


2021

SUSTAINABILITY
REPORT



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LETTER TO THE STAKEHOLDERS

Dear Stakeholders,

Once again this year, for the third year running, the Cornaglia Group has prepared the 2021 Sustainability Report, a document in which we report on our results, objectives and activities relating to sustainability and social responsibility, with the aim of sharing them with you: employees, shareholders, customers, suppliers and communities in all territories where we operate.

This document provides an opportunity to celebrate the Group's corporate culture, and serves as yet another step towards the goal of offering complete and transparent information on the Group's strategy, which is ever more attentive to sustainability issues.

The Cornaglia Group's winning strategy is focused on:

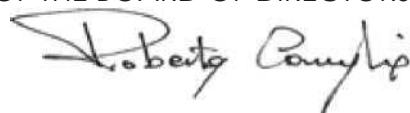
- the continuous development and research of innovative technologies for and with major automotive manufacturers;
- maintaining and strengthening its market position in Europe;
- growth North America, South America, and Asia.

2021 was still marked by the continuation of the Covid-19 pandemic. To ensure the health of its employees and their safety in its production plants, the Group maintained all measures to contain the pandemic.

The conviction that only a commitment to sharing the challenges we face on a daily basis can lead to real progress is becoming ever stronger. For this reason, one of the Group's priorities is the dissemination of sustainability, which is achieved not only through continuous innovation and product quality improvement, but above all through the development and enhancement of all the individuals who, with their energy and passion, make it possible to achieve the Group's objectives on a daily basis.

The Sustainability Report is an annual commitment that allows us to discuss our strengths, with all stakeholders, so that we can continue and improve our sustainable development process.

THE PRESIDENT OF THE BOARD OF DIRECTORS



METHODOLOGICAL NOTE

The Cornaglia S.p.A. Group ("Cornaglia") has decided to voluntarily draw up its Sustainability Report, complying with the Global Reporting Initiative Sustainability Reporting Standards defined in 2016 by the Global Reporting Initiative ("GRI"), for the purpose of reporting on the results achieved and the impacts generated during the 2021 financial year (from 1 January to 31 December 2021).

The Sustainability Report represents a transparent method for the Group to report the non-financial objectives it has achieved to its stakeholders. To this end, the Group has:

- identified its stakeholders;
- analysed its own sustainability framework;
- conducted an analysis to define the most relevant sustainability issues for the company and its stakeholders.

The "THE CORNAGLIA GROUP" section contains all information and data regarding the Cornaglia Group companies; while the "SUSTAINABILITY" section only contains data and information subject to sustainability reporting referring to the company Officine Metallurgiche Cornaglia S.p.A. and specifically to the plants in Beinasco (TO), Villarbasse (TO) and Valfenera (AT), unless otherwise indicated. This document also describes the main activities conducted by the companies Cor-Filters S.r.l. and Cornaglia Sud S.r.l., which are affiliates of Officine Metallurgiche Cornaglia S.p.A., and the activities conducted by the company Plart Design S.r.l., an affiliate of the Cornaglia Group holding company MIA S.p.A.

It also describes the activities conducted by the "Johnny Cornaglia" Foundation established in 1993 at the behest of the Cornaglia family, which is not owned by the Group.

With the aim of enabling stakeholders to make comparisons with the previous year, data referring to 2020 are also shown in this document. To ensure the reliability of the data, the use of estimates has been limited as much as possible, which, if present, are appropriately reported and based on the best available methodologies.

The sustainability report project is overseen by Dr. Tommaso Cornaglia.

If you have any questions or queries on the contents of this Sustainability Report, please contact: sostenibilita@cornaglia.com



THE CORNAGLIA GROUP



A HUNDRED-YEAR HISTORY

1937

In 1937, Cornaglia took over the ownership and prepared to introduce his son Pier Antonio into the company.

1953

On March 9, 1953, the company assumed its official name: Officine Metallurgiche G. Cornaglia. Its founder, Sir Cornaglia, passed away on 16 July of the following year.

The 1970s

First engineer Pier Mario and then his brother Umberto, an economics graduate, joined the company. In 1975, Alcom was founded, which would be incorporated into Cortubi. With the foundation in 1978 of the Brassicarda Research Centre, Cornaglia showed a vision focused on the development of integrated production processes and the most advanced technologies.

The 1990s

Links with FIAT became closer, which bought 30 per cent of Cornaglia and entered into the management of the group. In 1998, the family reaffirmed the inseparable link with this company by buying back its entire ownership. At the same time, Cornaglia expanded its operations in southern Italy: Cornaglia Sud was founded in Atessa in 1991, and Pecoplast in Salerno in 1995.

2010

Tommaso and Pier Antonio worked to expand the Group's horizons throughout Europe and around the world. Cornaglia thus began operating in Turkey in 2010, Canada in 2014, and Brazil in 2015. But the Group's focus on the Italian market never wavered.

2021

The Cornaglia Group broadened its horizons with the construction of a new 31,000 m² factory in Poland.

1916

Giuseppe Cornaglia became a partner of Officine Metallurgiche Giletta, a company involved in sheet metal processing and trading.

The 1940s

In late 1942, Pier Antonio Cornaglia graduated in engineering and married Anna Maria Cabiati. Their union would produce five children: Pier Mario, Valeria, Umberto, Giuseppe (known as Johnny), and Roberta.

1961

The Beinasco plant was built in 1961, and in 1967 Cortubi was founded. The new brand of exhaust systems for cars and trucks reflected the company's need for diversification. Pier Antonio Cornaglia's managerial vision was shared by his wife Anna Maria Cabiati, who in 1964 created the LIT industrial launderette, which still operates today in major hospitals and rest homes in Piedmont.

The 1980s

Cornaglia's decisive turning point was its entry into the plastics sector, with the acquisition of Nalin and the founding of AC Rotomode. At the same time, the company also entered the After Market sector, with an export-oriented line of car clutches. The first initiative outside Turin was in 1982, with the creation of Cortubi Sud.

2000

In 2001, Cornaglia adopted a global strategy. The first foreign units of the group were established at the turn of the 1990s and 2000s. The Polish unit was set up in 1998, Romania in 2000, and in 2007 the group landed in India. Cor-Filters was also founded in 2007.

2016

The Cornaglia Group celebrated its centenary

GENERAL INFORMATION

General information

Cornaglia Group is a leader in the development of advanced technological solutions for cars, light transport, industrial vehicles, and agricultural and earth-moving machinery.

The following companies are part of the Cornaglia Group: Cornaglia S.p.A., COR-Filters S.r.l., Cornaglia Sud S.r.l., Plart Design S.r.l. and MIA S.p.A., the latter being the Group's holding company that provides services to Group companies. The Group is present in Italy with seven plants. Cornaglia also has branches in various foreign countries, both within Europe, in Poland and Romania, and beyond Europe, in Turkey, Canada, India and Brazil.

Mission & Vision

"Our mission is to create value; our strength is innovation"

The Group's mission is focused on three main areas: growth, the creation of added value, and customer satisfaction. Thanks to its relentless courage, and by integrating its processes with a spirit of continuous improvement, the Group has managed to anticipate the needs of the market and develop innovative and high value-added solutions for the automotive sector.

In order to pursue its mission, Cornaglia Group requires its employees to comply with the highest standards of conduct when carrying out their duties, as laid out in its Code of Ethics and Policies.

"Passion, determination and innovation, from Italy to the rest of the world"

The company's vision is centred around an ongoing commitment to sustainability: a priority upon which its own activities are based, and which it demands from its entire supply chain, in order to actively contribute to the well-being of individuals, communities, and the entire planet.

The Business

THE CORNAGLIA GROUP CAN BE BROKEN DOWN INTO THE FOLLOWING PRODUCT LINES:

INTAKE SYSTEMS AND PLASTIC COMPONENTS

Production of intake systems, tank systems, urea lines, complete roofs, and passenger compartment components.

METAL COMPONENTS

Production of oil pans, tanks and moulded parts for chassis and bodywork, and battery coolers for electric vehicles.

FILTRATION

Air, engine and cabin filtration systems for the on-road, off-road, and power generation segments. Oil cartridges for automotive applications.

EXHAUST SYSTEMS

Development and production of post-treatment systems for diesel engine exhaust fumes (DOC, DPF, SCR, SCRoF).

CORNAGLIA SITES IN ITALY:

VILLARBASSE (TO)

Cornaglia S.p.A. + MIA S.p.A.
intake systems and plastic
components

BEINASCO (TO)

Cornaglia S.p.A.+
MIA S.p.A. sheet-
metal components

GRUGLIASCO (TO)

Cornaglia S.p.A.
research & development
centre and sales

VILLANOVA (AT)

Plart Design S.r.l.
furnishings (lighting, solar
showers, plastic furniture,
and warehouse)

VALFENERA (AT)

Cornaglia S.p.A.
exhaust systems

CASARZA LIGURE (GE)

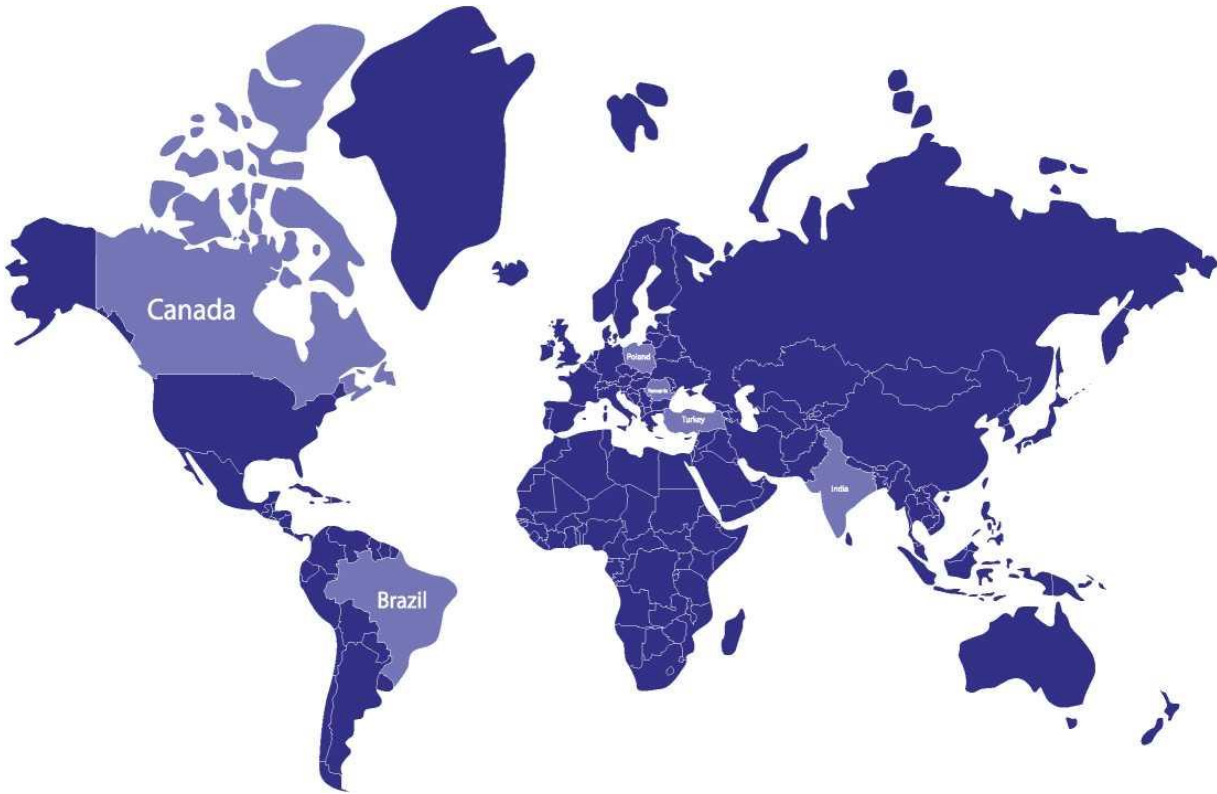
COR-Filters S.r.l.
intake systems and
plastic components

AIROLA (BN)

Cornaglia Sud S.r.l.
intake systems and
plastic components



SITES ABROAD



TORONTO - Canada



CURITIBA - Brazil



BIELSKO BIALA - Poland



PUNIE - India



TITESTI - Romania



BURSA - Turkey

ETHICS & ANTI-CORRUPTION CODE

By resolution of the Board of Directors, the Cornaglia Group has adopted its own Code of Ethics, compliance with which is essential for the correct functioning, reliability, reputation and image of the Group. The Code of Ethics clearly and transparently defines the set of values by which the Group is inspired to achieve its objectives.

