



**Sustainability
Report
2022**

Sustainable Development

«Sustainable Development is the development that meets the needs of the present without compromising the ability of future generations to meet their own needs»

BRUNDTLAND REPORT

World Commission on Environment and Development, 1987



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Letter to Stakeholders

Dear Stakeholder,

we are proud to introduce our first Sustainability Report, a document that represents a starting point in an increasingly rich reporting, as well as a tool for raising awareness and transparent communication. This report is part of a path towards sustainability that we decided to present on a voluntary basis, a work that made us aware of our role within the community.

Starting from our carbon footprint calculation and the analysis of direct and indirect emissions generated by the entire organization, we were able to better understand our environmental impact, identifying areas of improvement and laying the foundations for a corporate culture, based on more sustainable development.

The current context, marked by years of pandemic by Covid-19 and characterized by significant geopolitical instability, has made us aware of the importance of continuing to contribute to the environment, health and safety of people, respect for ethics and legality. It showed us how fundamental is the contribution and collaboration of all to overcome difficulties and how individual decisions can have an impact on the entire community.

At global level, climate change persists without signs of slowing down, and the increase in the frequency and intensity of climate disasters further underlines the need to re-evaluate how natural and energy resources are sourced and used. This situation recalls the crucial importance of business continuity, as increasingly frequent and serious climate disasters pose a growing threat to business stability.

Therefore, we want to direct our activity towards a sustainable development and, in order to achieve this goal, we will need the contribution of all Stakeholders, that we intend to involve more and more in the decisions related to the relevant issues. Only through the exchange of expertise and the cooperation of all of us we can achieve the most ambitious goals.

In ATLA we create value and make it available for the territory, even if sometimes we prefer not to flaunt it. We adopt the Sustainability Report with the hope of acting as an example for the community.

Luca GANDINI

Chief Executive Officer, ATLA S.R.L.





(GRI 2-2, 2-3)

Reporting methodology and principles

The **2022 Sustainability Report** that **ATLA** publishes is on a **voluntary** basis and refers to the **period** from **January 1st** to **December 31st**. The present data and information refer to ATLA and its facility in Chieri. Please note that the information and data relating to the company **TAG** (a subsidiary of ATLA) are not included in this Report.

With this document we decided to inform all stakeholders about the Company's **non-financial data** and improve the **transparency** of our **information**. We chose to use the **GRI Sustainability Reporting Standards** as methodological "**GRI-referenced**" to allow comparability with other companies in the same economic sector.

These standards, issued by the **Global Reporting Initiative**, provide organizations with a shared language to disclose non-financial information. The **objective** of a sustainability report using the relevant GRI Standards is to make known in a transparent way how an organization contributes or intends to contribute to **sustainable development**. In defining the contents and drafting this document, ATLA has applied the reporting principles defined by the GRI: accuracy, balance, impartiality, clarity, comparability, completeness, sustainability context, timeliness and verifiability.

We chose to report the significant issues after a **materiality analysis** in order to identify the most relevant sustainability issues (material topics) that significantly reflect the **economic, environmental** and **social** impacts of the company or that influence stakeholder decisions. The complete list of Standards used, with the explanation of the selected themes and the related disclosure reports, is reported in the **GRI Content Index**.

In the exposition of the contents, it was thought to approach the text icons of the most relevant **UN Sustainable Development Goals**, to show the correlation between the activities carried out by ATLA and some of the sustainable development objectives that constitute the framework of national and Community policies.

Furthermore, to ensure the correct representation of performance and to guarantee the reliability of data, the use of estimates has been limited as much as possible and, if present, any estimates are based on the best available methods and are appropriately indicated.



(GRI 2-6, 2-28)

Company Presentation

ATLA (Azienda Torinese Lavorazioni Aeronautiche) is an Italian company with experience in **Special Processes** and **innovative coatings** for full **repair** and **manufacturing** activities of **aircraft engines** and high-tech **gas turbines** for the most important **OEMs**.

Since **2010** we are **partner** of **Mitsubishi Heavy Industries**, one of the world's leading industrial groups, spanning Energy, Logistics, Infrastructure, Industrial Machinery, Aerospace and Defense. As **official repair shop** of the power solutions brand **Mitsubishi Power**, we offer the most comprehensive support through the exclusive refurbishment of gas turbine hot gas path parts within the EMEA and CIS areas.

ATLA provides customer with the **verticalization** of different **Special Processes**, with the aim to provide a **finished product**, such as blades and superalloys sectors operating at high operating temperatures, managing a chain of **qualified suppliers**, including the **subsidiary TAG**, specializing in heat treatments for the automotive, aerospace, biomedical and industrial markets. The company was acquired in **2004** to create a **leader** in integrated **Special Processes**. The close collaboration allows to operate optimizing the processes, placing itself like a single business partner.

The ATLA **plant**, over **15.000 square meters** designed according to the latest specifications in terms of **efficiency** and **energy saving**, is located in **Chieri**, about 15 kilometers from the city of **Turin**, an excellent logistics hub, well connected to the main European aerospace hubs. Our region, **Piedmont**, is a place oriented to the future, which plays a key role in Italy, combining the industrial tradition with a strong drive for innovation.

ATLA adopts and constantly improves its **Integrated Management System** in compliance with the main **ISO Standards**. It is **AS/EN 9100** and **AS/EN 9110** certified for **aerospace** requirements and **Nadcap** accredited for **strategic Special Processes**: Welding, Nonconventional Machining, Coatings, Heat Treating, Nondestructive Testing.

Since **2022**, ATLA has been an **Affiliate Member** of the **International Aerospace Quality Group (IAQG)**, the world's leading **Quality** Industry Association.

45
Years of experience

3
Sectors

83
Employees

700.000
Treated parts

15.000
Plant (sq m)

360
Photovoltaic system
power (kWp)

99%
Permanent
employment contract

11.902
Training hours
provided

49%
Procurement
from local suppliers

Our Guiding Principles

In a constantly changing world, our **Vision** is clear: we are committed to restoring **life** and **value** to what is truly important for our **Customers**. We are ready to accept every **challenge** that we face, with the burning desire to actively contribute to the **growth** of the global **market**. And we do this with a **commitment** to maintaining high **quality** standards, meeting expected **time** and **costs**.

We are a **Centre of Excellence** in terms of process **quality** for high-tech gas turbine components, both for aerospace and ground applications. But that's not all. Our **Mission** goes further technical excellence. We also want to meet the expectations of our customers, in a **sustainable** way in many aspects: **economic, environmental, social** and **ethical**.

VISION



Supporting Customers to give a new life to their products, accepting every challenge and giving our contribution to the global market's growth, in terms of time, quality and costs.

MISSION



To be a Centre of Excellence for high-tech gas turbine products for Aerospace and Industrial applications, meeting Customer's expectations in full economic, environmental, social and ethical Sustainability.

To guide us on this path, we embrace a series of fundamental **Values**. **Communication** is the key to understand the needs of our Customers and collaborate effectively. **Flexibility** is our answer to the changing challenges of the market. **Responsibility** is our ethical compass, what to rely on. **Leadership** guides us and inspires others to do so. **Quality** is our signature, witnessed in every detail of our work. And **Continuous Improvement** is our daily commitment, to the constant search for **Innovation**.

Together, with these principles as a guide, we are laying the foundations for a **future** where **excellence, sustainability** and **Customer value** come together in a single **vision**. We are ready to overcome challenges and grow.

VALUES



Communication

Flexibility

Responsibility

Quality

Leadership

Continuous improvement

Innovation

Our History

ATLA was established in **Chieri (TO)** on **24 October 1978** by the aeronautical engineer **Ettore GANDINI** and his wife **Laura PREGNO**. From its earliest days, the company has developed the skills needed to become a **leader in gas turbine** services.

Over the years, it has grown through a series of **partnerships**. Since **2010** it has been an integral **part** of the japanese **group Mitsubishi Heavy Industries**.

Today, the **second generation** has taken over with **Luca** and **Beatrice**, giving new boost to **business** and corporate **Values**.

- 1978** *ATLA was established in Chieri (TO)*
- 1988** *Partnership with SULZER SURFACE TECHNOLOGY and FIAT AVIO*
- 1995** *ISO 9001 Quality Management System Certification*
- 1998** *SULZER SURFACE TECHNOLOGY leaves the company*
- 2004** *Acquisition of TAG*
- 2005** *Focus on Aerospace with AVIOFIX, JV between FIAT AVIO, ATLA and TAG for MRO*
- 2006** *DGTSE, JV between MITSUBISHI HEAVY INDUSTRIES and ATLA for the repair of parts of industrial gas turbines*
- 2010** *FIAT AVIO leaves the company*
Partnership with MITSUBISHI HEAVY INDUSTRIES as Official Workshop for EMEA and CIS areas
- 2012** *Opening of the new high energy efficiency plant in Chieri (TO)*
ISO 14001 Management Systems Certification for the Environment and ISO 45001 for Health and Safety
- 2014** *ISO 50001 Energy Management System Certification*
- 2016** *Aerospace Quality Management System Certification AS/EN 9100-9110*
- 2018** *ISO 27001 Management System Certification for Information Security*
- 2019** *Nadcap accreditation of all strategic Special Processes: Welding, Coatings, Heat Treatment, Non-conventional Processing and Non-destructive Testing*
Member of the Board of Directors of National AICQ Aerospace
- 2020** *Obtaining a license Art. 28 T.U.L.P.S.*
- 2021** *ECAP certification for Export compliance*
Admission to AVIO AERO E-TDCs (European Technology Development Clusters)
- 2022** *Affiliate Member of the INTERNATIONAL AEROSPACE QUALITY GROUP (IAQG)*
- 2023** *NEUMANN Project partner, co-funded by the EU and coordinated by AVIO AERO, for the development of the next generation of propulsion systems*





(GRI 12.4, 2-29)

Stakeholders identification

Stakeholders, according to **GRI 1**, are **persons** or **groups** whose **interests** are or could be **affected** by an organization's **activities**. The most Common categories of stakeholders for organizations are business **partners**, civil society **organizations**, **consumers**, **customers**, **employees** and other **workers**, **governments**, local **communities**, **non-governmental organizations**, **shareholders** and other **investors**, **suppliers**, **trade unions**, and **vulnerable groups**. Stakeholder **interests** can be affected **positively** or **negatively** by the organization's activities. Due diligence focuses on identifying the interests of stakeholders who are or may be adversely affected by the organization's activities.

