

SUSTAINABILITY

REPORT

2023





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LETTER TO THE STAKEHOLDERS

Dear Stakeholders,

2023 was a year of significant global challenges and transformations. We have witnessed complex geopolitical events, economic changes and an acceleration in technological innovation, having profoundly affected multiple factors such as sustainability, energy, technology and the world of work.

In an environment marked by international conflicts, trade tensions and increasing uncertainty, the need to adapt to new realities is evident. The energy crisis has prompted many nations to intensify the transition to renewable energy sources, whilst climate change now tops the agenda of governments, organisations and companies around the world, committed to reducing CO₂ emissions and promoting sustainable practices.

Global economic dynamics have likewise undergone major developments as inflation, rising costs of living and unstable markets have forced governments and businesses to rethink strategies and policies. The consequent transformation of patterns of production, consumption and social organisation certainly puts us to the test but is still an extraordinary opportunity to reflect on the role companies can play in building a more sustainable, inclusive and prosperous future.

In this rapidly-changing environment, technological innovation has played a crucial role. Artificial Intelligence has found application in numerous business processes, increasing operational efficiency and reducing costs. However, it also raised questions about ethics and impact in the world of work, which continues to evolve towards hybrid and more flexible modes. For sectors like manufacturing, this implies a reflection on how to balance operational needs with the latest expectations of employees in terms of work-life balance.

In view of these challenges, our commitment remains focused on the wellbeing of our 350 employees and the continuity of our relationships with customers, suppliers and partners. We want to ensure the long-term sustainability of our business by facing the chal-

lenges of the future with courage and responsibility.

The results achieved in 2023 are the fruit of this commitment. Amongst our achievements are the **Great Place To Work Blue Collar** certification, recognising the satisfaction of our employees in the production environment, together with the achievement of **Gender Equality Certification**. In addition, we achieved an increase in turnover compared to 2022, thanks to consolidation in foreign markets and the strategic acquisition of **Windar LLC**, a business partner in the Gulf region, an area of great importance for our future growth. Our 2021–2023 three-year investment plan led to the construction of a new 12,000 m² production plant, contributing to a boost in production capacity and improved safety standards. This investment is in line with our vertical integration strategy, which allows us to design and realise 94% of the production value within the Group.

In parallel, we continue our efforts to align with the **Sustainable Development Goals (SDGs)**, integrating environmental sustainability, social responsibility and transparent governance. In 2023, we drew up our third Sustainability Report, a tool that guides us in the pursuit of concrete goals in line with the **United Nations 2030 Agenda**, anticipating the entry into force of the **Corporate Sustainability Reporting Directive (CSRD)**.

Our vision is to become a global benchmark in the window and door industry, promoting a Sustainable Development Model that generates value for people, the environment and the territory. The **Masterability** programme, uniting sustainability initiatives, is a concrete example of our commitment to this end.

In conclusion, the Sustainability Report is not just an obligation but an opportunity to set ambitious goals and inspire concrete actions, helping to build a fairer, more inclusive and prosperous society. I thank you all for your support and your valuable contribution in pursuing this common mission.

Kind Regards

CONCLUSIONS

We shall face the coming years with courage and responsibility. Together with the ambitious economic goals we have set for ourselves, the company's commitment to the community, environmental sustainability and corporate social responsibility remains steadfast through the Masterability programme – our Group's aim is to set a virtuous example.

Lastly, I would like to underline that drawing up the Sustainability Report and ESG impacts is an invaluable tool to set ambitious and measurable objectives that encourage everyone to act globally for their implementation, and to do what is right for a more prosperous, fairer and more equitable society. As an organisation, we shall scale up our commitment to ensure dignity, equality and prosperity for our workers, to safeguard and spread culture, to protect the planet's natural resources and the climate for future generations, to create an ecosystem that guarantees sustainable economic and social development.

It is a call to responsibility, that we must commit to as a Group. I would like to thank each one of you as of now, for the contribution you will be able to give to this all-important mission – to build a better future for all of us.

Maria Luigia Lacatena

Chairperson and Chief Executive Officer, Master Group



Michele Loperfido

Chairperson and Chief Executive Officer, Master Italy



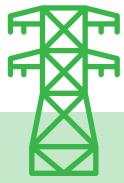
HIGHLIGHTS 2023

ENVIRONMENTAL

SOCIAL

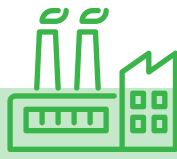
GOVERNANCE





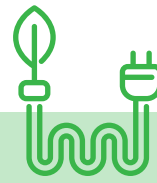
39.024 GJ

ENERGY CONSUMPTION



2.401 tCO₂Eq

DIRECT AND INDIRECT EMISSIONS



22%

ENERGY FROM RENEWABLE SOURCES



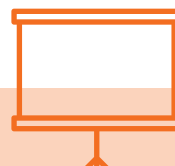
342

MASTER GROUP EMPLOYEES



341

PERMANENT CONTRACTS



16

AVERAGE HOURS OF TRAINING PROVIDED



22

HIRES IN 2023



56%

SUPPLIERS SCREENED USING ENVIRONMENTAL AND SOCIAL CRITERIA



100%

RETURN-TO-WORK RATE



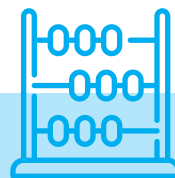
61.507.336€

ECONOMIC VALUE GENERATED



51.227.179€

ECONOMIC VALUE DISTRIBUTED



90%

PERCENTAGE OF SPENDING ON LOCAL SUPPLIERS

1

DRAFTING
METHODS AND
MATERIALITY



MASTER

METHODOLOGICAL NOTE

The Sustainability Report 2023 of Master Italy Group (hereinafter also “the Group” or “Master”) was drawn up **in accordance with** the 2021 version of the Global Reporting Initiative Sustainability Reporting Standards defined by GRI – Global Reporting Initiative.

The publication of this third edition of the Sustainability Report testifies to the Group’s commitment to reporting and communicating its social, environmental and governance performance to all its stakeholders as of 31.12.2023.

In line with the disclosure within the GRI 2021 (“Foundation”), section 1, this document was drawn up in accordance with principles of **balance, clarity, accuracy, timeliness, comparability** and **verifiability** to ensure the quality of the information and the adequacy of the presentation methods.

The contents of the document were selected based on the outcome of the **materiality analysis**, “which” in replacement “said analysis” identified material aspects for the Master Group, i.e. those that reflect significant impacts in terms of sustainability, as well as economic, social and environmental.

Master’s 2023 Sustainability Report refers to the period from 1 January 2023 to 31 December 2023, and provides a comparison with the data relating to the 2022 and 2021 financial years, where available. The reporting scope of the Sustainability Report refers to the following companies, consolidated on a line-by-line basis:

- **Master S.r.l.**
(hereinafter also “Master” and “Parent”);
- **Master Italy S.r.l.**
(hereinafter also “Master Italy”);
- **MasterLAB S.r.l.**
(hereinafter also “MasterLAB”);
- **Master Polska S.p.zo.**
(hereinafter also “Master Poland”);
- **Master West Africa Sarl**
(hereinafter also “Master West Africa”);
- **Windar Aluminium LLC**
(hereinafter also “Windar”).

The environmental data refer to Master’s Italian companies only. This does not interfere with an understanding of the Group’s activities, its performance, its results and its environmental impact, as the companies Master Polska S.p.zo, Master West Africa Sarl and Windar Aluminium LLC do not have production facilities or significantly large premises.

The scope of the data and economic and financial information matches that of the Group’s consolidated financial statements. Any exceptions to the reporting scope are appropriately disclosed in the Report. In order to ensure the reliability of the data, the use of estimates has been limited as much as possible and, if any, they are based on the best available methods, and appropriately disclosed.

THE STAKEHOLDERS OF THE MASTER GROUP

Master's development process is hinged on the active involvement of its stakeholders, as it recognises the importance of inclusive and collaborative participation. This commitment is especially significant when considering the major role that the Group plays in the country and its size, owing to the expansion of the company's activities over the years.

From this perspective, Master deemed it essential to identify and map out the main stakeholders through a benchmark analysis of the main players in the industry. The results of the analysis led to identifying **9 categories of main stakeholders**. A specific workshop for the Group's Top Management analysed and prioritised these categories to identify the most significant ones:



MATERIALITY

ANALYSIS 2023

The identification of the material topics on which the report should focus is a key step when drafting the Sustainability Report in accordance with the Global Reporting Initiative Sustainability Reporting Standards. The steps of the materiality analysis performed by the Group meet the new requirements of the GRI Universal Standards published in 2021, in order to include impact materiality in the reporting process. Specifically, a topic is considered to be material if it is able to capture the impacts of the organisation on the economy, environment and on the people, since the GRI Standards include impacts on human rights as well.

The materiality analysis is carried out in four main stages:

- 1. Industry benchmark analysis and best practices:** to provide a clear, comprehensive and transparent picture of how ESG issues are covered and applied in this report, industry studies and research carried out by universities and other national and international institutions were analysed and the main best practices were identified through the analysis of a set of similar companies in terms of business and size;
- 2. Identification of impacts and relevant topics:** the current and potential positive and negative impacts of the Group on the economy, environment and people were identified on the basis of the analysis of internal company documents (internal policies and the Sustainability Report published in 2022) and external documents such as a scenario analysis of the sector in which the Group operates. Each impact was then associated with a potentially material topic;
- 3. Assessment of the significance of impacts:** the assessment was conducted by involving a few internal stakeholders within the Group, who were selected based on specific skills and area of activity. A list of preliminary positive and negative impacts was shared with them, and they were asked to assess their relevance, severity and probability. The results were then used to identify the significance of each one, and a final list was drawn up;
- 4. Prioritisation of the most significant impacts:** the results of the assessment were analysed in order to prioritise the impacts.

The analysis highlighted the following material topics:

- **Customer satisfaction**
- **Responsible supply chain management**
- **Governance and value creation**
- **Sustainable water resource management, waste and circular economy**
- **People management and development, attracting talents & company welfare**
- **Employee health, safety and protection**
- **Quality, safety and innovation of products and services**
- **Business ethics and the fight against corruption**
- **Data privacy and protecting information**
- **Materials and products management**
- **Reduction of airborne emissions and the fight against climate change**
- **Protection of the land and local communities**
- **Diversity, inclusion and equal opportunities**

The two tables below set out, respectively, the **positive and negative impacts identified** associated with the material topics:

MATERIAL TOPICS AND POSITIVE IMPACTS	TYPE OF IMPACT / EFFECT	LEVEL OF IMPACT
Customer satisfaction Implementation of systems aimed at monitoring complaints and assessing the level of customer satisfaction, resulting in strengthening customer ties and consolidating the business	Actual / Short and long-term	
Reduction of airborne emissions and the fight against climate change Reduction of water consumption for internal processes	Actual / Short-term	
Quality, safety and innovation of products and services Implementation of procedures aimed at ensuring the quality, safety, sustainability and innovation of the products	Actual / Short and long-term	
Employee health, safety and protection Promotion of training programmes regarding occupational health and safety, addressing internal company procedures and specific programmes for students in the context of work-related learning	Actual / Short and long-term	
Reduction of airborne emissions and the fight against climate change Reduction of environmental impacts through energy procurement from renewable sources	Actual / Short-term	
Reduction of airborne emissions and the fight against climate change Reduction of environmental impacts through the procurement of materials of recycled origin and increase in the recovery of internal waste	Actual / Short-term	
Business ethics and the fight against corruption Adoption of policies and procedures aimed at promoting and disseminating an ethical and transparent business conduct	Actual / Short and long-term	
Governance and value creation Direct generation of economic value, protection of business continuity and relevant distribution of value to stakeholders	Actual / Short and long-term	
People management and development, attracting talent & company welfare Promotion of the highest level of physical, social and mental well-being through welfare tools and measures aimed at improving work-life balance, as well as promotion of training initiatives aimed at upskilling and reskilling in various fields	Actual / Short-term	
Sustainable water resource management, waste and circular economy Implementation of systems for recycling the waste generated	Actual / Short and long-term	
Materials and products management Increase in the amount of recycled material used in the production process	Potential / Short and long-term	
Responsible supply chain management Integration of sustainability criteria into supply chain monitoring and control processes, in order to generate positive social and environmental impacts and ensure responsible behaviour across the supply chain	Potential / Short and long-term	
Diversity, inclusion and equal opportunities Implementation of policies and practices fostering diversity, social inclusion and equal opportunities	Actual / Short-term	
Data privacy and protecting information Compliance with European guidelines and regulations in the field of information security	Actual / Short-term	
Protection of the land and local communities Donations and/or sponsorships to support local initiatives territorio locale	Actual / Short-term	



MATERIAL TOPICS AND POSITIVE IMPACTS	TYPE OF IMPACT / EFFECT	LEVEL OF IMPACT
<p>Employee health, safety and protection Increase in work-related injuries and occupational diseases resulting from ineffective application of workplace health and safety standards</p>	<p>Potencial / Short and long-term</p>	
<p>Customer satisfaction Lack of tools to assess the level of customer satisfaction and the consequent loss of contact with them, leading to their distancing and defection</p>	<p>Actual / Short and long-term</p>	
<p>Reduction of airborne emissions and the fight against climate change Energy consumption derived from non-renewable energy sources (non-renewable fuels and electricity)</p>	<p>Actual / Short term</p>	
<p>Reduction of airborne emissions and the fight against climate change Consumption of raw materials and their disposal</p>	<p>Actual / Short term</p>	
<p>Reduction of airborne emissions and the fight against climate change Lack of thorough water consumption monitoring</p>	<p>Actual / Short term</p>	
<p>Materials and products management Constant increase in terms of volume of the raw materials used in production processes</p>	<p>Potencial / Short and long-term</p>	
<p>Business ethics and the fight against corruption Potential cases of non-compliance with applicable regulations and codes of corporate conduct, with negative consequences on people, economic systems and on the Group's reputation</p>	<p>Potencial / Long-term</p>	
<p>Quality, safety and innovation of products and services Potential errors in the analysis of the risks related to consumers' health and safety</p>	<p>Potencial / Long-term</p>	
<p>Responsible supply chain management Absence of ESG criteria in the suppliers' vetting process</p>	<p>Potencial / Short-term</p>	
<p>People management and development, attracting talents & company welfare Decreased quality of life of employees resulting from poor work-life balance, insufficient welfare programmes, and ineffective career development and assessment systems, with negative impacts in terms of employee satisfaction and productivity</p>	<p>Potencial / Long-term</p>	
<p>Governance and value creation Failure to achieve targets in economic and financial terms with relevant erosion of the value distributed to stakeholders</p>	<p>Potencial / Short and long-term</p>	
<p>Sustainable water resource management, waste and circular economy Inappropriate disposal of the waste generated</p>	<p>Potencial / Short and long-term</p>	
<p>Diversity, inclusion and equal opportunities Insufficient measures in place to protect employees' diversity</p>	<p>Potencial / Long-term</p>	
<p>Protection of the land and local communities Poor support for the local economy of the regions served, resulting in negative impacts on the regions and the local community</p>	<p>Potencial / Short and long-term</p>	
<p>Data privacy and protecting information Potentially insufficient prevention systems against cyber attacks</p>	<p>Potencial / Long-term</p>	



THE CONTRIBUTION OF THE MASTER GROUP TO THE SDGs

THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT

The **2030 Agenda** – plan of action for people, planet and prosperity signed in September 2015 by the governments of the 193 UN Member Countries – defines **17 Sustainable Development Goals (SDGs)** laid out in an action plan that includes **169 targets**.

The aims of the SDGs are:

- End **poverty in all its forms everywhere**,
- **Protect, restore and promote sustainable use of terrestrial ecosystems**,
- **Promote social and economic development**,
- Fight against inequality, climate change and the extreme use of our Planet's natural resources,
- Build a peaceful society that respects **human rights**.

In this multi-year plan for achieving the **SDGs**, companies also play a key role, as they represent active – and proactive – players in sustainability initiatives, aimed at creating value in the short, medium and long term.

The Sustainable Development Goals are universally applicable, engaging all countries in their pursuit and **achievement** based on their respective capacities, with the aim of guiding the global community towards a sustainable path, without any distinctions between developed, emerging and developing countries.



1 NO POVERTY



2 ZERO HUNGER



3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



5 GENDER EQUALITY



6 CLEAN WATER AND SANITATION



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



13 CLIMATE ACTION



14 LIFE BELOW WATER



15 LIFE ON LAND



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



17 PARTNERSHIPS FOR THE GOALS

The material topics identified by the Master Group were integrated within the framework of the **Sustainable Development Goals (SDGs)** of the **Agenda 2030**.

The association between the material topics and the SDGs outlined by the United Nations was designed to raise the reader's awareness as to the importance of the Group's **strategic focus on sustainable development**.



