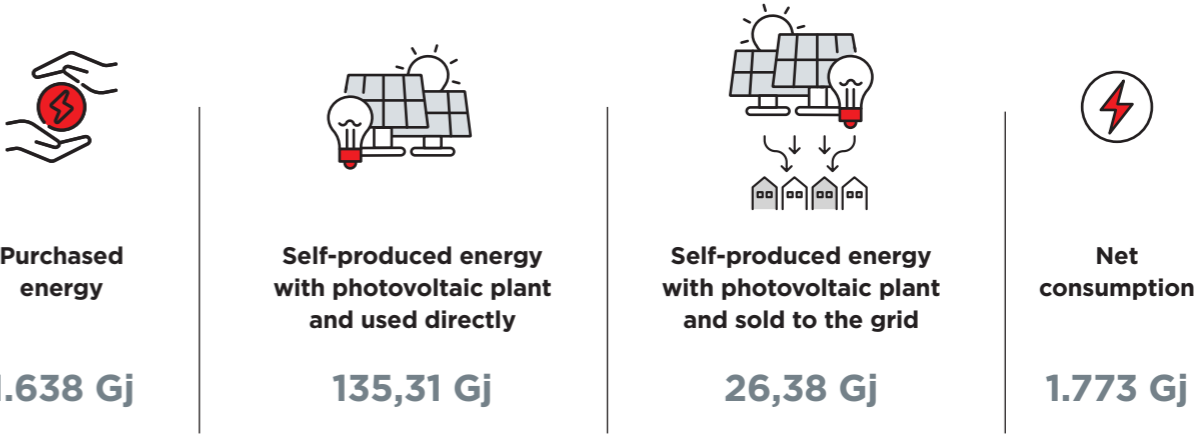
The Gallarate plant, with a capacity of 26.88 kW, was started on 05 September 2023, and produced 4,436 kWh in 2023, of which 4,417 kWh, i.e., almost all, were used for consumption by the headquarters while the remainder was sold to the grid.

It should also be noted that the Faggiano plant of the newly acquired HB Technology S.r.l. was already pre-equipped with a 48.6 kW photovoltaic system, which the TPS Group intends to continue using and maintaining as a privileged source of energy for the plant's activities. During 2023, the plant produced 40,462 kWh, of which 33,154 kWh was used for the operation of the plant (82%) and the remainder sold to the grid.

The plant situation of the sites occupied by the Group's companies results in natural gas consumption that is insignificant in terms of TPS's environmental impact, as the use of electric heating is largely favoured. The only notable exception is the Biella site, which consumed 8,894 scm of methane gas in 2023, equivalent to 17.40 tons of CO₂. The replacement of the current heating system with an energy-efficient one is being planned for 2024, with the aim of significantly reducing the company's emissions.

ELECTRICITY CONSUMPTION (IN GJ)

The transformation from kWh to Gj was carried out using the converter <https://www.snam.it/it/stoccaggio/strumenti/convertitore.html>



Of these, 8 Gj, equal to 1.2% of the total consumption of the Turin headquarters, were used to recharge the hybrid vehicles in use by the company, compared to 9 Gj (1.5% of total consumption of the headquarters) in 2022. The figure is not comparable with that of 2021 as the first hybrid car entered service only at the end of September 2021.

PROGRESSIVE ELECTRIFICATION OF THE FLEET OF COMPANY CARS

The fleet of vehicles used for business purposes has 19 vehicles, mostly intended for "pool" use, which normally cover fairly small distances. Consequently, it is not particularly significant in terms of environmental impact. Nonetheless, the TPS Group has independently equipped its headquarters in Turin, Corso Tazzoli with a charging system for electric and plug-in hybrid vehicles for the exclusive use of the company. This facility consists of four recharging stations, one of which has been in use since 2021 and the other commissioned in 2023. The project involves the gradual extension of the use of the remaining charging facilities for the benefit of additional company vehicles prepared for this purpose. A new plug-in hybrid vehicle and three new mild-hybrid vehicles were integrated into the fleet in 2023, bringing the company's total hybrid fleet to

- two plug-in hybrid vehicles
- four mild-hybrid vehicles.