In fact, the Code is an integral part of the Organisational Model, pursuant to Legislative Decree 231/200, which the Group has adopted by engaging in constant implementation and updating activities.

The Code of Ethics contains a set of ethical and social rules that must be respected by the directors, by all the Group company employees, and by all individuals who engage in any type of relationship with one of the Group's companies. In addition to the possibility of requesting a copy from the Human Resources Department, the Legal Department or the Supervisory Board (SB), the recipients can also view it on the notice boards in the work areas, and on the Group's website at www.cornaglia.com, where it can be freely downloaded. Each employee has the possibility of reporting any conduct in violation of the code of ethics, even anonymously. For this purpose, special boxes for submitting reports are present at all the Group's facilities, which are checked monthly by the appointed officers. Any reports submitted are immediately delivered to the Supervisory Board, which determines how they will be handled and investigated based on the type of report in question.

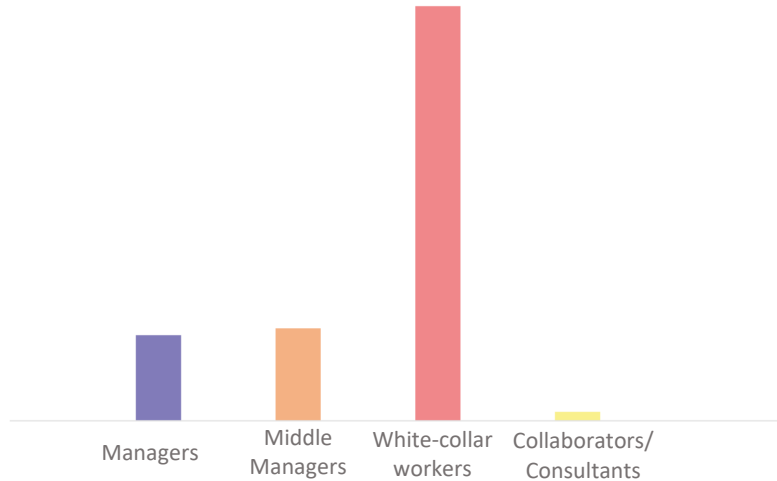
The Group conducts its business relations in accordance with the principles of legality, loyalty, integrity, transparency, and good faith. For this reason, it is forbidden for employees and any other recipients to offer any commercial gifts or other benefits that could constitute violations of laws or regulations, or that are in conflict with the Code of Ethics, or that, if made public, could be potentially compromising to the Group or its image. Furthermore, the recipients must never engage in any behaviour that might imply corruption or the laundering of proceeds from criminal activities, in any way, shape, or form. The Group and its employees must always research any information available about potential commercial counterparts before establishing business relationships with them, in order to verify their respectability and the legitimacy of their business dealings.

A training plan was carried out in 2021 for all employees with responsibility roles, covering the contents of the company's Code of Ethics, to prevent and avert episodes of corruption and conduct contrary to the rules of the Code of Ethics.

² Latest update: Edition 04 approved by resolution of the Board of Directors on 10 December 2021

ETHICS & ANTI-CORRUPTION CODE

11 MANAGERS, 12 MIDDLE MANAGERS, 54 WHITE-COLLAR WORKERS AND 1 CONSULTANT WERE TRAINED IN 2021.



IN CARRYING OUT BUSINESS, THE GROUP REQUIRES ALL ADDRESSEES OF THE CODE TO ADAPT THEIR CONDUCT IN BUSINESS BY OBSERVING THE FOLLOWING POLICIES:



LEGAL COMPLIANCE

The Group guarantees compliance with the laws and regulations in force in all the countries in which it conducts its business activities.



CENTRALITY OF THE INDIVIDUAL

Respect for the physical and moral integrity of the individual is the primary interest that the Group is committed to protecting. To this end, the Group guarantees safe and healthy work environments and working conditions that respect individual dignity, and is committed to promoting a culture free of any harassment and/or discrimination.



FAIRNESS AND HONESTY

The Group requires every operation and transaction carried out by each director, employee, collaborator, and every other individual operating within the Group, to be consistent with the principles of fairness, honesty and good faith.



CONFIDENTIALITY

The Group ensures the confidentiality of any sensitive information and data in its possession, and compliance with the personal data protection legislation. It likewise requires its employees and anyone with whom it entertains relations not to disclose any information of which they may come to have knowledge of during the course of their work activities.



CONFLICTS OF INTEREST

A conflict of interest occurs when an individual's decisions are affected by his/her private interests and/or any benefits to be gained. For this reason, any decisions made by the recipients during the performance of their activities and/or assignments must be made exclusively in the interests of the Group. The recipients must immediately report any situation that might constitute or could potentially lead to a conflict of interest to their superiors.

Privacy

The protection of personal of its customers and suppliers as well as of its employees is a priority for the Cornaglia Group. For this purpose, in compliance with data protection regulations and to guarantee the confidentiality of personal data, the company provides adequate training every two years for those in charge of processing personal data, as well as guaranteeing the adoption of suitable technical and organisational measures aimed at preventing data loss, unlawful use or unauthorised access.

All employees in charge of verifying the Green Pass were trained in data protection during 2021.



No reports of data loss, misuse and unauthorised access were received in 2021.

Anti-discrimination

Furthermore, the Group regards any type of harassment and/or undesirable conduct that has the purpose and effect of violating the dignity of the person to whom such harassment or conduct is directed as absolutely unacceptable, as well as highly disgraceful, whether inside or outside the workplace.

The Group is committed to creating a working environment free from intimidating, harassing and insulting conduct towards colleagues or collaborators for the purpose of marginalising or discrediting them in the workplace, for whatever reason. For this purpose, a system of penalties has been adopted to punish such conduct. Cornaglia is committed to assessing the contribution of individual employees (managers, middle managers, white-collar workers and blue-collar workers) in the achievement of corporate objectives, regardless of whether such contributions are made by men or women.

The Group participates in annual salary surveys conducted by the Industrial Union of Turin in order to assess the proper remuneration of its human resources based on their positions and seniority held.



No instances of discrimination occurred during the course of 2021.

Covid-19

Handling of the pandemic

2021 was also marked by the continuation of the Covid-19 incident, to which the Group promptly reacted to ensure business continuity on the one hand, and to protect people's health on the other, by taking measures to prevent and contain the pandemic at all sites and plants.

Specifically, safety measures taken included the use of appropriate personal protective equipment, redefinition of workstations and common areas, daily cleaning and sanitising of workplaces, and checking the green pass of all individuals who entered the workplaces.



Again in 2021, with the aim of protecting the health of its employees, the company renewed the insurance policy for the benefit of all employees for Covid-19-related problems, which had already been activated. Furthermore, all employees were granted a 4-hour leave of absence to take their first and second vaccination doses, and collaborated in a specific campaign promoted by the Industrial Union of Turin between June and July 2021.

THE JOHNNY CORNAGLIA FOUNDATION

The “Johnny Cornaglia” Foundation was founded in 1993 on the initiative of the Cornaglia family with the aim of honouring and keeping alive the memory of their brother Giuseppe, known as “Johnny”, who died prematurely, by capturing the aspects that most characterised him in his short life: goodness, generosity and love for others.

From time to time, the Foundation promotes charitable, cultural and humanitarian initiatives, with a special focus on young people.

In 2021, activities totalling approximately € 25,000 were funded.

Specifically, contributions were made to the “Crescere Insieme” Foundation at Sant’Anna, to the “Sportdipiù” Sports Association for the disabled, and funds were given to a number of families in financial difficulty.



HUMANITARIAN
INITIATIVES



CHARITABLE
INITIATIVES



MUSICAL
INITIATIVES



CULTURAL
INITIATIVES



The ricicli-amo project: 1st prize - Manager Special Award - Competences for Sustainability
In 2021, the circular economy project “ricicli-amo”, launched in 2020, was implemented.
This project, implemented by the company Plart Design, a Group company specialising in the production of eco-design products, has the objective of fostering a clear awareness of circular economy processes through concrete processes and actions and, in line with the requirements of the 2030 Agenda, striving to achieve higher levels of productivity through diversification, technological updating and innovation.

Thanks to the ricicli-AMO project, Plart Designa, stemming from the idea of creating innovative high-technology rotational moulding products using post-consumer recycled plastic, was awarded BEST PERFORMER 2021 in “Circular Economy” projects by Confindustria in the sustainability skills segment. The award enabled Plart Design to take part in the 3-day Eni Circular BootCamp, where several interesting topics and projects on the circular economy were discussed. Other certification received in 2021 is the bronze “ecovadis” medal, an external body that certifies the degree of sustainability of companies on the basis of concrete projects and good practices implemented in the company.

In 2021, through an agreement signed with L'Oreal Saipo Industriale, 12 tonnes of polypropylene were collected and the same amount of plastic was regenerated and reused for the production of designer furniture and waste disposal.

12 tonnes of PE equals 21.6 tonnes of CO²eq. avoided and 43 trees planted



12.000 KG

of regenerated raw material and reintroduced into the cycle for the production of designer furniture and waste bins.



21.6 TONNES

of CO² avoided due to lack of disposal



43 TREES PLANTED

12 tonnes of recovered polypropylene equals 43 trees planted

Cor-Filters S.r.l., part of the Cornaglia Group, specialises in the production of filter elements for passenger cars, motorbikes and industrial vehicles. The company operates on both the original equipment market, as well as the after market. This product, represents the “heart” of the intake system produced by the plastic components product line, and allows for the entire value chain of the intake system to be controlled.

