

SUSTAINABILITY REPORT

2023

- 1** Group Profile
- 2** Identity, Mission and Strategy
- 3** ESG Strategy
- 4** SDG Targets
- 5** ESG Materiality Matrix
- 6** Governance
- 7** Social Sustainability and Impact
- 8** Environmental Sustainability
- 9** Goals for 2024

INDEX

Letter to Stakeholders

Dear Stakeholder,

As time progresses and the Group continues to grow, so does our conviction that sustainability is both central and essential to our work. It enables us to actively contribute to building a sustainable future and, in doing so, leave a better world for future generations.

If 2022 was the year of becoming aware of the importance of these issues and was therefore primarily dedicated to setting up a data collection process to clearly capture the activities of the Group and their impact on sustainability, in 2023 we worked to enrich and fortify this process, making it pervasive across all the Group companies.

But **2023** was also, and above all, the year in which the company committed to a series of investments aimed at the well-being and social interaction of its employees. Among these, we are pleased to mention the construction of an internal gym, the creation of an outdoor recreational area (soccer, tennis, etc.), and an internal restaurant.

In addition, during 2023, the foundations were laid for the realization of the first significant investments in the field of sustainability, which will begin in 2024, including the installation of photovoltaic panel systems at the most energy-intensive sites.

In 2024, we will also launch new training initiatives for employees, as well as a De Wave Academy, in partnership with the Maritime Academy of Genoa, with the aim of initiating a class of young people into a training program both in the classroom and within the company.

Our commitment continues not only in implementing initiatives but also in reporting and transparency. The Sustainability Report is, in fact, a communication tool designed to describe the results achieved in the economic, social, and environmental fields over the year. It demonstrates De Wave's commitment to sustainable development, with the goal of generating value for the Group and its stakeholders.

In this regard, we are aware that the new CSRD directive will impose even more demanding and stringent reporting standards. Therefore, we are preparing to align with these principles from the early part of 2024, proactively anticipating what will become a mandatory reporting requirement for De Wave starting in 2026 (for the 2025 financial statements).

For us, the Sustainability Report is not just a strategic choice but also an awareness, a strong statement of intent, and a great opportunity that will guide us into a new era.

DE WAVE aims to embark on a virtuous path of commitment to environmental, social, and internal governance, while also enhancing our reporting process to make it increasingly precise and transparent.

We want to set an example in our sector and begin charting a shared course that leads the entire Group towards new frontiers of sustainable economic development, creating value for the environment in which we operate.

Only what we measure can be improved, which is why we have chosen transparency, to commit ourselves day after day to being agents of change, in support of the communities in which we operate and of the planet.

Riccardo Pompili
CEO De Wave



1 **GROUP PROFILE**





The Group

De Wave Group is a main contractor specializing in the naval sector (cruise ships and yachts), offering turnkey solutions for interior fittings with consolidated annual revenues of approximately €300 million.

The Group's creativity and innovation are its driving forces, structured to maximize customer satisfaction through a sophisticated network of skills and products tailored to specific needs.

The Group is committed to operating consistently in full compliance with current national and international regulations, thanks to the adoption of a business model focused on the quality and safety of the products sold, the protection of its workers' health and safety, and attention to its environmental impact..

De Wave Group was formed from the merger of 3 leading companies in their respective fields:

- DE WAVE – Cabins and wet units
- PRECETTI – Catering areas
- SPENCER CONTRACT- Public areas

January 2014

De Wave begins as a spin-off from Demont

July 2017

De Wave Group acquires Precetti

November 2019

Platinum Equity acquires De Wave Group

March 2022

De Wave Group acquires Technavi

December 2022

De Wave Group acquires Wingeco

December 2015

A leading Italian equity fund invests in De Wave.

December 2018

The Group acquires Spencer Contract.

January 2022

De Wave merges its three trademarks

June 2022

De Wave Group acquires Mobil-Line

March 2023

De Wave Group opens Shanghai De Wave Ship Service Co. Ltd in China

FORMATION AND GROWTH OF THE GROUP

Our Locations

ITALY

Genova - Group HQ – Administration, Design, Project Management, Purchasing, Logistics
Vazzola – Production plant, Catering
Monfalcone - Panel Production plant and Shipyard
Marghera - Shipyard
Scorzé - Design, Project Management, Purchasing, and Mock-ups
Sovizzo - Design
Vico Pisano- Furnishing Carpentry for Yachts

FRANCE

Saint Nazaire - Shipyard

GERMANY

Papenburg - Shipyard

POLAND

Lipno – Plant Production: Wet Units

FINLAND

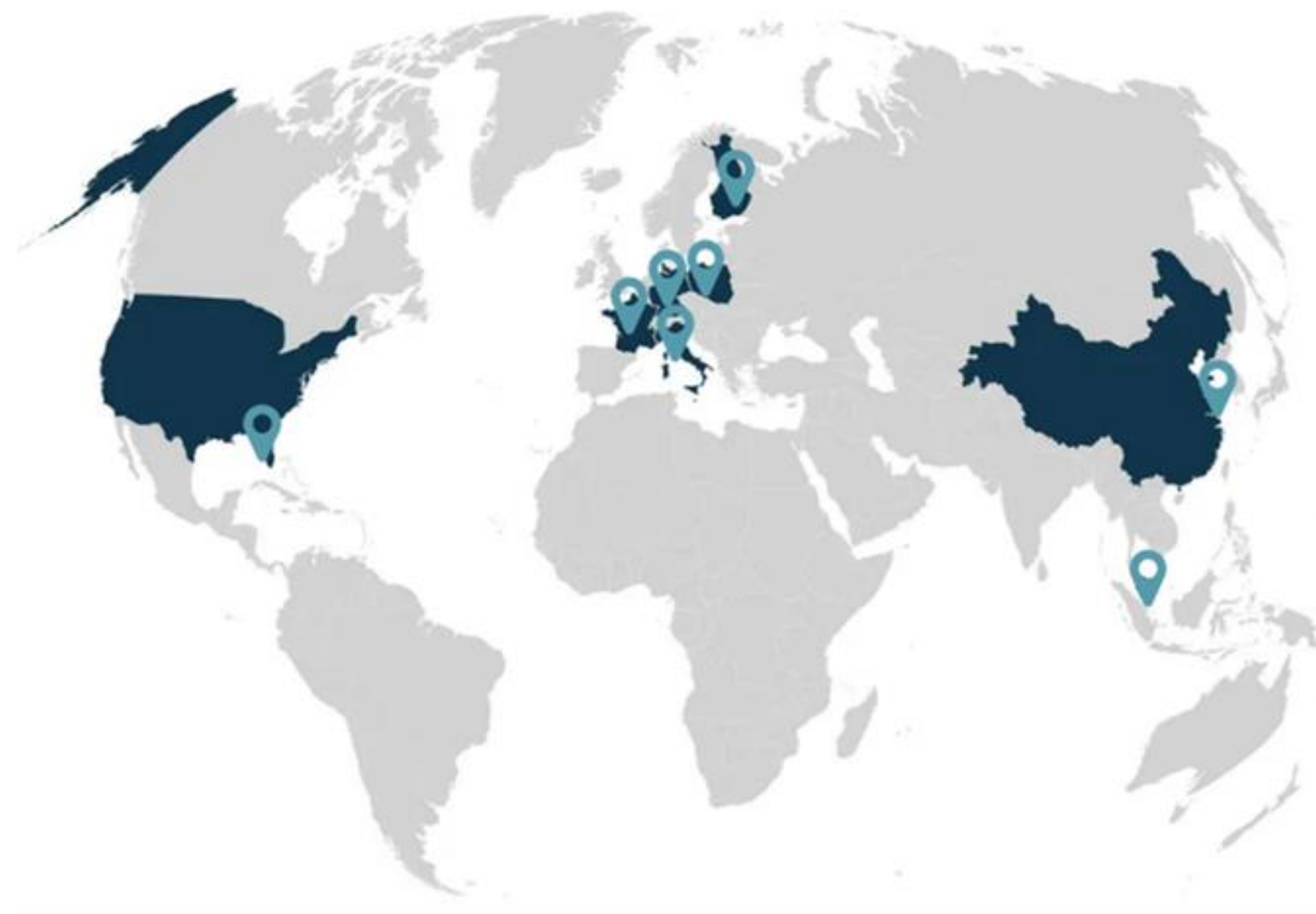
Turku - Business Unit

USA

Miami, Florida - Business Unit
New Orleans, Louisiana - Ecoquest, Shipyard

ASIA

Shanghai, China - Business Unit
Singapore – Business Unit



Design and Engineering Analysis

Products and services of the highest quality for leading cruise ships and shipyards in the industry.

Project Management & Installation On board

The Group employs its own internal teams of naval installation specialists, each with consolidated experience in managing dynamics and constraints related to onboard installation, according to the highest standards, and at a competitive cost.

Manufacturing

Our facilities are located near major international shipyards, where we carry out the entire production process . We offer maximum control over the quality of supplies and valuable support during assembly and installation on board.

Repair, Maintenance and Aftercare

Our care and attention to detail extend throughout the lifecycle of the vessel, thanks to comprehensive after-sales support available worldwide.

Our Services

We regularly collaborate with leading cruise ship companies and shipyards worldwide, who rely on us for products and services that meet and exceed the highest standards of quality, along with comprehensive after-sales support.



THE GROUP
IN FIGURES

2 IDENTITY, MISSION AND STRATEGY



Vision

We are strongly committed to being a long-term partner for ship owners throughout the entire life cycle of their vessels, from new builds to refits and upgrades.

Mission

We aim to be leaders in our sector through innovation, engineering excellence, Group synergies, close partnerships with clients, and rigorous project management throughout the entire project lifecycle, consistently exceeding our clients' expectations.

IDENTITY
MISSION AND STRATEGY

The Charter of our Values

Integrity

- We always act in accordance with the principles of transparency, fairness, and honesty
- We take responsibility for our actions.
- We believe in the importance of respecting and listening to others

Respect

- We value and promote gender equality.
- We respect the environment and are committed to business sustainability.

Customer Satisfaction

- We constantly focus on the quality of our products.
- We respect our commitments
- We are transparent and collaborative in all project phases

Innovation

- We are constantly looking for cutting-edge technologies for our products and innovative production methods.

Safety

- We ensure high levels of safety in workplace, prioritize the safety of materials, and are concerned with the safety of end-users of our products and the environments in which we install.

Passion

- We take pleasure in a job well done.
- We consider our work a way to improve ourselves and the world around us.
- We are curious and always ready to learn, innovate, and grow.

3 ESG STRATEGY



ESG Strategy

Our focus on the quality of our products and the service provided throughout their lifecycle is tied to an integrated strategy aimed at balancing business growth with social and environmental sustainability factors.

For this reason, we are committed to contributing to the **United Nations Sustainable Development Goals** (SDGs) of the 2030 Agenda for Sustainable Development, adopted by the General Assembly in 2015. These goals represent common objectives for sustainable development concerning today's complex social challenges and serve as an important reference for guiding De Wave's activities.

Our business strategy aims to create long-term value for all partners involved in our activities.

Through a clear definition of material issues and commitments, and a risk management system that incorporates Environmental, Social, and Governance (ESG) aspects, we manage our business while ensuring the protection of all resources utilized in our operations.



4 SUSTAINABLE DEVELOPMENT GOALS (SDGs)





Gender Equality and Empowerment of All Women and Girls

Although the Group operates in a sector where the demand for labor is typically male, De Wave promotes equal opportunities in all divisions and provides tools that allow for a fair work-life balance. This ensures that female employees can take advantage of extended maternity and family leave and can be reintegrated into their positions once the leave is over.