Engaging with stakeholders helps the organization identify and manage **positive** and **negative impacts**. Not all stakeholders will be affected by all the activities of the organization. The organization should identify stakeholders whose interests need to be taken into account in relation to a **specific activity** (relevant stakeholders). Where it is impossible to directly involve all relevant stakeholders, the organization can contact their trusted **representatives** or bodies acting on their behalf (e.g., non-governmental organizations, trade unions). In addition to engaging stakeholders, the organization can consult experts on **specific issues** or **contexts** (e.g., academics, non-governmental organizations) for advice on identifying and managing impacts. It is sometimes necessary to distinguish between stakeholders whose interests have been affected (interested stakeholders) and those whose interests have not yet been affected, but may be affected (potentially interested stakeholders). This is an important difference in due diligence; for example, if an organization's activity causes a safety hazard, workers who suffer injury as a result of this danger are stakeholders concerned while those who have not yet suffered injury but who are exposed to danger and may suffer injury are stakeholders potentially affected). The distinction between **interested** and **potentially interested stakeholders** helps to determine which workers should receive compensation.

Corporate **sustainability** refers to a business concept that is not limited to the maximization of profit alone, but to the creation of **value** in the **long term** for the benefit of various business stakeholders (stakeholders). A company will no longer be able to operate with the sole idea of economic return in the short term but will have to guarantee **benefits** for all those who in various ways have to deal with the company.

The **main stakeholders** of the Company are: **Institutions** (Ministry of Defence, Regions and local authorities), Corporate **Governance** (Board of Directors, Shareholders, Board of Statutory Auditors), **Customers**, **Suppliers**, **Employees** (including trainees, interns, etc.), **Financial institutions** (Credit institutions, others), **Certification** and **supervisory bodies** (DNV, Inail, Inps), **Training institutions** (Universities, Higher Institutes and research centres), **Organizations** and **Associations** (Amma, Unione Industriali Torino, IAQG, AICQ).

(GRI 3-2)

Material topics analysis

The process of determining its **material topics** in ATLA is summarized graphically and follows the indications of the new **GRI 3 Standard**:

In the **first step** regarding the organization's **context** in which the Company operates, we carry out an **evaluation** about **documents**, taking into account different categories of sources, both internal and external, including sustainability standards and ratings, sector documents, competitor benchmark analysis and a survey of the main articles concerning ATLA. In particular, we analyze the **SASB "Aerospace & Defence" Standard**, some studies published in the MDPI magazine such as "The content scope of airline sustainability reporting according to the GRI Standards - an assessment for Europe's five largest airline groups". Moreover, the analysis considered the entire value chain of the sector in which ATLA operates.

In the **second step**, regarding the **identification** of **positive** and **negative potential** and **actual impacts**, we have identified the actual impacts, the impacts that are currently occurring or have occurred over time, and the **potential** impacts, that could occur in the future. Impact means the effects that an organization has on the economy, the environment and/or society (positive and/or negative), but also regarding the expectations, interests and assessments of its stakeholders.

In the **third step**, the **assessment** of the **significance** of the **impacts**, all the impacts were assessed through an analysis of the **degree** of **significance** in line with the criteria indicated by the **GRI 2021 Standard**. The relevant aspects, to be reported in the Sustainability Report in accordance with standards, are those that reflect the significant **economic, environmental** and **social** impacts of the organization.

Once the actual and potential impacts have been assessed, the significance has been assessed in order to establish their priority. **Prioritization** enabled ATLA to address the impacts and determine the material issues to be reported. The **significance** of an actual negative impact depends on the **severity** of the impact, while that of a potential negative impact depends on the **severity** and the **likelihood** of the event.

Subsequently, through **prioritization** activities, the **material topics** for reporting has been identified. At the methodological level, the main negative and positive impacts identified have been prioritized and evaluated respectively according to their degree of severity and probability of occurrence. In fact, the **significance** of an actual impact is determined by its **gravity**, while the **significance** of a potential impact is determined by the **severity** and **probability** of the impact.

In particular, the severity of an impact has been assessed considering three aspect: **scale** of **severity** (severity of the impact), **scope** (extent of the impact) and **character** of **irremediability** (limit to bring the affected subjects or environment in a situation equivalent to the condition in which they were before the negative impact).

As for the **assessment** of **potential impacts**, all the **policies, procedures** and **activities** implemented by the company to prevent and mitigate the impact identified, within the assessment of the likelihood of occurrence. Finally, based on the degree of **gravity** and **probability**, each impact initially mapped has been classified as **highly relevant, relevant, moderately relevant, barely relevant** and **not relevant**. Were considered **material** impacts the **highly relevant, relevant** and **moderately relevant**.

Following the materiality analysis, the following **relevant issues** emerged: energy, emissions, waste management, occupational health and safety, diversity, inclusion and equal opportunity.

RELEVANT ISSUES



- Energy
- Emissions
- Waste Management
- Occupational Health and Safety
- Diversity, inclusion and equal opportunity

(GRI 3-3)

List of material topics and reference to internal and external sources

MATERIAL TOPICS		STANDARD
Material Topic	Description	GRI Indicators
Fight against climate change	Using energy, ATLA's direct and indirect activities generate greenhouse gas emissions, contributing to climate change. Energy consumption represents the most significant impact on the environment of Scope 2 indirect emissions. Other consumption concerns cleaning and possible internal transport. Objective 3 indirect emissions represent the most significant percentage of emissions. In order to mitigate these impacts, starting from November 2022, a photovoltaic system is in operation and it will help, albeit partially, to cover energy needs.	<p>305-1: Direct (scope 1) GHG emissions</p> <p>305-2: Energy indirect (scope 2) GHG emissions</p> <p>305-3: Other indirect (scope 3) GHG emissions</p>
Waste Management	Waste management is a material topic for ATLA. SASB (Aerospace) standards consider waste management a material topic and indicate quantitative KPIs	306-2: Waste by type and disposal method
Responsible resources use	The efficient use of natural resources for the company involves specific attention to water and energy consumption.	<p>302-1: Energy consumption within the organization</p> <p>303-3: Water withdrawal</p> <p>303-5: Water consumption</p>
Occupational Health and Safety	The health and safety of workers is a priority issue for ATLA. In fact, in order to avert the potential risks in the workplace, which expose employees and collaborators to the risk of accidents, the company provides employees with training on occupational safety (periodically first-aid, firefighting and "RLS" courses). The occupational health and safety management system is certified with ISO 45001 standards. Its importance is underlined in the company policy and in the code of conduct.	403-9: Work-related injuries

MATERIAL TOPICS		STANDARD
Material Topic	Description	GRI Indicators
Respect of human rights	Within ATLA's activities, there may be potential situations of violations of labor rights, such as discrimination. Such incidents would not be tolerated in any way. This principle is set out in the Code of Business Conduct.	406-1: Incidents of discrimination and corrective actions taken
Employees protection and enhancement	All employees are covered by collective labor agreements. Safety trainings are provided and the company considers training as a key element. In the company Integrated Management System Policy this element is formally stated.	401-1: New employee hires and employee turnover 405-1: Diversity of governance bodies and employees
Data security and Privacy Policy	Data security is a key element. The SASB (Aerospace) Standards consider this element as material and include it in the "Sustainability Disclosure Topics and Accounting Metrics" indicating the KPIs to evaluate its size.	418: Customers Privacy
Direct and indirect value creation	Through its activities, Atla participates in the creation of economic wealth in the community in which it operates, also thanks to the practices used to select locally-based suppliers.	201-1: Direct economic value generated and distributed 204-1: Proportion of spending on local suppliers 203-2: Significant indirect economic impacts
Ethics, integrity and anti-corruption	ATLA is committed to carrying out its business with integrity, transparency and in compliance with laws and regulations. Ethics is a material theme for SASB Standards (Aerospace) indicating quantitative metrics (KPIs) and evaluative.	205-3: Anticorruption
Safety and quality of products	All products comply with the most advanced regulatory frameworks and UNI EN ISO standards. Product safety is one of the material topics of the SASB (Aerospace) standard. The standard provides quantitative KPIs to assess this scope.	416: Customer health and safety

(GRI 2-22)

ESG goals and taken action

In **2022** ATLA continued the **involvement** of **employees** in **training** activities through an **internal communication** path aimed at the **diffusion** and **enhancement** of initiatives in **Sustainability**.