Thanks to the support of the Research Centre during 2021, important results were achieved that enabled the development of important projects aimed at conquering significant new market sectors, which were implemented at the Casarza Ligure plant:

- research and technical development of a new filtration system characterised by the use of synthetic materials rather than;
- research and technical development of a tractor cab air filter compliant with the EN 15695/2 standard;
- research and technical development of an anti-pathogen filter;
- pre-competitive development of a new urea filter;
- development of a new air filter characterised by two distinct filter packs;



PHOTOVOLTAIC SYSTEM
with a capacity of 180 kWp, which produced 22% of the demand



ABOUT 80 TONNES CO² AVOIDED
an equivalent of 158 trees planted in 2021 thanks to the photovoltaic system



CERTIFICATE
ISO 14001



ZERO ACCIDENTS
in 2021

Cornaglia Sud S.r.l. is a Cornaglia Group company that manufactures air intake systems for cars and industrial vehicles and bodywork components using the two main plastic material processing techniques: injection moulding and 3D blowing. The business is essentially concentrated on the original equipment market

The reference market is represented by manufacturers of commercial vehicles and cars for Southern Italy (Stellantis and Sevel plants in Casino, Pomigliano and Melfi). The product line developed by the company concerns intake systems and plastic components for cars and commercial vehicles.

Thanks to a loan obtained in 2020 through participation in a call for tenders aimed at funding energy efficiency measures, a project was started, due to be completed in 2022, to refurbish the Airola plant's electrical system with a new LED system.



PHOTOVOLTAIC SYSTEM

with a capacity of 798 kWp, which produced 17.5% of the demand



APPROXIMATELY 250 TONNES -CO₂ AVOIDED

an equivalent of 500 trees planted in 2021 thanks to the photovoltaic system



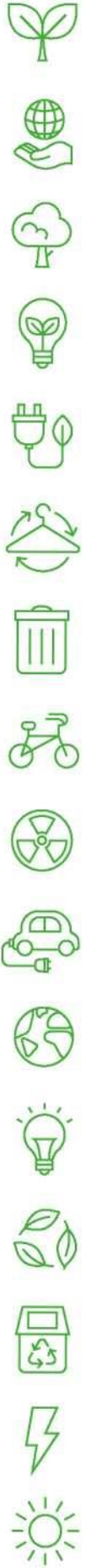
CERTIFICATE

ISO 14001

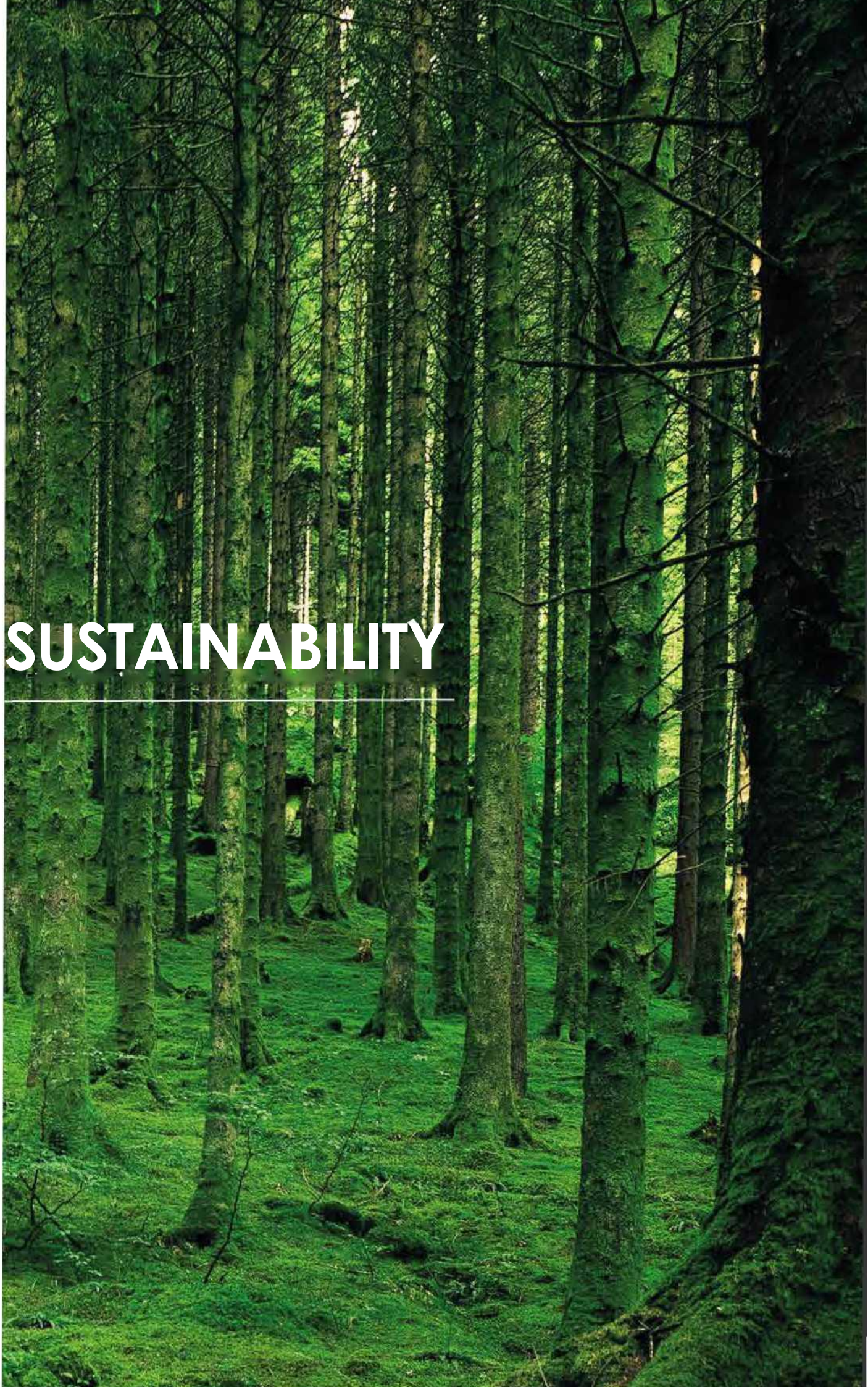


ZERO ACCIDENTS

in 2021



SUSTAINABILITY



SUSTAINABILITY

After providing an initial description of the Group's approach to sustainability, the various sections of this chapter will address the following topics: the workforce, equal opportunities, training and capitalisation of talent, safety and environmental management system, health and safety, raw materials, energy consumption and emissions, waste, water, the supply chain, product quality and innovation.

Approach to sustainability

Cornaglia Group has always been committed to ensuring an appropriate balance between the Group's various activities and the environmental, social and economic impacts they have on the environment and society. Today, this commitment has taken on the form of an important sustainability program aimed at developing and maintaining a relationship of mutual trust with all of the Group's stakeholders.

The approach adopted is based on the continuous improvement of these interactions, so that the company's pre-established goals are achieved taking the interests of each category into account, and in compliance with the current laws and the principles of honesty, impartiality, reliability, loyalty, fairness, transparency and good faith.

Cornaglia Group has identified 12 main categories of stakeholders with which it interacts and maintains an ongoing and constructive dialogue.



For the purposes of preparing this Sustainability Report, Cornaglia Group conducted an analysis in order to determine the sustainability issues that are most relevant for the company and its stakeholders.

To this end, 16 issues have been identified within 7 macro-areas relevant for sustainability purposes. Brief descriptions of these issues are provided below:

Governance and compliance

Governance and ethical business conduct: implementation of an adequate corporate governance system based on appropriate corporate governance practices, and the adoption of management and organisation models, corporate policies, and internal procedures. Adoption of a Group approach that incorporates risk analysis and management into the corporate strategy. Ethical and transparent conduct of business activities.

Economic responsibility

Business development: the promotion of a growth strategy aimed at developing new products and services and gaining access to new sectors, in order to anticipate new trends and to be competitive on the market, while at the same time increasing and strengthening the Group's offering and customer base.

Economic performance and sustainability value: the promotion of sustainable economic performance that contributes to the redistribution of the economic value generated for the Group's Stakeholders. Capitalisation of ESG elements to attract new investors and generate benefits for communities.

Social responsibility

Protection of and respect for human rights: activities and policies (e.g. 231 models, code of ethics, specific policies) for the protection of human rights (e.g. prevention of forced labour, prevention of child labour, freedom of association, etc.) throughout the entire value chain (at the level of suppliers, employees, and customers).

Privacy protection: projects and initiatives aimed at safeguarding sensitive data and information, even for purposes of compliance with privacy laws and regulations, which also allow and guarantee high security standards in the management of the IT infrastructures.

Social commitment and community relations: organisation and promotion of initiatives for the benefit of the territory aimed at disseminating the values of cohesiveness and solidarity. Programs and initiatives that aim to furthering the socio-economic development of the communities in which the Group operates through community engagement.

Product responsibility

Product quality and safety: the provision of products that meet high quality standards and are capable of satisfying the customers' needs, while at the same time guaranteeing excellent performance and maximum safety in all their components.

Product sustainability and Life Cycle Management: incorporation of ESG elements into the

SUSTAINABILITY

characteristics of the Group's products and services, and management of the product's life cycle by conducting product, activity and process impact assessments (e.g. LCA - Life Cycle Assessment).

Sustainable mobility: promotion of eco-sustainable technological innovation for the development of automotive products (Eco-Mobility). Encouragement of collaboration efforts with universities and research centres, and promotion of continuous investments in Research and Development activities.

Environmental responsibility

Fight against change, reduction of emissions, and greater energy efficiency: development of strategies to combat climate change by reducing the Group's environmental footprint in terms of greenhouse gas emissions: encouraging energy efficiency initiatives and the use of renewable energy.

Management of environmental impacts: resource management practices aimed at minimising the Group's impacts on biodiversity and ensuring the protection of natural habitats.

Responsibility throughout the supply chain

Risk identification and responsible supply chain management: identification of ESG risks closely related to the Group's supply chain. Responsible management of the supply chain, by adopting procedures for the selection of suppliers, contractors and business partners that include sustainability criteria in the qualification phase of the same, as well as through specific tools.

Responsibility towards individuals

Health and safety: policies, practices and management systems aimed at ensuring good worker health and safety. Workplace accident monitoring activities, worker accident prevention and protection measures, and health and safety training plans.

Equal opportunity, diversity and non-discrimination: policies and practices adopted to provide adequate working conditions capable of ensuring equal opportunities for all employees. Promotion of inclusiveness and diversity.

capitalisation of individuals: policies and activities for the responsible management of human resources through talent capitalisation initiatives. Creation of development programs and training plans. Promotion of listening and dialogue initiatives between the company and its employees.

Well being and Work-Life balance: policies and projects aimed at promoting well-being and increasing a sense of belonging, through welfare initiatives aimed at guaranteeing a good working environment and an appropriate balance between private and professional life (e.g. benefits).

Industrial relations: activities and policies aimed at promoting constructive dialogues with all the companies' social partners, in order to create the best possible working conditions and to establish solid relationships with trade union representatives, all while upholding the workers' rights and ensuring compliance with the current legislation.

GOVERNANCE

The governance system adopted by the company is based on the principle of segregation of duties and responsibilities, assigned to the respective corporate bodies as follows:

- The Assembly of Shareholders, sets the strategic guidelines of the company, approves the annual business plan and budget.
- The Board of Directors is responsible for the operational management of the company, and acts to implement the corporate purpose in accordance with the shareholders' resolutions and within the limits of the powers granted by law and the articles of association.
- The Board of Statutory Auditors is responsible for supervising the work of the directors and checking that the management and administration of the company is carried out in accordance with the law and the articles of association.
- The Auditing Company, carries out the statutory audit. In accordance with the Civil Code, the external auditor performs his work independently and autonomously.
- The Supervisory Board, checks compliance with the rules contained in the Code of Ethics and other measures adopted to contain the risk of offences pursuant to Legislative Decree 231/01.