Resilient Infrastructure, Sustainable Industrialization, and Innovation

Within the Group, excellence also stems from technical and technological innovation, which allows for the continuous improvement of the quality of the products offered. However, innovation is also a means to achieve greater sustainability. The Group promotes the use of raw materials and semi-finished products with low environmental impact to reduce the environmental footprint of its products, thereby confirming its role as a market leader.



Ensuring Sustainable Production and Consumption Models

De Wave Group's commitment to environmental sustainability extends beyond technological innovation; it is a core value that the parent company promotes to all its subsidiaries and suppliers. Similarly, De Wave promotes adherence to national and international regulations related to the protection and safeguarding of workers' rights and human rights.

Sustainability Objectives SDGs

De Wave has embraced the principles underlying the Sustainable Development Goals, considering it essential to promote respect for the environment and the communities in which it works through its activities and work. De Wave Group has decided to pursue these three objectives of the 2030 Agenda.

5 ESG MATERIALITY MATRIX



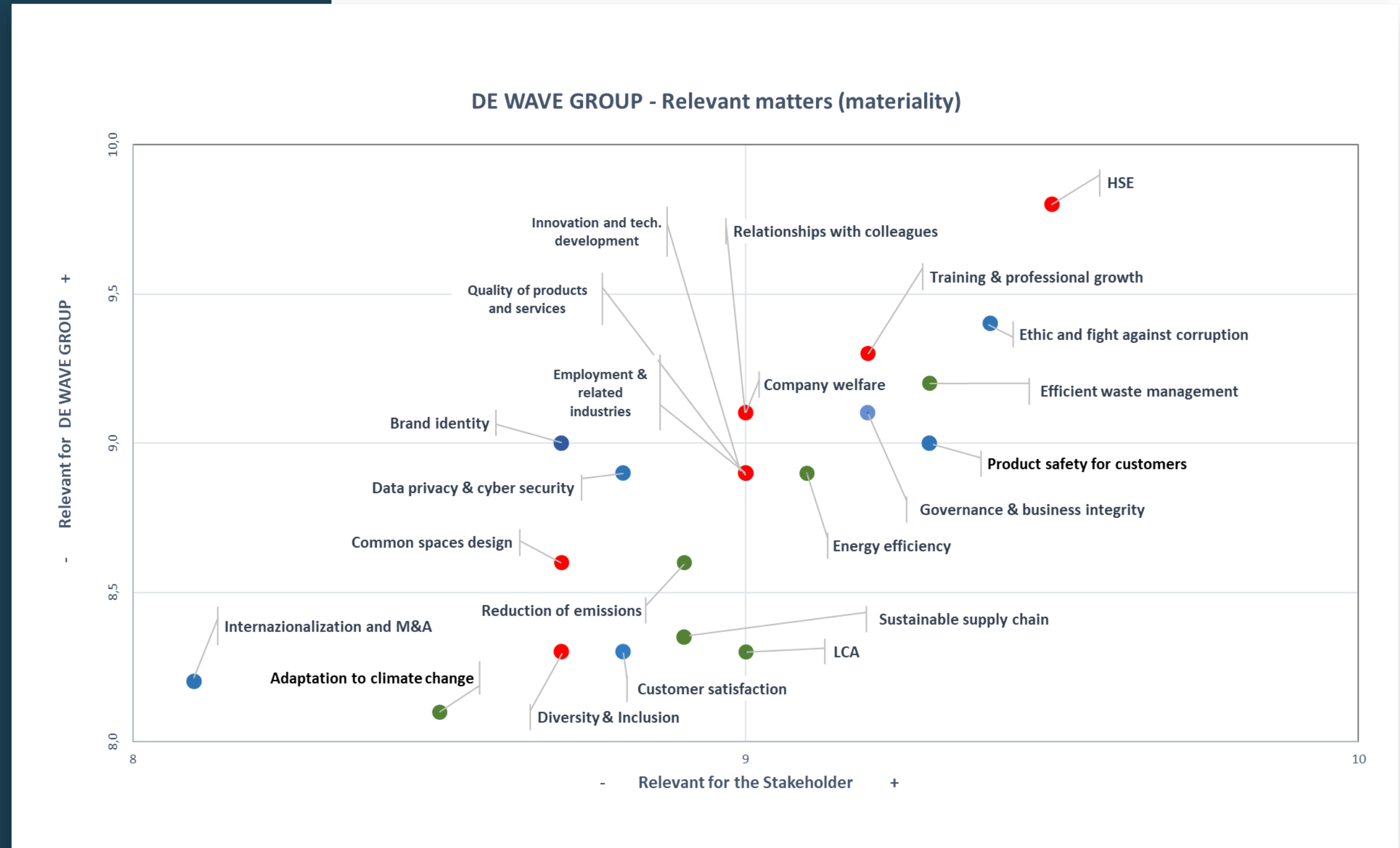
ESG Materiality Matrix

A materiality analysis of ESG factors was conducted through the administration of questionnaires to internal and external stakeholders of the Group. They were asked to indicate – on a scale from 1 to 10 – how relevant various economic, social, and environmental issues were for De Wave.

The internal stakeholders involved were employees and collaborators of De Wave's subsidiaries, while the external stakeholders included suppliers and clients, both Italian and international.

The overall result is illustrated in the following matrix, which shows the level of relevance of each issue for De Wave Group (vertical axis, range 1-10), and for the individual stakeholders (horizontal axis, range 1-10).

The chart shows that the results place all issues with very high values, positioned in the upper right quadrant of the matrix.





Health, Safety and Environment (HSE)

The health and safety of workers and respect for the environment are the most significant issues for both internal and external stakeholders, particularly due to the nature of De Wave's activities, which are often carried out in factories or in shipyards. De Wave is consistently committed to adopting all necessary measures to ensure the best working conditions for its employees as well as for all external collaborators.



Training and Professional Development

Recognizing that new challenges and the continuous evolution in technological and digital tools require frequent updates, the Group continues to invest in training activities. These include professional development, soft skills training, and compliance with current regulations.



Company Welfare

The Company has implemented a welfare platform to provide a tool for converting performance bonuses, ensuring that the company's employees can access the available benefits.



Ethics and Anti-Corruption

The Group believes in and invests in ethical business conduct. To this end, it has set objectives to provide appropriate training to employees on the principles included in Italian Legislative Decree 231/2001 and anti-bribery regulations.



Employment and Supply Chain

As the Group continues to grow in size, so does its sense of responsibility towards its workforce and the impact that the Group's activities have on the community.



Energy Efficiency

Also driven by recent increases in energy prices, De Wave has intensified controls on energy consumption within the Group and has begun studying targeted actions to reduce consumption and use renewable sources.



Governance and Business Integrity

There is increasing attention both to compliance with process standards and to business continuity, understood as the identification and removal of vulnerabilities from external cyber-attacks (Cyber Security).



Product Safety for Customers

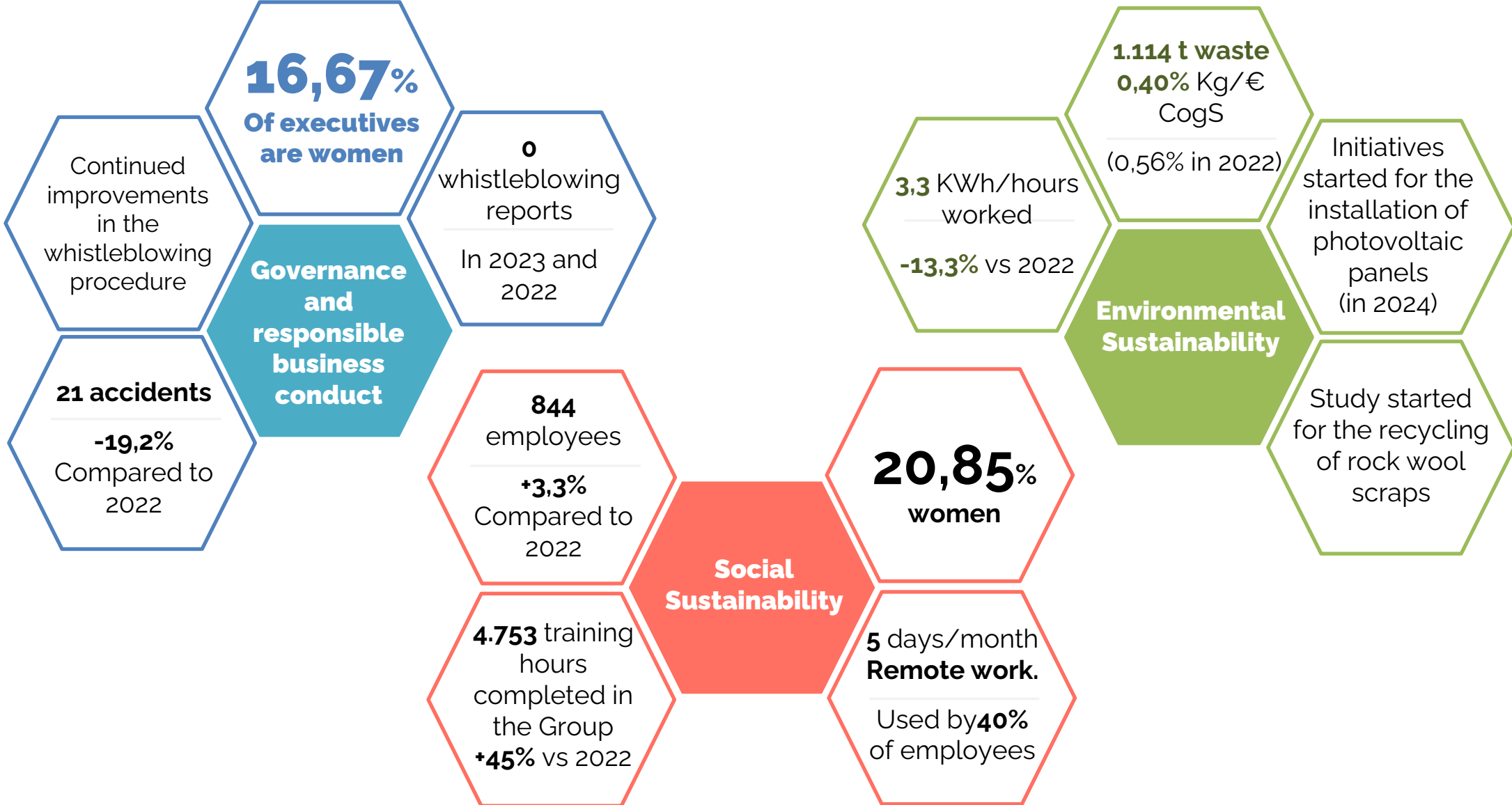
The issue of health and safety, already fundamental when applied to employees, then extends to De Wave's products, which are used by tens of thousands of passengers during navigation. The absolute adherence to quality and safety standards as prescribed by law, as well as the continuous search for safer and more efficient technical solutions, are of paramount importance to De Wave.



Efficient Waste Management

The Group's growing sense of environmental responsibility also extends to waste disposal activities primarily resulting from industrial production.