In addition, to get stronger corporate culture based on shared **values**, ATLA will try to involve some **employees** in the creation of monthly **newsletters** on topics they consider most useful in **ESG**. We will try to spread information on the main **news** related to **ESG issues**.

ESG PILLARS



- Strategic medium- and long-term Sustainability Plan*
- Policies, Certifications and Management Systems on relevant ESG issues*
- Sustainability report according to GRI standards*
- Diversity and inclusion Policy*
- Corporate Governance consistent with Best Practices*
- Ethical management of business*
- Data security*
- Products safety*

Our contribution to the Sustainable Development Goals (SDGs)

ATLA considers **Sustainability** a **fundamental element** of its **strategy**. Therefore, concrete and ambitious **objectives** have been set in the economic, environmental and social fields. The map of Sustainability is represented by the **2030 Agenda** of the **United Nations** and the **17 SDGs - Sustainable Development Goals**, which are a central part of it. The **2030 Agenda** provides tools to monitor, measure and verify over time the coherence of the **sustainability strategy**.





Our Environmental, Social, Governance (ESG) Plan

ESG	MATERIAL AREA	GOAL	EXPIRATION DATE	ACTIONS	SDG
Environmental	Reducing emissions	Contributing directly and indirectly to the reduction of emissions into the atmosphere	2025	Emission analysis and decarbonisation planning and carbon footprint certification with ISO 14064	
	Energy	Reduce energy consumption through energy efficiency and photovoltaics	2023	Energy efficiency and photovoltaic system at full speed	
	Environmental protection	Reduce the environmental impact of waste by reducing the percentage and quantities disposed off	2024	Prioritising recovery, reuse and re-use	
	Water and sewage	Reduce water consumption and water stress	2025	Information and training on a conscious use of water and fight against waste	
Social	Health and well-being	Create a corporate recreation center for informal meetings and moments of relaxation and sports	2023	Using the areas of the R. Rosato Sports Centre with free access to the gym, dedicated courses and conventions dedicated to employees	
	Quality instruction	Create a new environment for people learning and development	2023	Creation of its own Corporate Academy in the premises of the R. Rosato Sports Centre in Chieri	
	Social Inclusion	Creating job opportunities for young people and the unemployed	2024	Training for young people and the unemployed through integration, creating tailor-made training courses	

ESG	MATERIAL AREA	GOAL	EXPIRATION DATE	ACTIONS	SDG
Social	Gender equality	Reducing the gap in labour market participation between men and women, promoting active policies to achieve it	2025	Certification for gender equality according to UNI/PDR 125:2022 and increased representation of women in leadership positions	
	Industry and infrastructure	Promote the creation of inclusive, sustainable and community related economic activities	2025	Construction of a new production plant	
	Innovation	Foster a stimulating environment that goes beyond the hierarchy and ensures innovation, in line with business objectives	2023	Creation of a new internal division, Innovation Team, composed of transversal figures in the different departments and committed to finding disruptive, sustainable and high value-added solutions	
Governance	Business ethics and the fight against corruption	Share ethics and anti-corruption principles with customers, suppliers and employees with a view to continuous improvement	2025	Adopt an Organization and Management Model compliant to 231/01 Italian law	

Circular Economy

The **global situation** is getting worse year on year, driven rising material extraction and use. The increase in material extraction has reduced **global circularity**: from **9,1%** in **2018**, to **8,6%** in **2020**, and to **7,2%** in **2023**. This has created a huge **gap** in circularity: world **production** is based almost exclusively on **new materials** and over **90%** of materials are somehow **wasted** or are not available for reuse (Source Circular Economy Foundation). The **classic manufacturing process** is characterized by the **continuous use** of **natural resources** and the **use** of **energy**. This linear model creates a depletion of non-renewable resources and a strong dependence on material availability and price fluctuations. The principles of the circular economy, and therefore the **reuse, repair** and **refunctionalization**, as well as the **recycling** of **products** and **materials**, contributes to a **reduction** in the **production** of **scraps** and **waste** and is a **beneficial contribution** to a more responsible **production**. Reducing the consumption of natural resources and energy and avoid the production of waste contributes to a **decrease** in greenhouse gas **emissions**. Increasing the lifespan of products is one of the cornerstones of the **circular** economy which provides for circular reuse of materials and products within the life cycle. In this way, the value of the products can be maintained longer over time.

The **core business** of ATLA consists mainly in the activity of **repair** of the components instead of **replacement**, representing a choice towards the **Circular Economy** and **Sustainability** that meets several **requirements**:

Cost reduction: replacing a turbine component with a new one is a very expensive operation, requiring the part to be cast. In production, the casting process represents the highest cost as it is produced with high quality alloys, designed to withstand extreme conditions; in addition, the size and complexity of the parts have a direct impact on costs.

No casting required: the advantage of the repair in terms of costs lies precisely in the no need to produce the melt. To return to operation, the repaired component receives the same operations as a new component.

Increase the life of the component: repairing a component at the end of its service life increases its lifespan compared to replacing it with a new part.

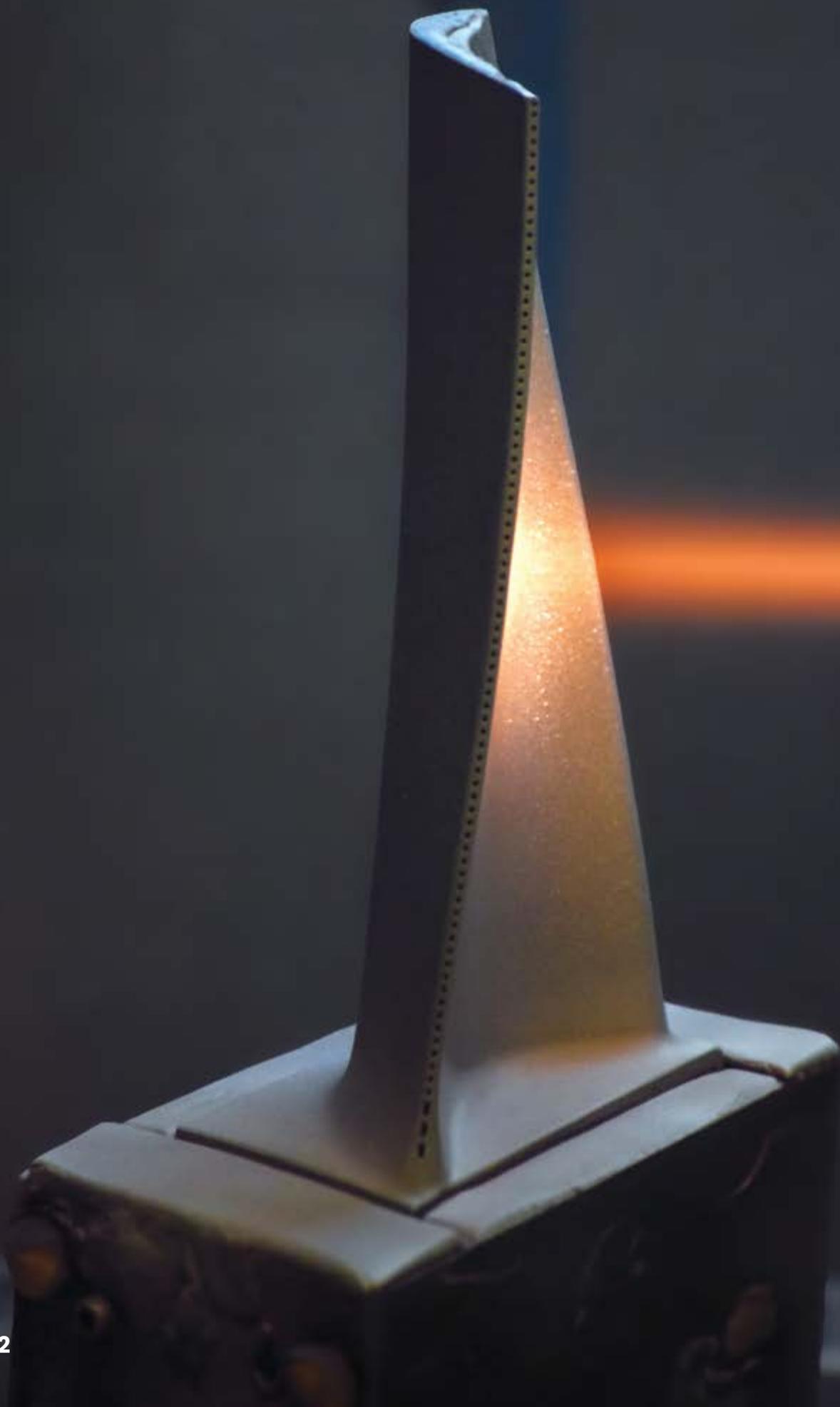
Efficiency Conservation: turbine blades are precisely designed to ensure proper engine efficiency. The repair aims to restore the component to its original specifications, thus maintaining unchanged performance.

Reduced downtime: the replacement with a component requires a considerable amount of time for the acquisition of the spare part, Special Processes and testing. During this time, the turbine is out of service and generates additional costs associated with the shutdown. The repair can be performed quickly, reducing the time.

Environmental sustainability: the production of new components has a significant environmental impact in terms of resources and CO2 emissions. Repairing an existing blade reduces the need to produce a new one and thus contributes to reducing the overall environmental impact of the industry.