ESTABLISHMENT OF A FLEET OF ELECTRIC BICYCLES FOR EMPLOYEES

In order to make a concrete contribution to the topic of sustainable mobility and the reduction of greenhouse gas emissions, in 2023 the TPS Group launched an important initiative by providing employees with a series of electric bicycles that could be used on the home-work route after reservation on the intranet portal.

The batteries of the cycles are recharged within the company's premises so that they have the necessary autonomy to be able to cope effectively with the range they must cover.

This initiative started in May 2023 and involved, in this first phase, the company offices in Gallarate, Turin and San Benedetto del Tronto.

Following an analysis carried out on the actual 2023 utilisations, a reduced number of rentals was recorded for the Turin office, probably due to the location of the company's headquarters being in the middle of an urban area. It was therefore decided to end the experience for the Turin site in 2024, while the extension of the initiative to the Florence and Biella sites is being considered.

Below is the utilisation data from May to December 2023:



May-December rentals

514

in total, 64 rentals per month on average (16 rentals per week).



Registered users

127

of which 52 at the Gallarate headquarters (28% of 210 employees), 36 in the San Benedetto del Tronto headquarters (20% of 178 employees) and 39 in the Turin headquarters (22% of 181 employees).



CO₂ saved

0,93 t

a total of 8,657 km travelled from May to December (~6 km/day).

FUEL CONSUMPTION

The fuel consumption of vehicles belonging to the company fleet is shown below.

In 2023, the overall consumption figures remain practically unchanged compared to 2022, but the mix changes significantly as a result of the phasing out of diesel vehicles in favour of petrol-powered vehicles and plug-in hybrids, which do not generate any CO₂ emissions for the part of kilometres travelled in electric vehicles.

Overall, the CO₂ emitted by the TPS Group is reduced by 3.5 % as each litre of petrol develops less CO₂ than the same amount of diesel.

The figure for 2021 is not comparable with that for subsequent years, as it is still affected by the aftermath of the Covid-19 pandemic.

	2023	2022	2021	Variation 2023 vs 2022
Litres of fuel				
Petrol	13.737	4.480	1.573	207%
Diesel	29.521	39.361	33.387	-25%
Total	43.258	43.841	34.960	-1%
CO ₂ tonnes				
Total	111	115	92	-3,5%

The calculation of the CO₂ emitted by the fuel consumed was carried out on the basis of information found on <https://heracomm.gruppohera.it/cambiamenti/consigli-per-la-sostenibilita/quanta-co2-emettono-i-diversi-modelli-di-auto>

RESPONSIBLE USE OF RESOURCES

DIGITISATION OF BUSINESS PROCESSES

TPS Group, thanks to the use of new technologies and communication systems, has set itself the goal of progressively digitising its business processes, starting with those that are most critical in terms of the documents handled and, therefore, the paper used.

Consequently, the company has always urged all staff to reduce the use of printers as much as possible, preferring only to view documents on the screen, whenever possible and effective.

In addition, in 2023 the Group launched a specific internal project to equip itself with a digital document storage system, and in early 2024 the project will start with the documents generated and handled by the Human Resources area.

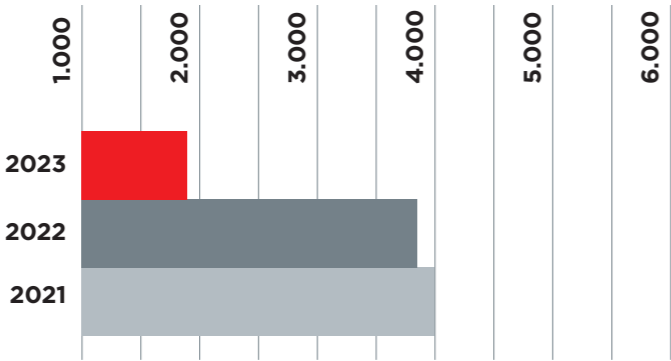
The ultimate goal is to progressively eliminate all paper archives in all business areas where it is feasible.