5.3 ESG Materiality Matrix



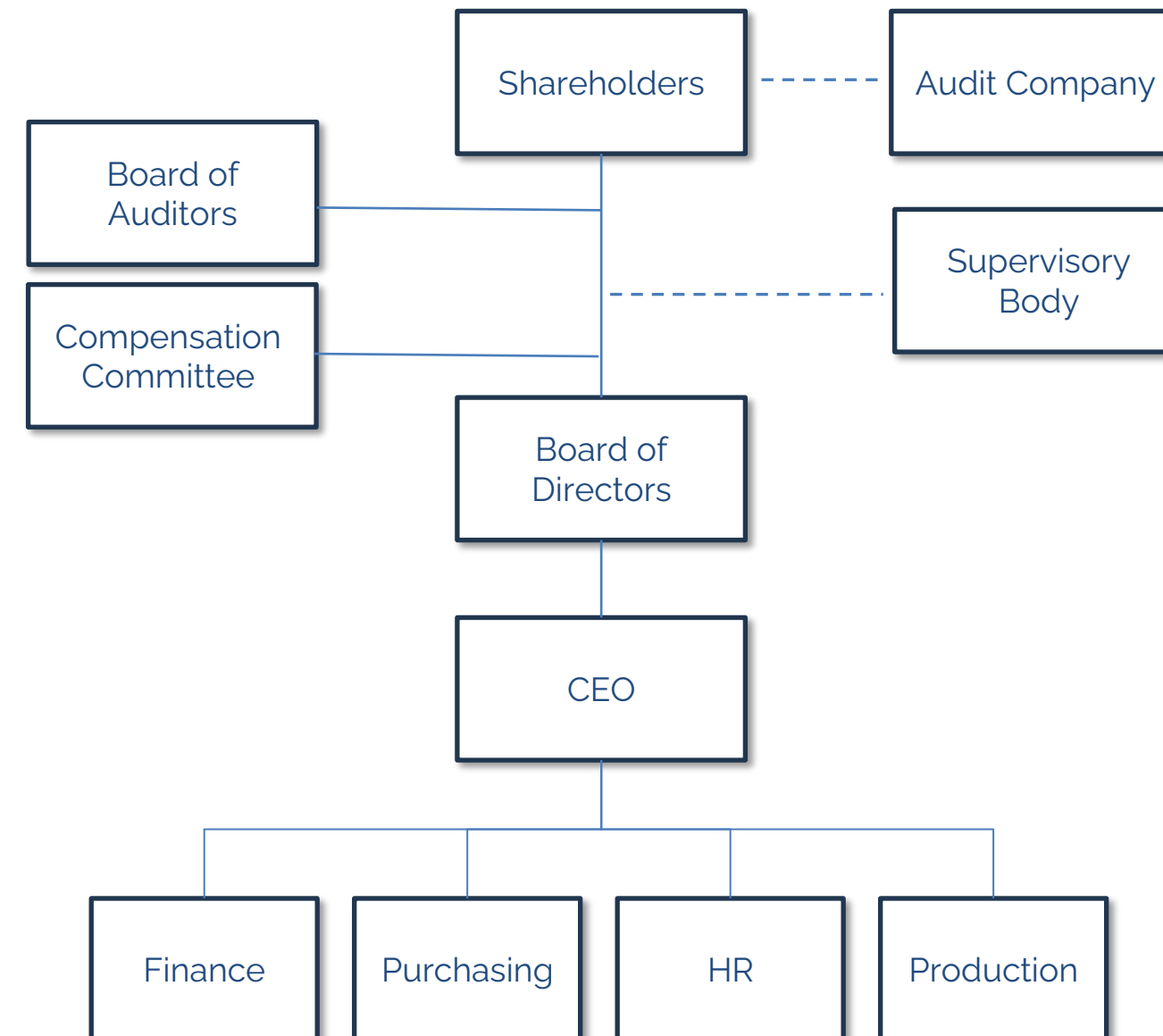
MAIN INDICATORS

6 GOVERNANCE AND ETHICAL AND RESPONSIBLE BUSINESS CONDUCT



Corporate Governance Structure

De Wave Group has adopted a traditional corporate governance and management model, with a Board of Directors holding powers for both ordinary and extraordinary administration. The Chairman of the Board is vested with the authority for legal representation of the company with third parties and in legal proceedings, as well as signing authority. Complementing the Board of Directors, De Wave has appointed a supervisory board with statutory powers to oversee corporate governance and business management.



Board of Directors

The current Board was appointed by the Shareholders' Meeting on June 29, 2022, for an indefinite term, and consists of 5 members. Three of the members belong to Platinum Equity, the private equity fund that controls the Group.

Board of Auditors

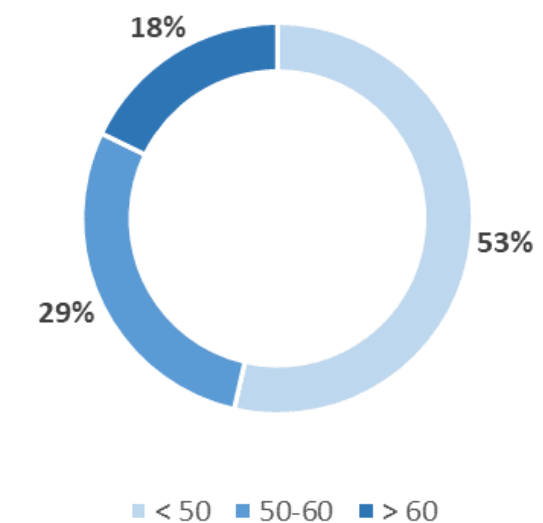
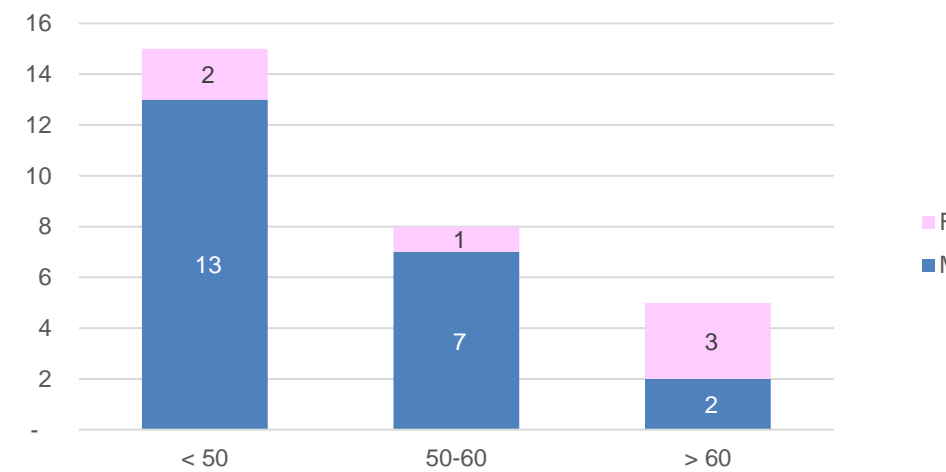
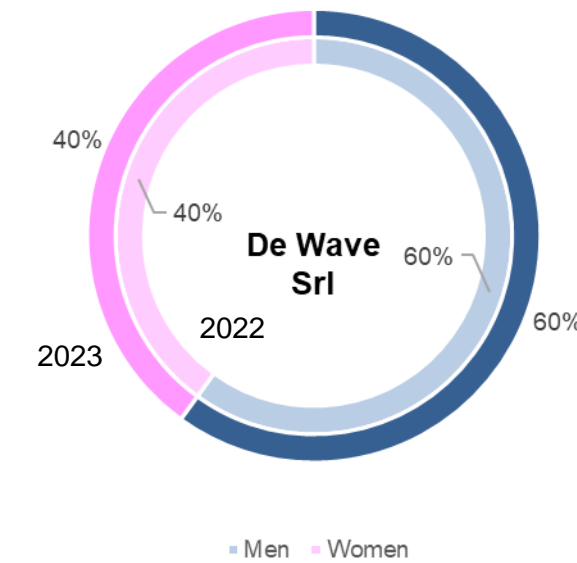
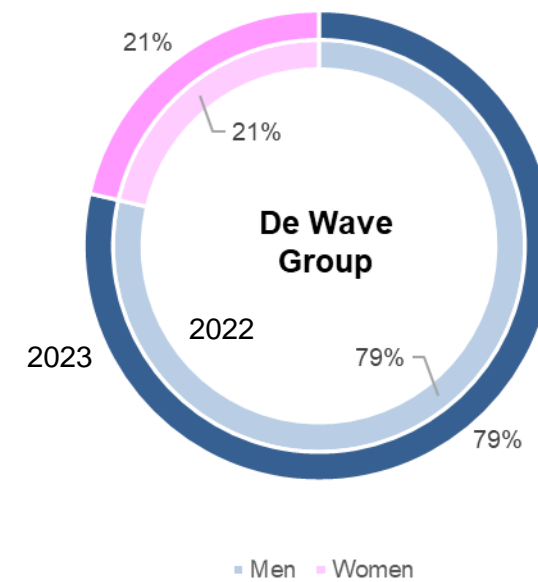
De Wave S.r.l.'s board of auditors consists of 3 members: two ordinary auditors and a Chairman of the Board (in addition to 2 alternate members)

Supervisory Body

De Wave S.r.l. and Precetti have established a supervisory body to oversee and ensure the functioning, effectiveness, adequacy, and compliance of the adopted organizational, management, and control model, aimed at preventing offenses that may lead to administrative liability. The Oversight Body operates autonomously and independently.

Audit Company

In addition to the auditors, PRICEWATERHOUSECOOPERS S.P.A. serves as the legal auditing firm for De Wave S.r.l., as well as for Precetti, Tecnavi, Palamar and PM 4.0



Members of the board composition, by gender and age

Governance and Business Integrity

The members of the Board of Auditors are:

- Chair: NICODEMI LUCA
- Auditor: MIGLIETTA ANGELO
- Auditor: FASCE PAOLO
- Alternate Auditor: REDAELLI FABRIZIO
- Alternate Auditor: BARISONE ELISABETTA

All members of the Board of Auditors are registered in the registry of statutory auditors.

Company name	Board of Director composition	N. Of Directors	Date of appointment	Average age	Gender % in BoD
DE WAVE S.R.L.	Chair: POMPILI RICCARDO Executive Director: MACHIERALDO MATTEO FRANCESCO Director: SIGLER MARY ANN Director: KALAWSKI EVA M Director: HOLLAND JOHN GERALD	5	Sep 29 th 2022	56	40% women 60% men
DE WAVE POLSKA	Chair: SCROGLIERI GABRIELE Director: POMPILI RICCARDO	2		48	100% men
PRECETTI S.R.L.	Chair: SCROGLIERI GABRIELE Director: POMPILI RICCARDO	2	Jun 29 th 2022	48	100% men
PRECETTI INC	DPTS PAOLO PASSALACQUA Director: RICCARDO POMPILI AT DAWN WALLOCH AS SARA GRASSI AS JUSTIN MAROLDI	5			20% women 80% men
PM 4	Chair: BUSATTA MIRCO Managing director: MINGARDI DAVIDE Managing director: PESAVENTO PIETRO ANTONIO Managing director: POMPILI RICCARDO	4	Jul 07 th 2020	54	100% men
PM 5	Sole administrator: FANCELLO FABIANA	1	Jul 07 th 2022	51	100% women
PALAMAR	Chair: POMPILI RICCARDO Executive Director: MACHIERALDO MATTEO FRANCESCO Executive Director: GIACCIO VALENTINA	3	Oct 07 th 2021	42	33% women 67% men
TECNAVI	Chair: COSTA STEFANO Director: POMPILI RICCARDO Director: MACHIERALDO MATTEO FRANCESCO	3	Jun 29 th 2022	51	100% men
WINGECO	Chair: POMPILI RICCARDO Director: MACHIERALDO MATTEO FRANCESCO Managing director: CORBANI MARCO	3	Dic 28 th 2022	42	100% men