Experience and expertise: the task of repairing critical components requires a great deal of experience. Tasks may require advanced welding, coating and non-destructive testing techniques to ensure that the repaired component is safe and efficient.





Environmental topics



ATLA is committed to reducing the consumption of **natural resources**, focusing on “**green**” production processes that minimize atmospheric, water, soil and acoustic contamination and hind the use of toxic substances. ATLA trains its employees on **environmental education** and **sustainable production** and **consumption models**.

It also implements **natural disaster** risk management plans in terms of prevention, response and recovery along the value chain.

Since **2016**, ATLA has **certified** its **Energy Management System** with the **ISO 50001** standard and since **2014** the **ISO 14001** certification related to **Environmental Management System**.

(GRI 302)

Energy consumption

ATLA promotes a careful and responsible management of its **energy consumption**. The main consumption comes from the use of **natural gas** and the purchase of **electricity**. To these consumptions are added those of the **fuel** used by the logistic means of property and of the **kerosene** used in the Coating department for the coating treatment of the components.

The **conflict** in **Ukraine** has led to **strong** geopolitical and energy **instability**, resulting in very high **price volatility**. **Energy saving** has therefore become essential to achieving climate neutrality and as a lever to compete in the market. The cost of energy has been an element of high impact on the organization. To face the economic situation, ATLA has established a **task force** composed from the **Energy Team** and from **external advisors** in order to estimate monthly the actions taken and the relative effectiveness both in economic and efficiency terms.

In **2022** the **total consumption** of **electricity** amounted to **3.239.906 MWh**, of which about **16%** from **renewable sources** (given the energy mix declared by the supplier). In **2022** total energy consumption **decreased** by about **15%** compared to **2021**. Of fossil origin also **natural gas** consumption of **120.904 smc** in **2022** with a **reduction** of about **33%** compared to **2021** and **kerosene**.

In the table below, the detail of the energy consumed within the organization:

ENERGY SOURCES	Units	2022	2021	Variation %
Electricity from the grid (Scope 2)	kWh	3.239.906	3.825.700	-15,31%
Natural Gas (Scope 1)	smc	120.904	180.227	-32,92%
Kerosene (Scope 1)	lt	45.000	60.000	-25,00%

ATLA guarantees the use of energy **efficient technologies**, starting from the **production plant**, designed in compliance with the most innovative **energy efficiency** systems.

In **mid-November 2022**, with the aim of reducing the impact on the environment, the **photovoltaic system** of the Chieri plant came into operation. The project, realized in collaboration with **Ceresia Next**, a company specialized in renewable energy and electrification of consumption, can deliver a **maximum power of 360 kWp**, with a saving on the cost of electricity and a simultaneous reduction of carbon footprint of over **20%**. Production in **2022** amounted to **8.930 kWh**. This proportion of the energy produced and fed into the grid was not deducted from the calculation of the energy consumed.

(GRI 305) Emissions



ATLA wants to monitor its greenhouse **gas emissions** (also GHG), seize opportunities related to the **decarbonization** process and mitigate the risks of **climate change**.

For this reason, he commissioned ESCO **Trigenia S.r.l.** to carry out an **analysis** of its greenhouse **gas emissions** at its production site in Chieri. The **analysis** was conducted on **total emissions** inventory (Scope 1, Scope 2 market based and Scope 3):

SCOPE 1: includes all GHG **emissions** generated by **sources owned** or **controlled** by the organization (direct GHG emissions), including emissions from the combustion of **fossil fuels** in mobile and stationary sources (for example, owned or controlled boilers, energy generators and vehicles) and GHG emissions generated by **chemical** and **physical processes**, as well as **fugitive** emissions from the use of **cooling** and air **conditioning** systems.

SCOPE 2: includes **indirect emissions** of GHG from **electricity, steam, heat** or **cooling generation** purchased by the organization from **external energy suppliers**. The "GHG Protocol Scope 2 claims" require organizations to provide two distinct values for Scope 2: one based on **geographic location** and the other **market** based. A location-based method reflects the average GHG intensity of the electricity networks where the energy is consumed, mainly using data on the average emission factor in relation to the electricity grid. A market-based method shall reflect the emissions resulting from the electricity generation that an organization has deliberately chosen or due to a lack of choice. Obtains emission factors from contractual instruments, which include any type of contract between two parties for the sale and purchase of energy in combination (bundled) to attributes related to power generation or for claims of functionally and accountably separated attributes (unbundled). (GRI 305-2 Guidelines).

SCOPE 3: other **indirect GHG emissions** (Scope 3) are a consequence of an organization's **activities** but are produced from sources not owned or controlled by the organization. Other indirect GHG (Scope 3) emissions include both upstream and downstream emissions. Some examples of Purpose 3 activities include the extraction and production of purchased **materials**, the **transportation** of purchased fuels in vehicles not owned or controlled by the organization, and the end use of **products** and services. Other indirect emissions may also result from the decomposition of the **waste** of the organization. Process-related emissions during the manufacture of purchased goods and fugitive emissions in installations not owned by the organization may also produce indirect emissions.

In the table below, the ATLA emission inventory 305-1, 305-2, 305-3:

EMISSIONS TYPE	Units	2022	%	2021	%
SCOPE 1 Direct GHG emissions	tCO2e	443,548	17,27%	668,779	23,83%
Natural gas combustion	tCO2e	326,703		487,140	
F-Gas leaks	tCO2e	0		21,450	
Kerosene	tCO2e	108,788		145,050	
Transport (company vehicles)	tCO2e	8,057		15,139	
SCOPE 2 Indirect GHG emissions from energy purchase	tCO2e	841,285	32,75%	994,682	35,44%
Purchase of electricity Location-based approach	tCO2e	0		0	
Purchase of electricity Market-based approach	tCO2e	841,285		994,682	
SCOPE 3 Indirect GHG emissions	tCO2e	1.284,045	49,98%	1.143,552	40,73%
Indirect emissions from transport	tCO2e	717,966		397,446	
Maintenance and cleaning	tCO2e	1,015		1,015	
Packaging	tCO2e	8,621		14,258	
Raw materials purchased	tCO2e	440,707		633,159	
Waste	tCO2e	115,736		97,674	
TOTAL	tCO2e	2.568,878	100%	2.807,013	100%

The **total emissions** of greenhouse **gases** were analyzed by the company **Trigenia**, an ESCO certified UNI CEI EN 11352:2014. They are a **strategic tool** for knowing our emissions and planning actions to reduce them.

In **2022**, these **total emissions** amounted to more than **2,568 tonnes** of **CO2e** with a reduction of about **8,48%** compared to **2021**. In **2022**, **Scope 1** emissions accounted for about **17%** of total emissions, while **Scope 2** emissions related to the purchase of electricity accounted for **33%** of the total. Emissions indirectly caused by the Company (Objective 3) represent half of the total emissions with a preponderant incidence of indirect emissions related to transport. For almost all of the emissions of **Scope 3**, the greatest impact is due to the **transport** and **raw materials** purchased.

Emission **results** can be represented by some specific **ratio** or parameters according to the GRI Standard 3 Information Guidelines 305-4 and are important for identifying the effects of environmental policies. The ratio that we have reported indicate the evolution giving an overview of the **performances** of ATLA for the reduction of the impacts in terms of greenhouse gases. It was decided to relate the direct **emissions** of **Scope 1** and **indirect energy consumption** of **Scope 2** with the annual **turnover** (or emissions per sales), to obtain a **carbon intensity** ratio.

In the table below, the detail of the GHG intensity emissions 305-4:

GHG INTENSITY EMISSIONS	2022	2021
Total emissions Scope 1 and 2 (tCO ₂ e)	1.284,833	1.663,461
Annual turnover (M€)	17.876	20.693
EMISSION INTENSITY INDEX (TCO₂E/Turnover million Euro)	71.875	80.388

The **carbon footprint certification** is being **evaluated** in accordance with **ISO 14064**.

(GRI 303)

Water consumption & discharges



Regarding the **management** of **water** resources, ATLA is committed to monitoring **water consumption** and implementing effective measures for the proper management of the resource, also for the purpose of the certification of the Environmental Management System **ISO 14001**.

ATLA mitigates the environmental impact of manufacturing activities and the use of hazardous materials and chemicals, ensuring **sustainable management**, through a strict **policy** of **consumption** and **reuse**. Within the company, Atla try to reduce the **plastic** pollution, guaranteeing everyone access to **drinking water** through the provision of **water dispensers**.

As for the **quantitative aspects**, in **2022** the **water withdrawal** amounted to **6.102 cubic meters**. Compared to **2021**, the water supply **increased** by about **20%**. From a qualitative point of view, the impacts caused using water resources are not considered to be particularly significant. Water discharges do not concern the production process but the normal use.

WATER CONSUMPTION (Mc)	2022	2021	Variation %
Drinking water consumed	6.102	5.089	19,9%
Other forms of water consumption	0	0	0
TOTAL	6.102	5.089	19,9%

(GRI 306)

Waste management



During **2022**, ATLA generated **108.586 tons** of **waste**. **91%** is **non-hazardous waste**, while **hazardous waste** accounts for a **small proportion** and consists mainly of absorbents and filters, waste materials, used oils and fuels and lead-acid batteries. The waste that can be assimilated to **municipal waste**, coming mostly from the office building, is **collected** in a **differentiated way** and delivered to the municipal collection service, without the possibility of knowing the quantities delivered.