CONTRIBUTION TO SDGs	3	4	5	7	8	9	12	13
Diversity, Inclusion and Equal Opportunities			✓					
People management and development, attracting talents & Company welfare		✓						
Quality, safety and innovation of products and services	✓					✓		
Customer satisfaction					✓			
Data privacy and protecting information						✓		
Sustainable water resource and waste management, and circular economy							✓	✓
Employee health, safety and protection	✓							
Materials and products management							✓	✓
Responsible supply chain management					✓		✓	
Reduction of airborne emissions and the fight against climate change				✓				✓
Business ethics and the fight against corruption						✓		
Governance and value creation					✓			
Protection of the land and local communities					✓			

Il Gruppo Master contribuisce allo sviluppo sostenibile perseguendo 8 dei 17 obiettivi definiti dall'agenda 2030 dell'ONU



2

MASTER GROUP PROFILE

GRI 201-1, 205-3, 206-1, 405-1 e 418-1



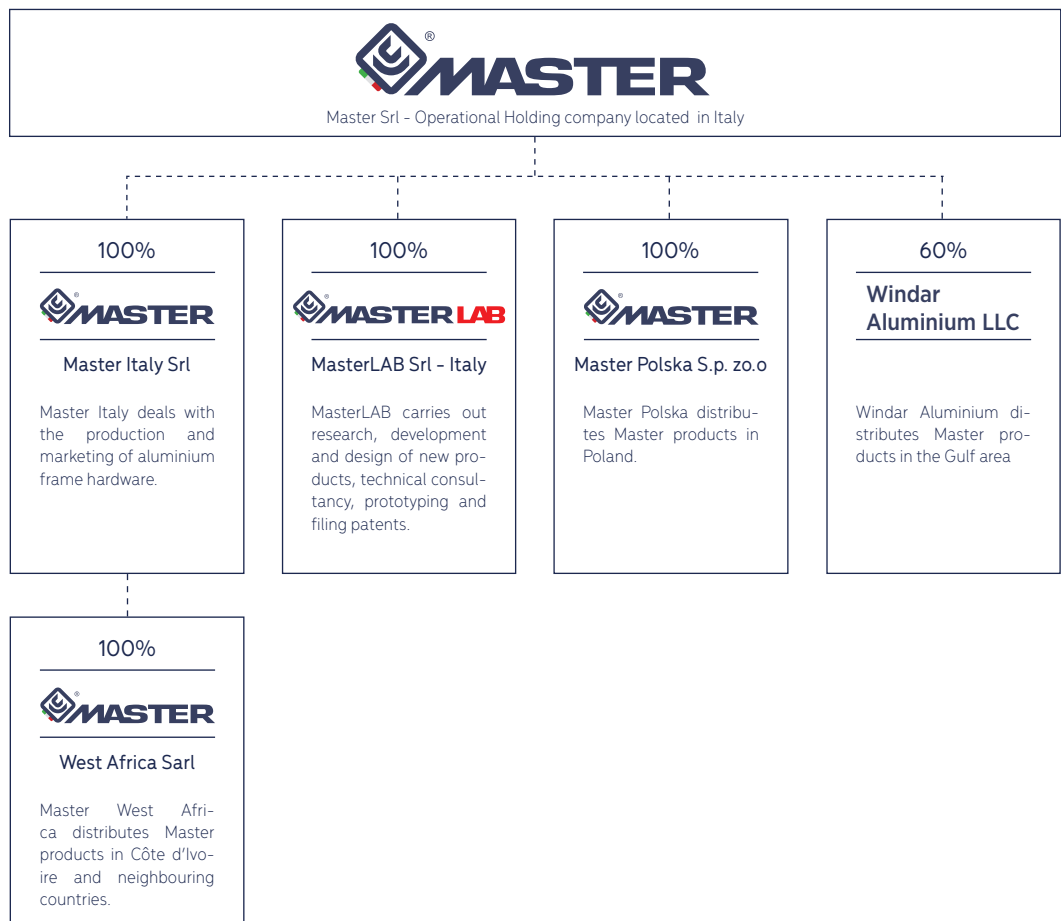
MASTER GROUP

Master Group made its debut in the field of accessories for door and window frames in **1986** when it filed its first patent, the **Kiara corner joint**. It then kept constantly broadening its activities and establishing its position in the industry.

With a presence in over **58 countries** around the world, Master is nowadays a global brand, mainly focused on: development of new international markets, attention to the safety and quality of its products, continuous improvement and waste reduction adhering to lean manufacturing principles, implementation of the new INDUSTRY 4.0 model for industrial automation, with a special focus on human capital as a key factor in all strategic and productive operations.

Master's headquarters, located in Conversano, near Bari, include **MasterLab** laboratories, a strategic hub for research & development and design activities, as well as **Master Italy** facilities, hosting the development and production of components for door and window frames.

Over the years, the Group expanded its activities in pursuit of international growth, and several companies were set up abroad: **Master Polska S.p. zo.o**. In Poland in 2016, **Master West Africa Sarl** in Côte d'Ivoire in 2022, and **Windar Aluminium LLC in Dubai (EAU) which was acquired** in 2023 to distribute Master products in the Gulf area.



Master is founded on **intrinsic and particularly heartfelt values** within the organisation, which are shared by all resources and promoted to ensure that everyone is in tune with the corporate culture.

Innovation and future-orientation, responsibility and commitment, support and respect for people, collaboration and dynamism, as well as a customer-centric corporate culture, are the pillars on which Master has built its identity over time.

Thanks to the practice of **“common understanding”** these values have shaped not just the identity, but also the personality of the Group, guiding its strategies and day-to-day operations. These key principles reflect Master’s commitment to sustainable and responsible development, promoting a cohesive corporate culture focused on the well-being of all stakeholders.

Values, lived every day, guide and inspire us, they are the **pillars of our corporate culture** and indicate the **models of behaviour** of reference



INNOVATION AND FORWARD-MINDEDNESS

We believe that one must innovate in order to grow. The main drivers for product development, process streamlining and for the Organisation’s very evolution are a forward-looking attitude and the willingness to innovate. The continuous search for innovative, effective and efficient solutions are the core of the continuous improvement culture, which is now an integral part of Master’s culture. The Group regularly takes on the innovation challenge, with the aim of turning it into an opportunity for growth and development.



RESPONSIBILITY AND COMMITMENT

We want to be a model for sustainable development. The Group has set itself the goal of standing out from other companies not only for the quality of its products and services but, above all, for its deep sense of belonging and responsibility towards resources, people, the local area, the environment and the markets in which it operates. Master strives to become a landmark for sustainable development, by promoting actions and activities that promote the progress and growth of the economic-social environment, as well as the business and cultural model.



PEOPLE APPRECIATION AND RESPECT

At Master we focus firmly on our people. Master is deeply committed to supporting its resources. Indeed, Master believes that each person’s talent is a source of wealth for the Organisation and it is important to create the conditions needed for it to flourish and come to fruition, in a climate based on respect and kindness. Master promotes an empathetic approach and a positive attitude towards others.



THE CUSTOMER IS NO. 1 IN OUR BOOK

Our mission is to ensure customer satisfaction. Every action carried out by Master is aimed at thoroughly meeting all the customer’s needs. The primary goal of the Organisation is to generate a solid relationship and build a partnership based on mutual trust and the continuous search for solutions that can bring mutual benefit.



COLLABORATION AND DYNAMISM

If you want to go fast, go alone. If you want to go far, go together. At Master, we tackle small and large challenges every day, with a positive, proactive approach, based on the wish to «win together», as a team. The achievement of small and large goals, increasingly challenging, through the ability to work in a team and adapt to any situation, and therefore anticipate change and requests, and build synergistic relationships based on collaboration, constructive dialogue and exchange of ideas and skills.

Quality, safety and sustainability of all the products are some of the key factors of the corporate strategy pursued by the Group, which is committed to constantly guaranteeing excellent service. In addition to complying with the main European directives and regulations in force, therefore, Master has also obtained a number of certifications from third party bodies.

A prominent example of this commitment is the **LCA certification (Life-Cycle Assessment)**, obtained in 2011 and renewed in 2020 for Master Italy Srl, which underlines the Group's ongoing commitment to assessing the environmental impact of its products throughout their entire life cycle.

In addition, in 2022 Master initiated the **EPD** certification process (**Environmental Product Declaration**) and successfully completed it in 2023. With an EPD, manufacturers report comparable, objective, third-party-verified data that show all aspects of their products' environmental performance. EPDs are internationally recognised certifications, and in some countries they are a prerequisite for certain benefits. In Italy, for example, EPD are recognised in public procurement on the basis of the provisions of the CAM decree (Minimum Environmental Criteria).

This certification marks significant progress towards greater transparency and an environmentally responsible approach as it provides customers with detailed information on the environmental impact of the products, supporting more informed and sustainable choices. This goal highlights Master's commitment to making sustainability a part of its corporate strategy, continuously improving its environmental practices and promoting an environmentally responsible culture.

In order to ensure the highest level of **customer satisfaction** and to manage its growing complexity, since 2013 the Group has undertaken a continuous improvement process, in line with the tenets of lean manufacturing. The digitalisation of production processes has been added through the implementation of **WMS (Warehouse Management System)** and **MEPs (Manufacturing Execution & planning Systems)**. The implementation of these technologies made it possible to streamline operations, improve product quality and reduce waste, contributing to a more sustainable and responsible management of company resources.

In 2018 the Company implemented the **Master Italy Process System** to formalise the know-how accrued on these processes. This system dynamically integrates

lean techniques and methods, tools for the development of human resources and best practices applicable in a number of operational settings. The areas covered include safety and environment, innovation, digital transformation and skills enhancement.

SAP S/4HANA, in particular, has resulted in improved operational efficiency, streamlined company processes and a real-time view of financial and operational data to be able to make more informed decisions. This solution was integrated with a Business Intelligence platform capable of providing marketing information and identifying trends for better management and strategy.

GROUP TIMELINE



Master is established and files its first patent, the Kiara corner joint



Production of Rapid, the first hinge by Master



The company adopts and certifies the Life Cycle Assessment (LCA)



MasterLab is established



The company enters international markets



Die casting is introduced



The Lean Transformation process starts



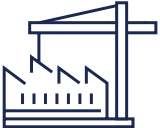
Inauguration of Master Polska



Digitalisation of production processes (MEPS and MES)



A new company concept: Master Italy Process System



Inauguration of new factory



Acquisition of Windar



Inauguration of Master West Africa



Implementation of the new SAP S/4HANA management system



ETHICS, INTEGRITY AND COMPLIANCE

In 2017, the Group adopted an Organisation, Management and Control Model in compliance with It. Legislative Decree 231/2001 (hereinafter also the "Model") suitable for setting up a well-structured and organic system of organisational and control principles and procedures, in order to prevent the crimes under the legislation in force.

The Model's structure has two sections:

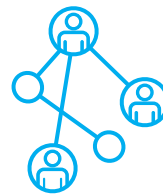
- **General Part** which seeks to define the Model's structure, regulate its aims and functions, identify the Supervisory Body, and establish a system of information flows and a suitable disciplinary system to address failures to comply with the Model;
- **Special Part** which seeks to regulate the conduct of corporate subjects, top management and those subject to the management and supervision of others in order to prevent criminal offences, by drawing up distinct rules of conduct, protocols and procedures, operating within the various areas at risk identified on the basis of the crime categories under the Decree.

The Decree does not envision a "Group Model"; therefore, Master has carried out a detailed analysis of the risks and control measures with regard to each of the Italian companies belonging to the Group, and consequently the implementation and approval of the Organisational Models in each legal entity.

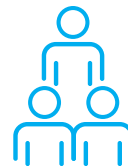
These Models, implemented by the Italian Companies of the Group, are currently being updated with regard to the changes that have taken place in corporate governance as well as due to organisational changes, in addition to regulatory updates.

The Model adopted by the Group is designed to establish transparent and proper management methods that ensure compliance with current legislation, in order to prevent committing or attempting to commit the crimes referred to in It. Legislative Decree 231/2001, and with the corporate values set out in the Code of Ethics, which is also undergoing an update.

The **Code of Ethics** identifies and defines the set of principles and values that the Group abides by in the pursuit of its business. Specifically, the recipients of the principles and rules set forth in the Code of Ethics are:



Members of the various corporate bodies



Any third party entity that may act on behalf of Master



Master employees, regardless of their role and function



Third party entities that have relations with Master (i.e. consumers, suppliers, trade partners and contract counterparts)

The recipients of the document are required to operate in compliance with the principles of absolute honesty, loyalty, good faith, balance, fairness and diligence, as well as in compliance with the regulations in force in the countries where the Group operates.

The application of and updates to the Organisation, Management and Control Model, adopted pursuant to Lt. Legislative Decree no. 231/01 are guaranteed by the **Supervisory Body (SB)**, which has the task of supervising compliance by the recipients with the entire system, with the organisational and control procedures implemented by the Group, through periodic checks, and of reviewing reports regarding any breaches.

The Group, through the specifically designated bodies and functions, ascertains the infringements and imposes – with consistency, impartiality and uniformity

– sanctions that are proportionate to the infringements of the regulations and compliant with the current provisions regulating employment relationships. Since 2023, moreover, the SB is the designated recipient of the **whistleblowing system**, an anonymous reporting channel for any breaches of the Organisational Model and the Code of Ethics.

To this end, the **EQS whistleblowing management platform** was purchased, which will come into force in 2024.

In 2023, like in previous years, the Group **was not subject to any sanctions for non-conformities to laws and/or regulations in the social, economic and environmental sphere**. Lastly, there were no **incidents of corruption and legal actions for anti-competitive behaviour, anti-trust, and monopoly practices**.

PRIVACY AND INFORMATION PROTECTION

Master carries out its activities in compliance with the **European Union Regulation 2016/679 on data protection (GDPR)**, the European legislation in force on the matter of privacy. Despite the fact that it is not mandatory, Master has decided to have a **Data Protection Officer (DPO)** who reports directly to management on all issues concerning data protection. In 2023, the Group stepped up organisational measures to mitigate the risk of security incidents that might involve personal data. Specifically, employees were made more aware of their responsibilities through specific training courses, and through the dissemination of an update of the privacy policy for employees and the Rules of Conduct for the use of IT systems (formalised in early 2024). Also thanks to these measures, **no incidents occurred within the Group in 2023 which resulted in the destruction, loss, modification or unauthorised disclosure of personal data**. As an additional safeguard for data subjects who do not reside in the European Union, the Group has published an information notice in English on its international websites.



MANAGEMENT OF MATERIAL TOPICS | DATA PRIVACY AND PROTECTING INFORMATION

[GRI 3-3 b] Report whether the organisation is involved with the negative impacts through its activities or as a result of its business relationships

Master Group may be involved in the identified negative impacts through its activities or as a result of its business relationships.

[GRI 3-3 c] Describe the policies or commitments regarding the material topic.

For more details, please refer to paragraph 2.2 «Ethics, integrity and compliance»

[GRI 3-3 d] Describe actions taken to manage the topic and related impacts

In order to prevent the potential negative impacts identified in the Impact Assessment process, the Group implements the following initiatives:

- Personnel training on the matter of Data Protection;
- Updates to Master Group's Regulation for the use of IT systems;
- Strengthening the level of cybersecurity by introducing LAN network segmentation and the use of updated, corporate-level software for protection both at cyber perimeter level and on all endpoints;
- Execution of backups with restore tests for all applications and core information. HW/SW/Networking redundancy for core features serving the business.

With the aim of ensuring the continuity of the identified positive impacts, Master has implemented the following measures:

- Dissemination of the Policies on personal data within the Group;
- Appointment of the Personal Data Protection Officer;
- Update of the Organisational Model to take into account Data Protection;
- Update of the privacy policies for the specific categories of stakeholders;
- Formalised authorisations for personal data processing in compliance with art. 29 of the GDPR..

[GRI 3-3 e] Report information about tracking the effectiveness of the actions taken.

In order to track the effectiveness of the actions ta-

ken to prevent potential negative impacts associated to data privacy and information protection, the Group carries out:

- Penetration tests and vulnerability scans, performed using intrusion detection tools by internal personnel;
- Periodic cybersecurity audits, entrusted to specialised and independent firms;
- Internal data privacy audit, scheduled annually.

MANAGEMENT OF MATERIAL TOPICS | BUSINESS ETHICS AND ANTI-CORRUPTION

[GRI 3-3 b] Report whether the organisation is involved with the negative impacts through its activities or as a result of its business relationships

Master Group may be involved in the identified negative impacts through its activities.

[GRI 3-3 c] Describe the policies or commitments regarding the material topic.

In order to manage effectively the risks linked to the material topic and to ensure business is conducted in a transparent manner, Master Italy is assessing the drafting of an ad hoc policy on anticorruption, it has approved a Code of Ethics, it has adopted a 231-compliant Organisation Model, it performs legality ratings and it has purchased the EQS platform for whistleblowing management

[GRI 3-3 d] Describe actions taken to manage the topic and related impacts

In order to mitigate the potential negative impacts identified with regard to Business Ethics and Anti-Corruption, the Group relies on external consultancy to carry out checks and audits, it has obtained the appropriate certifications and has defined an appropriate reporting channel. With regard to the positive impacts, Master has defined and formalised appropriate procedures aimed at ensuring training at all levels of the organisation, and it has updated its Code of Ethics and its 231-compliant Organisation Model.

[GRI 3-3 e] Report information about tracking the effectiveness of the actions taken

The Group relies on the Supervisory Body to track the effectiveness of the actions taken to prevent potential negative impacts.



NOISS

Sviluppare **NOISS** (New Organizational Intelligent Solutions) attraverso tecnologie, competenze e di processi per realizzare soluzioni e servizi intelligenti e sostenibili, in armonia con le nostre persone e con il nostro territorio.
Developing technological, organizational and process innovations to create intelligent solutions and services, growing in harmony with our people and our territory and sustainability.



GOVERNANCE

Master Italy Group consists of 6 companies in total, 3 of which are foreign:

- 1. Master S.r.l.** – is the Group’s operational Holding company which performs management and coordination. Governance is entrusted to a Board of Directors (BoD), made up of a Director, a Chief Executive Officer and a Chair, all of whom are over 50 years old and who are all equally skilled. Furthermore, 67% of the BoD is made up of men.

MASTER S.R.L BOARD OF DIRECTORS

Chairperson and Chief Executive Officer	Maria Luigia Lacatena
Chief Executive Officer	Michele Loperfido
Director	Celeste Erio Vitte

- 2. Master Italy Srl** – is the Group’s main production and marketing company and it is wholly held by Master Srl. The Company’s Governance is also entrusted to a 3-people Board of Directors, all of whom are over 50 years old. 67% of the BoD is also made up of men.