S. CASSIS
BOARD MEMBER &
MANAGING DIRECTOR

P.M. CORNAGLIA
CHIEF EXECUTIVE OFFICER

R. CORNAGLIA
PRESIDENT

U. CORNAGLIA
CHIEF EXECUTIVE OFFICER

L. CIOCCA
BOARD MEMBER

F. RANGONI
BOARD MEMBER

THE EMPLOYEE ENVIRONMENT

As human capital is the Group's most important strategic resource, in 2021 again, despite the national and international economic uncertainties linked to the corona virus outbreak, the Group continued to search for and select new resources, because it believes that expertise is the real competitive advantage.

Over the last four years, the number of employees has steadily increased from 480 in 2018 to 484 in 2019, and then increased again in 2020, 489, and again in 2021, 493.

In 2021, the number of employees hired on open-ended contracts increased compared to 2020, while there was a fairly significant increase in the number of women hired in 2021 compared to the previous year: +23%. The company's policy of believing in and investing in young people is confirmed by the fact that in the current year the number of under-30s increased by 13% compared to last year, while the number of over-50s decreased by 9% compared to 2020. Specifically, there were 39 employees over 50, who mainly terminated their employment with the Group due to resignations and retirements.

The Group adopts a personnel management based on respect for workers' rights, as regulated by the Workers' Statute and the contracts applied. Internal regulations have been drawn up for each site, the purpose of which is to clarify the rights and duties of workers, as well as the penalties provided for non-compliance. The regulations are posted on company notice boards and cite the relevant legislation.

Cornaglia SpA has drawn up a Code of Ethics, which is displayed on the company notice boards and can be consulted by all employees on the company website. All new employees are given a copy of the Code of Ethics. Each employee has the possibility of reporting any conduct in violation of the code of ethics, even anonymously. For this purpose, special boxes for submitting reports are present at all the Group's facilities, which are checked monthly by the appointed officers. Reports are immediately forwarded to the Supervisory Board, which, depending on the type of report, assesses how it should be handled and the appropriate investigations to be carried out.

Industrial relations in all plants are marked by ethics and transparency, and impartiality in approaches to the various trade union organisations. Each plant has a supplementary agreement, the result of negotiations between the parties.

The Group grants parental leave provided for by law and collective agreements and takes the necessary steps to ensure that beneficiaries of such leave do not have problems returning to work after the leave is taken.

Remote working hours were granted in 2021, also due to the simplified regime introduced by the Covid emergency legislation, to better reconcile the needs related to the management of small children, as well as to facilitate the return from maternity leave.

THE EMPLOYEE ENVIRONMENT

A life insurance policy and a professional and extra-professional accident policy for managerial staff, as provided for in the category's collective bargaining agreement, are envisaged.

Where no company canteen is provided, employees receive a meal voucher for each work day of more than 6 hours.

White-collar staff are granted leave for medical examinations at company expense for the duration of the examination plus 15 minutes/30 minutes for travelling.

Trade union relations are based on principles of ethics and transparency. Second-level supplementary agreements, the result of trade union negotiations, exist in all plants.

The company respects all trade union organisations and in no way discriminates against members of different trade unions. Furthermore, the company guarantees working conditions that respect individual dignity and a safe and healthy working environment, in full compliance with the regulations in force on the prevention of occupational accidents and the protection of workers. Finally, the company is committed to granting all its employees full protection and rights under the Workers' Statute and collective bargaining agreements.



The “Nice to meet” project was created by the Group with the aim of promoting and improving collaboration between the central administrative bodies, with their historic headquarters in Villarbasse, and the factory departments located in the plants.

The project was developed in September 2021 involving 16 people, divided into 3 groups, and 12 meetings were organised at the 3 different plants (Villarbasse, Valfenera and Beinasco), which in rotation learnt about and better understood the activities of the production plants.

These opportunities for contact made it possible to bring together two realities that often work together, but at the same time hardly know each other, thus understanding each other's difficulties.

THE EMPLOYEE ENVIRONMENT

IN 2021, THE GROUP WAS COMMITTED TO:

- *improving capitalisation of resources through the implementation of the performance management system and skills mapping;*
- *increasing the presence of women in executive roles;*
- *decreasing turnover;*
- *promoting COVID vaccination campaigns and facilitating employees in taking vaccines.*

New hires undergo an induction period aimed at familiarising them with the company's organisation, the internal contacts and procedures, and the rights and duties of the worker (the internal regulations and the applicable collective national labour agreement). In March each year, all employees are evaluated by their direct supervisor, to assess their adaptability, team working skills, professionalism and accountability. Based on the results, the appropriate economic incentives and professional development measures are assessed, which also include the attendance of training courses.

Cornaglia hires external consultants to carry out specific projects in the technical, technological innovation, and business development fields. The consulting project started in 2020 continued in 2021, aimed at supporting the consolidation of the Group's Operations structure, harmonising the various production plants in terms of KPIs and management logic. The consultants have therefore been integrated within the internal processes.

Temporary staff are trained when they join and are integrated into the organisational structure, with the same rights and duties.

The company is particularly committed to both extracurricular and curricular internship projects, as it is part of the Group's values to train young people entering the working world. The mentor has the task of monitoring throughout the duration of the internship to ensure that the training objectives defined in the initial project are achieved.

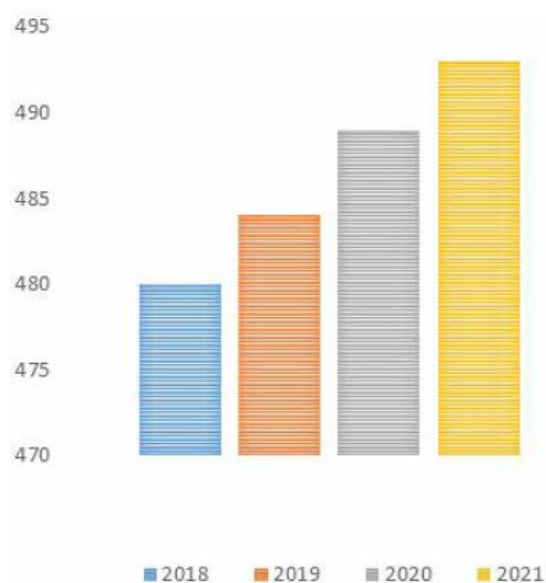


THE EMPLOYEE ENVIRONMENT

The data regarding the composition of the workforce are shown below:

TOTAL WORKFORCE						
Contract type	AT 31 DECEMBER 2020			AT 31 December 2021		
	Men	Women	Total	Men	Women	Total
Total employees by gender	408	81	489	397	96	493
Total external workers	99	2	101	168	1	169
Total workforce by gender	507	83	590	565	97	662

NUMBER OF EMPLOYEES



The percentage of women employed as office workers is equal to 14.65%.

WORKFORCE



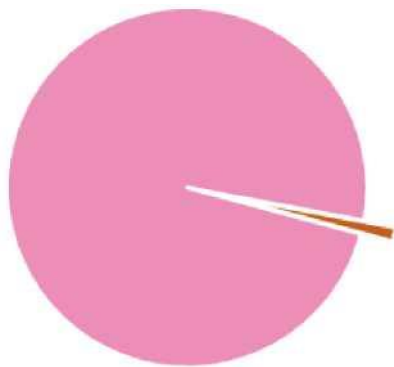
WORKFORCE COMPOSITION



THE EMPLOYEE ENVIRONMENT

WORKFORCE BY CATEGORY

Contract type	AT 31 DECEMBER 2020			AT 31 December 2021		
	Men	Women	Total	Men	Women	Total
Permanent	399	79	478	388	95	483
Fixed term	2	0	2	5	1	6
Apprenticeship	7	2	9	4	0	4
Temporary workers	97	1	98	166	1	167
Internship	2	1	3	2	0	2
Total workforce by gender	507	83	590	565	97	662



■ permanent employee ■ temporary employee

The percentage of the workforce with permanent contracts is equal to 98.77%, while the percentage with fixed term contracts is equal to 1.23%.

The blue-collar workforce accounts for 67 per cent of the total workforce; the white-collar workforce accounts for 27 per cent. The percentage of managers and executives is 6%.



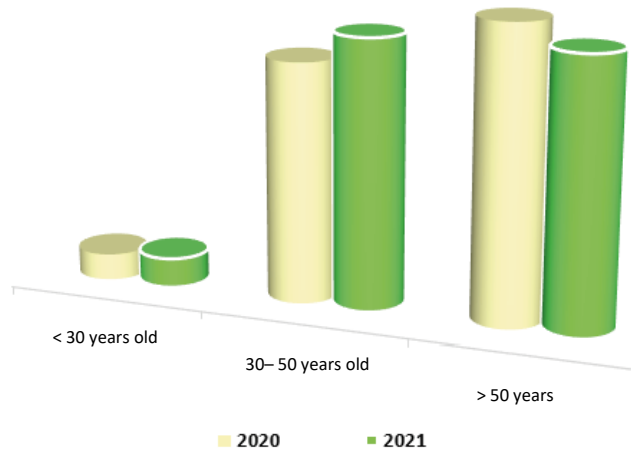
■ managers-middle managers ■ white-collar ■ blue-collar

EQUAL OPPORTUNITIES AND DIVERSITY

In 2021, the total number of under-30s increased by 13% compared to 2020.

The number of over-50s decreased by 9% compared to last year.

An 11% increase over 2020 was recorded in the employed population aged 30-50 years.



Equal opportunities and Diversity

The Group's main objective is to create and maintain a working environment free of all forms of discrimination. Furthermore, the principle of equal opportunities in work and professional advancement for all employees and equal treatment among people, valuing differences in gender, culture, religion and ethnicity, is guaranteed.

In 2021, the number of employees was 493, of which 96 were female and 397 male. The percentage of female employees was 19.47% of the company population. The manager of each office, under the supervision and constant monitoring of the HR function, must ensure the employees are treated in a manner consistent with their ability to meet the job requirements in all aspects of the employment relationship, such as recruitment, training, remuneration, promotions, transfers and termination, avoiding any form of discrimination.

The principles of non-discrimination are contained in the Code of Ethics, the dissemination of which is ensured by the HR Department, through handing it out to all new employees, and can be consulted at any time on the Group's institutional website.

Cornaglia applies strictly competence-based meritocratic principles in the management of human resources, both in the recruitment and career advancement phases.

The Group participates in annual salary surveys conducted by the Industrial Union of Turin in order to assess the proper remuneration of its human resources based on their positions and seniority held.

The Human Resources Department is responsible for managing the salary analysis process and proposing to the Executive Board the necessary actions to ensure compliance with market standards.

TRAINING AND CAPITALISATION OF TALENT



The new performance appraisal system implemented in 2021 includes the ability to value diversity among the assessed performance.



In 2021, the group committed to increasing the number of women in executive roles.