In the table below, the detail of the type of waste produced:

WASTE TYPE (Kg)	2022	2021
HAZARDOUS WASTE	9.299	32.094
Packaging containing residues of or contaminated by hazardous substances	1.165	1.463
Saturated or spent ion exchange resins	0	535
Other fuels	475	0
Absorbents, filter material	1.561	982
Discarded electrical and electronic equipment	10	63
Lead acid batteries	36	0
Gas in containers	60	117
Aqueous solutions	890	28890
Residues of material containing dangerous substances	4.775	0
Aqueous liquid wastes containing dangerous substances	250	0
Other	77	44
NON-HAZARDOUS WASTE	99.287	103.955
Waste printing toner	0	113
Spent activated carbon	3.161	4.964
Alkaline batteries	18	0
Dust, particulates and material residues	41.618	53.627
Aqueous washing solutions	47.750	33.540
Glass	325	443
Discarded electronic equipment	4.755	10.073
Wooden packaging	1.660	990
Organic waste	0	110
Other	0	95
TOTAL	108.586	136.049

In the table below, the detail of the total weight of waste not sent for disposal for recovery methodology GRI 306-4:

DISPOSAL METHOD (kg)	2022	2021
HAZARDOUS WASTE	588	190
Reuse and/or recycling	588	190
NON-HAZARDOUS WASTE	23.734	45.022
Reuse and/or recycling	23.734	45.022
TOTAL	24.322	45.212

In the table below, the detail of the total weight of waste sent for disposal by management methodology GRI 306-5:

DISPOSAL METHOD (kg)	2022	2021
Hazardous waste	8.711	31.904
Non-Hazardous waste	75.553	58.933
TOTAL	84.264	90.837

22% of the **waste** produced is directed towards **reuse** and/or **recycling**. Recovery, recycling and reuse are the pillars of a strategy to reduce our environmental impact.

A **strategy** aiming at a **reduction** in **disposal** over time will be planned.

Economic Topics

(GRI 201)

Economic value generated and distributed



The **economic value generated** and **distributed** on an accrual basis allows to provide the **ability** of the company to **create wealth** and **distribute** it among its stakeholders. Sustainability and value creation are closely related concepts.

The concept of **distribution** of economic value allows to interpret the data of the Annual Report using a different interpretation key. According to this perspective, the **wealth** produced by a company is not limited to the economic result achieved in the year but considers multiple **remunerations** that represent the true **economic footprint** that the company imprints on the **community**.

Through its **activities**, ATLA creates **value** and **wealth** and contributes to the **economic growth** of the **environment** in which it operates. This wealth is defined as “**Added Value**” **generated** and **distributed** to its stakeholders. This calculation operation is based on the values of the Income Statement. This allows to understand the process of wealth creation and the economic impacts produced by society.

ECONOMIC PERFORMANCE	2022	2021
Economic value generated	19.351.574	20.926.598
Economic value distributed	17.335.135	18.763.962
Value distributed to suppliers	10.416.404	11.341.142
Value distributed to employees	6.272.179	6.309.009
Value distributed to capital providers	26.439	17.046
Value distributed to P.A.	143.672	442.038
Value distributed to the community	476.441	654.727
Retained and reinvested economic value	2.006.439	2.162.636

In **2022** the **economic value generated** amounted to **19.3 million** euros compared to **20.9 million** in **2021**. The greater part of such value, that is **54%**, is represented by the **remuneration of the suppliers** and is pairs to **10,4 million** euros and is constituted mainly from costs for **services** and **raw materials**. In line with the previous year, the **employees salaries** and **benefits** amounted to **6.2 million** euros, which mainly includes salaries and social charges and constitutes **32%** of the economic value distributed.

The **payments to Public Administration** constitutes about **1%** and is equal to about **143.000** euros and essentially includes income **taxes**. The **payments to providers of capital** is **26.000** euros. The **community investments** amounts to about **476.000** euros and is related to **donations** and **sponsorships**.

The **retained economic value**, which represents about **10%** of the total and amounts to **2 million** euros, includes **depreciation** and the **profit retained** to the reserve for the future **investments** of the company.

RETAINED ECONOMIC VALUE (EURO)	2022	2021
Amortization	1.347.722	1.753.306
Surplus allocated to the reserve	658.717	409.330
TOTAL	2.006.439	2.162.636

(GRI 204) Supplies



ATLA is aware of the importance of using **local suppliers** for its sustainability policies. In addition to the economic benefits that this brings to the community, optimization and **reduction of freight transport movements** should be promoted as much as possible in order to **reduce GHG emissions**. Moreover, from a risk analysis perspective, the use of local suppliers makes it possible to avoid or limit the **risks** arising from **sudden interruptions** in supplies due to **unexpected events**, which adversely affect both the balance sheet results and the level of services offered to customers.

The **crisis of raw materials** has characterized all **2022** both in terms of **increase of costs** and in terms of **delay** in the **deliveries**. This has pushed ATLA to increase the inventories in order to guarantee the production continuity, supporting an increment of the value of the purchases despite the bending of turnover.

ATLA intends to establish **business relationships** with its suppliers based on **transparency**, fairness, **respect** for **ethical, economic, environmental** and **social principles** throughout the value chain. The development of transparent and lasting relationships with suppliers, attention to quality, safety and respect for the environment, compliance with current regulations, are objectives to be pursued with a view to consolidating the value generated and distributed to stakeholders.

Therefore, in line with its **Code of Conduct**, ATLA has adopted a **purchasing procedure** for the **selection** of the **suppliers** and for its constant **assessment** over time, aimed at maintaining relations in the supply-chain. The objective is to guarantee a responsible management of the supply to the own customers, being engaged to apply social standards, and expecting a similar commitment from all suppliers through the sharing of the principles expressed in its Code.

ATLA undertakes to carry out all the **control** activities relevant to the **Import-Export operations** provided for by national, European and international policies and regulations, continuously applying an internal **Export Compliance Management Program (ECAP)** based on the EIFEC Export Compliance Code (EIFEC Standard EC1001.01:EU-CEC). All parts who interact with ATLA are expected to apply the previous Code as an indispensable condition for maintaining business relations with our Company. ATLA constantly performs a rigorous assessment of its **customers, suppliers, agents, freight forwarders, visitors** and **employees**, and a detailed **due diligence** on potential **business partners**: ATLA categorically refuses to engage in any commercial relationship with a sanctioned party.

ATLA has certified its **Quality** management system according to **UNI EN ISO 9001, AS/EN 9110** for the **production** of civil and defence **aircraft engine** parts and **AS/EN 9110** for **maintenance, repair** and **overhaul** activities.

GEOGRAPHIC AREA	2022	%	2021	%
Turin and its province	6.390.957	49%	5.952.668	40%
Piemonte	1.277.939	10%	1.549.760	10%
Italy	4.359.998	34%	6.216.545	42%
Rest of the world	885.573	7%	1.234.602	8%



Social Topics

(GRI 401, 405-1)

Employment



ATLA has been guaranteeing **steady** and **continuous working relationships**, also promoting **part-time** contracts that can increase **flexibility** for the employees. In **2022**, **99%** of **people** employed in the company have a **permanent employment contract**.

ATLA is aware of the importance of employment, worker training and occupational health and safety. The management considers the **professionalism** and **dedication** of **Human Resources** an **essential** business **asset**, the development of which is a fundamental factor for achieving the objectives set.

ATLA adopts the **Metalworking and Mechanical Engineering Industry Collective Agreement (CCNL)**. **Relationships** between **employees**, at all levels, are based on criteria and behaviours of **fairness**, **loyalty** and mutual **respect**. Therefore, the proper management of employees, also based on the principles described in the **Code of Conduct**, is a duty of all those who have the responsibility.

ATLA uses its Code as a reference document to denounce **violations** and **abuses**. Acts of **discrimination** are not tolerated and ATLA guarantees a working environment in which people are treated with **dignity**, **trust** and **respect**, with no acts of threats, oppression and exploitation, with respect for human rights.

In view of our **future goal** of implementing a **231 Organizational Model** compliant to the Italian regulations to the "Administrative liabilities of legal entities deriving from offences" (Legislative Decree no.231/2001), the Code of Conduct will continue to serve as a basis for corporate policies. ATLA will be committed to comply with the 231 Organizational Model, ensuring total compliance with the laws and promoting a corporate culture based on ethical principles and integrity.

NUMBER OF EMPLOYEES	2022	2021
Managers	6	6
Middle managers	0	0
Employees	33	33
Workers	44	48
TOTAL	83	87

During **2022**, the company saw a four-unit **decrease** in the total workforce, leading to **resignations** and **retirements**, and an **increase** in one person between **permanent contracts**. In addition, there was a **decrease** of four persons among **temporary staff**.

NUMBERS OF EMPLOYEES	2022	%	2021	%
Permanent contract	82	99%	81	93%
Fixed-term contract	1	1%	5	6%
Training	0	0%	1	1%
Stage	0	0%	0	0%
TOTAL	83	100%	87	100%

The **management** of the employment **relationship**, in every respect, is structured in such a way as to ensure compliance with the principles of **non-discrimination** and **equal opportunities**, based on the provisions of the Code of Conduct, in order to ensure an environment characterized by ethical integrity and a high degree of sensitivity to control, so as to enable the objectives to be achieved with maximum loyalty and transparency.