A very important new initiative for the TPS Group, which further demonstrates its commitment to environmental sustainability.

This approach aimed at reducing paper consumption also has an impact on professional activity, since, where TPS Group has the possibility of influencing customer choices or even just formulating its own technical solution, it promotes the migration of communication solutions towards innovative, more operationally efficient modes that are consistent with reducing the environmental footprint of the processes managed by the company.

Attention to these issues is also reflected in the behaviour of the entire organisation, with the result that in 2023 office paper consumption was drastically reduced to below two tonnes (about half the previous year's figure).

ONSUMPTION OF OFFICE PAPER (KG)



THE "PLASTIC FREE" PROJECT

Also in 2023, the TPS Group continued its programme to reduce the amount of plastic used within the company premises.

In the break areas of many company premises, plastic cups will be replaced by paper cups from 2020 until 2023, and plastic bottles sold in beverage vending machines will be eliminated by installing "free service" dispensers of chilled, carbonated drinking water, thus also providing an economic benefit for employees. All personnel were also provided with a reusable water bottle with the TPS Group logo. Subject to possible problems with the local drinking water distribution network, the TPS Group intends to further extend this project by gradually expanding it to all Group locations, convinced that with everyone's commitment we can make a difference in protecting the environment. Thanks to this initiative, the Group has significantly reduced plastic waste.

WASTE MANAGEMENT

The year 2023 was characterised by the TPS Group's renewed commitment to protecting the environment by reducing the amount of waste and sorting it correctly.

In fact, there is a dedicated waste collection area at each location. In addition, separate collection of electric batteries was implemented in 2023 at some company locations, so that staff can dispose of a highly polluting and environmentally damaging waste easily and free of charge.

SPECIAL WASTE

In 2023, a total of 2,876 kg of waste from the workshop operations of the subsidiary ASI (used oils, filters and batteries, end-of-life tyres, waste paint and packaging) and the Faggiano plant of the subsidiary HB Technology (non-ferrous filings and shavings, various absorbents and filter materials, solvents, other emulsions) were delivered for disposal.

WATER

As far as water usage is concerned, the activities conducted by the Group do not envisage its use for industrial purposes. The use of water is therefore exclusively reserved for collection for sanitary uses.

CIRCULAR ECONOMY

The term "circular economy" refers to a production and consumption model that aims to extend the life cycle of products, thereby reducing waste production.

TPS Group believes, in fact, that applying such a model is crucial for sustainability and can also be a business opportunity. By reusing and recycling, it is possible to reduce expenses and reduce one's environmental impact.

As already stated, the Group correctly manages the waste it produces, committing itself to separate waste collection and recognising especially high importance in the management of special waste.

As far as so-called "reuse" is concerned, all company assets that are no longer used are given a second life, starting with desks and furniture, but especially all electrical equipment.

In order to reduce the impact of electronic components on the environment as much as possible, the Information & Communication Technology area draws up a list of assets that are no longer functional for the company's activities and, prior to their disposal as special waste, these are analysed by trying to recover all parts that can be used again on other IT tools.

A "second life" for these obsolete goods can also take the form of giving them away to employees for domestic use. Again, this will avoid generating additional waste, while also achieving the objective of meeting certain demands from the corporate population.

GRI CONTENT INDEX

DECLARATION OF USE

The TPS Group has reported the information mentioned in this GRI content index for the period from 1 January 2023 to 31 December 2023 with a level of compliance “with reference to GRI Standards” (GRI 1: Fundamental Principles 2021, 3, a-ii)

GRI 1 USED

GRI 1: Fundamental Principles 2021.