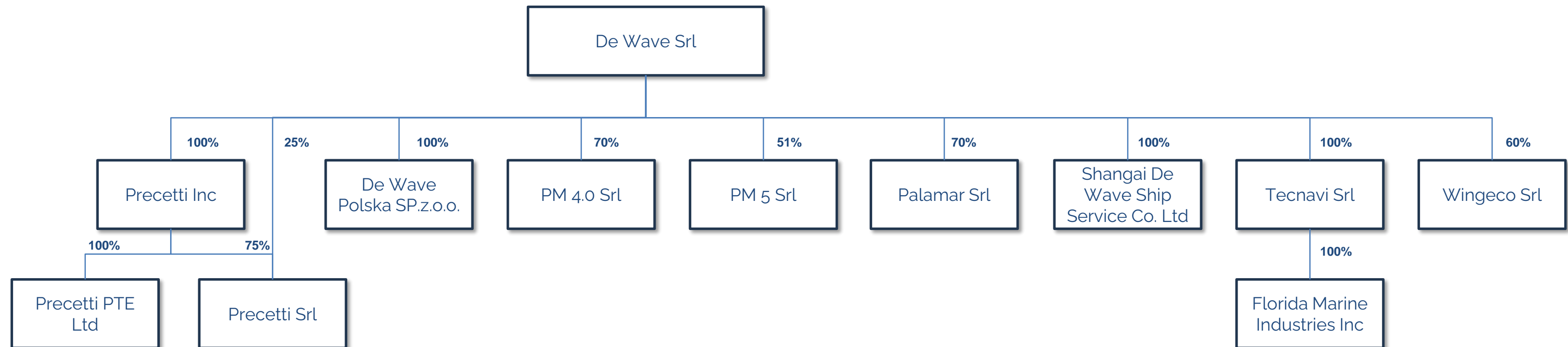
The Group Structure

De Wave Group is 100% owned by Platinum Equity, which acquired it in 2019 from a previous private equity fund and has since initiated a profound transformation process.

At the end of 2022, De Wave completed the acquisition of Wingeco, a company based in Genoa, specializing in the design and installation of glass and aluminum enclosures, windows, balustrades, closing elements, and cladding for the naval and construction sectors. This acquisition enriched the Group's product range starting from January 2023.

Also in early 2023, the Shanghai branch became fully operational

Throughout 2024, the Group plans to continue its growth through new acquisitions that further expand its range of products and services. Simultaneously, the Group aims to streamline its corporate structure through subsequent mergers.



Legality and Prevention of Corruption

ORGANIZATIONAL AND MANAGEMENT MODEL (MOG)

In 2015, De Wave's Board of Directors decided to adopt and **Organizational, Management, and Control Model** (MOG) as required by Legislative Decree 231/2001 and subsequent amendments. This model is designed to prevent unlawful conduct and to exempt the entity from administrative and criminal liability in case an offense potentially punishable under the Decree is committed. Similarly, Precetti has adopted organizational and management models in accordance with Legislative Decree 231/2001, which are applied to its subsidiaries.

In 2020, the Company conducted a comprehensive review of the Organizational Model (including policies related to whistleblowing, business conduct, anti-bribery, and anti-corruption, in compliance with the FCPA and corresponding Italian regulations.

De Wave is committed to implementing an Organizational, Management, and Control Model across all its subsidiaries in the next two years. The ultimate goal is to ensure a high standard of governance and integrity in all Group activities, which will strengthen reputation, enhance trust among customers and investors, and mitigate legal and reputational risks. Furthermore, extending the MOG 231 to all subsidiaries will facilitate sharing of best practices, alignment of corporate policies, and dissemination of a common ethical culture, enabling the Group to act cohesively and responsibly, laying the foundation for a sustainable and successful future.

Anti-Corruption Code of Ethics and Transparency

In previous years, De Wave S.r.l. and Precetti had already adopted a Code of Ethics, which forms an integral and substantial part of their Organizational and Management Models. This code establishes principles governing the conduct of all stakeholders, including administrators, auditors, corporate body members, employees, executives, and consultants acting on behalf of the companies.

The document detailing the code advises against actions that may exert undue pressure or influence on officials or persons in public service or compromise the independence of their judgment and decision-making. It carries contractual validity and stipulates that any attempt to secure preferential treatment in company-related activities will face sanctions. The document explicitly prohibits offering money, gifts, or other benefits, directly or indirectly, to officials of public administrations, public service appointees, or their relatives.

In 2023, the Organizational and Management Model was also developed for Tecnavi and Wingeco, extending the Group Code of Ethics to these companies.

During the same year, two new policies were defined and published, specifically addressing **Diversity, Equity & Inclusion**, and **Anti-Retaliation**.

These new policies enhance the Group's existing policies and will gradually be extended to all companies in the Group.



Reporting System for Violations of the Code of Ethics - Whistleblowing

De Wave believes that its success and reputation depend on promptly reporting and properly addressing any alleged or attempted violations of the Code of Ethics, policies, or applicable laws and regulations to prevent harmful consequences.

To this end, the company has established a **Whistleblowing** procedure that outlines the standards for the reporting process. This allows employees and business partners to report any alleged or attempted violations of the Code of Ethics.

In accordance with the new legislation on reporting (Legislative Decree March 10, 2023, no. 24), companies must make every reasonable effort to ensure the confidentiality of the whistleblower's identity, and any other party involved in the report.

To meet this requirement, De Wave Group has implemented a certified platform that allows whistleblowers to make reports anonymously if desired.

Compensation Committee

De Wave has established a "**Compensation & Benefits Committee**," which meets monthly to define compensation policies, evaluate the performance of senior executives, and in general, ensure fair and adequate remuneration for its employees.

Risk Identification

De Wave identifies, assesses, and monitors risks related to its activities, including safety and environmental risks, through designated individuals with specific roles and authority. These roles include safety managers as per Article 16 of Legislative Decree 81/2008, and safety supervisors as per Article 19 of the same decree. Key roles include the Head of Prevention and Protection Services (RSPP), Officer for Prevention and Protection Services (ASPP), Workers' Safety Representative (RLS), as well as a Compliance Officer as per Article 6 of Legislative Decree 231/2001. The reference framework for these activities ISO 31000.



Cyber-Security

As early as 2022, the Group initiated a process to strengthen corporate defense systems and progressively educate and raise awareness among employees on cyber-security measures. These initiatives included:

- Implementation of continuous monitoring tools for system vulnerabilities.
- Introduction of Multi-Factor Authentication (MFA) for all De Wave employees.
- First cycle of Cyber Security Awareness training (raising awareness about risks associated with the use of IT tools).

In 2023, additional security measures were implemented, such as:

- Replacement of the old cybersecurity control infrastructure with equipment aligned with standards recommended by the Shareholder (Fortinet firewalls and switches).
- Implementation of traffic control software (FortiManager and FortiAnalyzer)
- Launch of a new Cybersecurity Awareness campaign with online training by CyberGuru.
- Activation of stricter policies on the use of corporate messaging.
- Cyber security assessment of De Wave networks using Cynet tools on all company devices.
- Verification of absence of company data on the dark web.

Investments in cyber security will continue following a Cyber Essential roadmap, which will be consistently updated. For 2024, planned initiatives include:

- Adoption of new backup tools with replication to an external data center for both local and cloud data.
- Definition and adoption of policies and procedures for proper use of IT tools, also in compliance with privacy directives (GDPR).
- Definition of procedures to follow in case of cyber incidents.
- Patch management: automation of client and server operating system updates.
- Implementation of MFA on VPN connections for clients.

In order to elevate the standards of security, redundancy, and continuity, the Group is pursuing a policy of progressively migrating its main applications (ERP, etc.) from on-premise infrastructure to cloud solutions or external data centers.

Direct economic value generated for the Stakeholders

During 2023, De Wave Group generated **336 M€** of economic value worldwide, and out of this it distributed **318 M€** to its Stakeholders (+18.9% compared to 2022).

The statements below are the reports build according to the "Direct Economic Value Generated and Distributed" principle 201-1 of the GRI Standards.

	2022	2023	Var %	
Economic Value Generated	283.629	336.338	18,6%	Value of Production
Revenues	283.618	336.187	18,5%	Financial interest incomes
Financial incomes	11	150	1305,3%	
Economic value distributed	268.040	318.567	18,9%	
Operating costs	222.652	257.705	15,7%	Payments to suppliers
Staff costs	37.637	47.483	26,2%	Payments to employees
Dividends	0	0	0,0%	Payments to capital providers - Shareholders
Financial expenses	5.791	9.255	59,8%	Payments to capital providers - Banks
Taxes	1.939	4.092	111,1%	Payment to Public Administration
Donations & contrib.	21	32	52,4%	
Retained Economic Value	15.589	17.770	14,0%	

Taxes paid to Public Administration

€/000	2022	2023	Var %
Italy	1.696	3.317	95,7%
Poland	19	10	-47,4%
Singapore	97	41	-57,3%
USA	128	724	466,5%
Total	1.939	4.092	111,1%

Payments to Employees

€/000	2022	2023	Var %
Italy	32.659	41.263	26,3%
USA	1.519	3.719	144,8%
Poland	2.372	2.461	3,7%
Singapore	182	31	-82,9%
China	0	9	0,0%
Finland	904	0	-100,0%
Total	37.637	47.483	26,2%

7 **SOCIAL SUSTAINABILITY AND IMPACT**



Supply Chain

The control of processes, products, and services provided externally is detailed in the **Quality Management System Manual**. De Wave Group aims to ensure that supplies and fittings delivered to the customer comply with required standards. This is achieved through check on materials, components, services, and processes, considering the importance and complexity of the supply and the consequences of any defects..

To ensure the compliance of procured items, the Purchasing Offices implement preventive checks on suppliers and receive feedback on any non-conformities. Control of supplies, services, and processes is entrusted to external entities and carried out by the project execution functions.

The companies within the De Wave Group primarily purchase:

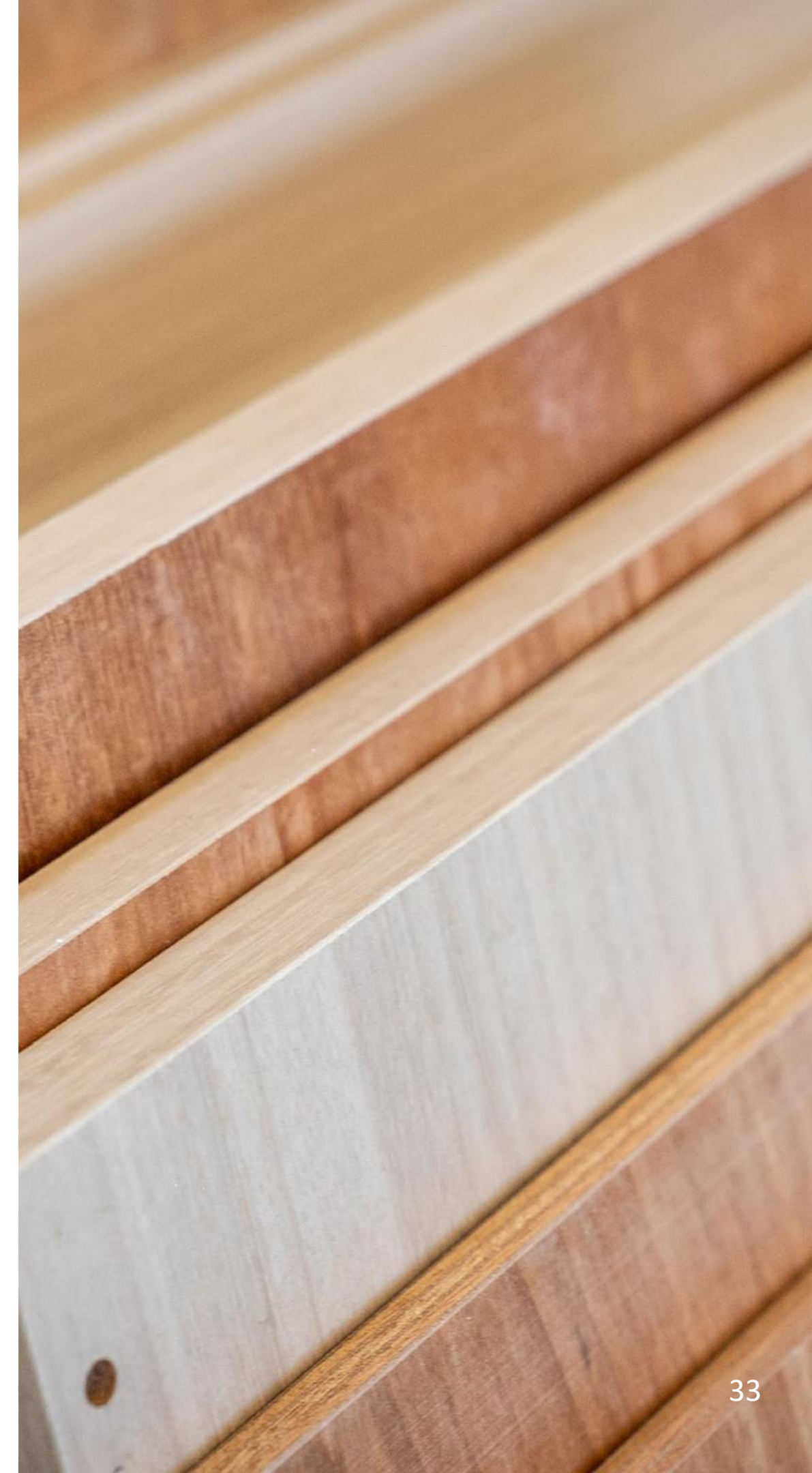
- Materials, components, and accessories for the production of manufactured goods in factories, for onboard fittings, and for the sale of spare parts.
- Subcontracted work for onboard installations and fittings.
- Processes and auxiliary services for the production of manufactured goods and fittings (e.g., painting, bonding, testing operations, logistics services, etc.).
- Professional services for design activities.
- Professional services for tax management, consulting, certifications, etc.

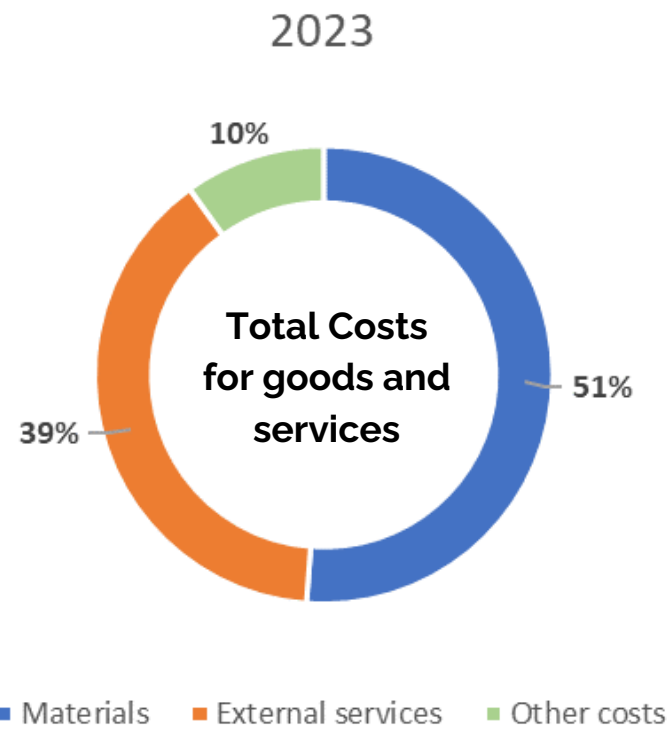
To ensure high-quality standards in its products and fittings, De Wave exclusively uses qualified suppliers who meet at least one of the following conditions:

- They have been providing supplies and/or services with satisfactory results (free from non-conformities) for at least two years.
- They have passed the evaluation by the Quality Management System Manager

Supplier qualification can be revoked if the number of non-conformities exceeds a set threshold over time.

During both qualification and monitoring phases, De Wave emphasizes safety, environmental issues, and the protection of labor rights, with specific attention to the ethical, reputational, and compliance aspects (according to Legislative Decree 231) of the suppliers.





Types of Purchases

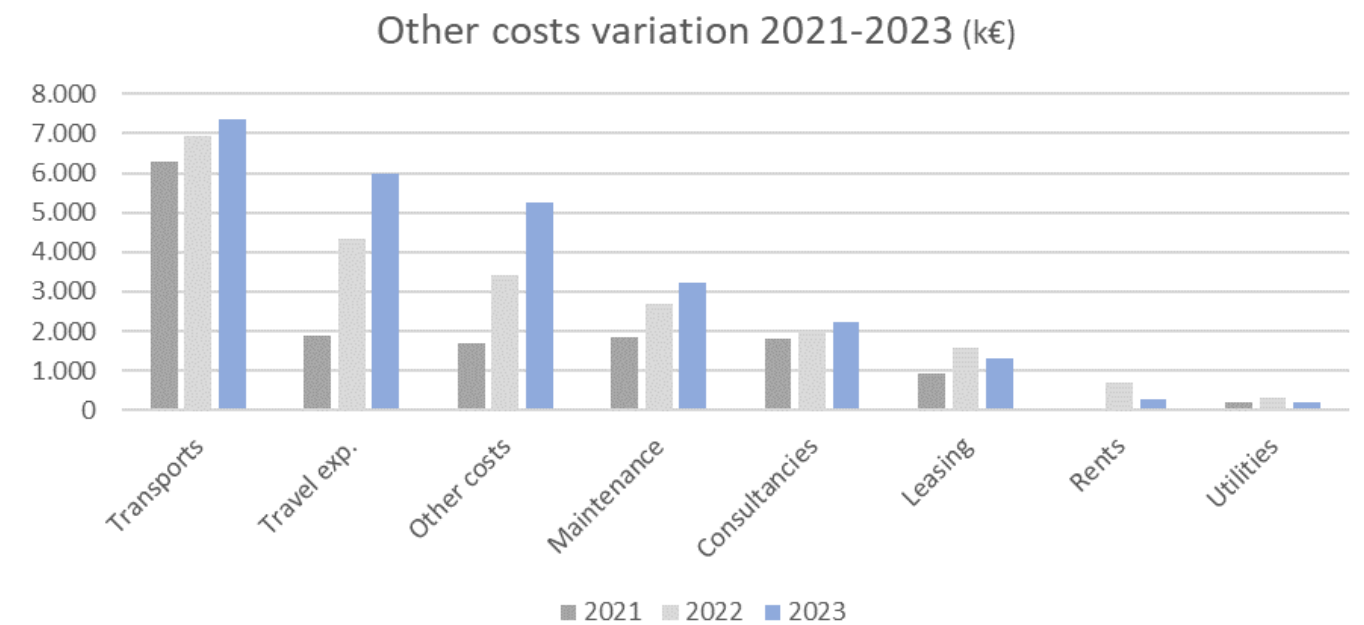
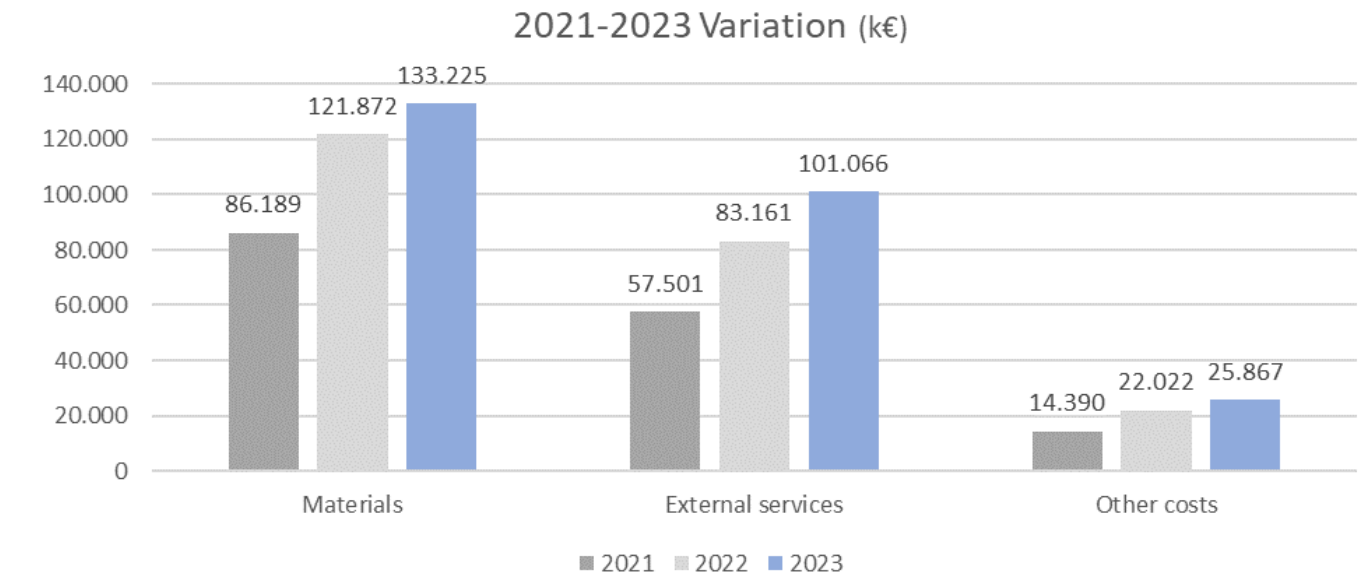
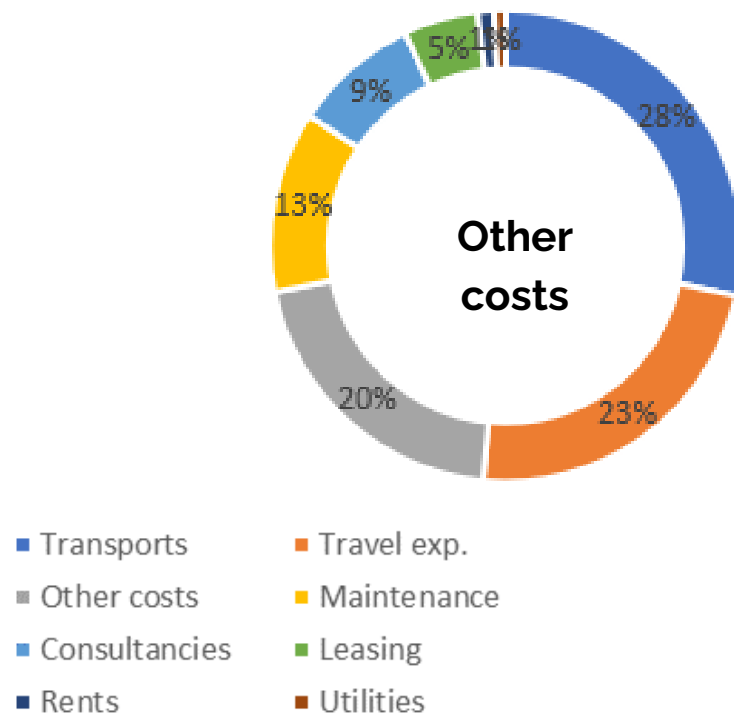
A full 90% of the costs for materials, goods, and services purchased (thus excluding the cost of internal labor) is almost equally divided between materials (raw materials, consumables, etc.) and external services (production, onboard installations, etc.)