MASTER ITALY S.R.L BOARD OF DIRECTORS

Chairperson and Chief Executive Officer	Michele Loperfido
Chief Executive Officer	Maria Luigia Lacatena
Director	Celeste Erio Vitte

- 3. MasterLAB Srl** is wholly owned by Master Srl and is managed by the Sole Director Michele Loperfido, who is supported by the Technical Director for technical and marketing activities.

- 4. Master Polska** is the Polish company based in Krakow (POL) which deals with the marketing and logistics of Master products in East Europe. Master Polska is wholly owned by Master Srl and is managed by the Sole Director Michele Loperfido, who is younger than 50.

- 5. Master West Africa Sarl** is the company under Ivorian law based in Abidjan (Côte d’Ivoire) that deals with the marketing and logistics of Master products in West Africa. Master West Africa is wholly owned by Master Srl and is managed by the Sole Director Mauro Moretti who took over from Vito Lucio Delfino in October 2023, and is older than 50.

- 6. Windar Aluminium LLC** is the company under Emirate law based in Dubai (UAE) that deals with the distribution of Master products in the Gulf area. 60% of Windar is held by Master Srl and it is run by a Board of Directors consisting of two people: Ayman Atef Adeeb Hussain is the General Manager and Celeste Erio Vitte is the Managing Director. Both members of the Board are older than 50. Il Gruppo, nel corso degli ultimi anni, ha avviato un progressivo processo di managerializzazione al fine di rendere più robusta la governance e l’esecuzione dei piani di sviluppo aziendali.

Over the last few years, the Group has progressively implemented a managerial system in order to bolster the governance and execution of corporate development plans.

The first line of management, consisting of the Chief Financial Officer, General Director, Sales Director, Organisation and HR Director, Technical Director, Chief Operating Officer, meets regularly in the Management Committee to support the Board of Directors in defining objectives and the related execution plans.

It should be noted that the CFO supports the Board of Directors in monitoring the Group's economic and financial results and in drafting the Financial Statements, while the Chief Operating Officer is appointed and formally delegated to manage environmental impacts, supported by the HSE (Health, Safety, Environment) Manager coordinated by him.

Top executives report to the Board of Directors at least annually on the management of the impacts related to their responsibilities, while the Chief Financial Officer reports to the Board of Directors more frequently on the financial results for the current financial year during meetings that are called throughout the year with set agendas and post-meeting minutes.

Furthermore, the Board is supported by an **Advisory Board** made up of permanent and temporary members, who collaborate thanks to their specific professional and technical skills.



ECONOMIC AND FINANCIAL SUSTAINABILITY

The Master Group has always pursued the objective of combining growth with sound finances and a solid capital structure. Internationalisation is a key element of the Company's strategy: as early as 2000, it initiated efforts aimed at promoting growth in foreign markets, at first by setting up a sales network in the target markets. Later, the Company established branches abroad, the first one of which was "Master Polska" in Poland, in 2016, followed by the inauguration in 2022 of Master West Africa, a trading Company based in Côte d'Ivoire.

The main sales channels are Distributors and OEMs (Original Equipment Manufacturers), i.e. companies that produce systems for aluminium frames or medium-large sized companies that produce aluminium frames. Currently, Master's activities are centred around EMEA countries, where most of its business takes place.

In compliance with the requirements of the GRI Standards, below is a table showing the economic value generated, distributed and retained by the Group, which makes it possible to monitor financial soundness, how the value generated is distributed to its stakeholders and how this value is invested back into the business to promote its growth. In detail:

- **The economic value generated** is an indicator of measurable wealth generated by the Company in the year. This information makes it possible to measure the economic-social impact created by the Group;
- **The economic value distributed** represents the amount of wealth generated by the Group that is distributed back to the various stakeholders, including **employees, suppliers, lenders, public administration and shareholders**, and constitutes a qualitative-quantitative indicator of the Company's social impact and of the real extent of its social responsibility;
- **The economic value retained** represents the part of wealth that is not distributed to stakeholders, but is retained internally in the form of provisions, depreciation, amortisation and write-downs.

Below is an overview of the Group's economic value generated, distributed and retained during the three-year reporting period. It should be noted that the decrease in the value generated and distributed is mainly due to the stock reduction policies, as a consequence of the normalisation of supply chains following the COVID e post-COVID period.

ECONOMIC VALUE GENERATED AND DISTRIBUTED (€)	2023	2022	2021
Economic value generated	61.507.336	63.209.555	53.672.751
Economic value distributed	51.227.179	53.696.600	45.015.367
Of which suppliers' remuneration	35.518.137	39.123.244	31.767.148
Of which suppliers' remuneration	13.632.387	12.106.418	11.214.343
Of which lenders' remuneration	502.676	352.981	115.834
Of which Public administration's remuneration	1.573.979	2.113.957	1.918.042
Of which shareholders' remuneration	-	-	-
Economic value withheld	10.280.157	9.512.955	8.657.384
Of which depreciation, amortisation, provisions and impairment losses	4.857.228	3.398.065	3.293.414
Profit for the year	5.422.929	6.114.890	5.363.970

CORPORATE STRATEGY AND MANAGEMENT SYSTEMS

Master has made specific goals a priority in its corporate strategy, such as safeguarding health and safety in the workplace and achieving the highest level of customer satisfaction. In compliance with these goals, the Group has implemented an **Integrated Management System** which not only ensures its organisation model is dynamic, but combines **ISO 9001:2015** for quality management, **ISO 14001:2015** for environmental management and **ISO 45001:2018** for the occupational health and safety management system.

INTEGRATED MANAGEMENT SYSTEM

The Integrated Management System regulates the activities carried out in the company in an organised, scheduled and verified manner and is aimed at achieving specific objectives, such as monitoring the activity, improving processes and eliminating risks.

In line with these principles, the Group has continuously strengthened the Integrated Management System in order to:

- Ensure the environmental performance meets and continues meeting the requirements of applicable municipal, state and European laws as well as the corporate objectives outlined in the SGI policy;
- Make the organisation leaner, more efficient, flexible and focused on continuously improving the services provided to its customers;
- Protect employee health and safety through the implementation of measures and safe and healthy working conditions through compliance with all applicable state and supranational laws and regulations.



¹ The table is based on a reclassification of the Group's Income Statements.

THE MASTER GROUP'S PATH TOWARDS SUSTAINABILITY

Master has always been especially focused on the issues of environmental sustainability and corporate social responsibility, integrating them into its corporate strategy since 2020 with the **"Masterability"** programme. The name of this programme comes from the words **Master, Responsibility** and **Sustainability**, and it embodies the Group's commitment to Corporate Social Responsibility (CSR).

The "Masterability" Manifesto was created with the aim of making sustainability central to the Group's growth, and it is laid out along three main tenets: **People, Prosperity** and **Planet**. More in detail:

- the **People** principle aims to ensure dignity, equality and well-being for all employees, promoting an in-

clusive and respectful working environment;

- the **Prosperity** principle focuses on sustainable economic development, ensuring the Group's growth and prosperity in accordance with the principles of social responsibility;
- the **Planet** principle aims at the responsible use of natural resources, reducing the environmental impact of corporate activities and promoting sustainable practices along the entire value chain.

Through these tenets, Master commits to create a balance between the well-being of its workers, sustainable economic growth and environmental protection, proving that it is possible to do business responsibly and sustainably.

PEOPLE, PLANET, PROSPERITY



EXTERNAL INITIATIVES

The Group's contribution to sustainability takes the form of a number of activities and initiatives aimed at addressing several issues.

In 2023, Master supported the **Puglia Women Lead** association through the event "**Puglia Women Code**", a 3-day boot camp for women dedicated to coding, programming and web development aimed at narrowing the gender gap by fostering digital skills.

On the issue of ecology and primary education, the **Masseria Didattica** project ("Teaching Farmhouse") aimed at educating children about contact with nature and respect for the environment. Participants were able to gain direct experience through the workshops, themed read aloud activities, and nature walks. In addition to the educational and recreational purposes focused on children, this initiative aims to support working parents in managing their children during the summer school holidays, thus promoting a better work-life balance.

In order to promote culture and prosperity in the whole region, Master sponsored the exhibition of the celebrated painter **Antonio Ligabue**, organised by the Municipality of Conversano and the Artemisia association. A guided tour of the exhibition was organised for approximately 50 Master employees, and all workers could benefit from reduced entrance ticket prices. Another noteworthy sponsorship involved Annacarla Loperfido (HR AND ORGANIZATION DIRECTOR of Master) taking part as speaker in the literary festivals **Lector in Scienza and Lector in Fabula**. These two events take place in Conversano, and their aim is to promote conversations on current issues, ranging from science, to the economy and environmental sustainability.

In 2023, Master promoted important initiatives on women and children's health and prevention. In collaboration with the **Komen Italia** association, the company hosted the Prevention Caravan, offering all female employees the opportunity to undergo early breast screening for breast cancer. Furthermore, it supported the association by having a company team take active part in the amateur **Race For The Cure**.

The commitment to the collection of blood and blood components was renewed in 2023 with the organisation of a company day in collaboration with the blood-mobile of the Policlinico of Bari and the FIDAS association of Castellana Grotte. This initiative is organised on a yearly basis, and in 2024 there will be two days instead of one.

Another important initiative, linked to the promotion of a healthy lifestyle through nutritional education and the prevention of diet-related diseases, involved the participation of Prof. Moschetta, Full Professor of Internal Medicine at the University of Bari and vice-president of AIRC Bari. Prof. Moschetta gave a lecture at the company on diet and the proper lifestyles as prevention factors for cancer and digestive diseases.

Planet is the chapter of the Masterability project focusing on the actions carried out by the company to preserve our environment. These initiatives are aimed at reducing the environmental impact, either by acting directly on the organisation's production processes and environmental policies, or indirectly by supporting and encouraging virtuous behaviours within and outside the company.

These initiatives included the implementation of a software for digitising the document management and filing cycle, which was particularly impactful, as it enabled the launch of a programme for progressively reducing paper and toner use, resulting in 303 kg of CO2 saved in 2023.

Also within the Planet programme, in 2023 Master planned to expand its existing photovoltaic park, by adding 1500 Kwp capacity, as well as by providing and extending the charging service for electric vehicles.

In terms of savings in water resources, it should be noted that Master Italy has an advanced closed-circuit recycling plant for production water, which allows the company to save between 3,520 and 4,400 cubic metres/year, with regards to water recovery from tumbling, and approximately 552 cubic metres/year, with regards to water recovery from the industrial washing machines.

In addition, Master obtained the voluntary EPD certification for all seven product lines, covering 30 products in total. This achievement evidences the Company's commitment to measuring and reducing the environmental impact of its products, ensuring the communication of these impacts is transparent. The certifications are available on: <https://www.masteritaly.com/ambiente/>.

Master continued collaborating with associations (such as RETAKE) and with local bodies (such as the Municipality of Conversano) to promote initiatives for the regeneration of public space, such as beaches and rural areas, through cleaning-up and maintenance activities.

People is the third and last section of the Masterability section. This programme includes the initiatives implemented by the company for the benefit of its employees. The goal is to increase personnel loyalty and well-being, promoting a peaceful and productive corporate environment. The programme also includes investments in professional training and personal growth.

In this connection, the Company has integrated into its work organisation the possibility for all employees to work remotely, in accordance with the rules set by an internal regulation and based on a number of days per month set by individual agreements, depending on the position and role in production activities. Furthermore, the company incentivises sports activities, organises team-building and well-being events, and promotes training workshops. Within the context of team-building initiatives linked to the culture of sport and well-being, it is worth mentioning the **Pino Longo** marathon. This sport event involves all Master employees for one night of friendly football and beach volley tournaments.

In 2023, a number of social and promotional initiatives were carried out, including the award of scholarships to deserving children of employees. The total amount of the scholarships was **2,300 Euros** and there were 15 recipients: 12 from primary school, 2 from lower secondary school and 1 from upper secondary school.





MASTERABILITY

People · Planet · Prosperity



MANAGEMENT OF MATERIAL TOPICS | GOVERNANCE AND VALUE CREATION

[GRI 3-3 b] Report whether the organisation is involved with the negative impacts through its activities or as a result of its business relationships

Master Group may be involved in the negative impact, i.e. failure to achieve economic and financial targets, consequently eroding value for stakeholders, while performing its activities.

[GRI 3-3 c] [GRI 3-3 c] Describe the policies or commitments regarding the material topic

Master establishes multi-year objectives by drawing up an ad hoc **Industrial Plan**, while preparing the Budget. The Management Control System monitors these objectives, and the results are reported on a monthly basis to the Management Committee and the Board. The company's performance and risks are constantly monitored via a comprehensive reporting system, that combines a top-down and bottom-up approach, aligning the assigned targets with the management objectives and creating KPIs from the operational data. This structure provides the Board and Management with an all-round view of the company's short-term and long-term performance, conducive to the definition of mitigation actions. The Management Control System includes on a monthly basis the preparation of the **Income Statement** and the **Financial Statement** for the Board of Directors; the KPIs and the managerial reports, updated monthly to monitor the main economic-financial indicators; the **KPIs** and **departmental reporting** to monitor data and operational performance in the most significant cost centres (i.e. production, maintenance, tooling, quality, logistics, etc.) and the **KPIs and financial reporting** for the company treasury, with short and medium-term projections (to control cash flows, use of overdraft facilities and management of medium-long term operations).

[GRI 3-3 d] Describe actions taken to manage the topic and related impacts.

In 2023, the Group implemented a series of actions aimed at mitigating the main negative impacts identified (so-called business risk, price risk, credit risk and tax risk) by monitoring its activities and the competitiveness of sales prices and production factors. Furthermore, the Group implemented the provision of credit insurance policies, a credit management procedure and is weighing whether to activate the Tax Control Framework.

[GRI 3-3 e] Report information about tracking the effectiveness of the actions taken

In order to assess the effectiveness of the measures implemented to prevent any negative impacts, Master carries out a number of activities through the Control and Supervisory Bodies, including: **mapping the crime risk pursuant to It. Legislative Decree 231/2001**; **internal audits** of ISO 9001 quality systems, **whistleblowing** system and **internal audit** of processes. The monitoring systems make it possible to carry out risk mapping and impact assessment. Furthermore, complaint management and stakeholder feedbacks are governed by the **quality manual**. Master monitors its financial rating through international platforms and, as it is AEO certified, it performs an yearly self-assessment for customs regulations. Every year it updates the benchmarking system, through analyses of the market, competitors and economic-financial performance. Lastly, to assess the year's progress, the Parent Company prepares monitoring reports which are provided to the Board and to the Management Committee. With regard to the investment objectives (in tangible as well as intangible assets), they are assigned on a multi-year basis and, subsequently, on a yearly basis. Monitoring is performed on a quarterly basis.

MANAGEMENT OF MATERIAL TOPICS | PROTECTION OF THE LAND AND LOCAL COMMUNITIES

[GRI 3-3 b] Report whether the organisation is involved with the negative impacts through its activities or as a result of its business relationships

Master Group may be involved in an identified negative impact through its activities.

[GRI 3-3 c] Describe the policies or commitments regarding the material topic

The issue of the protection of the land and local communities is especially critical for the Group. From this perspective, starting in 2024, Master has introduced crucial ESG-relevant elements into its corporate manifesto: actively contributing to improving the comfort and sustainability of living environments; becoming a global player in the window and door frame sector, actively participating in the evolution of the business and the sustainable development of the community and, lastly, developing technological, organisational and process innovations to develop smart and sustainable solutions and services.

Furthermore, in 2024, Master Italy plans to conduct a new analysis of «**double materiality**» in accordance with the CSRD guidelines to draw up the **Sustainability Plan** and define medium-term objectives. The Group has set itself the objective of establishing a specific ESG management body called **Masterability Team** made up of representatives of the most significant corporate areas in terms of ESG impact and coordinated by a Sustainability Manager. In terms of policy, consistently with the previous reporting year, the Group will renew the environmental and social certifications, seeking to obtain the score it achieved through new activities (i.e. **Great Place to Work, Gender Parity, EPD System**). Lastly, with regard to environmental topics, Master Italy is subject to filling in the AIA, therefore it constantly monitors its air emissions as well as its use of water resources.

[GRI 3-3 d] Describe actions taken to manage the topic and related impacts

In order to mitigate potential negative impacts, Master is committed to supporting the local community. With that in mind, the Group has opted for local suppliers, with a focus on reducing business risks and the environmental impact of its supply chain. In order to mitigate emissions, the Group has invested in photovoltaic systems for self-consumption that have covered over 22% of its needs through a 1300 kWp system that became fully operational in 2023. In 2024, Master plans to invest in an additional 600 kWp: this choice will not only result in a 45% coverage of its energy needs in the current year, but also a positive projection at 2025 (+5% compared to 2024). In terms of positive impacts, Master supports local cultural and educational initiatives; indeed, it provides funds for the sponsorship of events with a high educational content as well as for promoting the local area (i.e. **Lector in Fabula, Chagall exhibition**) and supports secondary schools through services for work-related learning projects.

[GRI 3-3 e] Report information about tracking the effectiveness of the actions taken

In order to track the effectiveness of the actions taken and related progress, Master Italy, through the Masterability Team, provides an annual programme and constantly monitors its application. The data are collected through data sources as well as direct feedback from stakeholders, and are used as a basis for the following year's planning.

3

MASTER ITALY:
FOR A
SUSTAINABLE
WORLD

GRI 204-1, 308-1, 414-1, 416-1, 416-2



SUSTAINABILITY, QUALITY AND SAFETY OF THE PRODUCT

For Master Group, product responsibility translates into painstaking attention to **quality, safety, sustainability** and **innovation**, key aspects to ensure customer satisfaction. For each of these aspects, Master has defined and implemented procedures and checks inspired by current best practices.