NUMBER OF EMPLOYEES BY GENDER	2022	%	2021	%
Women	16	19%	15	17%
Men	67	81%	72	83%
TOTAL	83	100%	87	100%

In the field of **Human Resources management**, the importance of “**equal opportunities**” is one of the main **objectives**. ATLA adopts a policy aimed at women, young people and disadvantaged groups, in order to ensure equal opportunities for **development** and **career advancement**.

For **2025**, it is committed to obtaining **certification** according to **UNI/PDR 125:2022**, formalizing and implementing a **strategic plan** and **governance** that support the development of an **inclusive** working environment, in compliance with the minimum requirements of **gender equality**, **female representation in leadership** and **remuneration** positions, always in reference to the sector industry benchmark.

NUMBERS OF EMPLOYEES	2022	2021
Resignation	2	0
Consensual resolutions	0	1
Dismissal	0	1
Retirement	1	2
TOTAL	3	4

As a **goal** for the year **2023**, ATLA has decided to start a new path aimed at **listening** to the real **needs of people**. To achieve this, ATLA will involve all employees in the **Climate Analysis**, by filling in a **structured, voluntary** and **anonymous questionnaire**. The survey, carried out in collaboration with the partners of the **GNV Group**, who will deal with the transmission, management and analysis of the results, will be fundamental for the **improvement** of the organization and the **study of interventions** aimed at defining specific activities, such as **innovation, skills development, flexibility, welfare, health, diversity** and **inclusion**.

(GRI 403)

Training & Skills Development

ATLA adopts a **Human Resources management** model that provides for **continuous training**, differentiated according to **specific roles** and the development of **soft skills** necessary for managerial growth. **Training** and **education** are an **essential asset** as they enable the development of technical and professional skills, contributing to the value creation process.

In **2022**, ATLA provided **11.902 hours** for the **training** of employees. As an index of performance, we have chosen the **average hours** of training per employee, which amount to **143 pro-capite** and concerns issues related to **Occupational Health** and **Safety**.

PERSONAL TRAINING	2022	2021
Hours of training	11.902	9.912
of which Employees	6.755	4.634
of which Factory Workers	5.147	5.278
TOTAL PRO-CAPITE	143	114

(GRI 403)

Occupational Health & Safety



ATLA considers the **physical integrity** of its resources an **inalienable value**. It operates in full **respect** of human **dignity** and is committed to ensuring working conditions in a **healthy** and **safe workplace** in respect of the environment and in compliance with all regulations protecting the safety of the worker and the environment.

ATLA adopts an **ISO 45001** certified **Health and Safety Management System** to meet the obligations deriving from national legislation and to pursue the continuous improvement of measures against **accidents** at work, ensuring the health and safety of the company's products and services for the benefit of consumers, employees and interest groups. The Code of Conduct and the procedures provided for the certification of Health and Safety provide for corporate measures for the prevention of crimes against the individual personality as well as crimes committed with violation of the safety and protection rules health and hygiene at work.

With the aim of promoting **healthy daily habits**, ATLA provides all employees with **fresh fruit** and **activities** against **sedentary** and **smoking**, making the workplace **smoke-free** and attentive to people's health.

During **2022**, ATLA considered it appropriate to keep employees' attention to the **prevention** of **SARSCoV-2 virus infection**, despite the termination of the state of emergency issued by the central government on 31/03/2022. Subject to reiterating the importance of the culture that everyone acquired during the pandemic, ATLA gradually relaxed the criteria, suspending temperature measurement at the entrance and the compilation of self-certification for visitors. Following the abolition of isolation and self-monitoring obligations and the change in the regulation of the monitoring of the epidemiological situation, has updated the indications on prevention measures.

ACCIDENTS AT WORK	2022	2021
Total accidents	1	0
of which road accidents	1	0
of which occupational accidents	0	0
of which general accidents (slipping, impact, stumbling)	0	0

(GRI 418)

Privacy & Information Security

ATLA is committed to ensuring the **Privacy** and **Security** of **Information** of the **company**, **Customers** and **Interested Parties**, thanks to the maintenance and continuous improvement of its own **GDPR Information Security** and **Privacy Management System, ISO/IEC 27001** certificate.

For reasons related to **international security** and national foreign policy objectives, ATLA pays close attention to security and custody measures for sensitive items, including software and technology. **Cybersecurity**, an increasingly central theme for companies, is a fundamental element for the Company. It is managed through Corporate Security initiatives, with the task of making measures operational and carrying out controls.

The current context and the new working methods have resulted in a strong digital boost, requiring appropriate **risk prevention measures** related to the unauthorized **removal** or **removal of dual-use items** and **sensitive technologies** by employees, suppliers or simple visitors and to tampering/hacking controlled software.

During **2022**, no requests were received from the **Italian Data Protection Authority** regarding **Privacy violations** and no **leaks, theft** or **loss** of **data** were detected.

DATA SECURITY	2022	2021
Number of data breaches	0	0
% of breaches involving confidential information	0	0

Aware of the importance of **prevention**, each employee is trained in the **behaviors** to be adopted for a proper management of information in terms of **confidentiality, integrity** and **availability**. By choosing one of the reporting channels present in the company, employees are invited to immediately notify the IT Office of the presence of situations or incidents that endanger data security, thus initiating the procedures for managing **Data Breach**.

Corporate Social Responsibility

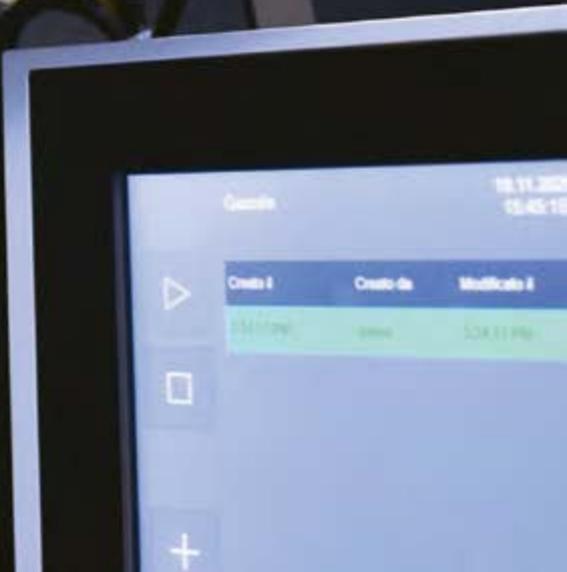
ATLA takes **Corporate Social Responsibility** very seriously, precisely for this reason we promote initiatives and projects close to the **community** and dedicated to our **employees**. In addition to the quantitative aspects reported with the indicators of the GRI standards, ATLA carries out a regular social activity, promoting every activity carried out on the company website (www.atla.it) and on the main social channels.

ATLA Corporate Academy

As part of the development of the new **Welfare** plan, ATLA has been working on the creation of its own **Corporate Academy**, a new environment dedicated to the **learning, development** and **well-being** of **people**. Hosted in **Rosato Sports Centre** in Chieri, the Academy offers **shared spaces** for **training** activities, **seminars** and corporate **events**. A reference point for promoting quality, it offers a **stimulating environment**, with resources useful for the growth and development of the skills. At the disposal of employees and companies in the area, the Academy promotes **collaboration** and the **exchange** of **knowledge** with other businesses.

The Academy is the heart of a larger **Corporate Recreational Club**, with **bar** and **restaurant**, **meeting rooms** and large outdoor spaces, ideal for informal meetings and moments of **sport** and **relax**. In line with ATLA's commitment to employees' health, free access to the center **gym** is guaranteed, with **dedicated courses** and **exclusive agreements** dedicated to them.





Joint R&D projects

ATLA promotes **learning** and **technological development**, collaborating with **companies, research centers** and **Universities**, in **R&D projects** to enable advances in technological and process innovation:

Partner of the **NEUMANN project**, co-funded by the EU and coordinated by **AVIO AERO**, for the technological development of the next generation of power and propulsion systems.

Within the **European Technology Development Clusters (E-TDCs)**, the innovative European collaboration model between **AVIO AERO**, European subsidiaries of **GE Aerospace**, **R&D centers**, **Universities** and **SMEs** cooperating on joint **sustainable innovation projects**. Over thirty companies, including major universities and research centers based in Italy, Poland, the Czech Republic, Germany and Turkey, engaged in research and development of technologies enabling a sustainable aeronautical propulsion, and to share the next European challenge on **Clean Aviation**. ATLA contributes its know-how to the advancement of **Innovative Repair**, **Advanced Manufacturing**, **Materials** and **Processes** and **Additive Manufacturing**.

Joint **development** of **innovative coatings** in collaboration with **OERLIKON**.

R&D projects with **Universities, colleges** and **research centres** on **innovative coating** technologies, **Additive Manufacturing** and **Digital Twins**. In **2022**, our high-tech coatings were the protagonists of the research **project "Characterization of Thermal Barrier Coatings Using an Active Thermography Approach"** in collaboration with **POLITECNICO DI TORINO** - Dipartimento di Ingegneria Meccanica e Aerospaziale (DIMEAS). The aim of the study, published in MDPI's **Ceramics** magazine, is to develop a new technique for thermal characterization of TBC coatings and to compare conductivity between applications with **Atmospheric Plasma Spray (APS)** and **Suspension Plasma Spray (SPS)** systems.

Among the **objectives** in the medium term, to **deepen** the **collaborations** with **Universities** and research centers through the activation of **thesis projects** in the company. A mutual exchange, to encourage the learning of new skills and innovate the same production processes, fundamental aspects in the enhancement of tomorrow's professionals.