GRI used - Disclosure		Section
GRI 2 – General information		
The organisation and its reporting practices		
GRI 2: General information 2021	2-1: Organization Details	Organization
GRI 2: General information 2021	2-2: Entities included in the reporting of lity of the organisation	Methodological note and reporting standards
GRI 2: General information 2021	-3: Reporting period, frequency of publishing and contacts	Methodological note and reporting standards
GRI 2: General information 2021	2-4: Information review	Methodological note and reporting standards
GRI 2: General information 2021	2-5: External assurance	Methodological note and reporting standards
Activities and workers		
GRI 2: General information 2021	2-6: Activities, supply chain and other business	Business activity and workers Operational organisation into SBUs
GRI 2: General information 2021	2-7: Employees	Business activity and workers
GRI 2: General information 2021	2-8: Non-employee workers	Business activity and workers
Governance		
GRI 2: General information 2021	2-9: Governance structure and composition	Governance
GRI 2: General information 2021	2-10: Appointment and selection of the highest governance body	Governance
GRI 2: General information 2021	2-11: Chair of the highest governance body	Governance
GRI 2: General information 2021	2-12: Role of the highest governance body in overseeing impact management	Governance
GRI 2: General information 2021	2-13: Delegations of responsibility for impact management	Governance
GRI 2: General information 2021	2-14: Role of the highest governance body in sustainability report	Governance
GRI 2: General disclosure 2021	2-16: Communication of critical issues	Governance
GRI 2: General disclosure 2021	2-17: Collective knowledge of the highest governance body	Governance
GRI 2: General disclosure 2021	2-18: Performance assessment of the highest governance body	Governance

GRI 2: General disclosure 2021	2-19: Remuneration policies	Governance
GRI 2: General disclosure 2021	2-20: Determination procedure of the remuneration process	Governance
Strategy, policies and practices		
GRI 2: General information 2021	2-22: Statement on sustainable development strategy	Letter to Stakeholders
GRI 2: General information 2021	2-23: Policy commitment	Sustainability strategy and policies
GRI 2: General information 2021	2-27: Compliance with laws and regulations	Sustainability strategy and policies
Involvement of the stakeholders		
GRI 2: General information 2021	2-29: Approach to stakeholder involvement	Involvement of the stakeholders
GRI 2: General information 2021	2-30: Collective agreements	Business activity and workers
GRI 3 - Material topics		
GRI 3: Material topics	3-1: Procedure for determination of material topics	Materiality analysis
GRI 3: Material topics	3-2: List of material topics	Materiality analysis
GRI 3: Material topics	3-3: Management of material topics	Materiality analysis
GRI 200 - Economic topics		
GRI 201: Economic performance 2016	201-1: Directly generated economic value and distributed	Economic sustainability The generated value and distributed
GRI 204: Procurement practices 2016	204-1: Proportion of expenditure to local suppliers	Materiality analysis
GRI 205: Anti-Corruption 2021	205-3: Established corruption incidents and actions taken	Sustainability strategy and policies
GRI 300 - Environmental topics		
GRI 302: Energy 2016	302-1: Energy consumed within the organization	Environmental protection
GRI 400 - Social topics		
GRI 401: Employment 2016	401-1: New hires and employee turnover	Business activity and workers
GRI 403: Occupational health and safety 2018	403-5: Training of workers on occupational health and safety	Business activity and workers
GRI 403: Occupational health and safety 2018	403-9: Accidents at work	Business activity and workers
GRI 404: Training and education 2016	404-1: Average annual training hours per employee	Business activity and workers
GRI 405: Diversity and equal opportunities 2016	405-1: Diversity in governing bodies and among employee	Business activity and workers Governance
GRI 416: Health and safety of clients	416-2: Incidents of non-compliance concerning health and safety impacts of products and services	Sustainability strategy and policies
GRI 418: Customer privacy 2016	418-1: Proven complaints regarding violations of customer privacy and loss of customer data	Sustainability strategy and policies

TPS S.p.A.