Product quality and safety are guaranteed by a thorough programme of tests and trials, with **over 1,000 checks** performed by MasterLAB, and supported by a number of product certifications which are available on the company website.

All the products are covered by warranty as required by law, provided they are applied and installed in accordance with the technical specifications. The Company has taken out an **insurance policy for the products** with a leading international provider, with limits appropriate to the Group's turnover.

The Group undertakes to guarantee high quality and safety standards throughout the processing of the products it provides, and regularly checks for and adapts to any updates of the applicable regulations.

Quality is monitored throughout production and it is guaranteed by the **Integrated Quality Management System**, certified in accordance with the **ISO 9001:2015** international standard, which ensures control over the entire production and service provision process, also through the internal audits required by management procedures and periodic audits by the certifying body.

In order to ensure high product standards, Master Group implements checks along the entire value chain, on the purchased goods as well as on production processes. These checks are supported by specific internal procedures for monitoring and managing the products.

It is important to underline that in the 2022-2023 reporting period, **no non-conformities were recorded with regard to the health and safety of the products and services** offered by the Group.

Master Italy S.r.l., in accordance with **the voluntary Agreement signed with the Italian Ministry for Ecological Transition**, has analysed and accounted the CO2 emissions (Carbon Footprint) caused by the design and production of accessories for door and window frames. The aim of the analysis was to perform a quantitative assessment of the resources required and emissions produced by the production lines of the various Master Italy S.r.l. components at the Conversano (BA) facility.

The studies were conducted as required by **Standards ISO 14040:2006 and ISO 14044:2018**, with the aim of calculating the **GWP100 (Global Warming Potential over 100 years)** of each individual component. The aim of calculating the GWP100 is the adoption of **policies and strategies for reducing and possibly offsetting emissions by joining the international carbon credit market**, in keeping with the commitment made with the Italian Ministry of the Environment and Energy Security. The actions planned following the study were aimed at **reducing the energy component through investments in new machinery, monitoring systems, adoption of saving policies and process streamlining**.

In 2023, the **product certification process in accordance with UNI EN 17610:2022 EPD** was completed. The title of the standard is indeed **"Building hardware – Environmental product declarations – Product category rules complementary to EN 15804 for building hardware"** and provides rules for the product category (PCR) for Type III product environmental declarations for frame accessories.

Master places consumer protection at the centre of its activities, using various procedures covering the design as well as the assessment of the products. More specifically, in the reporting year, the Group **assessed the impact on the health and safety of consumers of 65% of the products and services provided.**

MasterLAB, the Group's research and development centre, supports the design process through testing activities carried out in the laboratory using prototypes, in order to assess the technical aspects linked to the application and functionality of the products. The tests make it possible to assess the performance and functionality of the products, identifying any risks derived from use as early as the project development stage. The end result of the design stage is a final model, on which all the checks are carried out to ensure compliance with customers' requirements or expectations, compliance with the applicable standards of the sector and adequacy of the safety standards for the application and use of the product.



THINK,
CREATE,
INNOVATE,
INSPIRE.



MANAGEMENT OF MATERIAL TOPICS | QUALITY, SAFETY AND INNOVATION OF PRODUCTS AND SERVICES

[GRI 3-3 b] Report whether the organisation is involved with the negative impacts through its activities or as a result of its business relationships

Master Group may be involved in the identified negative impacts through its activities.

[GRI 3-3 c] Describe the policies or commitments regarding the material topic

The categories of critical products and services with regard to quality, safety and innovation of Master Italy are tested in accordance with European industry standards aimed at establishing the performance level and safety of the products placed on the market. For more details please refer to para. 5.1 «Sustainability, quality and safety of the product»

[GRI 3-3 d] Describe actions taken to manage the topic and related impacts

In order to mitigate the potential negative impacts identified with regard to the Quality, safety and innovation of products and services, the Group has implemented a system for managing complaints from its customers and it carries out a number of analyses on the conformity of products and processes, the quality of externally supplied components and the quality of components on free issue for processing.

[GRI 3-3 e] Report information about tracking the effectiveness of the actions taken

In order to track the effectiveness of the actions taken to prevent potential negative impacts, Master Italy performs a number of activities, including:

- Draws up a quarterly report on customers' complaint management;
- Draws up a monthly report on scrapped components;
- Draws up a four-monthly report on suppliers' quality;
- Submits MASTER ITALY and MASTER LAB ISO 9001 to management review.

In order to assess the progress made in this regard, the Group has defined the following indicators:

- Supplier performance KPI;
- Customer complaint KPI;
- Production performance KPI.

CUSTOMER SATISFACTION

Master Group is very attentive of its customers, both in the sale and after-sale stage. This is reflected in the commitment to address the various needs in a tangible and timely manner, which is conducive to building a relationship based on mutual trust and satisfaction.

Putting customers' needs first is, indeed, one of the five tenets of the Master Brand.

Master Italy is strongly focused on cultivating a customer-centric corporate culture, and therefore recognises that the key to its success lies in the satisfaction and trust of its customers. In line with this principle, the Group adopts a **Customer Centric** approach that permeates all the activities making up the value chain.

The Customer is involved as early as the product design stage, by surveying their needs or technical requirements.

These activities, together with specific market research, result in building extensive knowledge that guides the Group in the production of innovative, high-quality products.

Master invests in the training of its personnel and its customers through specific technical training programmes that provide commercial partners with the skills required to make the best use of Master products, ensuring proper installation and optimal performance. In 2023, **16 events** were carried out that entailed technical training sessions, including:

- **3 international trade fairs;**
- **7 Open house events;**
- **6 customer visits at the company.**

Over 30 training events are scheduled for 2024.

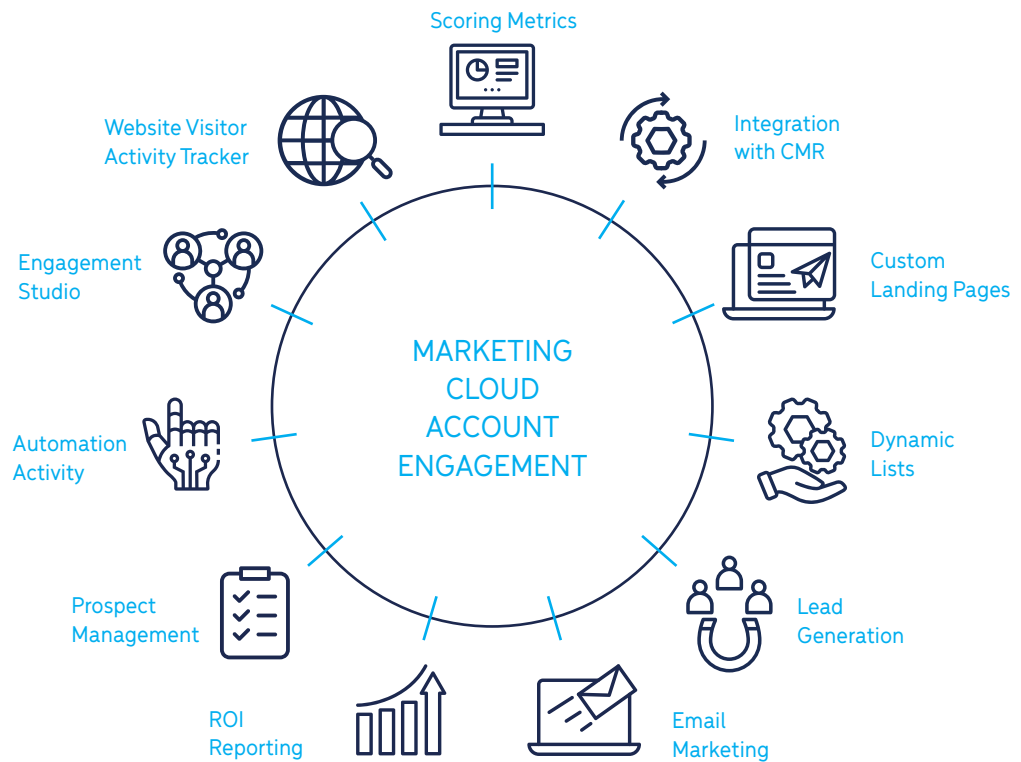
Therefore, training activities also include visits to the production facility and open house events that allow customers to become more familiar with production processes, thereby ascertaining their quality and that

of the products. In the pursuit of its commitment to Customer Centricity, essential for the corporate strategy and functional to the Group's growth, Master has implemented a **CRM (Customer Relationship Management)** system to effectively manage customer relations. The CRM makes it possible to centralise, synchronise and share information among all the departments involved in the day-to-day relations with the customer, allowing the Group to maintain a comprehensive vision of the needs, trends and requirements of the various markets in which the Group operates.

Master's marketing strategy is based on the **funnel marketing** model: prospective customers (leads) are followed closely through the various stages of their relationship with the company: from initial interest to conversion into an account and consequent activation of support services for order management and pre- and post-sales assistance. Each stage of the funnel is characterised by omnichannel communication aimed at offering customers a seamless and dynamic experience, using a combination of offline and digital tools and touch points.

The various stages of the purchase process are monitored by lead management tools. The stages upstream are guided by a **marketing automation** process that makes it possible to customise communications and promotions according to the specific needs of individual customers and users. The stages downstream (sales) are managed through the CRM. By automating marketing processes, Master is able to convey targeted and significant messages, providing useful and updated information on the solutions and services provided. In the awareness, engagement and consideration stage, digital channels such as social networks make it possible to reach a large base of potential customers and to establish two-way communication to meet their needs and obtain timely feedback.

Together with digital tools, the importance of **physical**



contact points to establish significant customer relations is indisputable. In addition to actively taking part in international trade fairs, Master organises and takes part in open house events for insiders, as well as guided tours of the production facilities in order to strengthen its reputation and improve brand awareness.

These activities create human connections, promote the exchange of knowledge and deepen the understanding of the specific needs of the Group's customers.

We recognise the importance of integrating all communication channels and touchpoints – digital as well as physical – in order to ensure a seamless customer experience, as this approach supports dynamic adaptation to changing market needs and enables us to provide a high quality service that exceeds customer expectations.

The **Customer Service** activity has the main aim of ensuring customer satisfaction in line with one of Master's values: customer centricity. In 2023, the Master Group served customers in **86 countries**, each one of

whom placed at least one order requiring the involvement of Customer Service.

At Master, the customer service activity consists of **sales customer service**, which deals with sales and administrative requests for support, and **technical customer service**, which deals with technical requests, complaints and clarifications.

Specifically, the **Technical Customer Service (CST)** deals with performing accurate compatibility studies to ensure the accessories produced by the Master Group can be installed on the most common systems (aluminium profiles) in the target markets.

Furthermore, the CST ensures timely, direct assistance by providing technical clarifications and addressing the requirements of customers and professional users with regard to the purchase and installation of the product, including handling any complaints.

Complaints and requests for clarifications are handled through various touch points to collect information (e.g. telephone, email, WhatsApp service, online que-

ries from the website, direct requests from the company sales force, etc). The documents flow into the document management system that keeps track of all the activities carried out by the various company departments, as well as integration with other digital tools such as ERP and CRM in order to constantly monitor the status of the tasks.

The **Sales Customer Service**, which consists of the two business macro-areas **"customer care"** and **"sales back office"**, handled inquiries from over **50 countries** in 2023.

Customer care activities use a range of communication channels, including telephone, email, online chat, to interact with customers and actively listen to their inquiries and concerns, ensuring their needs are wholly understood. Furthermore, details are provided on the products and services offered, including specific promotions, directions for use and advantages, as well as receiving and handling complaints and negative feedback, working to solve issues to the customer's satisfaction.

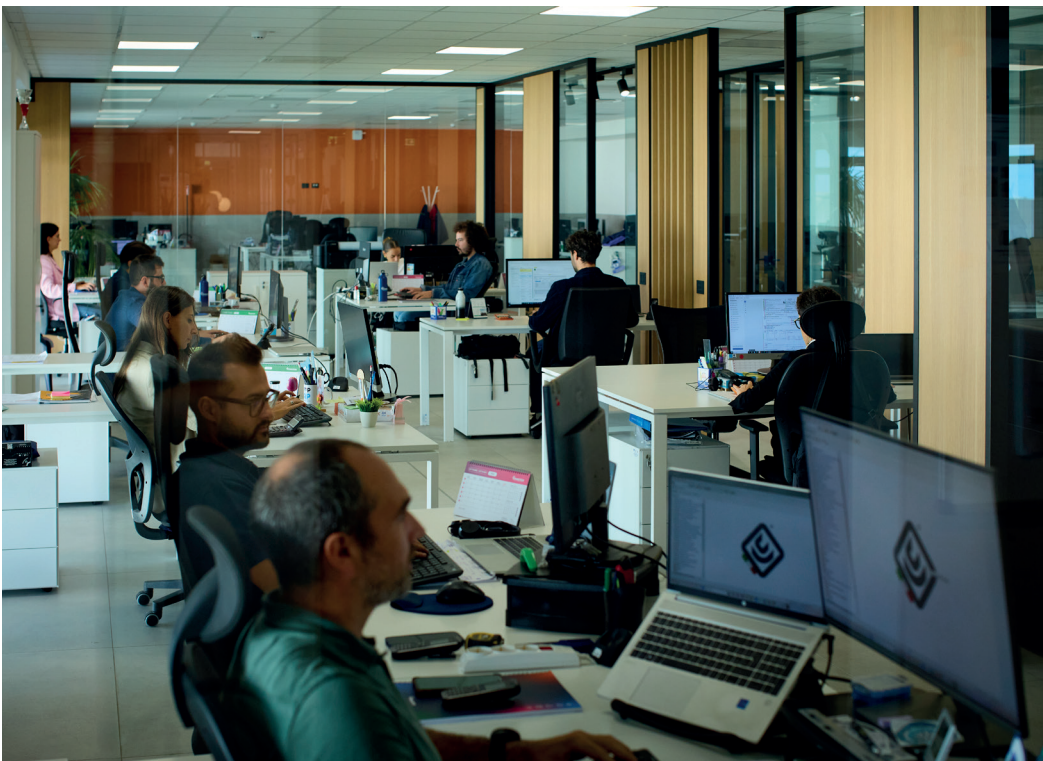
Sales back-office activities include checking, entering and confirming orders, ensuring that all the information is correct and complete; informing customers of the status of their orders, including any changes or de-

lays; and collaborating with Operations to ensure that orders are processed on time. Lastly, the shipping and delivery documents are prepared, sales contracts and commercial agreements are managed, ensuring that they comply with company policies and applicable regulations.

The team constantly monitors KPIs such as order processing time, on-time delivery (**92%** in 2023), average delivery time (**12 days** in 2023), shipping accuracy and inventory management, producing reports for company management, as well as analysing sales figures to identify trends, streamline processes and improve operational efficiency.

The area's objectives include the rapid resolution of any order, delivery or payment problems, ensuring smooth and transparent communication with customers, and the collection of customer feedback, shared with the sales team in order to improve processes and the level of service.

An efficient customer service and a well-organised back-office help build and maintain long-term relations with customers; proactively handling requests significantly improves their experience, promoting loyalty, satisfaction and trust in the service offered.



MANAGEMENT OF MATERIAL TOPICS | CUSTOMER SATISFACTION

[GRI 3-3 b] Report whether the organisation is involved with the negative impacts through its activities or as a result of its business relationships

Master Group may be involved in the identified negative impacts through its activities.

[GRI 3-3 c] Describe the policies or commitments regarding the material topic

In order to effectively manage the risks linked to customer satisfaction and to promote an effective service, Master Italy has implemented a thorough system for managing customer Complaints and Queries, through specific software (Arxivar) that is able to handle complaints, recording all the resulting activities and enabling internal cross-functional management (customer service, quality, technical department, engineering, purchasing, logistics, production) aimed at solving the problem. Also, these tools allow the Company to perform regular and thorough monitoring, which translates into a quarterly analysis performed by the quality department with the relevant KPIs.

[GRI 3-3 d] Describe actions taken to manage the topic and related impacts

In order to mitigate the potential negative impacts identified with regard to customer satisfaction, the Group has scheduled a regular satisfaction survey for the next few years, capable of analysing customer satisfaction with regard to a series of factors and areas that positively influence their experience (level of service, quality, innovation, logistics, product launch, etc.). With regard to the positive impacts, complaint and query management via the BPM Arxivar software enables a thorough analysis of communication with customers with regard to problem solving.

[GRI 3-3 e] Report information about tracking the effectiveness of the actions taken

In order to track the effectiveness of the actions taken to prevent the potential negative impacts of the topic in question, the Group uses BPM software (Business Process Management) called Arxivar to manage complaints, queries and related procedures. This tool makes it possible to analyse and measure the impacts of company activities and to provide prompt and comprehensive feedbacks to customers. Through the survey to be carried out in the coming years, however, Master will be able to periodically measure and monitor the Brand's reputation and identify corrective and improvement actions.

Moreover, this activity must produce a score to evaluate the Brand's positioning in the market's perception, that may be improved over time thanks to the corrective and improvement actions that will arise from the analysis of said survey.

For monitoring Complaints and queries and the quarterly analysis, the Group has qualitative and quantitative targets and KPIs (number of complaints on number of order lines, both quantitative and economic value, analysed on 5 cost centres).

INNOVATION IN MASTER

The drive for experimentation and innovation has always guided Master Group in the awareness that excellent results and important goals stem from dedication, passion and constant commitment.

Through the development and sharing of skills and important investments Master Group is able to improve the organisation structure and the **research, study and training processes** paying careful attention to sustainable growth of **human resources, quality of materials** and **production** and **service efficiency**.

The Master Group's distinctive feature is a strong focus on innovation, along three main development directions:

- Product innovation;
- Process innovation;
- Digital innovation.