Training and capitalisation of talent

The group is particularly attentive to the professional and personal growth of its employees; therefore, training plans are defined annually, both externally in the technical-specialist field and in the behavioural and internal field provided by personnel with greater competence in the field. These measures are defined by the function/department managers in consultation with the human resources department, which is responsible for activating the courses. The aim of the training plans is to:

- bridge skills gaps that emerged in the skills mapping phase;
- support annual strategic objectives;
- create talent development courses.

In 2021, the Group undertook to focus its training activities on 3 main areas:

- support the internationalisation process;
- disseminate quality approaches to improve both processes and products;
- strengthen technical skills on the main production processes.

The courses provided focused on negotiation and project management with regard to soft skills. As for hard skills, training courses focused on English for the Group's internationalisation process, Quality procedures such as APQP, project and process FMEA, and production processes (with particular regard to welding and plastic processing technologies). Courses also continued for the implementation of the MES (Manufacturing Execution System) for the optimisation of production activities.

Finally, safety and environmental courses (for both blue-collar and white-collar workers) and courses for the acquisition of the forklift driver's licence, welder's licence and liquid penetrant licence were provided.

TRAINING AND CAPITALISATION OF TALENT

Finally, training sessions were held to explain the updated Anti-Covid Protocol adopted by the company.

At the same time, the Human Resources Department launched a project to implement the Zucchetti training module, which will allow a more organised process of training management, including needs analysis, preparing the annual training plan and the related economic resources, and finally the provision and monitoring of training measures. This module was analysed in 2021 and will be activated in 2022.

Career and development plans for high-performing and best-skilled resources are defined through the performance appraisal and skills mapping instruments. Furthermore, the process makes it possible to identify talents or high potentials. The enhancement actions implemented are: role growth, participation in management committees on specific projects, assignment of tutoring activities for less skilled resources.

SAFETY AND ENVIRONMENT MANAGEMENT SYSTEM - SEMS



In the area of health, safety and the environment, the Group has implemented a management system that complies with the highest Health, Safety and Environment standards (UNI ISO 45001 and UNI EN ISO 14001).

The CORNAGLIA SEMS covers all administrative, commercial, industrialisation, design, production, procurement, logistics, staff management, and quality assurance activities that have direct or indirect impacts on the workers' health and safety and the environment. It also covers any activities indirectly related to the production flow, such as the maintenance of the machinery and the management of suppliers of products/services that could have an impact on the workers' health and safety and the environment. The System is structured at the Corporate level, managed centrally by the HSE entity and locally by the individual sites that make up the Corporate.

Each year, based on the Environmental and Safety Policy, the location, and the specific operating conditions, Cornaglia Group establishes both the degree to which each individual site must apply the system, and which new sites, if any, should be awarded certification.

The Policy establishes the principles and application guidelines to be implemented in each field of activity and includes:

- a dynamic and preventive assessment of activities to eliminate risks at their source and, when this is not possible, to reduce undesirable effects that may prevent the expected SEMS results from being achieved;
- continuous improvement in all activities that have an impact on safety or the environment;
- the development of knowledge, skills and awareness of all employees through targeted education and training.

HEALTH AND SAFETY

The Cornaglia Group devotes considerable attention and energy to managing health and safety with the aim of limiting the occurrence of accidents as much as possible. To ensure a systematic and efficient approach to corporate risk management, a Database has been created using Microsoft Access that allows continuous monitoring of accidents and a quantitative analysis of the same, according to the production phase in which it occurred and the hazard that generated it.

The software processes the data, which is then analysed by taking into account:

- the specific company reality;
- the production cycle;
- the chemical, physical and biological agents present at the workplace, both normally and following the performance of the activities, and their concentrations;
- the structural characteristics of the work environments;
- the activities carried out directly by the employees;
- the equipment used to carry out the work;
- the working methods adopted.

It is used to identify the root cause of the event and plan measures to prevent a recurrence. Furthermore, all workplace risks are assessed in the database and the technical, organisational and procedural protective measures to be implemented to eliminate or at least reduce risks are identified.

All employees may make reports, also in anonymous form, in which any breaches of the occupational safety rules can be reported. These reports are sent to the Supervisory Board, which reserves the right, depending on the severity of the report, to carry out further investigations.

Plant inspections related to occupational health and safety audits continued during 2021. All Group employees and service providers most exposed to occupational safety risks, such as cleaning and maintenance companies, are covered by the company's health and safety management system, which provides for audits by internal functions and external bodies.

Another two aspects constantly monitored by the Group to prevent damage to workers' health are noise and airborne pollutants in the workplace. In particular, noise and chemical concentration levels are periodically measured to verify compliance with the permitted limits in each area.

Competent physicians have also been appointed for each Cornaglia Group facility, who are responsible for drawing up a health protocol and for performing regular check-ups on the workers. The periodic check-ups and health checks are carried out at the factory infirmaries. Defibrillators have also been installed, and the staff have been trained on how to use them.

HEALTH AND SAFETY

Group training of employees is part of the prevention activities promoted by the company. In fact, all employees are informed of the risks and the prevention and control measures through training courses and through specific warning signs.

All those who work for or on behalf of Cornaglia Group (new hires, existing employees, contractors, and any other parties involved), who could cause environmental impacts, workplace risks, or failures to meet the compliance obligations, are required to undergo specific training and a subsequent competency assessment.



Throughout 2021, in response to the continuing health emergency caused by the spread of Covid-19, employees were informed and trained on the safety and health protection measures described in the Anti-Covid Protocol adopted by the Group in compliance with government regulations

CLIMATE CHANGE

The Group's environmental policy, also in line with the goals set by the United Nations 2030 Agenda for Sustainable Development, aims to combat climate change by reducing greenhouse gas emissions by adopting renewable energies and improving operational efficiency.

In fact, the Group adopts a business model that is increasingly sustainable and attentive to energy transition issues.

Specifically, one of the goals of Group's environmental policy is to develop procedures for assessing environmental and safety performance, using appropriate indices as a reference parameter for the control and continuous improvement of the system.

As far as climate change is concerned, the index used is [kg CO² eq. / kg pieces produced], i.e. reduce the amount of CO² equivalent developed for the same amount of material produced. This index complies with the OCF (Organisation Carbon Footprint) regulated by Recommendation (EU) 2021/2279 of 15/12/2021 and takes into account all aspects: energy consumption, water, waste, etc. The main projects/commitments undertaken by the Cornaglia Group in the 2019-21 three-year period to improve environmental impacts related to climate change are outlined below:

- the "Ricicli-Amo" project, in cooperation with L'Oreal, for the recovery of end-of-life plastic containers was launched in 2020 and implemented in 2021. These containers are collected from the L'Oreal factory in Settimo Torinese to recycle the plastic material and supply L'Oreal with new containers and pallets;
- the containers of the furniture components intended for the end consumer produced by the Cornaglia Group company Plart Design feature a QR code that can be used to obtain product disposal and packaging;
- all major plants have photovoltaic systems on their roofs, totalling about 3,660 kWp of power, which use the electricity produced by the sun to power the production cycle from non-polluting sources; thanks to the use of this resource, 1,787 tonnes of CO² equivalent were avoided in 2021, which corresponds to having planted about 3,750 trees;
- the frequency filters installed on the main plants' internal electricity grids create a smart power grid that optimises consumption and reduces electricity waste.

A Group Mobility Manager was appointed in 2021 with the aim of reducing the use of private cars and, at the same time, encouraging the use of environmentally friendly vehicles during home-work journeys.



CLIMATE CHANGE

Cornaglia has joined the Carbon Disclosure Project (CDP), an international non-profit organisation that offers investors a system to measure climate change policies and performance, provides companies, local authorities, governments and investors with a global environmental measurement and reporting system to share climate change information globally.

Cornaglia again met all its targets in 2021 and continued its campaign to raise awareness of environmental issues and climate change impacts among all staff working for the company.



As of 2018, all seven Cornaglia Group plants have been CERTIFIED ISO 14001:2015 BY RINA.



All Cornaglia plants have ecological islands to improve the RECYCLING and recovery of waste

Raw materials

The Group's policy for the procurement of raw materials and products used in production processes is geared towards the selection of so-called Km zero suppliers and the use of eco-sustainable materials (recycled, Ecolabel-certified, FCS, etc.), so as to limit environmental impacts as much as possible. The Safety and Environment Management System (SEMS) contains specific procedures for selecting materials and suppliers, with priority being given to certified and local suppliers. Furthermore, through its Research Centre, Cornaglia Group designs its own components in such a way as to optimise the use of raw materials and minimise waste.

All recycled plastic material was reused for the manufacturing of consumables, pallets and buckets.

2,806 tonnes of renewable materials were used in 2021



CLIMATE CHANGE

Waste

The waste management methods are governed by the "PSA 14 - Waste Management" system procedure, and within each plant, personnel are identified and trained for the operational (trolley drivers) and administrative (filling in forms and loading/unloading registers) management of waste. Also, initiatives have been taken at each plant to improve waste management methods.

At the Villarbasse plant, offcuts and scraps of plastic material are recycled internally, as a by-product, which are used for the production of consumables, pallets and buckets. 99% of waste was recovered at the Villarbasse plant, while 92% was recycled at the Beinasco plant. 100% of the waste produced at the Valfenera plant was recycled.

In 2021, 34,269 kg of monoliths were recycled at the Valfenera plant.



99%

OF WASTE
RECOVERY IN
VILLARBASSE



92%

OF RECYCLING
IN **BEINASCO**



100%

RECOVERY OF
HAZARDOUS WASTE
IN **VALFENERA**

CLIMATE CHANGE

Energy consumption and emissions

The Group's environmental policy is based on specific procedures for assessing environmental performance from a life-cycle perspective, using appropriate indices as a reference for monitoring and continuous improvement of the system. These indices are available on the website, and energy consumption is also taken into consideration. These indices are available on the website, and energy consumption is also taken into consideration.

Although not required to, Cornaglia has appointed an Energy Manager: a figure with specific competencies in energy and facility management, who promotes energy efficiency measures, and the use of alternative energy sources.

It should be noted that although direct CO² emissions (t) - Scope 1 in 2021 increased by 33% compared to 2020 and indirect emissions - Scope 2 increased by 39% compared to the previous year, the results should be viewed positively because production at the plants had been partially suspended in 2020 due to the Covid-19 epidemic.

The EUSs (Efficient Utility Systems) were installed in Beinasco in Oct. 2018, in Villarbasse in July 2017, and in Valfenera in Nov. 2018. Thanks to these systems, much of the electricity generated by the photovoltaic systems is consumed directly by the production plants, and the remainder (about 10%) is sold to the external power grid. Before the SEUs were installed, all the electricity was sold to the power grid

SINCE 2011, 14,251 PHOTOVOLTAIC PANELS HAVE BEEN INSTALLED ON THE ROOFS OF THE FIVE CORNAGLIA GROUP PLANTS FOR A TOTAL OF APPROXIMATELY 3,660 KWP



Water

Cornaglia constantly monitors the use of water resources at all of its facilities, where water is drawn exclusively from local aqueducts, with the exception of the Villarbasse facility, where the water for the fire sprinkler tank is also drawn from a deep well.