The remaining 10% is divided among the categories listed at the bottom left, with the most significant being:

- Transportation (28%)
- Travel Expenses (23%)

The data refer to expenditures made by all Group companies during 2023.

In 2023, costs increased compared to the previous two years, both due to the increase in volumes and the entry of a new company into the Group.

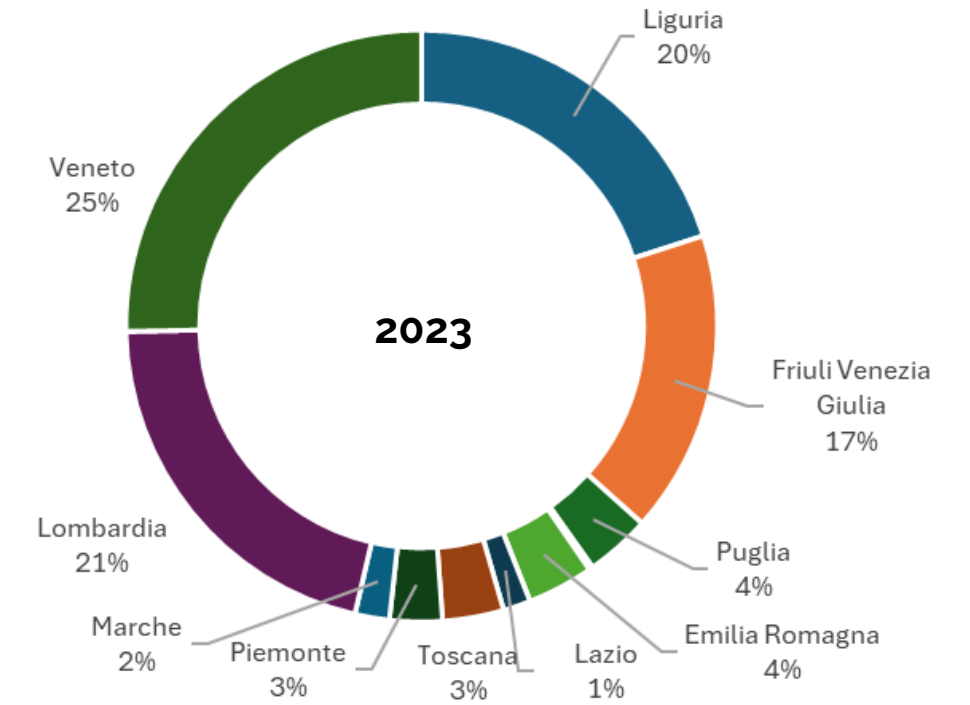
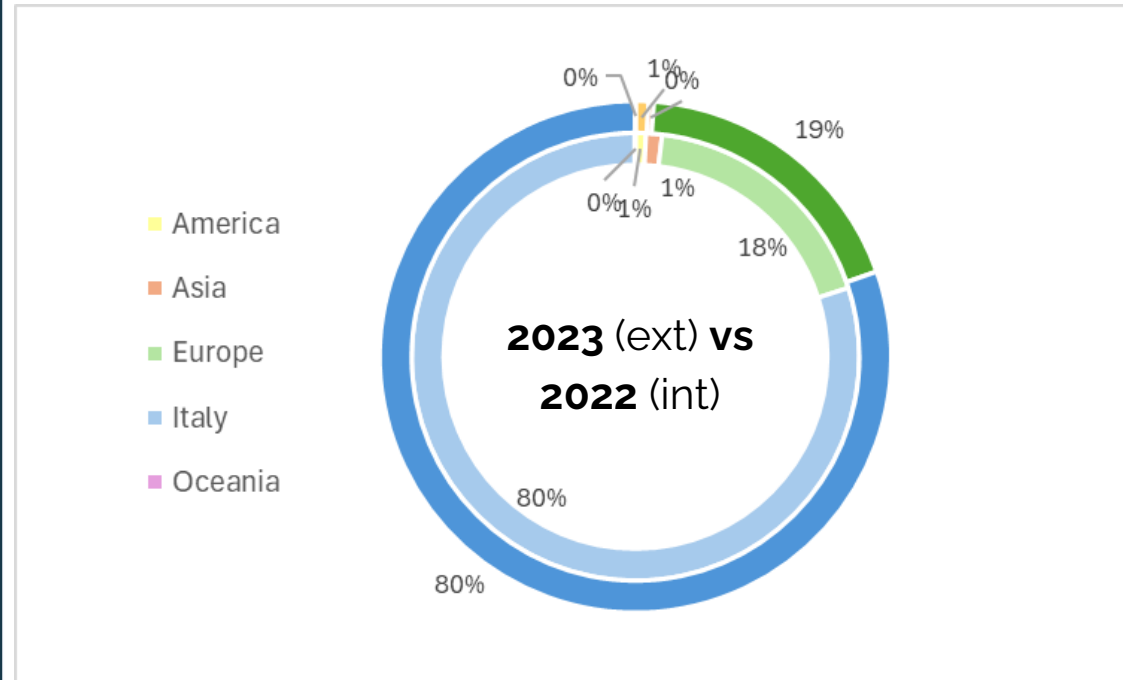


Purchases by Geographical Area

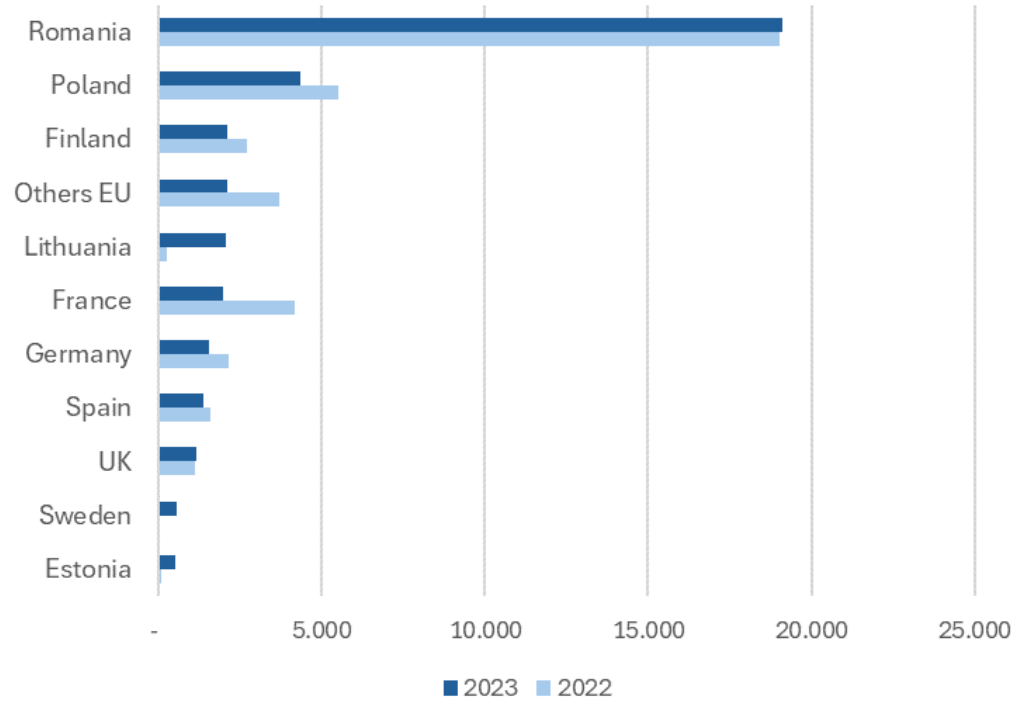
De Wave is committed to supporting Italian companies and therefore prefers national suppliers. In 2023, 99% of total purchases were from European suppliers, with a significant 80% from Italian suppliers. The remaining 19% were distributed among various European countries, primarily Romania and Poland.

As shown in the graphics, these ratios remained almost unchanged between the two years. In 2023 there was an increase in purchases from Northern European countries (Lithuania, Sweden, Estonia) and a corresponding decrease in purchases from Poland, France and Germany.

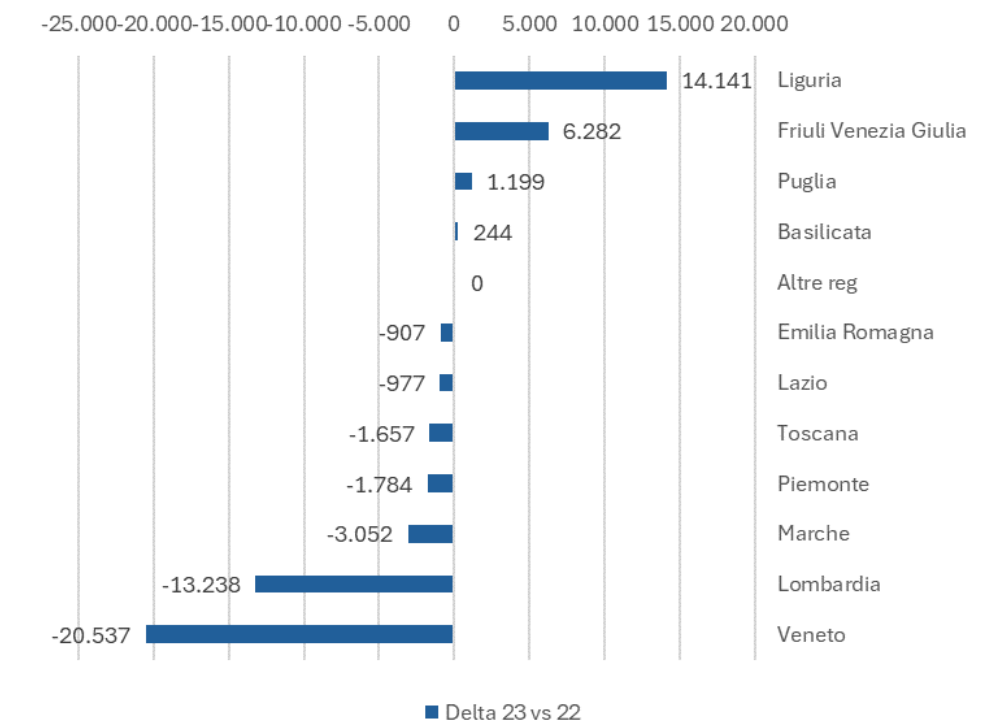
At the national level, purchases are concentrated in the three regions where the main Italian offices of the Group are based (Liguria, Veneto, and Friuli), along with Lombardy. Together, these regions account for 76% of purchases, with significant growth in Liguria and Friuli compared to 2022, at the expense of Lombardy and Veneto. The data refer to the companies De Wave Srl, Tecnavi, Palamar, and Wingeco.



23 vs 22 - Other European countries



Delta by Region 23 vs 22



The Quality and Safety of our Products are Central to our Development.

Products such as panels, doors, walls, ceilings, decks, and related cladding materials meet international product standards and are certified by accredited bodies, including:

- Specific testing related to airborne sound insulation according to UNI EN ISO 10140-2:2010 and UNI EN ISO 717-1:2013 standards, soft body impact resistance according to ETAG 003:2012 guideline, UNI ISO 7892:1990 standard, and soft and hard body impact resistance according to UNI 8201:1981 and UNI ISO 7892:1990 standards, ensuring each product complies with these standards, which are sometimes not included in any legislative provisions;
- Compliance with fire protection and the requirements of the Marine Equipment Directive (MED) 2014/90/EU, and Regulations (EU) 2020/1170, 2018/773, 2021/1158, 2019/1397 as well as the included testing standards.