PRODUCT INNOVATION

Master’s distinctive feature is a strong focus on all aspects of product innovation. In order to boost these activities, in 2008 the Group founded the **MasterLAB Research & Development Centre**, which is the core of the company’s know-how as it holds all its patents and

trademarks. The centre consists of a technical department and laboratory, equipped with state-of-the-art equipment (including 3D printers) and software.

MasterLAB is made up of **three functional areas:**

<h1>1</h1>	<h1>2</h1>	<h1>3</h1>
<p>LABORATORY</p> <p>Pre-measurement of product performances with air permeability, water tightness and wind resistance tests in accordance with regulations;</p> <ul style="list-style-type: none"> • Validation of mechanical strength in frames; • Thermal transmittance certificate; • Issuance of cascading certificates. 	<p>TECHNICAL SUPPORT</p> <ul style="list-style-type: none"> • Pre-sales and after-sales consultancy; • Technical support for the product; • Assistance in the development of new systems; • Compatibility studies on existing systems; • Development of customised and non-standard product configurations. 	<p>TECHNICAL DEPARTMENT</p> <ul style="list-style-type: none"> • Research, study and experimentation; • Development of new products and upgrades to existing ones; • Prototyping and engineering of the finished product with 3D conceptual development methods, verification in finite element method and experimental validation of the laboratory concept.

MasterLAB’s goal is to innovate, provide unique and qualified answers, develop new solutions and support the supply chain’s growth in terms of skills and quality. The centre, thanks to the ongoing collaboration with the Polytechnic University of Bari and with the Institute for Construction Technologies (ITC), a scientific facility of the National Research Council (CNR) that mainly operates in the civil engineering sector, seeks to combine the skills deriving from basic research with the needs of the aluminium doors and windows market – addressing the need for mechanical innovation by providing solutions and materials, as well as catering for the mechatronic field, with integrated electronic

solutions.

The various successful projects include the Karma handle range, the WEEN tilt and turn sash project and the APRO Windows Automation System, which allows you to remotely manage the opening of a building’s windows and French windows to provide natural ventilation, and ensure maximum living comfort and high safety standards.

In 2023 an **extension of the laboratory area** was planned, entailing the installation of new digital 3D printing machines for plastic materials.

PROCESS INNOVATION

The main focus of **process innovation** is within Master Italy and it mainly entails investments in production and logistics plants and machinery, also associated to innovation and process digitisation. These investments totalled 18% of turnover in 2023.

The continuing introduction of new technologies aims to increase quality, efficiency and flexibility in production and logistics flows thanks to digitally connected machinery and systems that enable real-time monitoring of performance, thereby supporting continuous feedback between performance and business objectives.

The new machinery and systems feature a high level of automation, diagnostics and state-of-the-art sensors, vision systems and artificial intelligence, capable of preventing malfunctions and production downtime and of improving working conditions.

In short, investments in process innovation have the following **strategic objectives**:

1. introduce new technologies to support product development;
2. ensure the plants and machinery are interconnected with internal management systems and/or external parties for monitoring and support;
3. increase production efficiency by monitoring production parameters and factors;
4. monitor energy consumption to improve it;
5. increase production quality;
6. increase production flexibility to provide better service to the customer and to streamline stocks;
7. increase the plants' safety level;

train the human resources in the management of the new technologies in order to maximise the opportunities provided by their introduction;

8. free up surface area for the development of new product families and for strengthening existing ones, while reducing to a minimum the risks linked to interference between vehicles and people;
9. Recycle and reuse materials.



DIGITAL INNOVATION

Master Group has continued pursuing the objectives of the **digital transformation** plan it undertook in the past, extending the use of IOT interconnection technologies to other departments that are not directly involved in production, while continuing to invest in Industry 4.0 machinery.

This has made it possible to extend advanced logic (such as finite capacity scheduling) also to Group departments that traditionally work in production as well as in projects.

New integrated tools were implemented in 2023 to support all the roles that liaise with customers, including CRM integrated with company systems and AI tools to support sales. Particularly noteworthy was the introduction of Machine Learning algorithms to simplify and reduce the time it takes to draw up commercial offers. Further investments are expected in these areas also in 2024.

Furthermore, during the year, an AI tool that assesses the fit of the personnel or external candidates' skills to positions for which personnel searches are active was provided to the HR & Organisation department.



SUSTAINABLE SUPPLY CHAIN

Master has identified **supplier vetting** as a critical success factor in the pursuit of its mission and its strategic objectives. In light of that, the Group has implemented and formalised a specific operational procedure that concerns supplier vetting.

This procedure makes it possible to:

1. Select suppliers that ensure highly efficient levels of service;
2. Cooperate towards collaborative supplier relations;
3. Establish and measure performance with a view to continuous improvement;
4. Attain a universal awareness of the company's vision, mission and strategy with regard to the quality that should be assured to the end consumer.

The **supplier vetting** process takes into account a number of criteria, including:



The process is formalised by having the supplier fill in a **self-assessment questionnaire** – specific for its product category – for each aspect of its business. At this stage, a series of elements are analysed, including:

- aspects to do with an assessment of the supplier's **economic-financial stability** (i.e. analysis of reports);
- **technical, human resources** as well as **awards**, including any certifications (i.e. ISO 9001 and ISO 14001);
- **legal aspects;**
- **professional, technical and scientific expertise.**

After filling in the questionnaire, the supplier is required to formally adhere to the principles set forth in the Group's **Code of Ethics** as well as to sign – where required – a **confidentiality agreement**. The assessment process is completed after an in-person audit is carried out at the supplier's premises.

Owing to the importance ascribed by the Group to ESG issues, it has become customary to include additional criteria – Environmental, Social and Governance – within its supplier vetting procedures. Indeed, in 2023, the Group implemented the assessment questionnaire with a specific section on Corporate Social Responsibility (CSR) and Sustainability.

This activity not only strengthens the company's commitment to sustainability issues, but also makes the whole **vendor rating** process more effective and efficient.

VENDOR RATING

Vendor Rating is an activity carried out by the purchasing department which aims at ranking suppliers in relation to their performance. Suppliers are indeed assessed based on specific KPIs defined by the company (i.e. reliability, quality, performance). This is a functional tool to support the buyer in understanding the supplier's effectiveness in their business and to improve the supplier-customer relationship.

In **2023, 9** new suppliers were assessed (i.e. **56%**) on the basis of environmental and social criteria, an **increase** compared to 2022 (**44%**).

NEW SUPPLIERS SCREENED IN ACCORDANCE WITH SOCIAL ENVIRONMENTAL CRITERIA	2023	2022
Total new suppliers	16	18
Total new suppliers screened in accordance with environmental and social criteria	9	8
Percentage of new suppliers screened with environmental and social criteria	56%	44%

The total expenses for suppliers in **2023** was **31,716,031 Euros**, down approx. **16.4%** compared to the expense in the previous reporting year. **The decrease** was mainly due to the trends in inventories and purchase costs.

Finally, the percentage of spending on local suppliers increased by **5.7% compared to the figures for 2022 (from 84.1% to 89.8%)**.

PROPORTION OF SPENDING ON LOCAL SUPPLIERS – ITALY	2023		2022		2021	
Local	€ 28.465.421	89,80%	€ 31.910.768	84,10%	€ 22.193.375	81,40%
Non Local	€ 3.250.610	10,20%	€ 6.036.173	15,90%	€ 5.087.260	16,60%
Total suppliers expenditure	€ 31.716.031	100%	€ 37.946.941	100%	€ 27.280.635	100%

MANAGEMENT OF MATERIAL TOPICS | RESPONSIBLE SUPPLY CHAIN MANAGEMENT

[GRI 3-3 b] Report whether the organisation is involved with the negative impacts through its activities or as a result of its business relationships

Master Group may be involved in the generation of negative impacts through its activities.

[GRI 3-3 c] Describe the policies or commitments regarding the material topic

Master's commitment to reducing environmental impacts is reflected in its careful and sustainable supplier vetting process. Indeed, before starting any partnership, the Group carries out an assessment of the minimum requirements it considers essential. Therefore, when selecting its suppliers, Master performs a preliminary assessment to ensure that the technical and economic requirements are met. Subsequently, the Group ascertains that the suppliers being reviewed are financially and economically viable and lastly, checks the existing certifications supporting their professional standing.

[GRI 3-3 d] Describe actions taken to manage the topic and related impacts

In order to mitigate the potential negative impacts identified with regard to Supply chain management, the Group has acquired specific tools to identify and vet its suppliers.

With that in mind, Master requires new suppliers to sign the company's Code of Ethics which binds them on acceptance of all orders.

Moreover, the Company prepares suppliers pre-vetting questionnaires, which are required not only to acquire significant information, but also to perform a preliminary assessment of the potential suppliers' technical, qualitative and production capabilities. Accordingly, starting in 2023, the Group implemented a section aimed at acquiring information on Corporate Social Responsibility – CSR – and Sustainability: this infor-

mation, although not binding, helps to map the Supply Chain in detail and to transfer the Group's commitments to suppliers. The information is subsequently transferred and appropriately weighed in the Vendor Rating system, together with other standard assessment parameters.

4

OUR PEOPLE

GRI 2-7, 2-8, 2-21, 401-1, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-9,
403-10, 404-1, 405-1, 405-2 e 406-1



MASTER
HARDWARE FOR WINDOWS AND DOORS

R5

MASTER
HARDWARE FOR WINDOWS AND DOORS

DIVERSITY, INCLUSION AND EQUAL OPPORTUNITIES

Master's strategy primarily focuses on **people**, who are considered the key drivers of change, and is based on shared values and behaviours. The adoption of ethical and inclusive behaviours, by which corporate decisions are centred around the social and professional well-being of individuals, is key to the ability to face the continuous challenges and to achieve the Group's main objectives.

In line with these principles, one of the strategic pillars of the Group is **putting people first and respecting them**: Master is actively committed to leveraging differences, which are seen as an added value, and to promoting individual talent in order to achieve common objectives.

Master is actively committed to promoting **inclusivity** and **professional development**, and to prevent any

form of **discrimination**. This commitment is evidenced by the total **absence of discrimination incidents** during the three-year-period covered by the report.

Consistently with these principles, the Group offers work opportunities to people from protected groups: in 2023, **12 people from vulnerable groups** were hired.

In order to provide a detailed overview of the changes to the Master workforce in the period between 2021 and 2023, the following table shows employees broken down by:

- **type of contract (permanent and fixed term);**
- **gender;**
- **geographic area (Italy, Poland, Côte d'Ivoire and United Arab Emirates).**

TOTAL NUMBER OF EMPLOYEES BROKEN DOWN BY CONTRACT TYPE AND GENDER	2023			2022			2021		
	Men	women	Total	Men	women	Total	Men	women	Total
ITALY	300	26	326	295	28	323	273	27	300
Permanent	300	26	326	294	28	322	272	27	299
Fixed term	-	-	-	1	-	1	1	0	1
POLAND	2	-	2	2	-	2	-	-	-
Permanent	1	-	1	2	-	2	-	-	-
Fixed term	1	-	1	-	-	-	-	-	-
CÔTE D'IVOIRE	1	1	2	2	1	3	-	-	-
Permanent	1	1	2	2	1	3	-	-	-
Fixed term	0	-	-	-	-	-	-	-	-
UNITED ARAB EMIRATES	7	5	12	-	-	-	-	-	-
Permanent	7	5	12	-	-	-	-	-	-
Fixed term	0	0	0	-	-	-	-	-	-
Total	310	32	342	299	29	328	273	27	300



To evidence the Group's steadfast commitment to providing a stable environment for its human resources, **a 9% increase in the workforce** was recorded in Italy between 2021 and 2023. During the year covered by the report, the number of Italian employees on permanent contracts was **326, 300 of whom were men and 26 women**.

In Poland in 2023, there were **2 male employees** (one on a permanent contract and one on a fixed-term contract), whereas at the Group's office in Côte d'Ivoire there was **one male employee and one female employee**, both on permanent contracts. Lastly, Windar,

the company based in Dubai, had **12 employees** in total, **7 men and 5 women**, all of whom were hired on permanent contracts.

With regard to the **type of employment**, the table below sets out the breakdown of the Group's resources by:

- **type of employment (full-time and part-time);**
- **gender;**
- **geographic area (Italy, Poland, Côte d'Ivoire and United Arab Emirates).**

TOTAL NUMBER OF EMPLOYEES BROKEN DOWN BY FULL-TIME/PART-TIME	2023			2022			2021		
	Men	women	Total	Men	women	Total	Men	women	Total
ITALY	300	26	326	295	28	323	273	27	300
Full-time	299	24	323	294	28	322	271	26	297
Part-time	1	2	3	1	-	1	2	1	3
POLAND	2	-	2	2	-	2	-	-	-
Full-time	2	-	2	2	-	2	-	-	-
Part-time	-	-	-	-	-	-	-	-	-
CÔTE D'IVOIRE	1	1	2	2	1	3	-	-	-
Full-time	1	1	2	2	1	3	-	-	-
Part-time	-	-	-	-	-	-	-	-	-
UNITED ARAB EMIRATES	7	5	12	-	-	-	-	-	-
Full-time	7	5	12	-	-	-	-	-	-
Part-time	0	0	0	-	-	-	-	-	-
Total	310	32	342	299	29	328	273	27	300

The table shows that nearly all of the Group's employees (approximately **99%**) was working **full-time**, regardless of where they are located.

Specifically, between 2021 and 2023 a **9%** increase was recorded in the number of employees with full-time contracts in Italy, while the figures for Poland were unchanged with respect to 2022, and in Côte d'Ivoire there was a slight decrease, i.e. one unit, in the number of male employees with a full-time contract. Lastly, all of the Emirates-based company Windar's employees are working on full-time contracts.

Master's workforce includes resources outside the organisation who, as **temporary** and **self-employed** workers, contribute to the Group's success. In detail, the following table shows the total number of **non-employee workers** broken down by:

- **type of contract;**
- **gender;**
- **geographic area in Italy, Poland and United Arab Emirates for 2023, 2022 and 2021.**

TOTAL NUMBER OF NON-EMPLOYEE WORKERS BROKEN DOWN BY CONTRACT TYPE AND GENDER	2023			2022			2021		
	Men	Woman	Total	Men	Woman	Total	Men	Woman	Total
ITALY	28	4	32	24	2	26	58	3	61
Temping workers	15	1	16	9	1	10	33	1	34
Self-employed workers	2	1	3	2	1	3	2	1	3
POLONIA	1	0	1	1	-	1	-	-	-
Self-employed workers	1	0	1	1	-	1	-	-	-
CÔTE D'IVOIRE	1	-	1	-	-	-	-	-	-
Temping workers	-	-	-	-	-	-	-	-	-
Self-employed workers	1	-	1	-	-	-	-	-	-
UNITED ARAB EMIRATES	5	0	5	-	-	-	-	-	-
Temping workers	1	0	1	-	-	-	-	-	-
Self-employed workers	4	0	4	-	-	-	-	-	-
Total	34	4	38	25	2	27	58	3	61

In Italy there are **32 non-employee workers**, an increase of **6** units as against 2022, of whom **28 men** and **4 women**. On the contrary, in Poland the number remained stable with **one male self-employed worker only** for the two-year period 2022-2023. **Master West Africa** had **one self-employed worker** in 2023, whereas in 2023, the Emirates-based company **Windar** had **4 self-employed workers and 1 temping worker**, for a total of **5 non-employee workers**.

Gender parity is one of the most sensitive aspects and it is given serious consideration by the Group. The table below evidences Master's commitment to eliminating any distinction between women's base salary compared to the men's³.

BASE SALARY - CONSOLIDATED MASTER GROUP	2023	2022	2021
	Women/men ratio	Women/men ratio	Women/men ratio
Executive area	-	-	-
Cadre area	-	96%	-
Accounts area	101%	98%	92%
Sales area	87%	86%	87%
Technical area	0%	92%	100%
Operational area	106%	108%	94%



²“Base pay” refers to the minimum, fixed amount paid to an employee for performing their duties without additional remuneration, such as overtime payments or bonuses.

³The Group's top management is made up of male employees

To complement the figures provided, please note that as at 31.12.2023 the **ratio of the total annual pay of the employees** who receive the highest pay and the median of the total annual remuneration of the resources as a whole was **3.86** compared to 2.65 in 2021. In order to provide a more detailed overview of the

Group's workforce, the table below sets out the employees broken down by:

- **job classification;**
- **geographic area (Italy, Poland, Côte d'Ivoire and United Arab Emirates); and**
- **age groups (<30; 30-50; >50).**

TOTAL NO. OF EMPLOYEES BROKEN DOWN BY CLASSIFI- CATION, GEOGRAPHIC AREA AND AGE GROUP							2023
	<30		30-50		>50		Total
	Men	Woman	Men	Woman	Men	Woman	
ITALY	47	1	196	16	57	9	326
Executives	-	-	3	-	1	-	4
Middle managers	-	-	3	1	1	-	5
White collar workers	6	1	40	14	15	4	80
Blue collars	41	-	150	1	40	5	237
POLOND	1	-	1	-	-	-	2
Executives	-	-	-	-	-	-	0
Middle managers	-	-	-	-	-	-	0
White collar workers	-	-	1	-	-	-	1
Blue collars	1	-	-	-	-	-	1
CÔTE D'IVOIRE	-	-	2	-	-	-	2
Executives	-	-	-	-	-	-	0
Middle managers	-	-	1	-	-	-	1
White collar workers	-	-	1	-	-	-	1
Blue collars	-	-	-	-	-	-	0
UNITED ARAB EMIRATES	0	0	6	4	1	1	12
Executives	0	0	0	0	1	0	1
Middle managers	0	0	1	1	0	1	3
White collar workers	0	0	4	3	0	0	7
Blue collars	0	0	1	0	0	0	1
Totale	48	1	199	16	57	9	342

The table shows that most of the Group's resources are concentrated in Italy (**326 employees**) and mainly consists of workers belonging to the "production workers" classification (**72.1%**).