In addition to its civilian uses, the water at the three facilities is also used for the purposes listed below:

- at the Beinasco plant, it is used in the cataphoresis coating system tanks, the washing tunnel, and for cooling the welding machines (closed cycle cooling);
- at the Valfenera plant, it is used in the pipe washing machines, after which the wastewater is disposed of as liquid waste;
- at the Villarbasse plant, it is used in the closed-cycle mould cooling system.

Cornaglia complies with the quality standards established by Italian Legislative Decree no. 152 for discharges into the sewer system.

The Villarbasse plant is equipped with an industrial drain, which is used to discharge the mould cooling water into the sewer system. Since the system operates on a closed cycle, the only water discharged consists of the overflow from the evaporation towers.

Finally, at the Beinasco plant, the industrial effluent from the cathodic acid plant and the washing tunnel flows into the industrial discharge. The same plant is equipped with a chemical-physical purifier, which treats the industrial wastewater before it is discharged into the public sewer system.



The total volume of surface water discharge (mg/l) decreased by 60% in 2021-2020 compared to 2019-2018

THE SUPPLY CHAIN

The Cornaglia Group is particularly careful in choosing its suppliers by adopting a selection policy based not only on price, but above all on the quality of the product/raw materials and the ability to provide and guarantee services of an adequate level. Suppliers are selected on the basis of objective criteria in line with the principles outlined in the Code of Ethics.

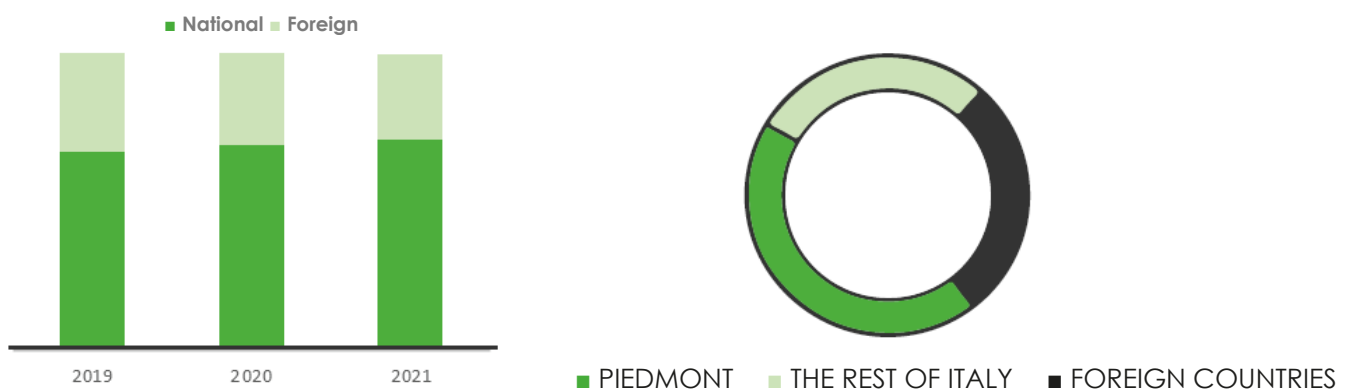
To ensure a supplier base geared towards ethical-social and environmental sustainability, a "Supplier Assessment Questionnaire" is submitted to suppliers to check compliance with specific principles contained in the Cornaglia Group Code of Ethics.

Moreover, based on the provisions of the Code of Ethics, the individuals in charge of the provisioning department are prohibited from:

- accepting any form of payment from anyone for the performance an official duty or an action contrary to his/her official duties;
- being influenced in any way by third parties outside the Group and not authorised by the same, to make decisions and/or perform acts relating to their work;
- accepting gifts or any other types of benefits not attributable to normal acts of courtesy.

In its procurement decisions in 2021, the Group again sought to give preference to domestic suppliers, with the same product/service evaluated as a whole: in fact, 72% of purchases come from domestic suppliers. Of these, 29% come from suppliers from Piedmont.

For products and services that constitute an integral part of the product supplied to the customer, the supplier must have a quality management system in place that, at the very least, meets the requirements of the ISO 9001 standard. This certification's expiration and scope of application is checked by the procurement department on an annual basis.



Product quality

Cornaglia Group's quality policy is heavily focused upon the health and safety of its customers and employees, compliance with the ethical and social requirements, customer satisfaction in terms of products and services, and the continuous improvement of all quality-related aspects.

The Cornaglia Group, therefore, is particularly focused on Quality and Safety, with the aim of supplying products that meet the highest standards.

Cornaglia Group's facilities are IATF 16949 certified, and the International Material Data System (IMDS) has been adopted with the aim of improving supplier-customer communications.

In compliance with the national and international regulations and standards, Cornaglia Group conducts a Risk Assessment during the preparation of all new product offers, with the aim of assessing all the potential risks in terms of technical and technological feasibility, quality, environmental impacts, and health and safety. The risk analysis is based on the assessment of aspects like customer requirements, technical specifications, product quality requirements, and safety and environmental regulations. If there is a possibility that some of the requirements will not be met, Cornaglia prepares an adequate action plan using the Failure Mode and Effects Analysis (FMEA) tool for the management of the risks associated with the failure modes, and determines the appropriate countermeasures to be taken.

Innovation

In 2021, the Cornaglia Group continued its commitment to investment in R&D, with the aim of constantly improving its products in terms of life cycle, performance, cost, size, volume and environmental compatibility.

In 2021, R&D expenditure amounted to approximately 2.5 per cent of annual turnover.

The Group's innovation activities are conducted at the Engineering & Innovation Centre, in the new Grugliasco (TO) site inaugurated at the end of 2020, which is constantly engaged in the development of innovative concepts, patent filings, and the development and validation of new solutions for intake systems, exhaust systems, tanks, and integrated systems, aimed at minimising fuel consumption and CO² emissions through the engineering of innovative solutions.

In 2021, the Cornaglia Group continued its partnerships with companies and/or research institutions to develop new products or make improvements to existing products.

The most important and long-lasting relationship is with the Turin University of Technology,

PRODUCT QUALITY

which supported the development and implementation of a diesel engine pollutant emission project.

Moreover, with the gradual return to normal post-pandemic conditions, the Group has resumed its participation in the most important national and international conferences on specialised topics dedicated to the automotive world with the aim of creating and nurturing internal knowledge of the main and most current environmental issues.

In addition to continuing its ongoing research for the best solutions for exhaust gas after-treatment and, more generally, for reducing fuel consumption and, consequently, CO² emissions, which allow manufacturers to continue to use and further develop their combustion engines also in sectors where they have to comply with strict limits on pollutant emissions, the Group has launched important research and development activities related to battery cooling systems for electric vehicles, with the aim of entering this market by studying and proposing optimised solutions in terms of both performance and production costs.

Furthermore, the search for business opportunities in sectors still untouched by electro-technology, such as agricultural and construction machinery, continued.

The Group's commitment to product innovation is expressed through the following objectives:

- reduction of CO² and pollutant emissions;
- weight reduction (metal-plastic transformation);
- reduction of fuel consumption;
- cost optimisation;
- customer satisfaction;
- reliability of the products developed;
- performance optimisation;
- competitiveness;
- quality.



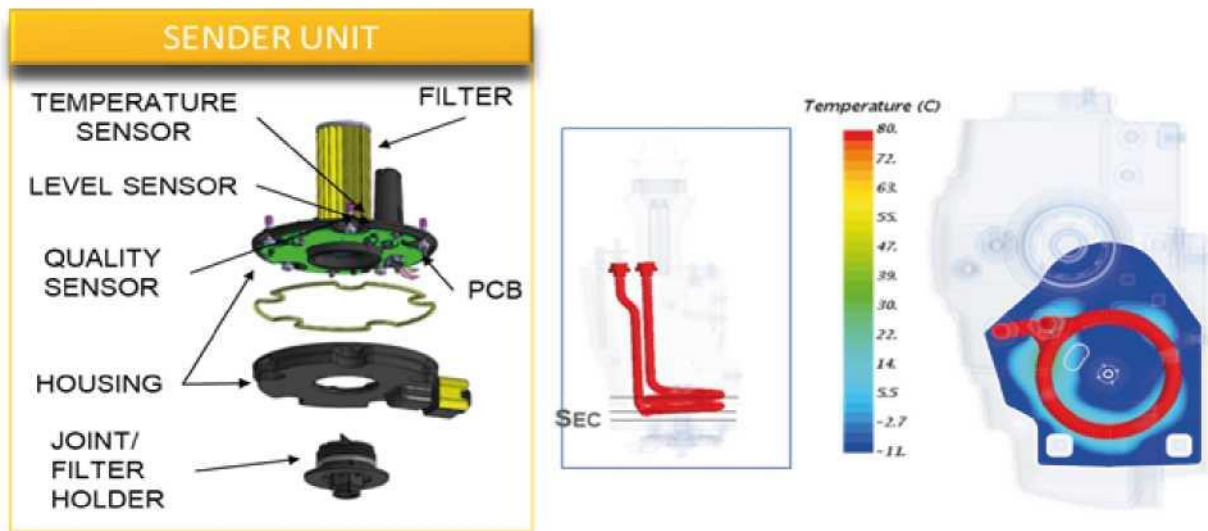
THE MAIN PROJECTS



THE MAIN PROJECTS

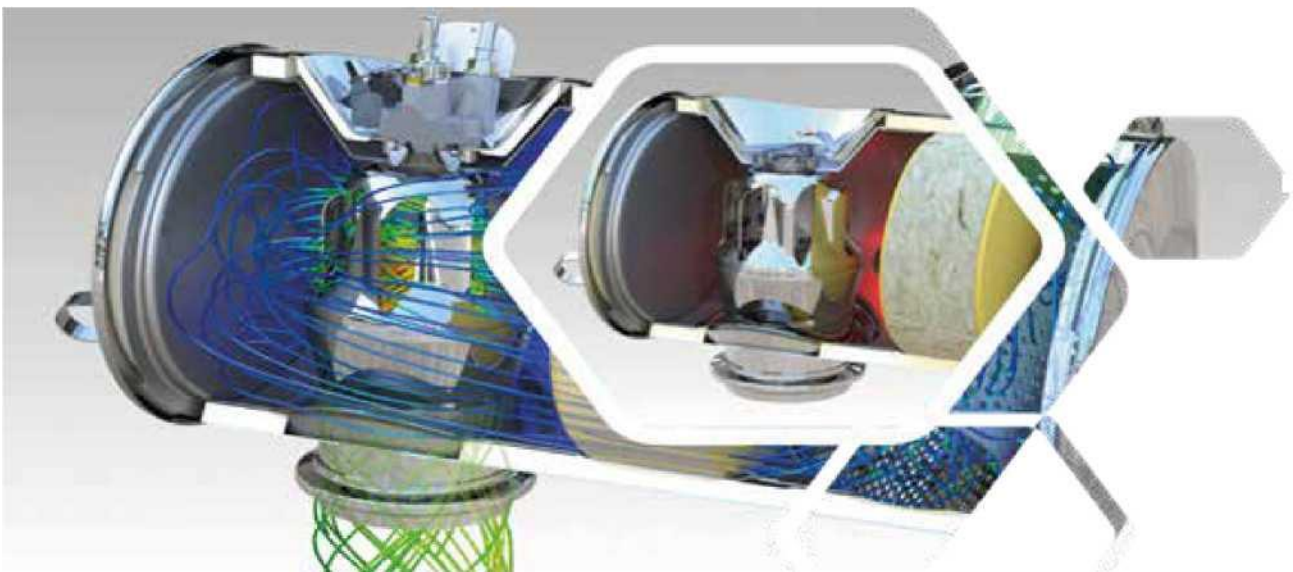
• The **ATS FOR ON-ROAD VEHICLES** project,

carried out in collaboration with the Turin University of Technology, consists of the development of an exhaust after-treatment system, ATS, that is both modular and optimised to be installed in various applications.