INDEPENDENT AUDITORS' REVIEW OF THE SUSTAINABILITY REPORT

INDEPENDENT AUDITORS' REVIEW OF THE SUSTAINABILITY REPORT

To the Board of Directors of

Technical Publications Service S.p.A. (hereinafter also TPS S.p.A.)

We have been instructed to carry out a limited assurance engagement of the TPS Group Sustainability Report (hereinafter also "the Group") for the year ended 31.12.2023.

Directors' Responsibilities for the Sustainability Report

The Directors of TPS S.p.A. are responsible for preparing the Sustainability Report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" defined by the GRI - Global Reporting Initiative ("GRI Standards"), as described in the "Methodological Note" section of the Sustainability Report.

The Directors are also responsible for that part of the internal control they deem necessary to enable the preparation of a Sustainability Report that is free from material misstatement due to fraud or unintentional conduct or events.

The directors are also responsible for defining the objectives of TPS Spa in relation to sustainability performance, as well as for identifying stakeholders and significant aspects to be reported.

Independence of the auditing company and quality control

We are independent in accordance with the ethics and independence principles of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, based on the fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behaviour.

Our audit firm applies the International Standard on Quality Control 1 (ISQC Italia 1) and, as a result, maintains a quality control system that includes documented directives and procedures on compliance with ethical principles, professional principles and legal provisions as well as applicable regulations.

Responsibility of the auditing company

Based on the procedures adopted, it is our responsibility to express a conclusion on the conformity of the Sustainability Report with the requirements of the GRI Standards. Our work was performed in accordance with the criteria set out in the "International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (hereinafter also 'ISAE 3000 Revised'), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. This principle requires planning and carrying out procedures in order to gain a limited level of confidence that the Sustainability Report does not contain significant errors.

Therefore, our examination resulted in a work extension lower than that required for a full examination according to the ISAE 3000 Revised ("reasonable assurance engagement") and, consequently, does not guarantee us the assurance that we are aware of all the facts and significant circumstances that could be identified with the performance of this examination.

The procedures performed on the Sustainability Report were based on our professional judgment and included interviews, mainly with company staff in charge of preparing information presented in the Sustainability Report, as well as the analysis of documents, recalculations and other procedures aimed at obtaining evidence deemed useful.

In particular, we carried out the following procedures:

1. analysis of the process of defining the relevant topics reported in the Sustainability Report, with reference to the methods of analysis and understanding of the context of reference, identification, evaluation and prioritisation of the actual and potential impacts and the internal validation of the results of the process;
2. understanding of the processes underlying the generation, collection and management of the significant qualitative and quantitative information included in the Sustainability Report. In particular, we have conducted interviews and discussions with Management staff at TPS S.p.A., and we have carried out limited documentation checks, in order to gather information surrounding the processes and procedures that support the collection, aggregation, processing and transmission of data and information of a non-financial nature to the facility in charge of setting up the Sustainability Report.

Furthermore, for significant information, taking into account the Group's activities and characteristics:

- at the level of the parent company and subsidiaries:
 - a. with regard to the qualitative information contained in the Sustainability Report, we conducted interviews and acquired supporting documentation to verify its consistency with the available evidence;
 - b. with regard to quantitative information, we carried out both analytical procedures and limited checks to ascertain on a sample basis the correct aggregation of data.
- For Tps S.p.A. and its subsidiaries, which we selected on the basis of their activities, their contribution to the performance indicators at a consolidated level and their location, we carried out site inspections during which we met with the managers and obtained documentary evidence on a sample basis on the correct application of the procedures and calculation methods used for the indicators.

Conclusions

On the basis of our work, nothing has come to our attention that would lead us to believe that the Sustainability Report of the Tps Group for the year ended 31.12.23 has not been prepared, in all significant aspects, in accordance with the GRI Standards as described in the "Methodological Note" section of the Sustainability Report.

Milan, 12 April 2024

Audirevi S.p.A.


Anna Baldini
Partner



TPS S.p.A.

Registered office: Via Lazzaretto, 12/c – Gallarate (VA)

www.tps-group.it