On the whole, a large part of the Group's workers are aged between **30 and 50 years old**, with **215 employees**, of whom **16 women** and **199 men**. However, **49 employees** are younger than **30** and **66 employees** are older than **50**.

In Poland, there are **2 employees** in total, both men: **1 production worker** who is younger than **30** and **1 office worker** who is between **30 and 50 years old**. Also in Côte d'Ivoire there are two employees, both **women**: **1 manager** and **1 office worker** aged between **30 and 50**. The Emirates-based company Windar has **12 employees**, **6 men and 4 women between 30 and 50 years old**, and **one man and one woman who are older than 50**.

The rights of all employees are guaranteed within the Group, which implements various protection measures that extend beyond the minimum requirements set forth by the regulations.

100% of the employees of the Master Group in Italy is subject to collective bargaining, specifically the National Collective Labour Agreement (CCNL) for Metalworking and Industry. The Group fully complies with the regulatory obligations set forth by the National Collective Labour Agreement regarding working hours,

sick leave, leave during working hours, holidays, classification, contract level and disciplinary measures.

To ensure equal opportunities, the Group has implemented a specific procedure that establishes the following obligations:

- Adopt criteria of merit, competence and professionalism for every decision on the employment relationship with employees and non-employee workers and associates;
- Make all hiring or promotions based on criteria of merit and competence, in order to recruit the most qualified resources for the available position;
- Eliminate any form of discrimination, nepotism or favouritism.

At the end of 2023, Master achieved the **Gender Parity Certification** in compliance with the standard practice **UNI/PdR 125:2022**, thus consolidating its open and inclusive corporate policy and culture. The achievement of this important recognition was made possible by a number of initiatives promoted by the Group during the same reporting year. Among them, it is worth mentioning the Puglia Women Code, a women's boot camp aimed at promoting the acquisition of essential IT and digital skills for entering the labour market, increasingly fostering female **empowerment**. In addition, places were set aside for both female employees and relatives of male employees interested in taking part in the event.

MANAGEMENT OF MATERIAL TOPICS | DIVERSITY, INCLUSION AND EQUAL OPPORTUNITIES

[GRI 3-3 b] Report whether the organisation is involved with the negative impacts through its activities or as a result of its business relationships

Master Group may be involved in the generation of negative impacts through its activities.

[GRI 3-3 c] Describe the policies or commitments regarding the material topic

As extensively stated within the Group’s Code of Ethics, for Master people are the most important corporate value. No personnel management process discriminates in any way against people based on gender, religion, age, political orientation, sexual orientation, or origin. For example, management of the performance assessment system, access to training, welfare use, search and recruitment, monitoring compliance with company regulations, etc. With regard to equal opportunities, Master has focused on the issue of gender parity and it obtained the UNI PdR 125 certification in December 2023.

[GRI 3-3 d] Describe actions taken to manage the topic and related impacts

In order to mitigate the potential negative impacts identified with regard to Diversity, Inclusion and Equal Opportunities, in 2023 the Company acquired a platform for managing reports in line with the provisions of the new Italian Whistleblowing Law. In terms of managing the positive impacts, the Group has set itself the goal of promoting a work environment in which all diversity is valued, fostering the well-being of people and preventing and countering any detrimental fact or event.

[GRI 3-3 e] Report information about tracking the effectiveness of the actions taken

In order to track the effectiveness of the actions taken to prevent the potential negative impacts, every two

years Master Italy involves every employee (on any type of contract or internship) into a structured climate assessment with an international scope. These activities allow the Company to survey the perceived well-being with regard to diversity & inclusion.

The specific survey items are provided below: “People here are treated impartially regardless of their sexual orientation.” “People here are treated impartially regardless of their gender.” “People here are treated impartially regardless of their ethnic origin.” “People here are treated impartially regardless of their age.”

In order to assess the progress made in this regard, the Group measures progress related to the indicators in question and derived from the analysis of the surveys, comparing the results for the different years when they were conducted.

PEOPLE MANAGEMENT AND DEVELOPMENT & ATTRACTING TALENTS

Master takes great care in **attracting talent**, a key element for the continuous development of the business. The Group has always been committed to the search for people capable of contributing significantly to the progress of the organisation, in the belief that the company's success depends primarily on the professional contribution of people in a relationship based on loyalty and mutual trust. The recruitment process is carried out following strict criteria of **transparency, impartiality** and **equal opportunities**.

The table below sets out the **hires and terminations** of the Group's employees during the reporting year, broken down by:

- **gender;**
- **geographic area (Italy, Poland and Côte d'Ivoire);**
- **age group (>30; 30-50 and <50).**

EMPLOYEE TURNOVER	2023					
	ITALY – Hires			ITALY – Terminations		
	<30	30-50	>50	<30	30-50	>50
Men	12	8	1	7	4	5
Woman	-	-	-	1	1	-
Total	12	8	1	8	5	5
Turnover	24,50%	3,60%	1,50%	16,30%	2,20%	7,40%

EMPLOYEE TURNOVER	2023					
	POLAND – Hires			POLAND – Terminations		
	<30	30-50	>50	<30	30-50	>50
Men	1	-	-	1	-	-
Woman	-	-	-	-	-	-
Total	1	-	-	1	-	-
Turnover	2,00%	-	-	2,00%	-	-

EMPLOYEE TURNOVER	2023					
	CÔTE D'IVOIRE – Hires			CÔTE D'IVOIRE – Terminations		
	<30	30-50	>50	<30	30-50	>50
Men	-	-	-	-	1	-
Woman	-	-	-	-	-	-
Total	-	-	-	-	1	-
Turnover	-	-	-	-	0.4%	-

In 2023, **21 men were hired** in Italy: **12 were younger than thirty, 8 were between 30 and 50 years old and 1 was older than 50**. At the same time, **18 terminations** were recorded, **7 of which concerned men under 30 years old, 4 men between 30 and 50 and 5 men over 50**. The terminations also included **2 women: one under 30 years old and the other between 30 and 50**.

With regard to Master Polska, as at 31.12.23 there was one **hire and one termination of an employee under 30 years of age**, whereas in **Côte d'Ivoire** it emerges that **only one employee, aged between 30 and 50, terminated** their employment relationship with the Company.

Within the framework of the Integrated Policy adopted by Master, one of the main priorities is to enhance and perfect workers' skills through continuous education for all employees, including non-employee workers. This commitment reflects the Group's wish to maintain high professional standards, in line with the specific skill sets and responsibilities of each resource.

More in detail, Master prioritizes promoting the professional growth of its employees by improving their skills, competence and awareness in all company activities, with differentiated training programmes based on their roles. The company also aims to transfer its know-how not only through in-company courses, but also by offering training opportunities to customers and partners in order to enrich the entire supply chain with the Company's distinctive skills and practices.

Master Italy adopts a systematic approach to support the personnel's competence and continuous development, integrated within the Company's Integrated Management System. The process includes the following steps:

- Identification of the essential skills required for the various functions and roles within the Integrated Management System, ensuring seamless alignment

with the Company's strategic and sustainability objectives;

- Definition of specific education, training and awareness-raising actions in order to develop the required skills. These actions are designed to improve individual and collective performance while supporting the pursuit of business objectives;
- Consistent implementation of education and training activities, ensuring they are in line with the skills identified prior. This process ensures the personnel are adequately trained to face operative challenges and promote a corporate culture based on excellence;
- Measuring the effectiveness of training initiatives to assess their impact and identify opportunities for continuous improvement;
- Active employee engagement through participatory processes and consultation, ensuring that their perspectives and experiences are taken into account in the process of developing company skills.

In addition to the top-down process, in which training needs are defined by area managers to improve the team's skills set, Master also adopts a **bottom-up** approach integrated in the annual performance management cycle, during which each employee not only puts forward individual goals and projects for the year, but also suggests specific training with a view to upskilling. These requests are prioritised by the employees themselves and assessed by their manager, before being examined by HR in terms of feasibility.

During the year of reporting, Master significantly increased the volume of training provided to its employees, going from **2,970 hours** delivered in 2022 to **5,643 hours** in 2023 **(+90%)**. This increase reflects the Company's commitment to strengthening the skills and promoting the professional development of its employees.

More in detail, the professional grouping of office workers received **41 hours** of training on average, **up 91%** on the previous year, thereby significantly improving the skills needed to effectively carry out their duties within the Company.

Production workers also benefited from a substantial increase in the average hours of training received, approximately **109%** up on 2022, which goes to show

Master's focus on providing the resources needed to improve technical skills and promoting best practices in their areas of responsibility.

The table below sets out the average hours of training provided to Group employees broken down by professional group and gender:

AVERAGE HOURS OF TRAINING	2023			2022			2021		
	Men	Woman	Total	Men	Woman	Total	Men	Woman	Total
Executives	49	-	49	6	-	6	7	-	7
Middle managers	58	25	32	25	1	19	14	-	14
White collar workers	21	24	20	25	11	21	14	6	13
Blue collars	14	30	14	5	-	5	4	-	4
Total	16	15	16	9	8	9	7	4	7

In 2023, the average hours of training provided to the Group's employees increased by **78%** overall, compared to 2022. In detail:

- **Executives** received **49 hours of training** on average;
- **Middle Managers** received **32 hours of training on average, in total, 58 hours for men and 25 for women;**
- **Office workers** received **20 hours of training on average, in total, 21 hours for men and 24 for women;**
- Lastly, Production Workers received 14 hours of training for men and 30 hours for women, with a total average of 14 hours.
- On the whole, the average hours of training provided in the reporting year were **16 for men and 15 for women**, with a **total average of 16 hours.**

It should be underlined that the training provided also includes the mandatory safety training.

Master makes use of a **Performance Management process**, by which three key meetings are organised

during the year with the **manager and the resource**. The aim of these meetings is formalised in 3 key steps:



⁴ Le ore di formazione si riferiscono alle società italiane del Gruppo.

The performance management process is implemented with the aim of nurturing win-win relationships between employees, making the worker aware of what the Group expects from their work while stimulating continuous growth, even beyond conventional training schemes.

The **company benefits** are a key element in human resource management, significantly contributing to employees' well-being and their job satisfaction. These advantages not only improve the workers' quality of life, but also play a significant role in maintaining high levels of motivation, productivity and loyalty. The presence of adequate benefits may also be a powerful tool for attracting talent, supporting recruitment activities and reducing turnover. In acknowledging the importance of benefits for its employees, Master Italy offers a comprehensive package of benefits that is aimed at supporting the well-being and safety of its workers, such as:

- life insurance for Middle Managers, Executives and Sales Area Managers;
- healthcare, which entails the application of "Plan A" of Métasalute to every eligible employee and a higher level policy for Middle Managers and Executives;

- insurance cover in cases of death and invalidity for Middle Managers and Executives;

The above not only improves workers' quality of life, but also strengthens the bond between the company and its employees, promoting a positive and productive work environment.

The company is especially sensitive to the issue of **parental leave**, an institution provided for by the current legislation that is a key measure to promote a healthy work-life balance, support family well-being and foster gender equality. This policy helps improve employees' motivation and productivity, offering them the ability to dedicate invaluable time to their children and to better manage their family responsibilities. Parental leave, therefore, not only supports families but also creates a more inclusive and sustainable workplace, reflecting the company's commitment to responsible human resource management practices that focus on comprehensive well-being.

The table below sets out the figures for employees that benefited from parental leave in the reporting period, broken down by gender.

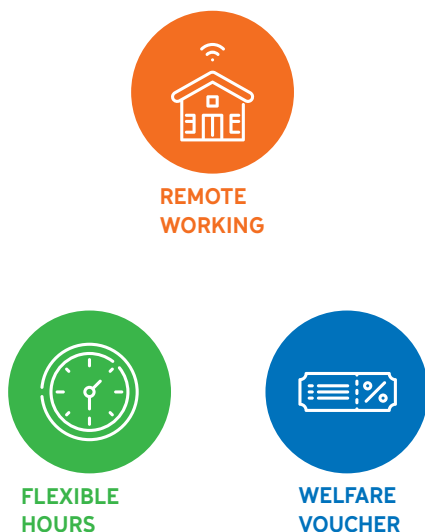
PARENTAL LEAVE	2023			2022			2021		
	Men	Woman	Total	Men	Woman	Total	Men	Woman	Total
Employees who had the right to parental leave	19	2	21	12	2	14	10	1	11
Employees who took parental leave	1	-	1	1	-	1	1	-	1
Employees returning to work after taking parental leave	1	-	1	1	-	1	1	-	1
Employees who returned to work after taking parental leave and who are still employed in the 12 months following their return	1	-	1	1	-	1	1	-	1
Return-to-work rate ¹	100%	-	100%	100%	-	100%	100%	-	100%
Retention rate ²	100%	-	100%	100%	-	100%	NA	NA	NA

¹ Return to work rate = no. of employees who actually returned to work after parental leave / no. of employees who should have returned to work after taking parental leave * 100

² Retention rate = no. of employees still employed 12 months after returning to work at the end of parental leave / no. of employees returned to work after taking parental leave in the previous reporting period * 100

In 2023 there was a **50%** increase in the resources that were entitled to parental leave, compared to the previous year, with a total of **21 employees** (19 men and 2 women). However, only one male employee actually made use of parental leave and went back to work, retaining his job in the following 12 months. This resulted in a **return-to-work rate** and a retention **rate of 100%**.

Master stands out for its many additional welfare initiatives compared to those required by the National Collective Labour Agreement. These projects prove once again the Company's special emphasis on the well-being of its employees and their families.



By signing an individual agreement, Master provides **remote working** opportunities, allowing its **employees with office jobs that have been with the company for more than one year** to organise their work flexibly, with a limit to the days that can be used in a month based on the area they work in and the connection with production activities.

The aim of this initiative is to ensure resources have a better work-life balance and to reduce the risk of work-related stress. All the employees that meet specific requirements can benefit from the new working scheme:

- Having an employment relationship (temporary workers can apply too);
- Their duties are compatible with the possibility of working outside the company premises;

- Availability of a stable and efficient internet connection to ensure adequate data transfer speed;
- Provision of a company PC (personal PC in exceptional cases);
- Completion of the mandatory safety course pursuant to It. Legislative Decree 81/2008.

In the year reported, **65 office workers** (i.e. **71.4%** of those entitled) benefited from the possibility of working remotely, accumulating a total of **13,467 hours worked remotely** (i.e. 8.1% of the hours worked overall).

This scheme significantly contributed to improving employees' work-life balance, promoting a more flexible and sustainable workplace.

In addition to remote working, every office worker can benefit from one **hour of flexibility** on clocking in as well as a one-hour or one-and-a-half-hour lunch break. With this work flexibility the Company grants an extensive degree of autonomy to its resources, who are able to modify their working conditions over time based on their daily commitments.

In 2023, Master implemented a company welfare platform that allows entitled employees to convert the productivity bonus under the second level agreement into **welfare**. This offers employees a 10% increase of the bonus value.

During the year, **99 employees** (i.e. **30.9%** of those entitled) chose to convert their bonus into welfare vouchers, thus benefiting from an added value of **60 Euros** per person on average.

Furthermore, the **"Close to Mum"** project continued in 2023, as part of the initiatives to support women, creating the best conditions for helping new mothers. This scheme entails a monthly contribution of 150 Euros net for all new mothers in the first year of their child's life, which can be used for nursery or babysitting expenses. Also, a customised plan is defined for each mother, suited to her role and her personal and family needs, aimed at making her return to work easier and smoother. The plan might entail remotely liaising to share activities and updates on what happened at the company during their leave. In the reporting year, **one employee** benefited from the contribution under this scheme.

Another significant initiative entailed organising a paediatric and adult airway obstruction course which will be expanded in 2024 to include additional first-aid related topics.

MANAGEMENT OF MATERIAL TOPICS | PEOPLE MANAGEMENT AND DEVELOPMENT, ATTRACTING TALENTS & COMPANY WELFARE

[GRI 3-3 b] Report whether the organisation is involved with the negative impacts through its activities or as a result of its business relationships

Master Group may be involved in the generation of negative impacts through its activities.

[GRI 3-3 c] Describe the policies or commitments regarding the material topic

Master Italy offers a number of benefits to its employees, aimed at ensuring a stimulating workplace that is attentive to everyone's needs. With that in mind, the Group has adopted a number of policies and procedures such as: hybrid work mode (remote working), flexible working hours and the close to mum scheme, in addition to welfare tools that regard expense reimbursements, access to goods and services via Welfare Vouchers (Welfare Tickets), Purchase Vouchers (Compliments Ticket) and payments into pension funds. Furthermore, Master Group has adopted a performance management process that includes the definition of learning and development needs linked to one's objectives and growth. The main tool is the Performance Development Plan (PDP) digitalised via the HCM Talentia management system. Skills development is also managed by defining a rolling Learning Plan that includes all training actions, either for individuals or groups.

[GRI 3-3 d] Describe actions taken to manage the topic and related impacts

In order to mitigate the potential negative impacts identified with regard to People management and development, Attracting talents & Company welfare, in 2023 the Company acquired a platform for managing reports in line with the provisions of the new Italian Whistleblowing Law. In terms of managing positive impacts, the Company has set itself the goal of promoting a workplace in which diversity is valued, fostering the well-being of people and supporting their contribution.

[GRI 3-3 e] Report information about tracking the effectiveness of the actions taken

In order to track the effectiveness of the actions taken and prevent potential negative impacts, Master Italy makes use of internal or external audits, impact assessments, measurement systems, stakeholder feedback, complaint procedures, external performance ratings and benchmarking.

Every two years, the Group involves every employee (on any type of contract or internship) into a structured climate assessment.

The specific survey items are provided below:

«People are encouraged to find a healthy work-life balance». «I can take a leave when I think I need it».