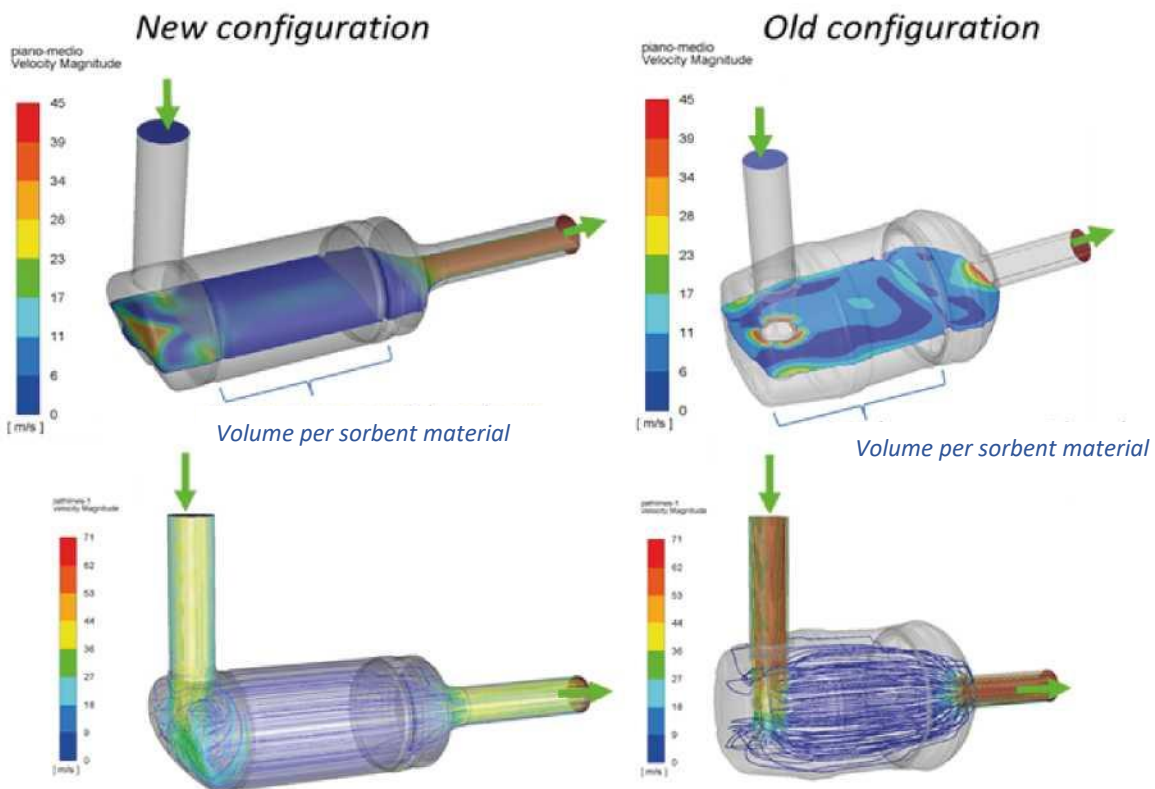
• The **UREA SENDER UNIT** project,

enabled the prototyping of a urea supply unit for diesel engines to be used in agricultural and construction machinery.



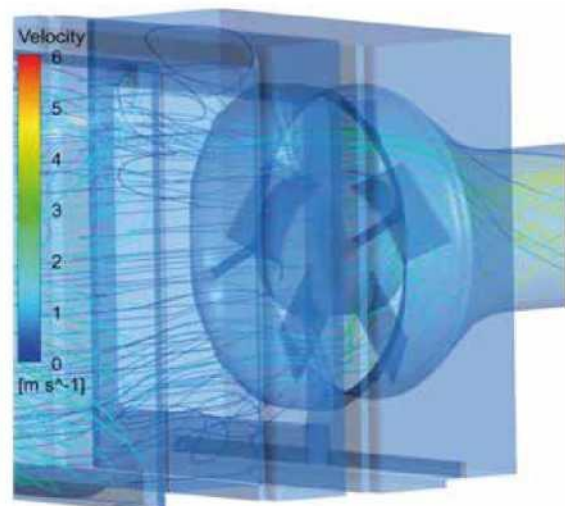
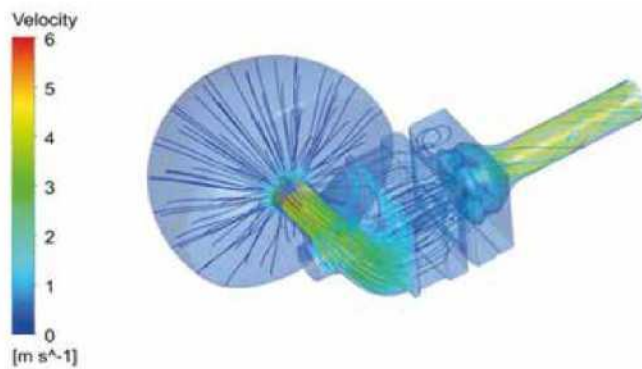
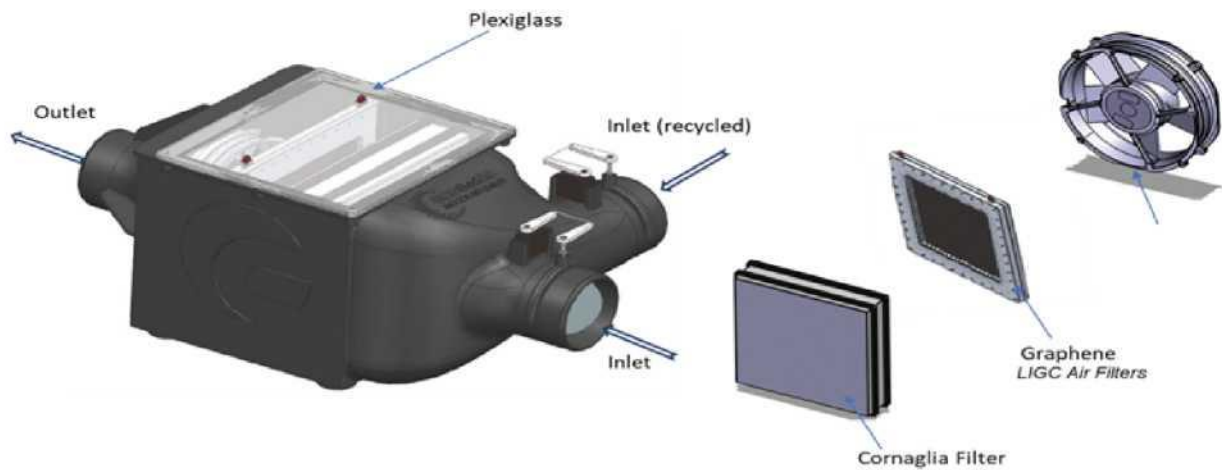
THE MAIN PROJECTS

The SATURNO project, financed by the Piedmont Region with ERDF - European Regional Development Fund money and implemented in cooperation with the Turin University of Technology, the University of Turin, the University of Eastern Piedmont, Environment Park, the FIAT Research Centre, Buzzi Unicem and Iren, consists of a study and prototype creation of a cartridge for capturing CO² from exhaust gases emitted by combustion engines.

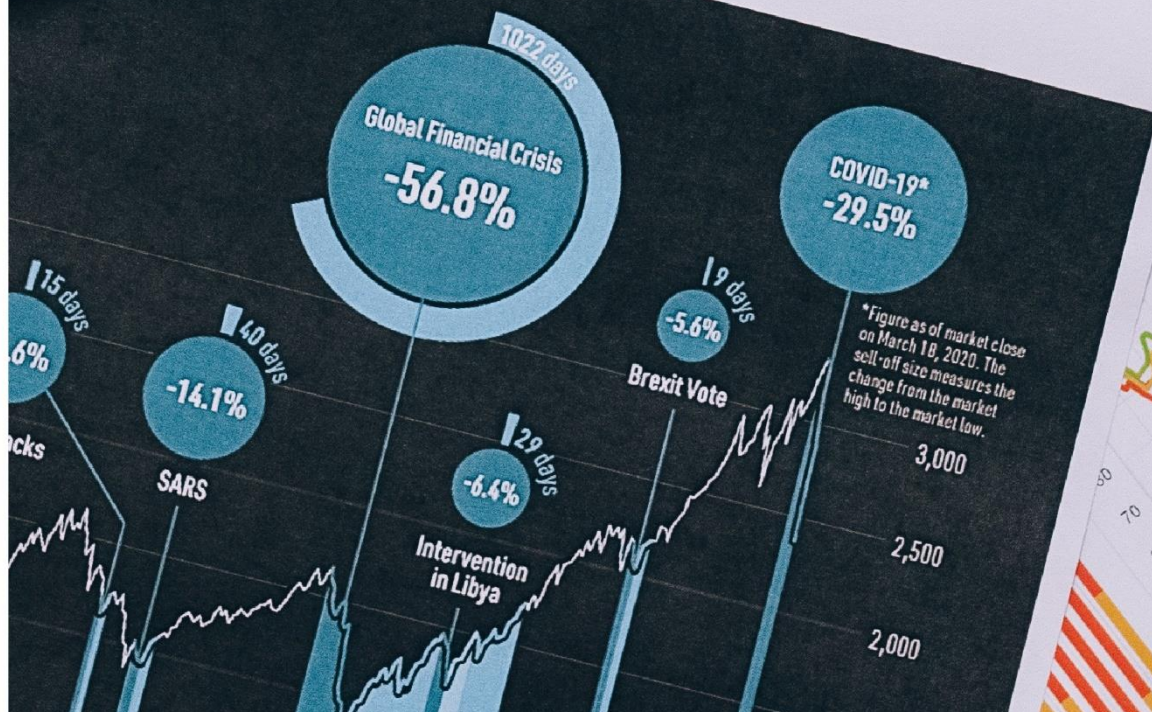


THE MAIN PROJECTS

The ECOBedAC project, is funded by participation in a call for tenders and implemented in collaboration with the Links Foundation, and consists of the study and creation of prototypes of an ambient air purification system. The prototype developed made it possible to test new technologies not only for filtration but also for data analysis and targeted sensing, aimed at monitoring and managing air quality in the domestic environment.



OUR NUMBERS



Q2 2019
Q1 2020

Investment
Residential
demographic



OUR NUMBERS



+13% compared to 2020
of under-30s employed



+12% compared to
2020 of workforce
used



12,000 kg of regenerated
raw material and
reintroduced into the
cycle for the production
of designer furniture and
waste bins.