CATEGORY / TOPIC	Scope
UNI EN ISO 9001	Quality Management
UNI EN ISO 9000	Quality Management: Fundamentals and Vocabulary
UNI EN ISO 9004	Managing an organization for sustainable success. The approach to Quality Management.
UNI EN ISO 10005	Quality Management Systems: Guidelines for Quality Plans
UNI EN ISO 14001	Environmental Management System
UNI EN ISO 19011	Guidelines for auditing Quality Management Systems and/or Environmental Management Systems
UNI EN 10088-1	Stainless steel List of stainless steels
UNI EN ISO 10545	Ceramic Tiles
UNI EN 14411	Ceramic Tiles Definition, Classification, Characteristics, and Marking
UNI EN 14428	Shower Walls Functional Requirements and Test Methods
UNI EN 14668:2015	Sanitary Appliances - Washbasins Functional Requirements and Test Methods

The Group consistently strives to adhere to these standards, sometimes proactively, to uphold high-quality benchmarks.

A primary objective of the Group is to propose and develop highly customized offerings, designing and engineering products tailored to the specific needs of each customer.

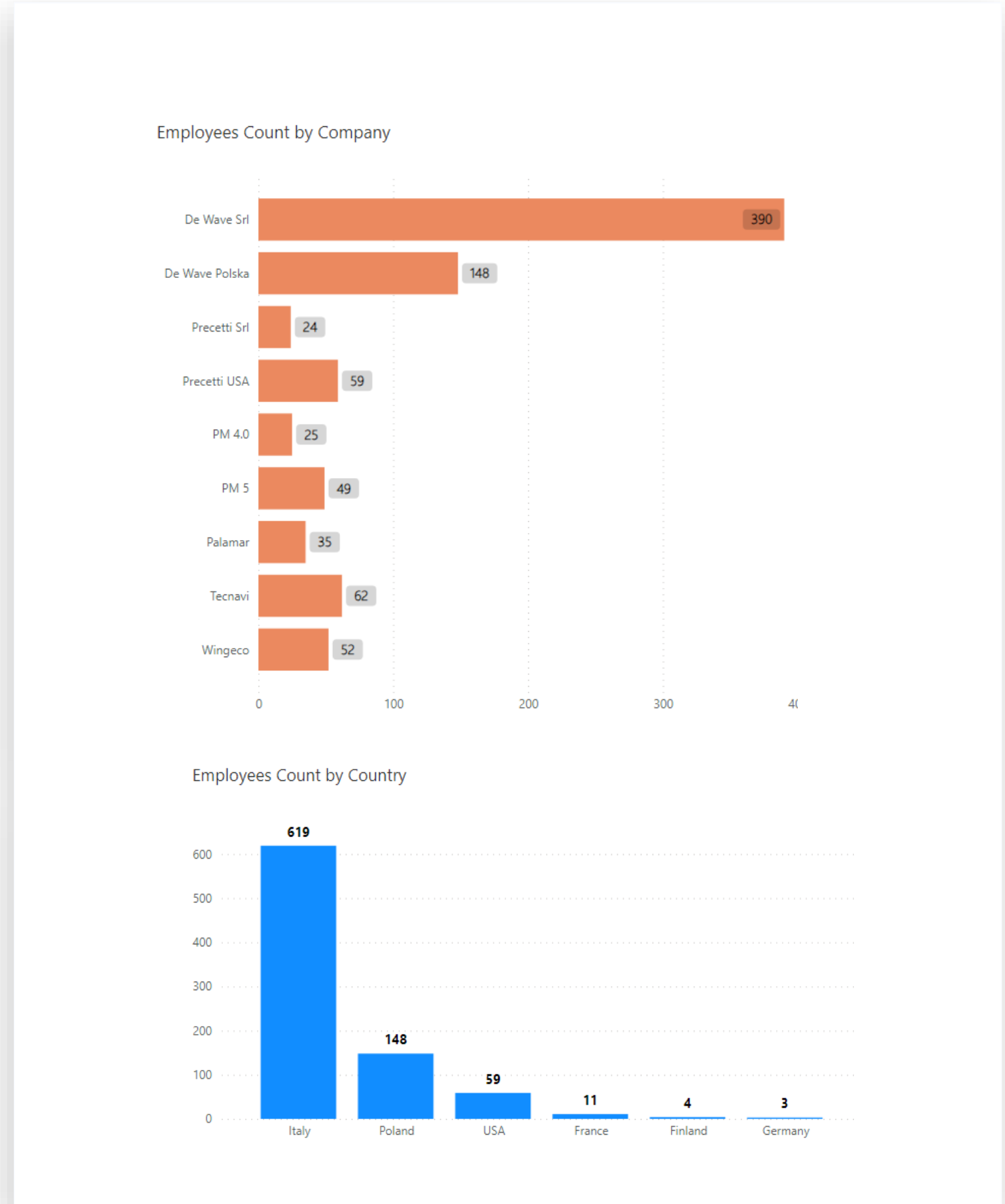
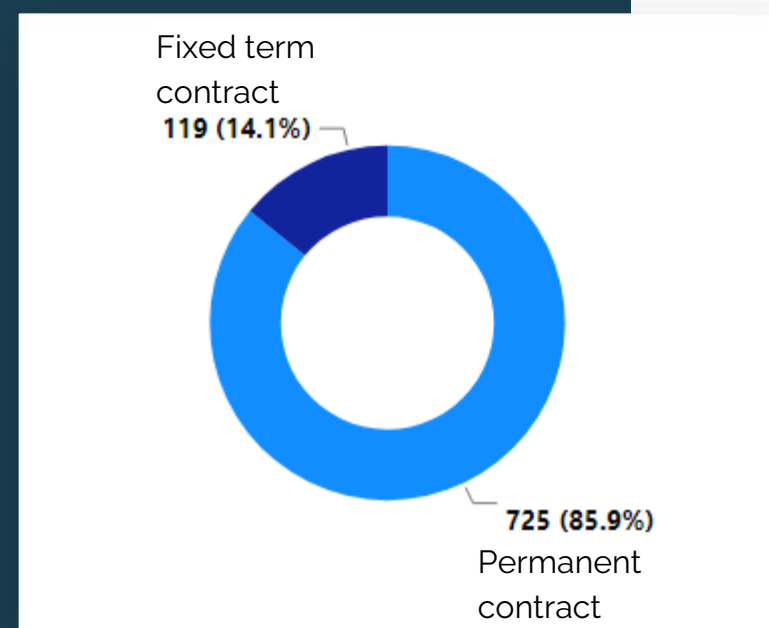
This requires active management and procurement strategies throughout every phase of development and order execution, in close collaboration with suppliers and a continual pursuit of high-value solutions.

As previously mentioned, in 2023 the ISO 14001:2015 and 45001:2018 certifications were expanded to include Tecnavi and Wingeco, with plans to extend these certifications to all other subsidiaries in 2024.

	ISO 9001	ISO 14001	ISO 45001
	Quality	Environment	Health & safety
DE WAVE SRL	X	X	X
DE WAVE POLSKA	X		
PRECETTI SRL	X		
PRECETTI USA			
PM 4.0			
PM 5.0			
PALAMAR			
TECNAVI	X	X	X
WINGECO		X	X

Objectives and Strategy for Personnel Management

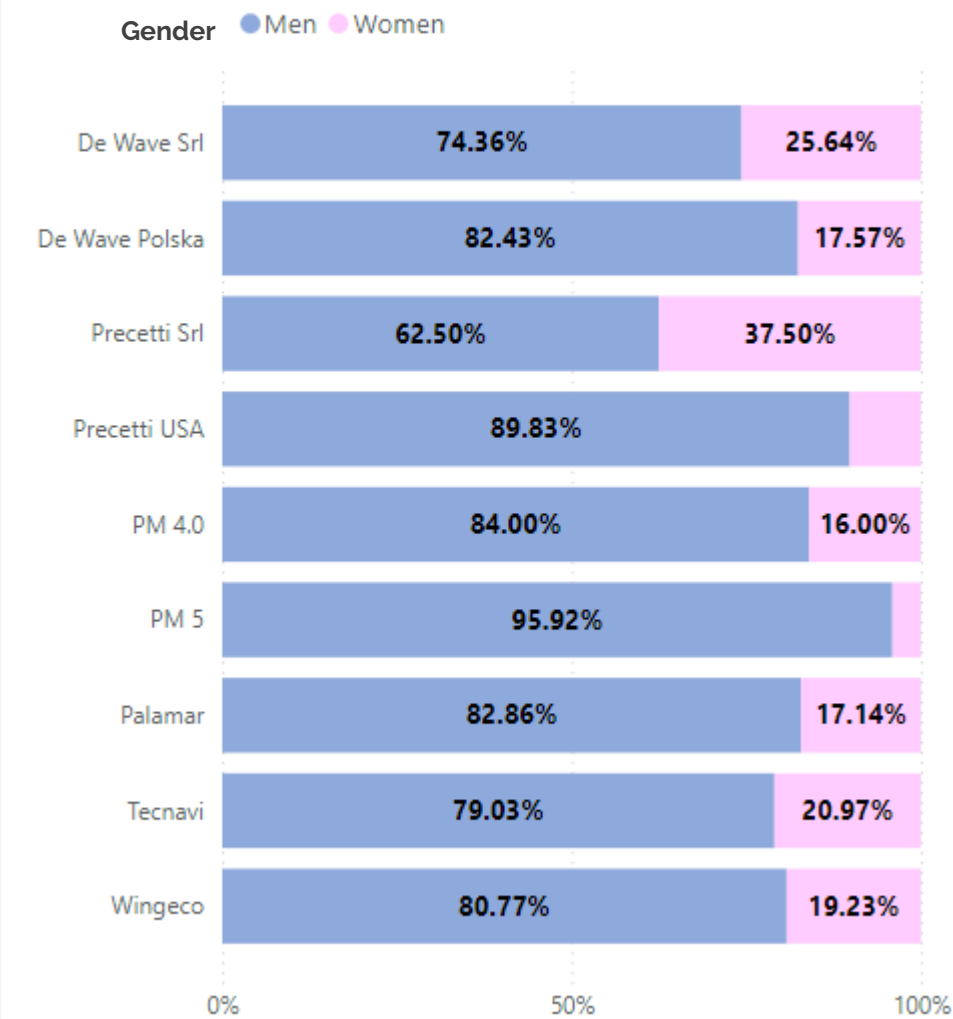
- At the end of 2023, the Group reached 844 employees, 73.3% of whom are concentrated in the various Italian companies, while the rest are distributed between Poland, the USA, and the European branches of the Italian companies.
- During 2023, the percentage of part-time contracts increased, although still a minority, rising from 1.3% to 2.25% (and in 2022, it had already more than doubled compared to the previous year).
- The percentage of permanent contracts also slightly increased, standing at 85.9%
- After the significant increase in staff due to numerous hires made during 2022, growth slowed in 2023, remaining focused on the worker category and leading to a slight increase in the gender ratio (rising to 20.9%)



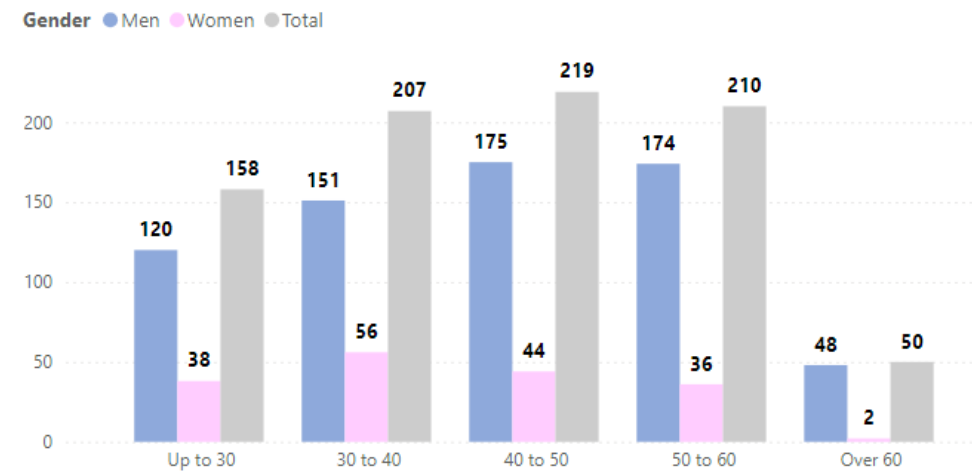
Gender Equality

- Despite operating in a sector where the demand for labor is typically male-dominated, the percentage of female employees has recently risen to just above 20% of the company's population. This increase is primarily seen in administrative roles and is especially prevalent among younger age groups.
- The presence of women varies significantly among the Group's companies, ranging from a maximum of 37.5% at Precetti Ltd (Refitting) to a minimum of 6.38% at PM5 (on-board assemblies).