Lastly, the Group administers satisfaction questionnaires to its employees to obtain internal feedback on company initiatives.

EMPLOYEE HEALTH, SAFETY AND PROTECTION

Promoting a safe and healthy workplace helps create a positive corporate culture based on trust, mutual respect and a sense of belonging. This is conducive to improving employees' morale, fostering team collaboration and effectiveness, as well as attracting and retaining skilled talent in the long term.

Master adopts all necessary measures to ensure and improve safety in the workplace and sets up preventive actions to prevent incidents that may harm its employees' right to health and safety.

For the Group, implementing procedures to ensure the safety of its resources is not merely a legal obligation, but also a demonstration of social responsibility and commitment to its employees' well-being.

Indeed, Master ensures compliance with all the national and European standards and laws as per **ISO 45001**, for which it is certified. The standard is adopted on a voluntary basis, by the legal entity Master Italy S.r.l. only.



In compliance with It. Legislative Decree 81/2008, Master has identified the people responsible for managing health and safety: an H&S Officer (**RSPP**), 3 workers' representatives for safety (**RLS**) and a Company Doctor, an expert in occupational medicine who carries out regular checks on workers. As indicated in the Integrated Policy, all personnel are responsible for reporting any operation that may impair the safety of human resources or the environment, or failure to comply with product quality standards. Specifically, the Health and Safety Manager (RGSS) is tasked with reviewing reports regarding health and safety, opening the related non-conformities or accident reports and managing the documentation to implement corrective or improvement actions and monitoring progress thereof. The presence of the Health and Safety Manager (RGSS) does not eliminate the Employer's responsibility, who is obliged to perform the health and safety risk assessment and to appoint the H&S Officer (RSPP). In addition to the Health and Safety Manager (RGSS),

workers also play a key role: Master's resources, in addition to taking an active part in drawing up the RAD, are also encouraged to report any hazardous situations and incidents through incentivising schemes such as the Master Power Team.

In that event, the timely reporting and recording of Incidents, Near Misses and Unsafe Conditions are followed by analyses of the actions aimed at eliminating the risk and planning of the continuous improvement activities.

The Group companies identify, map and define measures for mitigating the risks related to the business within the **Risk Assessment Document (RAD)** (draw up also with the collaboration of the Company Doctor), which includes the following sections:

DVR SECTIONS

1

Report on the assessment of all the health and safety risks present in the work activity and the criteria adopted for assessing and estimating said risks.

2

Indication of the prevention and protection measures implemented and the personal protective equipment adopted following the assessment.

3

The schedule of the measures deemed appropriate to ensure the improvement of safety levels over time.

4

Indication of the procedures for implementing the measures and the roles of the company organisation who are responsible for carrying them out.

5

Indication of the names of internal and external subjects who took part in the assessment process: prevention service manager, service personnel, company doctor and workers' safety representative.

6

Indication of the tasks that expose workers to specific risks requiring known professional skills, specific experience, appropriate training and knowledge of the work setting.

7

Supporting documentation.

In addition to the Risk Assessment Document, Master implements a number of processes to detect any hazards in the workplace. In addition to performing **weekly and four-monthly audits** in the field – in compliance with minimum standards and good practices concerning workers' protection – Master undergoes audits by the Supervisory Body (SB) as well as external audits on the Integrated H&S Management System by R.I.N.A S.p.A.

The Company essentially pursues three objectives in implementing these safety checks: **ascertain** compliance with the applicable regulations, **assess** the effectiveness of the actions and **estimate** the degree of

adoption of company procedures.

Lastly, Master carries out at least two regular, yearly meetings on safety (pursuant to art. 35, lt. Legislative Decree 81/80), with the two-fold objective of identifying and presenting codes of conduct and good practices for risk prevention and identifying objectives for improving overall safety.

With regard to the accident trend, in 2023 the Group recorded **6 workplace accidents** involving its employees, a rate of **7.2**, a significant decrease on the previous reporting year, and **zero accidents** for external workers. No involving either employees or non-employee workers occurred ⁶.

WORK-RELATED INJURIES - EMPLOYEES	2023	2022	2021
Recordable occupational injuries	6	8	3
Severe injuries	-	-	-
Deaths	-	-	-
Other Injuries	6	8	3
Recordable work accident rate	6,7	14,8	5,79
Hours worked	592.759	539.057	517.857

OCCUPATIONAL INJURIES – EXTERNAL WORKERS	2023	2022	2021
Recordable occupational injuries	-	2	-
Severe injuries	-	-	-
Deaths	-	-	-
Other Injuries	-	2	-
Recordable work accident rate	-	27,5	-
Hours worked	70.081	72.768	83.602

⁵ The frequency index is calculated with the following formula: Total number of recordable workplace accidents/number of hours worked * 1,000,000.

⁶ The hours worked by both the Group's employees and external workers for the year 2022 underwent changes owing to more thorough data collection.

MANAGEMENT OF MATERIAL TOPICS | EMPLOYEE HEALTH, SAFETY AND PROTECTION

[GRI 3-3 b] Report whether the organisation is involved with the negative impacts through its activities or as a result of its business relationships

Master Group may be involved in the identified negative impacts through its activities.

[GRI 3-3 c] Describe the policies or commitments regarding the material topic

In order to manage effectively the risks linked to health and safety in the workplace and to promote a safe and healthy workplace for employees and other stakeholders, Master Italy has obtained the ISO 45001:2018 certificate.

[GRI 3-3 d] Describe actions taken to manage the topic and related impacts

In order to mitigate the potential negative impacts identified with regard to the health and safety of its employees, the Group performs field audits on a weekly basis through shared standards (check list) and management of a short-term improvement plan based on the activities highlighted by the audits. Furthermore, it thoroughly records Incidents, Near Misses and Unsafe Conditions conducting an analysis of actions to eliminate the risk and planning improvement activities. Lastly, it defines a formalised medium / long-term improvement Plan following the Risk Assessment.

GRI 3-3 e] Report information about tracking the effectiveness of the actions taken

In order to track the effectiveness of the actions taken to prevent potential negative impacts, the Group performs a number of activities, including:

- Weekly field audits;
- Four-monthly regulatory audits by an external consultant;
- Activities performed by the Supervisory Body (pursuant to the 231-compliant Organisation and Management Models);
- External audits on the H&SMS by R.I.N.A. S.p.A.;
- Drawing up a quarterly Report to top management and second-level managers on the main indexes relating to Health and Safety.

In order to assess the progress made in this regard, Master Italy has defined the following indicators:

- Frequency Index;
- Severity Index;
- Change in the number of Near Misses detected (absolute and broken down by areas/departments);
- Change in the number of Unsafe Conditions detected (absolute and broken down by areas/departments).



DETOMASO

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ENVIRONMENTAL RESPONSIBILITY

GRI 301-1, 301-2, 302-1, 302-3, 303-3, 305-1, 305-2, 305-3, 306-3



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Companies play a significant role in shaping the future of our planet. Environmental responsibility entails companies recognising and accepting their responsibility in preserving the environment and contributing to its regeneration.

Master's commitment towards the environment is a key point of the **Masterability** programme.

The Group constantly monitors environmental issues in accordance with the Integrated Management Sy-

stem compliant with the international standard **ISO 14001:2015** and with current regulations. This commitment translates into the enhancement of strategies for reducing the environmental impacts generated, strengthening mitigation measures.

On a yearly basis, Master draws up **the Integrated Annual Authorisation (AIA)** and has appointed the **Environmental Manager** who is responsible for assessing significant environmental issues and related impacts.



MANAGEMENT OF MATERIALS AND NATURAL RESOURCES

Master constantly monitors the use of raw materials by drawing up the integrated Annual Report (AIA) which reports all the data concerning the use of raw materials in production processes.

The following table provides a general overview of the materials used in its processes, broken down by type.

MATERIALS USED BY WEIGHT OR VOLUME	2023: quantity used (t)	2022: quantity used (t)	2021: quantity used (t)
Zama/Aluminium ingots	1.781	2.353	2.460
Aluminium	524	722	738
Steel	417	1.060	1.116
Plastic materials	145	174	193
Process materials	68	92	112
Paints	26	30	29
Shrink film/bags	43	43	47
Cartons	240	-	-
Total materials used	3.244	4.474	4.695
Of which renewable	240	-	-

During 2023, there was a **decrease in terms of purchased quantities** of the main raw materials and process materials used due to the stock reduction policies.

For the materials currently monitored, a **percentage**

growth of recycled material was recorded compared to the figures for 2022: indeed, in the reporting year, the percentage of recycled material on the total materials used in the production process stood at **58%**, an **18%** increase.

RECYCLED MATERIALS	2023	2022
Total materials used (tonnes)	3.244	4.475
Total recycled materials used (tonnes)	1.884	1.790
Percentage of materials used from recycling	58%	40%

Starting in 2024, Master has planned an extension of the monitoring activity to the most significant semi-finishes.

⁷ The data refer to the only production facility for the company Master Italy

MANAGEMENT OF MATERIAL TOPICS | MATERIALS AND PRODUCTS MANAGEMENT

[GRI 3-3 b] Report whether the organisation is involved with the negative impacts through its activities or as a result of its business relationships

Master Group may be involved in the generation of negative impacts through its activities.

[GRI 3-3 c] Describe the policies or commitments regarding the material topic

Environmental protection, and pollution prevention & control are key issues for Master. In this perspective, with regard to Materials and products management Master Italy draws up the integrated environmental authorisation on a yearly basis (AIA).

[GRI 3-3 d] Describe actions taken to manage the topic and related impacts

In order to mitigate the potential negative impacts identified with regard to the materials used and its products, the Company constantly streamlines the production processes with a view to reducing process materials in the foundry. With regard to packaging materials, however, switching activities are under way, opting for products that contain an increasingly larger percentage of regenerated materials. With regard to the positive impact generated, on the other hand, it should be noted that scrap materials are reused in production and, in general, they are recycled.

[GRI 3-3 e] Report information about tracking the effectiveness of the actions taken

The Group monitors the use of raw materials in the integrated annual report (AIA) and sets out the data on the consumption of raw materials used in production processes. Furthermore, proving its steadfast commitment to mitigating its environmental impacts, the Group carries out recycling activities for its materials and constantly monitors the quantities of recycled products.

RESPONSIBLE WATER AND WASTE MANAGEMENT

At Master, the sustainable management of the water resource and waste is one of the main challenges to be tackled. Indeed, this management seeks to balance human needs with the Earth's ability to regenerate its resources, reducing the environmental impact to the minimum and promoting conservation for future generations. In this perspective, the Group's operation are centred around environmental protection, prevention and controlling pollution levels. That is why Master carries out tangible prevention and control actions via strategic operations – executive as well as technological – to reduce water consumption to the minimum, that are financially sustainable and viable.

To do that, Master has equipped itself with a recycling purification plant that allows water to be reused, and consequently leads to a reduction in ancillary process substances.

By using cutting-edge technologies, the plant ensures total recycling of water from the various manufactu-

ring processes, essentially reducing to zero the waste of water resources. The only exception regards minimal additional amounts of water that are needed to make up for any leaks due to evaporation or "carryover".

The plant used by the Group consists of:

- **Evaporator plant with a treatment capacity of approx. 10 cu.m./g;**
- **ECO2000 with a treatment capacity up to 1.5 cu.m./h;**
- **reatment plant of tumbling water used for treatment up to 10 cu.m./h.**

During the reporting year, there was a significant increase in water withdrawals⁸ for surface water, mainly linked to an increase in the areas served, as well as for third-party water resources, due to the production of osmosis water serving the evaporative tower⁹ of the foundries.

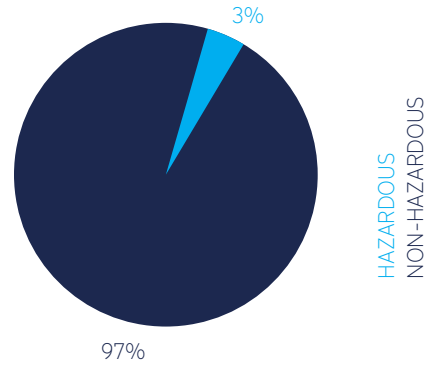
WATER WITHDRAWAL SOURCE (ML)	2023		2022		2021	
	All areas	Of which subject to water stress	All areas	Of which subject to water stress	All areas	Of which subject to water stress
Groundwater	3,58	-	3,54	-	3,08	-
Surface water	6,49	-	4	-	3,1	-
Third party water resources	15,46	-	9,68	-	7,11	-
Total water withdrawal	25,53	-	17,22	-	13,28	-

⁸ The tool that was used to assess the areas subject to water stress was the Aqueduct Water Risk Atlas (available at <https://www.wri.org/aqueduct>). This tool can be used to assess the water stress of a given area using the following indicator: the ratio of total annual water withdrawal to total available annual renewable water supply (baseline water stress) which is high (40-80%) or extremely high (>80%).

⁹ The figures for 2022 and 2021 are provided for greater precision and comparability of the data

Master monitors waste management through initiatives such as separate waste collection, waste storage and disposal in compliance with current legislation and treatment of hazardous and non-hazardous waste. In 2023, the total amount of waste produced in Italy was **770 tonnes**, of which **25 tonnes** can be classified as hazardous waste.

In addition, in 2023 there was a **42%** reduction in hazardous waste compared to 2022.



	2023			2022			2021		
	Hazardous	Non-hazardous	Total	Hazardous	Non-hazardous	Total	Pericolosi	Non-hazardous	Total
Total	25,223	745,7	770,923	43,5	1005	1048,5	80,2	1133,6	1213,7
Percentage	3%	97%	100%	4%	96%	100%	7%	93%	100%

ENERGY CONSUMPTION AND EMISSIONS

Master periodically supervises its energy consumption and emissions, for management purposes as well as for compliance with the regulatory obligations set forth by the Integrated Environmental Authorisation. Monitoring tools and regulatory compliance are supported by the constant supervision of highly qualified personnel, such as external professionals and the Environmental Manager.

In 2023, the Group's consumption was **39,024 GJ**, a **35%** decrease compared to the previous reporting pe-

riod. This decrease is mainly due to the reduced consumption of natural gas, which went from **38,621 GJ** in 2022 to **20,594 GJ** in 2023. This drop is due to the decrease in the tonnes of molten aluminium.

With the aim of reducing the negative externalities generated on the environment, Master is aiming for an increasingly greater use of energy from renewable sources: in the reporting year, **in 2023, the total consumption of electricity from renewable sources¹⁰ accounted for 22%**.

CONSUMI ENERGETICI	2023 (GJ)	2022(GJ)	2021 (GJ)
Natural gas	20.594	38.621	36801
Diesel (heating or production processes)	-	46	54
Diesel for vehicles	1.035	1.241	899
Self-generated electricity	6.142	3.073	3.056
- Of which from renewable sources	6.142	3.073	3.056
Electricity sold	(2.365)	(1.172)	(1.151)
- Of which from renewable sources	(2.365)	(1.172)	(1.151)
Electricity purchased – Italy	13.618	18.531	19.280
- Of which from renewable sources (certified)	-	-	-
Total energy consumption	39.024	60.340	58.939

Greenhouse gas emissions (GHG) are linked to energy consumption. The emissions are classified by **Scope**, which defines the origin of the emissions. i.e. whether the emissions are generated directly by the organisation or they are produced by third party organisations such as the energy provider.

Specifically:

- **Scope 1** indicates CO2 equivalent emissions resulting from the consumption of fuel used for heating, from fuel combustion in the vehicle fleet and from refrigerant gas leaks. These are direct **GHG emissions from sources that are controlled or owned by the Organisation**.
- **Scope 2** indicates **indirect CO2 emissions** associated with the purchase of electricity and heat. These are indirect emissions generated by the energy purchased and consumed by the Company.
- the term "**Scope 3 emissions**" refers to **climate changing emissions (or GHG) generated along an organisation's value chain** (i.e., derived from sources not directly subject to the organisation's control) and include all the other indirect emissions connected to the company's business that do not fall within scope 1 and scope 2.

¹⁰ Calculated as the ratio of electricity from renewable sources (self-produced electricity from renewable sources – electricity sold from renewable sources) to total energy demand (self-produced electricity – electricity sold + electricity purchased).

With regard to Scope 1 emissions, in 2023 the Group emitted **1,223 tonnes of CO2 equivalent**, down by **45%** on 2022 owing to a reduction in energy consumptions.

With regard to **Scope 2 indirect** emissions, the GRI standard provides for two different calculation approaches: **Location-Based** and **Market-Based**.

The Location-Based approach provides for the use of average emission factors relating to specific national energy mixes for electricity production; the emission coefficient used for Italy is equal to 457.15 gCO₂/kWh

for 2023. The **Market-Based** approach takes into account the total electricity purchased, including that purchased from renewable sources through Guarantee of Origin certificates.

During the year reported, Market-Based emissions amount to **1,654 tCO₂eq¹²**, down by approximately 30% compared to the figures for 2022, whereas indirect emissions calculated with the **Location Based** approach went down by **28%** compared to the previous year of reporting due to the reduced use of electricity and the commissioning of the new 1.3 GWH photovoltaic plant in July 2023.

GHG EMISSIONS	2023 (tCO ₂ eq.)	2022 (tCO ₂ eq.)	2021 (tCO ₂ eq.)
Scope 1	1.233	2.261	2.142
Scope 2 – Location-based	1.168	1.621	1.687
Scope 2 – Market Based	1.654	2.352	2.458
Total Scope 1 e Scope 2 (Location-based)	2.401	3.883	3.829

In order to provide a more detailed view of the Group's consumption, below is the **energy intensity** calculation, defined as the ratio of the number of pieces produced to the energy consumed to produce them.