Pathways for Soft Skills and Orientation

Also in **2022**, ATLA decided to open its factory to several **young students** eager to carry out an **alternating experience** in the company, encouraging a teaching method that uses practical experience to consolidate the knowledge acquired at school.

Thanks to agreements with the **Andriano Technical Institute** of Castelnuovo don Bosco (AT) and the **Pininfarina State Industrial Technical Institute** of Moncalieri (TO), ATLA has promoted **experiences** of **PCTO** (Paths for Transversal Skills and Guidance) in the company.



Contributions to Sports Associations

ATLA supports the activities of **Calcio Chieri**, a **sports association** with over **300 football players**, for years an important football club in the province, behind Juventus and Turin. In **2022**, after ten years of **presidency**, **Luca GANDINI** passed the baton to **Stefano SORRENTINO**, sports manager and former Italian footballer. Throughout the year, ATLA has ensured **continuity** in the course, investing resources in the **management** of the **R. Rosato Sports Centre**. The **Rosato** is the most important piece of a **path of growth** started with the support of the city football team. The **facilities** and **services** represent the **vision** of the **GANDINI family**, a dynamic and multifunctional place, at the service of the Chieri Calcio and the community. The center is managed by the sports company AC Chieri S.r.l., owned by the family, to **support** ATLA in the implementation of **social initiatives** and corporate **welfare**. As part of the support and in collaboration with Calcio Chieri, ATLA has **supported** the **creation** and **activity** of several **social** projects, through the activity of the sports club:

CHIERI FOR SPECIAL: training for children/ and disabled, engaged in the Paralympic and experimental football championship of IV Category. The project stems from the desire to provide a concrete opportunity for children with motor disabilities and/ or intellectual/ relational to practice sport, specifically football.

CHIERI FOREVER: group designed to celebrate the history of the Azzurri of Calcio Chieri. The contribution of ATLA has allowed the realization of periodic gatherings and numerous charitable activities.

CHIERI eSPORTS: since 2021, ATLA is the promoter of the first Italian team active in the e-sport championship of the National Amateur League. An organization completely similar to that of a traditional football team, with a management section, a sports director, a coach and a team of 20 players, each with a specific role.

ATLA is at the side of the humanitarian association **I TENNIS FOUNDATION**, with the aim of giving the less fortunate children the chance to receive a level of sports and school preparation. In this context, it supports the **TORINO TENNIS TALENTS** project, contributing to the sponsorship of scholarships dedicated to young talents. Selected young players receive support for participating in major tournaments. In 2021-2022, the selected participated, among others, in the ITF men's and women's tournaments in Antalya, Cairo, Monastir, Lesa Cup and Ulcinj, obtaining good results and first points in the ATP and WTA circuits.

ATLA promotes the activity of the sports association **SCI CLUB CHIERI**, a reality active since 1977, with the aim of entertaining mountain enthusiasts on the most beautiful slopes of the Alps.

ATLA sponsors the activity of the sports association **TRISKELLCLIMBING**, specializing in the practice of disciplines, including climbing, mountain biking, running and skating.



Contributions to local Associations

ATLA is committed to the **sustainable enhancement of abandoned production areas**, through the **free concession** to local voluntary **associations**. From **2021** in grants a part of the former sheds to the **NATIONAL ASSOCIATION OF CARABINIERI** of the Section of Chieri. In the more than 600 square meters, granted on loan free of charge, the local voluntary association that aggregates carabinieri on duty, on leave and family members of the Army, works alongside the **ORDINARY VOLUNTEER GROUP OVG** and the **REGIONAL COORDINATION OF CIVIL PROTECTION**. For ATLA, the development of an abandoned production area is intended as a concrete contribution to the Sustainable Development Goals (SDGs) and to the economic and social progress of the territory in which it operates.

Also for the year **2022**, ATLA confirmed its support for the project **“Training in Network”** focused on **mechanics**, one of the production segments that characterizes the Chierese industrial sector. In collaboration with the **GRUPPO IMPRENDITORI CHERESI (GIC)**, **CIOFS-FP PIEMONTE** and the membership of numerous **companies** in the **area**, ATLA supports **research** and **training**, through multidisciplinary **curricular internships** reserved for **mechanical** or **electromechanical/mechatronic** experts.

ATLA shows its closeness to the territory of Chieri, supporting the promotion of the association **PRO CHERI** and sharing the different moments of **celebration** and **participation**, such as the **City Carnival** and the celebrations of **Settembre Chierese**.

ATLA is at the side of the **Local Committee** of the **ITALIAN RED CROSS**, through **sponsorship** in social promotion **events** and **solidarity initiatives** dedicated to the weakest social categories, with the provision of free services such as health transport, social-health taxis and training courses. In the emergency period **Covid-19** supported the **purchase** of **protective equipment**, in distribution to health personnel engaged in the fight against Coronavirus.

In **2022**, ATLA supported the project **“Mammography and Free Ultrasound”**, the traveling initiative promoted by **WELFARE CARE** and sponsored by the **MUNICIPALITY OF CHERI**, which offered women the opportunity to carry out a **free screening** inside a **mobile clinic** located in the city center of Chieri.

In response to the war in **Ukraine**, ATLA has joined the **solidarity** race that has crossed Italy, with the **collection** of **clothing**, **food** and **basic necessities** to donate to the populations affected by the war. An important initiative, organized by the employees themselves, which wanted to represent solidarity and closeness to those who need it most. The collected material was donated to the associations **MIUFI** (Made in Ukraine for Italy) and **SERMIG**.





Governance Topics

The **Corporate governance** is structured according to the **traditional** system: the **Shareholders' Meeting**, the **Board of Directors**, the **Board of Statutory Auditors** and the **Auditing Company** are present. The **Board of Directors** is responsible for the management of the company and the completion of the operations necessary for the implementation of the corporate object. Among the roles taken, it is particularly important to promote an ethical and transparent approach through best practices of national and international corporate governance.

The principles that guide business operations are **transparency** and **accountability**. These values must be inspired to continue the expansion undertaken over the years and for this reason the company has adopted a **Code of Conduct**.

Board of Directors

The **Board of Directors**, composed of **seven directors**, ensures the protection of all stakeholders allowing the proper **management** of the company in terms of **governance** and **control**. The collegiate body is invested with the broadest powers of ordinary and extraordinary management of the company. The current Board will expire in 2025, with the approval of the financial statement at 31/12/2024.

The **composition** of the Board of Directors at **31/12/2022** consists of the **President Ettore GANDINI** and **6 directors**. The Board of Directors is made up of 7 members, 5 of whom are men and 2 women. Of the total, 3 are in the 30–50 age bracket while the remaining 4 in the >50 age bracket.

In the table below, the composition of the Board of Directors, roles and duration:

NAME	ROLE	GENDER	AGE BRACKET
Ettore GANDINI	President	Man	>50 years
Laura PREGNO	Vice President	Woman	>50 years
Keita SATO	Member	Man	>30 <50 years
Luca GANDINI	Member	Man	>30 <50 years
Beatrice GANDINI	Member	Woman	>30 <50 years
Takahiro KAWAGUCHI	Member	Man	>50 years
Masao TERAZAKI	Member	Man	>50 years

Board of Statutory Auditors

The **Board of Statutory Auditors**, composed of **three auditors** appointed on **28/04/2022**, has the task of **supervising compliance** with the **law** and the **Articles of Association**, on compliance with the **principles of sound administration** and the **adequacy** of the **Company's organizational structure** for matters of competence, the internal control system and the administrative system-accounting officer, as well as on the reliability of the latter to correctly represent the management facts. The current Board of Statutory Auditors will expire with the approval of the Financial Statements at 31/12/2024.

The **composition** of the Board of Statutory Auditors at **31/12/2022** is given by **three members**: **President Paolo Fortunato SCARTOZZI**, **Edmondo MONDA** (Statutory Auditor), **Luca ASVISIO** (Statutory Auditor). In addition, two alternate Mayors, **Maria Enrica SPINARDI** and **Marco CLEMENTE**.

In the table below, the composition of the Board of Statutory Auditors, roles and duration:

NAME	ROLE	GENDER	AGE BRACKET
Paolo Fortunato SCARTOZZI	President	Man	>50 years
Edmondo MONDA	Member	Man	>50 years
Luca ASVISIO	Member	Man	>50 years

Auditing firm

The **statutory audit** in ATLA is carried out by the auditing firm **ERNST & YOUNG**.

The duties of the auditors or the firm of auditors are related to the statutory audit and express in a special report an opinion on the financial statements and consolidated financial statements, if drawn up and verified, during the year, the regular keeping of company accounts and the correct recording of management facts in the accounting records.

Disclosure on main risks and opportunities

The **effects of climate change** and rising temperatures are now undeniable. In recent years we have lived among the **hottest periods** ever and in the period between **2015** and **2019** we were faced with the hottest five-year period ever (Source National Centers for Environmental Information). In **Italy** this increase in temperature is more evident than in other parts of the world. In **2018** we were faced with an **increase of 1,7 degrees** compared to the average 1961-1990, as noted by the study center of the Ministry of the Environment. Faced with such evidence, ATLA pays attention to **risk factors** and analyzes the study reports of leading national and international organizations. The **economic impact of climate change** will vary according to geographical areas, but it seems clear that southern Europe could be one of the most affected areas. The environmental phenomena will influence the real economy through the **destruction of the infrastructures**, the **minor productivity** in agricultural field and the **difficulty in supplying** some raw materials and consequent interruption of the **supply chain**.