0 serious injuries
recorded



72% of purchases made
from Italian suppliers



100% of hazardous
waste recovered at
the Valfenera plant



+17% CO² emissions
avoided through self-
generated electricity from
renewable sources in
2021, equivalent to 266
trees planted



-60% discharge of
surface water in the
2021-2020 biennium
compared to the
2019-2018 biennium

APPENDIX

“METHODOLOGICAL FOREWORD: In the following tables, all figures are given in absolute terms and, therefore, changes should be considered in relation to turnover, which increased by 43% in 2021 compared to 2020”.

THE CORNAGLIA GROUP

Percentage of staff receiving training or communications on anti-corruption and human rights practices*	
Classification	2021
Managers	11
Middle Managers	12
White-collar workers	54
Collaborators/Consultants	1
Total	78

* The training plan on anti-corruption and human rights issues is bi-annual.

OUR PEOPLE

Total number of employees broken down by position and age group								
Classification	2020				2021			
	< 30 years old	30-50 years old	> 50 years	Total	< 30 years old	30-50 years old	> 50 years	Total
Managers	-	4	5	9	-	6	5	11
Middle managers	-	6	7	13	-	8	11	19
White-collar workers	13	54	54	121	11	73	53	137
Factory workers	10	146	190	346	15	145	166	326
Total	23	210	256	489	26	232	235	493

Total number of employees broken down by contract type (permanent or fixed term), by gender						
Contract type	2020			2021		
	Men	Women	Total	Men	Women	Total
Permanent	399	79	478	388	95	483
Temporary	2	0	2	5	1	6
Apprenticeship	7	2	9	4	-	4
Total	408	81	489	397	96	493

APPENDIX

Total number of employees broken down by full-time, part-time and gender

Full-time / Part-time	2020			2021		
	Men	Women	Total	Men	Women	Total
Full-time	405	68	473	394	84	478
Part-time	3	13	16	3	12	15
Part-time percentage	0.7%	16%	3.27%	0.7%	12.5%	3.04%
Total	408	81	489	397	96	493

Total number of external workers, by gender

External workers	2020			2021		
	Men	Women	Total	Men	Women	Total
Temporary workers	97	1	98	166	1	167
Internship	2	1	3	2	0	2
Total	99	2	101	168	1	169

Turnover by gender and geographical area

Category	2020				2021			
	Incoming		Outgoing		Incoming		Outgoing	
	Number	%	Number	%	Number	%	Number	%
Men	33	8%	35	8%	44	11%	35	9%
Women	2	2%	8	9%	4	4%	4	4%
Total	35	7%	43	8%	48	10%	39	8%

Turnover by age group

Age groups	2020				2021			
	Incoming		Outgoing		Incoming		Outgoing	
	Number	%	Number	%	Number	%	Number	%
< 30 years old	10	43%	4	17%	12	46%	6	23%
30 - 50 years old	15	7%	13	6%	27	12%	6	3%
> 50 years	10	4%	26	10%	9	4%	27	11%
Total	35	7%	43	8%	48	10%	39	8%

APPENDIX

Employees who receive regular performance and career evaluations, by gender and position

Number of employees	2020			2021		
	Men	Women	Total	Men	Women	Total
Managers	9	0	9	9	0	9
Middle managers	1	1	2	16	3	19
Other staff	12	2	14	18	16	34
Total	18	6	25	43	19	62

Training hours by professional category and gender

Hours of Training	2020		2021	
	Total hours	Total hours per capita	Total hours	Total hours per capita
Managers	21	2	29	5
Middle managers	11	1	18	4
White-collar workers	424	4	968	16
Factory workers	1,274	3	1873	8
Total	1,730	3	2824	10

Ratio between women's and men's base salaries by category

Base salary	2020			2021		
	Men	Women	Ratio of Women to Men	Men	Women	Ratio of Women to Men
Managers	774,320	0	0%	1,170,582	0	0%
<i>Managers at 31/12</i>	9	0		11	0	
Middle managers	606,400	64,231	10%	957,569	196,362	20%
<i>Middle managers at 31/12</i>	12	1		16	3	
Remaining employees	9,043,025	1,722,480	19%	11,079,313	2,891,473	26%
<i>Remaining employees at 31/12</i>	387	80		370	93	

SAFETY AND ENVIRONMENT MANAGEMENT SYSTEM

Employees covered by the Health and Safety management system				
Number of employees	2020		2021	
	Number	%	Number	%
Total number of employees covered by the health and safety management system	489	100.0%	493	100.0%
Total number of employees covered by the health and safety management system subject to internal control procedures	489	100.0%	493	100.0%
Total number of employees covered by the health and safety management system subject to control procedures or certified by a third party	489	100.0%	493	100.0%

External workers covered by the Health and Safety management system				
Number of external workers	2020		2021	
	Number	%	Number	%
Total number of external workers covered by the health and safety management system	101	100%	169	100.0%
Total number of external workers covered by the health and safety management system subject to internal control procedures	101	100%	169	100.0%
Total number of external workers covered by the health and safety management system subject to control procedures or certified by a third party	101	100%	169	100.0%

APPENDIX

Workplace accidents		
Rate	2020	2021
Rate of deaths caused by workplace accidents	0	0
Rate of serious workplace accidents (excluding deaths)	0.288	0
Rate of recordable workplace accidents	3.746	5.37

Occupational diseases		
Number of incidents	2020	2021
Total number of recordable cases of occupational disease	0	0
<i>of which deaths caused by occupational diseases</i>	0	0

ENVIRONMENTAL PROTECTION

Materials							
Materials utilised		2020			2021		
		Total	Non-renewable	Renewable	Total	Non-renewable	Renewable
Plastic materials	Tonnes	2,036	1,971	65	2,176	2,102	74
Metals (iron and steel)	Tonnes	3,023	1,363	1,660	4,405	1,673	2,732
Catalysts	Tonnes	15,223	15,223	0	14,877	14,877	0
Consumables (oils, paints, etc.)	Tonnes	509	509	0	340	340	0
Total	Tonnes	20,791	19,066	1,725	21,798	18,991	2,807

APPENDIX

Recycled materials						
Type of recycled material		2020		2021		Delta % 20-21
		Recycled materials	Total	Recycled materials	Total	
Recovered plastic	Kg	65,000	65,000	74,361	74,361	+14%
Recovered steel	Kg	1,659,851	1,659,851	2,732,161	2,732,161	+64%
Total	Kg	1,724,851	1,724,851	2,806,522	2,806,522	+63%

Energy consumption and emissions			
Type of consumption and emissions	2020	2021	Delta % 20-21
Electricity purchased externally (GJ)	23,566	32,768	+39%
<i>of which purchased from non-renewable sources (GJ)</i>	23,566	32,768	+39%
<i>of which purchased from renewable sources (GJ)</i>	0	0	0%
CO ² emissions (t)	2,618	3,641	+39%
Self-produced electricity from renewable sources (GJ)	6,699	7,891	+17%
CO ² emissions avoided (t)	744	877	+17%
Electricity sold (GJ)	3,486	2,421	-30%
<i>of which sold from non-renewable sources (GJ)</i>	0	0	0%
<i>of which sold from renewable sources (GJ)</i>	3,486	2,421	-30%
Natural Gas (GJ) for heating	23,263	36,346	+56%
CO ² emissions (t)	1,301	2,033	+56%
Natural Gas (GJ) for production processes	19,468	20,446	+5%
CO ² emissions (t)	1,089	1,144	+5%

Total energy consumption			
	2020	2021	Delta % 20-21
Total energy consumption (GJ)	69,551	95,031	+36%
<i>from renewable sources (GJ)</i>	3,213	5,470	+70%
<i>from non-renewable sources (GJ)</i>	66,298	89,561	+35%

APPENDIX

Total CO ₂ emissions			
	2020	2021	Delta % 20-21
Direct CO ₂ emissions (t) - Scope 1	2,390	3,177	+33%
Indirect CO ₂ emissions (t) - Scope 2	2,618	3,641	+39%

Other indirect greenhouse gas emissions (Scope 3)					
Material transport	2020		2021		Delta % 20-21
	Km	t CO ₂	Km	t CO ₂	
<i>Beinasco</i>	50,328	34.17	77,856	52.09	+52%
<i>Villarbasse</i>	31,846	21.62	44,594	29.83	+38%
<i>Valfenera</i>	323,826	219.88	338,625	226.54	+3%

Energy consumption from corporate mobility			
Means of transport type	2020	2021	Delta % 20-21
	km travelled	km travelled	
Long term auto lease / rental			
Diesel	696,946	1,051,414	+50%
<i>of which for service use</i>	273,410	162,362	-59%
<i>of which for mixed use</i>	423,536	854,052	+101%
Hybrid	0	32,114	+100%
<i>of which for service use</i>	0	32,114	+100%
<i>of which for mixed use</i>	0	0	+0%

APPENDIX

Energy intensity				
	Unit of measure	2020	2021	Delta % 20-21
Total energy consumption	TEP	2,391	3,315	+38%
Total number of products	Kg	10,435,655	13,504,027	+29%
<i>Components and plastic material</i>	Kg	2,436,765	3,312,665	+36%
<i>Silencers</i>	Kg	5,194,176	6,878,696	+32%
<i>Metal components</i>	Kg	2,804,714	3,312,665	+18%
Intensity by product	GJ/product	0.000229	0.000245	+7%
Intensity for Components and Plastics	GJ/product	0.000981	0.000721	+73%
Intensity for Silencers	GJ/product	0.000460	0.000347	+75%
Intensity for metal components	GJ/product	0.000853	0.000721	+84%

Water use					
Source	2020		2021		Delta % 20-21
	All areas	Areas of water stress	All areas	Areas of water stress	
Groundwater (total) m ³	7,827	0	6,066	0	-33%
Third party water (total) m ³	18,187	0	34,079	0	+87%
Total water use	26,014	0	40,145	0	+54%

APPENDIX

Water discharge					
Water discharge by destination	2020		2021		Delta % 20-21
	All areas	Areas of water stress	All areas	Areas of water stress	
Surface water (total) m ³	4,137	0	4,665	0	+12%
Fresh water (< 1000 m ³ total dissolved solids)	4,137	0	4,665	0	0
Other water (> 1000 m ³ total dissolved solids)	0	0	0	0	0
Total discharges	4,137	0	4,665	0	+12%

Waste					
Disposal method	Unit of measure	2021			disposal method % out of the total
		Total	Hazardous	Non-hazardous	
Villarbasse	Kg	437,785	3,000	434,785	
<i>Recovered</i>	Kg	434,785	0	434,785	99%
<i>Disposed of</i>	Kg	3,000	3,000	0	1%
Beinasco	Kg	1,468,490	110,350	1,358,140	
<i>Recovered</i>	Kg	1,353,110	0	1,358,140	92%
<i>Disposed of</i>	Kg	115,380	110,350	0	8%
Valfenera	Kg	1,050,404	46,855	1,003,549	
<i>Recovered</i>	Kg	1,050,404	46,855	1,003,549	100%
<i>Disposed of</i>	Kg	0	0	0	0%
Total	Kg	2,956,679	160,205	2,796,474	

PRODUCT RESPONSIBILITY

Distribution of purchases				
Geographical area	2020		2021	
	expenditure in €	€ %	expenditure in €	€ %
Piedmont	34,471,425	32%	38,890,277	29%
Rest of Italy	41,554,802	38%	61,047,909	43%
Abroad	32,798,636	30%	39,202,965	28%
Total	108,824,863	100%	139,141,151	100%