EMISSIONS INTENSITY	Measurement unit	% chg	2023	2022	2021
Products made	PCS	-27%	43.072.638	59.214.448	53.667.396
Energy consumption	Gj	-35%	39.024	60.340	58.939
Energy intensity ratio	Gj/PZ	-11%	0,000906014	0,001019	0,001098

As shown by the table, although production decreased by **27%** in 2023, energy consumption decreased even more significantly, thus leading to improved energy efficiency. This improvement is fully reflected by the **11%** decrease of the GJ/PZ ratio.

Similarly, **emission intensity** also showed a reduction in 2023: in detail, CO₂ emissions, equivalent per product unit, showed a **15%** decrease compared to the previous reporting year.

EMISSIONS INTENSITY	Measurement unit	% chg	2023	2022	2021
Prodotti realizzati	PCS	-27%	43.072.638	59.214.448	53.667.396
Emissions (Scope 1 + Scope 2 Location Based)	TCO ₂ eq	-38%	2.401,50	3.883,00	3.829,00
Emissions intensity ratio	TCO₂eq/PZ	-15%	0,000056	0,000066	0,000071

Scope 3 emissions often account for the majority of a company's total carbon footprint because they include all indirect emissions along the entire value chain. These may derive from activities such as the procurement of raw materials, the production of purchased goods, transportation and distribution, use and disposal of the products sold, and other related activities. Without a thorough understanding of its Scope 3 emissions, a company risks underestimating its overall environmental impact.

^{11,12} Fonte dei fattori di emissione: ISPRA

From this perspective, 2023 was the first year in which the Group calculated the Scope 3 emissions relating to **Category (or stream) 4 "Upstream transportation and distribution"** and **Category (or stream) 9 "Downstream transportation and distribution"**¹³.

In detail, stream 4 includes upstream emissions related to the transportation and distribution of products purchased in the reporting year with vehicles not owned or operated by the Organisation. The Category refers

to transportation and distribution with **tier 1 suppliers**.

The information was first filtered based on the type of material (ZMPD) and subsequently extracted from the SAP platform. It is important to note that the analysis did not include components sent to subcontractors for intermediate processes.

The data for Scope 3 emissions related to upstream transportation and distribution are set out below:

SCOPE 3 EMISSIONS UPSTREAM TRANSPORTATION AND DISTRIBUTION (TKM)	tkm	tCO2	tCH4	tN2O	tCO2eq
By land	3.109.106	1.089	0	12	1.101

The table shows that the total tkm recorded in 2023 amounted to 3,109,105.89 tkm and generated emissions amounting to **1,101 t CO2eq**.

The category «Downstream transportation and distribution» includes emissions related to the transportation and distribution of products sold in the reporting year in vehicles and plants not owned or controlled by the Company. Specifically, a detailed analysis was carried out on transport to customers, analysing distances by land, sea and air. The data for Scope 3 emissions related to downstream transportation and distribution are set out below:

SCOPE 3 EMISSIONS DOWNSTREAM TRANSPORTATION AND DISTRIBUTION (tkm)	tkm	tCO2	tCH4	tN2O	tCO2eq
By land ITALY	28.541.501	9.998	2	107	10.107
By land EU	109.884.476	38.491	9	412	38.912
By land EXTRA EU	23.435.980	8.209	2	88	8.299
By sea EXTRA EU	9.570	-	-	-	-
By air EU	7.110	5	5	-	-
By air EXTRA EU	7.138	5	5	-	-

Multiplying the kilometres travelled by the emission factors results in an overall value equal to **57,319 t CO2eq**.

¹³ Scope 3 emissions, stream 4 and stream 9, were calculated using the emission factors of the software UK Government GHG Conversion Factors for Company Reporting (2023) Average laden-Freighting goods - Rigid (>7.5 tonnes-17 tonnes). It should be underlined that for the definition of the distances required to quantify emissions the Group resorted to estimates.

MANAGEMENT OF MATERIAL TOPICS | REDUCTION OF AIRBORNE EMISSIONS AND THE FIGHT AGAINST CLIMATE CHANGE

[GRI 3-3 b] Report whether the organisation is involved with the negative impacts through its activities or as a result of its business relationships

Master Group may be involved in the negative impacts identified through its activities connected to energy consumption derived from non-renewable sources and through the consumption of raw materials and their disposal.

[GRI 3-3 c] Describe the policies or commitments regarding the material topic

Master has implemented a policy aimed at using recyclable and recycled materials, reflecting its commitment to environmental sustainability. This policy not only reduces the environmental impact, but promotes a circular economy through comprehensive recovery and reduction initiatives of the waste intended for disposal.

[GRI 3-3 d] Describe actions taken to manage the topic and related impacts

In 2023, the Group took a significant step forward in its commitment to environmental sustainability with the construction and commissioning of a photovoltaic plant. This plant is designed to cover the majority of the company's energy consumption autonomously, thus helping to reduce dependence on non-renewable energy sources and cut the overall environmental impact. Furthermore, the Group has planned further strategic investments for the next two years, aimed at further improving energy efficiency and reducing net CO₂eq emissions.

During the year, Master implemented a series of actions aimed at mitigating the identified negative impacts, including:

- Digitisation of assembly instructions: the paper version of the instructions inside packaging was eliminated, and it was replaced by a QR code on the packaging that links to the instructions in digital and interactive format;
- Reduction of water consumption: thanks to the installation of a new reverse osmosis cooling system, the aluminium die casting department was able to reduce water consumption through a closed loop process leading to substantial recovery;
- Use of recycled packaging materials: the use of plastic films for packaging was introduced, containing 30% recycled material, thereby contributing to a significant reduction in the production of virgin plastic and to greater sustainability of the packaging;
- Surface finish automation: A second robotic surface finish plant was installed, allowing a production process that had previously been outsourced to be insourced.

[GRI 3-3 e] Report information about tracking the effectiveness of the actions taken

Master Italy is actively committed to monitoring and improving its sustainable practices through a comprehensive process that involves customer service and the purchasing department. The main aspects that are monitored include: (i) post-purchase feedback in relation to sales volumes; (ii) percentage of energy from renewable sources; (iii) electricity consumption by pieces produced.



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GRI CONTENT
INDEX



GRI CONTENT INDEX

USAGE STATEMENT	Master Group has prepared this Document in compliance with GRI Standards 2021. The data refer to the period 01.01.2023 – 31.12.2023
GRI 1 USED	GRI 1: Reporting principles 2021
APPLICABLE GRI SECTOR STANDARDS	Not applicable at the date of publishing this Document

GRI 2 – GENERAL DISCLOSURES – VERSION 2021		
DISCLOSURE	DESCRIPTION	REFERENCES/ DIRECT FILLING / OMISSIONS
2-1	Organisational details	Ch. 2 «Master Group Profile»
2-2	Entities included in the organisation's sustainability reporting	Para. 1.1 «Methodological note»
2-3	Reporting period, frequency and point of contact	Para. 1.1 «Methodological note»
2-4	Restatements of information	The restatements are indicated within the document from time to time.
2-5		Il Bilancio di Sostenibilità non è sottoposto ad assurance esterna
2-6	External assurance	The Sustainability Report is not subject to external assurance
2-7	Activities, value chain and other business relationships	Para. 3.4 «Sustainable supply chain»
2-8	Employees	Ch. 4 «Our people»
2-9	Non employees	Ch. 4 «Our people»
2-10	Governance structure and composition	Para. 2.3 «Governance»
2-11	Nominating and selecting the highest governance body	Para. 2.3 «Governance»
2-12	Chair of the highest governance body	Para. 2.3 «Governance»
2-13	Role of the highest governance body in overseeing the management of impacts	Para. 2.3 «Governance»
2-14	Delegation of responsibility for managing impacts	Para. 2.3 «Governance»

DISCLOSURE	DESCRIPTION	REFERENCES/ DIRECT FILLING / OMISSIONS
2-15	Role of the highest governance body in sustainability reporting	The Sustainability Report is not subject to approval by the Board of Directors
2-16	Conflicts of Interest	Information not available/incomplete
2-17	Communicating critical concerns	Para. 2.2 «Ethics, integrity and compliance»
2-18	Collective knowledge of the highest governance body	Information not available/incomplete
2-19	Evaluation of the performance of the highest governance body	Information not available/incomplete
2-20	Remuneration policies	Information not available/incomplete
2-21	Procedure to determine remuneration	Information not available/incomplete
2-22	Annual total compensation ratio	Para. 4.1 «Diversity, inclusion and equal opportunities»
2-23	Statement on sustainable development strategy	Cf. «Letter to the stakeholders»
2-24	Policy commitments	Para. 2.2 «Ethics, integrity and compliance»
2-25	Embedding policy commitments	Para. 2.2 «Ethics, integrity and compliance»
2-26	Processes to remediate negative impacts	Para. 3.2 «2023 Materiality analysis»
2-27	Mechanisms for seeking advice and raising concerns	Para. 2.2 «Ethics, integrity and compliance»
2-28	Compliance with laws and regulations	No significant cases of non-compliance with laws and regulations were recorded in the reporting period
2-29	Membership associations	Para. 2.6.1 «External initiatives»
2-30	Approach to stakeholder engagement	Para. 1.2 «The Stakeholders of the Master Group»
GRI 3 – MATERIAL TOPICS		
3-1	Process of determining material topics	Para. 1.3 «2023 Materiality analysis»
3-2	List of material topics	Para. 1.3 «2023 Materiality analysis»
Protection of the land and local communities		
3-3	Management of material topics	Para. 2.4 «Economic and financial sustainability»
201-1	Directly generated and distributed economic value	Para. 2.4 «Economic and financial sustainability»
Responsible supply chain management		
3-3	Management of material topics	Para. 3.4 «Sustainable supply chain»
204-1	Proportion of spending on local suppliers	Para. 3.4 «Sustainable supply chain»
308-1	New suppliers that were screened using environmental criteria	Para. 3.4 «Sustainable supply chain»
414-1	New suppliers that were screened through social criteria	Para. 3.4 «Sustainable supply chain»

DISCLOSURE	DESCRIPTION	REFERENCES/ DIRECT FILLING / OMISSIONS
Business ethics and the fight against corruption		
3-3	Management of material topics	Para. 2.2 «Ethics, integrity and compliance»
205-3	Confirmed incidents of corruption and actions taken	Par. 2.2 «Etica, integrità e compliance»
206-1	Confirmed incidents of corruption and actions taken	Para. 2.2 «Ethics, integrity and compliance»
406-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Para. 2.2 «Ethics, integrity and compliance»
Materials and products management		
301-1	Materials used by weight or volume	Para. 5.1 «Management of materials and natural resources»
301-2	Recycled input materials used	Para. 5.1 «Management of materials and natural resources»
Reduction of airborne emissions and the fight against climate change		
3-3	Management of material topics	Para. 5.3 «Energy consumption and emissions»
302-1		Par. 5.3 «Consumi energetici ed emissioni»
302-3	Energy consumption within the organisation	Para. 5.3 «Energy consumption and emissions»
305-1	Energy intensity	Para. 5.3 «Energy consumption and emissions»
305-2	Direct (Scope 1) GHG emissions	Para. 5.3 «Energy consumption and emissions»
305-3	Indirect (Scope 2) GHG emissions	Para. 5.3 «Energy consumption and emissions»
305-4	Other indirect (Scope 3) GHG emissions	Para. 5.3 «Energy consumption and emissions»
Sustainable water resource management, waste and circular economy		
3-3	Management of material topics	Para. 5.2 «Responsible water and waste management»
303-3	Water withdrawal	Para. 5.2 «Responsible water and waste management»
306-3	Waste generated	Para. 5.2 «Responsible water and waste management»
People management and development, attracting talents & company welfare		
3-3	Management of material topics	Para. 4.2 «People management and development & attracting talents»
401-1	New employee hires and employee turnover	Para. 4.2 «People management and development & attracting talents»
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Para. 4.2 «People management and development & attracting talents»

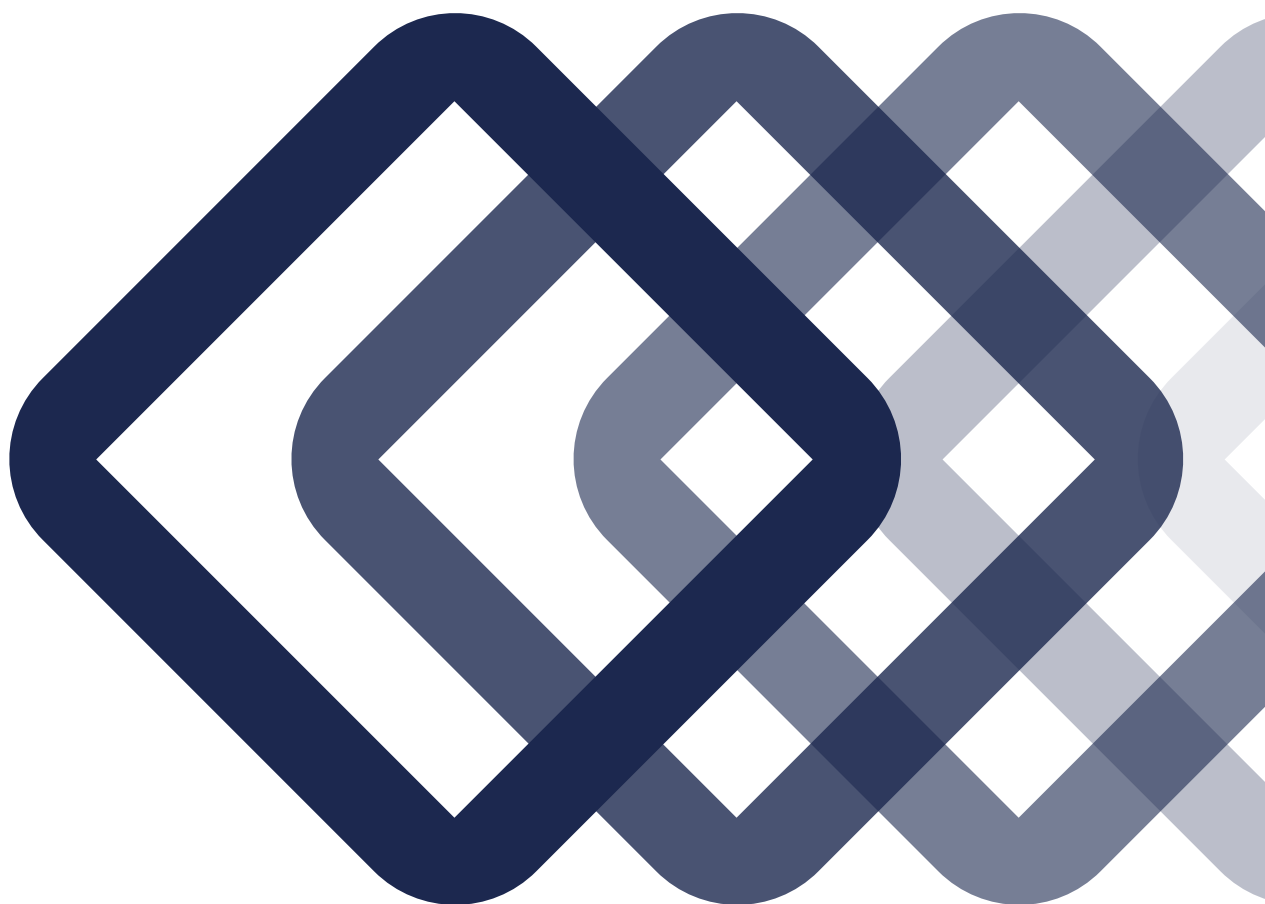
DISCLOSURE	DESCRIPTION	REFERENCES/ DIRECT FILLING / OMISSIONS
401-3	Parental leave	Para. 4.2 «People management and development & attracting talents»
404-1	Average hours of training per year per employee	Para. 4.2 «People management and development & attracting talents»
Employee health, safety and protection		
3-3	Management of material topics	Para. 4.3 «Employee health, safety and protection»
403-1	Occupational health and safety management system	Para. 4.3 «Employee health, safety and protection»
403-2	Hazard identification, risk assessment, and incident investigation	Para. 4.3 «Employee health, safety and protection»
403-3	Occupational health services	Para. 4.3 «Employee health, safety and protection»
403-4	Worker participation, consultation, and communication on occupational health and safety	Para. 4.3 «Employee health, safety and protection»
403-5	Worker training on occupational health and safety	Para. 4.3 «Employee health, safety and protection»
403-6	Promotion of worker health	Para. 4.3 «Employee health, safety and protection»
403-9	Work-related injuries	Para. 4.3 «Employee health, safety and protection»
403-10	Work-related ill health	Para. 4.3 «Employee health, safety and protection»
Diversity, inclusion and equal opportunities		
3-3	Management of material topics	Para. 4.1 «Diversity, inclusion and equal opportunities»
405-1	Diversity of governance bodies and employees	Para. 4.1 «Diversity, inclusion and equal opportunities»
405-2	Ratio of basic salary and remuneration of women to men	Para. 4.1 «Diversity, inclusion and equal opportunities»
Quality, safety and innovation of products and services		
3-3	Management of material topics	Para. 3.1 «Sustainability, quality and safety of the product»
416-1	Assessment of the health and safety impacts by product and service categories	Para. 3.1 «Sustainability, quality and safety of the product»
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Para. 3.1 «Sustainability, quality and safety of the product»
Data privacy and protecting information		
3-3	Management of material topics	Para. 2.2 «Ethics integrity and compliance»

DISCLOSURE	DESCRIPTION	REFERENCES/ DIRECT FILLING / OMISSIONS
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Para. 2.2 «Ethics integrity and compliance»
Governance and value creation		
3-3	Management of material topics	Para. 2.4 «Economic and financial sustainability»
Customer satisfaction		
3-3	Management of material topics	Para. 3.2 «Customer Satisfaction»





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