ATLA is aware that a **correct assessment** of the **impacts** of Climate-related risks can also lead to a correct assessment of the Annual Report items. The analysis and **risk assessment** process must allow the understanding of how these risks can influence the business model and the elaboration of an adequate Financial Statements statement to provide a **"true and fair"** representation to its stakeholders.

Considering the recommendations set out in the **Task Force on Climate-related Financial Disclosure (TCFD)** guidelines, ATLA has analyzed and classified climate change-related **risks** into **two macro-categories: physical risks** (impacts related to climate and its manifestations), **transition risks** (impacts arising from the transition to a low-CO2 economy). **Physical risks** are analyzed and classified as: **acute risks** (interruptions of activities caused by extreme weather events), **chronic risks** (effect of gradual changes). The **transition risks** were divided into the following categories: **legal or regulatory risks** (policy or legislative requirements aimed at containing change), **technological risks** (obsolescence caused by a technological renewal), **reputational risks** (related to trust between customer and company), **market risks** (choice of green products or services), following the above, we proceeded with the **Prioritization** of climate **risks** and analyzed and evaluated the **relevance, probability of occurrence** and the **potential effect** produced.

A process such as climate change can also create opportunities for companies. ATLA has therefore analyzed the opportunities deriving from the activities tied to the mitigation of the climatic changes, in order to **reduce the emissions** of GHG, and to the adaptation to the changes, in order to anticipate the caused **negative effects** from the climate. Opportunities have therefore been **classified into five categories**:

1. Resource efficiency (medium to long-term benefits of technological innovation)
2. Energy sources (potential savings from green energy sources)
3. Product innovation
4. Access to new markets
5. Resilience and adaptation

This analysis revealed some **risks** that may **affect the achievement of sustainability objectives**, generated or suffered, related to the relevant sustainability issues that the activity of ATLA, its products, services or business relationships can generate environmental (water discharges, air pollution with greenhouse gas emissions, waste), social (privacy and data protection legislation, cyber security) and economic (combating active and passive corruption).

In the **environmental** field, a careful **assessment** has been made of which aspects related to **climate change** can impact business activity or create potential **risks** on the **business**. In this context, it is considered that the risks may be linked to **exceptional weather phenomena** for which ATLA has adequate **insurance coverage** and that the risk is still very limited.

Regarding **water discharges**, ATLA presents a **limited risk** since discharges are considered as "domestic and assimilated wastewater". The liquids produced during processing are disposed of through specialized companies. In addition, the Company has equipped itself with an environmental management system compliant with UNI EN ISO 14001 and a specific protocol for the verification of potential risks related to environmental crimes. At the sites managed by ATLA there are no production processes that can create potential risks related to pollutant emissions into the atmosphere.

As regards the risk factor linked to **waste management**, the analysis carried out has led to a **moderate** level of **risk** being considered. At the production sites and at the main site, waste is essentially considered "Waste similar to urban" with characteristics and product composition such as to allow recovery or disposal. The generation of special waste is very limited and adequately controlled.

Regarding the **social** area of risk management, there are potential risks in **Privacy** (Data Protection) and **Cybersecurity**. In the normal course of business, personal data of customers, suppliers and employees are processed. In this regard, to comply with the provisions of the European Regulation "**GDPR**" (General Data Protection Regulation), ATLA has equipped itself with all the tools provided for in the regulation. In addition, on a voluntary basis, she equipped herself with an Organizational Privacy Model, appointed a **Data Protection Officer** (DPO Data Protection Officer) and identified **delegates**. All this to strengthen its control and compliance.

The threat of **attacks** and **data security breaches** that could cause business losses, productivity and damage the Company's reputation, is increasingly prevalent. In this context, ATLA has adopted a management compliant with **UNI CEI ISO/IEC 27001** for Information Security Management Systems, analysing the potential risks related to cybersecurity and the protection of intellectual property rights through the creation of appropriate protocols.

As regards the **health** and **safety** of workers who are most exposed to **higher risk** factors for their duties, monitoring with the health surveillance activity carried out by the competent doctor is envisaged. In addition, ATLA has adopted since **2014** a Management System for Health and Safety at Work in compliance with **UNI ISO 45001** standards.

At the **economic** level, one of the main and potential risk factors is that of **active** and **passive corruption**, which could cause reputational spillovers. Therefore, ATLA has a **Code of Conduct**. Finally, a protocol relating to the so-called **Whistleblowing** for even **anonymous reports** has been placed to guard any illegal facts or conduct. Also, the potential risks for **lack of transparency** and **integrity** of **suppliers** (undeclared work and criminal infiltration) have been the subject of a process of analysis that has led to the creation of procedures and checkpoints for the verification of professional technical competence and prior verification of pending loads and convictions.

In terms of **Compliance**, ATLA has adopted some **measures**:

- Audited Financial Statements of ERNST & YOUNG
- Privacy Compliance ex Reg. EU n. 679/2016 (GDPR)
- ISO 9001, EN 9100, EN 9110 Quality Management System Certification
- ISO 45001 Certification for Health and Safety of Workers
- ISO 14001 Environmental Management System Certification
- ISO 50001 Energy Management System Certification
- ISO 27001 Certification for Data and Information Security
- Certification EIFEC EC 1001:01 EU - Export Compliance Administration Program
- NADC Accreditations

GRI Index



Comparison of GRI used GRI Index

STATEMENT OF USE	ATLA has reported the information cited in this GRI content index for the period 1st January 2022 to 31st December 2022 with reference to the GRI Standards.
GRI 1 USED	GRI 1: Foundation - Version 2021

GRI STANDARD	DISCLOSURE	PAGE NUMBER	NOTE
GRI 2: GENERAL DISCLOSURES 2021			
2-1	Organizational details		
2-2	Entities included in the organization's sustainability reporting	7	2
2-3	Reporting period, frequency and contact point	7	2
2-4	Restatements of information		
2-5	External assurance		
2-6	Activities, value chain and other business relationships	9	3
2-7	Employees		
2-8	Workers who are not employees		
2-9	Governance structure and composition		
2-22	Statement on sustainable development strategy	17	6
2-25	Processes to remediate negative impacts		
2-26	Mechanisms for seeking advice and raising concerns		
2-27	Compliance with laws and regulations		
2-28	Membership associations	9	3
2-29	Approach to stakeholder engagement	13	4
2-30	Collective bargaining agreements		
GRI 3: MATERIAL TOPICS 2021			
3-1	Process to determine material topics		
3-2	List of material topics	14	5
3-3	Management of material topics	15	5.1

GRI STANDARD	DISCLOSURE	PAGE NUMBER	NOTE
GRI 201: ECONOMIC PERFORMANCE 2016			
3-3	Management of material topics		
201-1	Direct economic value generated and distributed	29-30	9.1
GRI 203: INDIRECT ECONOMIC IMPACTS 2016			
3-3	Management of material topics		
203-2	Significant indirect economic impacts		
GRI 205: PROCUREMENT PRACTICES 2016			
3-3	Management of material topics		
204-1	Proportion of spending on local suppliers		
GRI 205: ANTI-CORRUPTION 2016			
3-3	Management of material topics		
205-3	Confirmed incidents of corruption and actions taken		
GRI 302: ENERGY 2016			
3-3	Management of material topics		
302-1	Energy consumption within the organization	23	8.1
GRI 303: WATER AND EFFLUENTS 2018			
303-1	Interactions with water as a shared resource	26	8.3
303-2	Management of water discharge-related impacts	26	8.3
303-3	Water withdrawal	26	8.3
303-5	Water consumption	26	8.3
GRI 305: EMISSIONS 2016			
3-3	Management of material topics		
305-1	Direct (Scope 1) GHG emissions	24	8.2
305-2	Energy indirect (Scope 2) GHG emissions	24-26	8.2
GRI 306: WASTE 2020			
306-1	Waste generation and significant waste-related impacts	26-28	8.4
306-2	Management of significant waste-related impacts	26-28	8.4
306-3	Waste generated	26-28	8.4

GRI STANDARD	DISCLOSURE	NUMERO PAGINA	NOTE
GRI 401: : EMPLOYMENT 2016			
3-3	Management of material topics		
401-1	New employee hires and employee turnover	33-34	10.1
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018			
403-1	Occupational health and safety management system	35-36	10.2-10.3
403-2	Hazard identification, risk assessment, and incident investigation		
403-3	Occupational health services		
403-4	Worker participation, consultation, and communication on occupational health and safety		
403-5	Worker training on occupational health and safety	35-36	10.2-10.3
403-6	Promotion of worker health	35-36	10.2-10.3
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		
403-8	Workers covered by an occupational health and safety management system		
403-9	Work-related injuries	36	10.3
GRI 405: : DIVERSITY AND EQUAL OPPORTUNITY 2016			
3-3	Management of material topics		
405-1	Diversity of governance bodies and employees	20	10.1
GRI 406: NON-DISCRIMINATION 2016			
3-3	Management of material topics		
406-1	Incidents of discrimination and corrective actions taken		
GRI 416: CUSTOMER HEALTH AND SAFETY 2016			
3-3	Management of material topics		
416-1	Assessment of the health and safety impacts of product and service categories		
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		



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