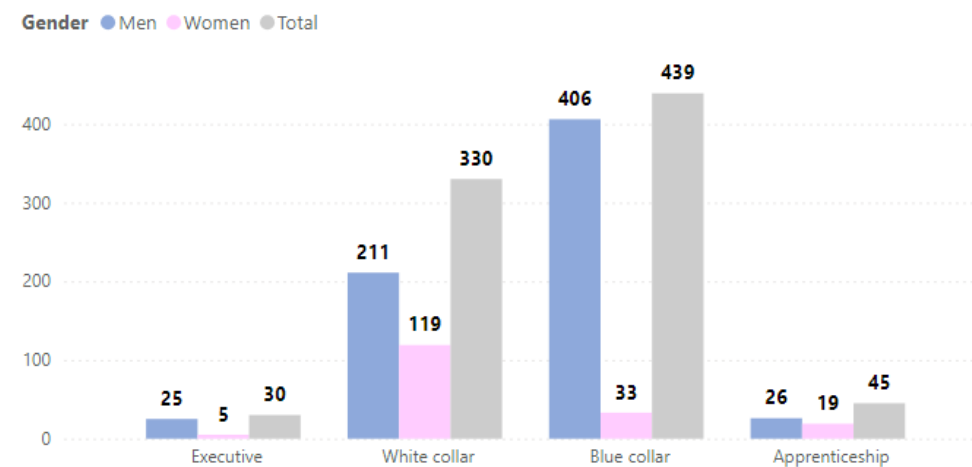
Employees Count by Company and Gender



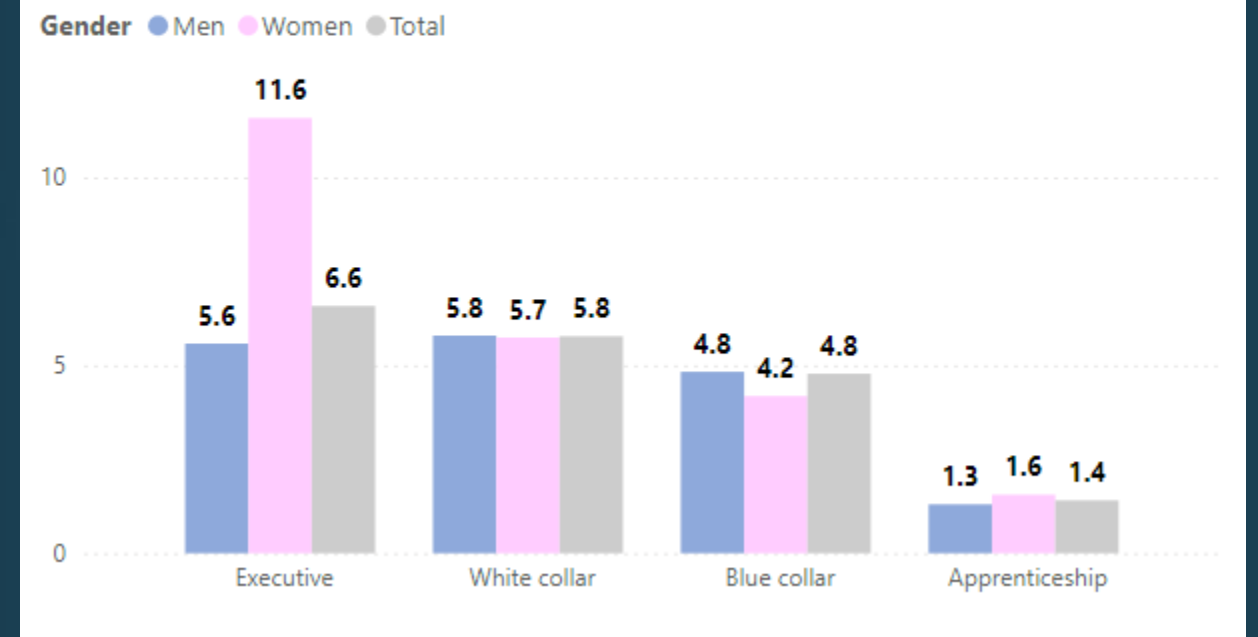
Employees Distribution by Age Ranges



Employees Distribution by Gender



Average Seniority by Level/Gender



Hires and Exits in 2023

The net increase in personnel (resulting from the balance between hires and departures) occurred primarily in the age group between 50 and 60 years old (+85%), with a significant contribution from young people under 30 years old (+18%).

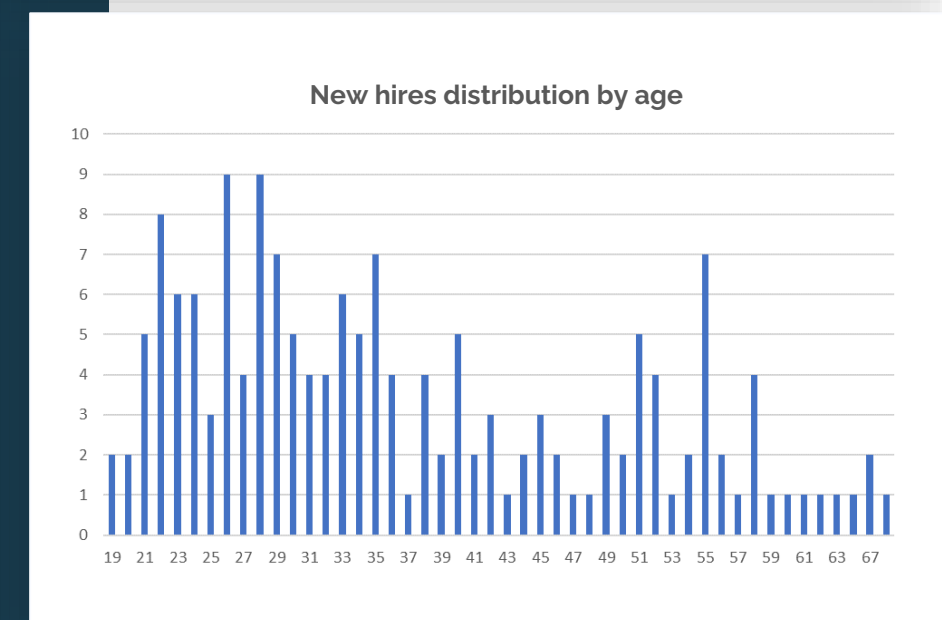
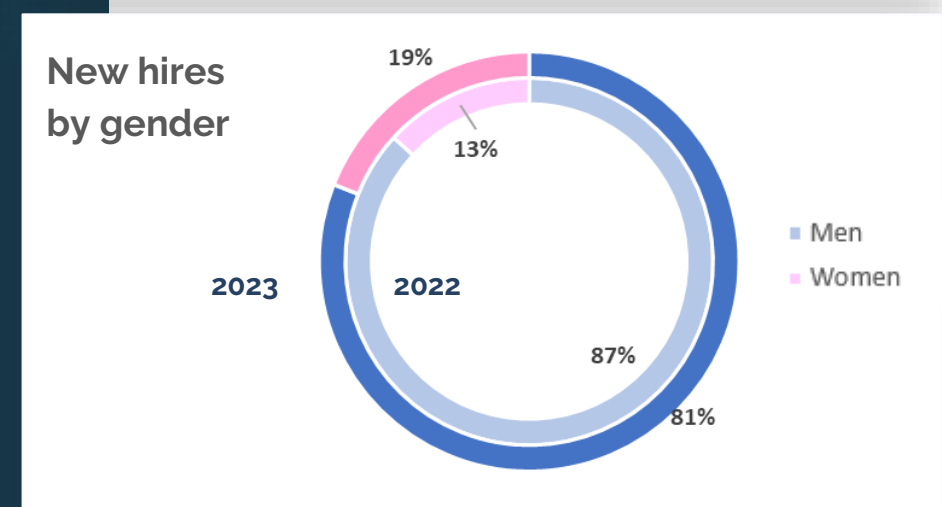
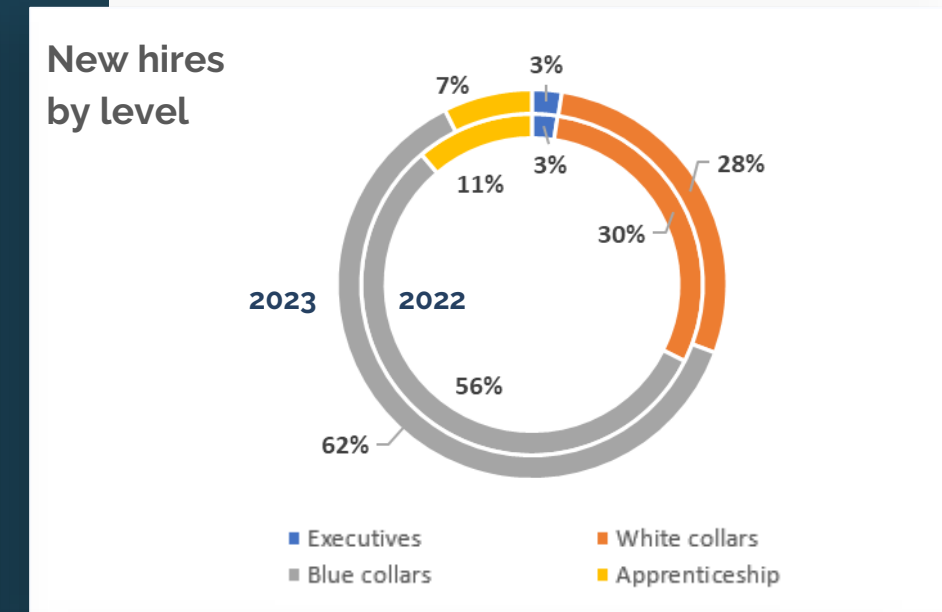
Compared to the previous year, 63% of the net increase is attributed to the entry of women, while decreases were observed among men, especially among those over 60 and employees aged between 40 and 50 years old.

Delta vs 2022	Up to 30	30 to 40	40 to 50	50 to 60	Over 60	Total
Men	0,0%	3,7%	-7,4%	51,9%	-11,1%	37,0%
Women	18,5%	7,4%	7,4%	33,3%	-3,7%	63,0%
TOT	18,5%	11,1%	0,0%	85,2%	-14,8%	100,0%

From the perspective of job classification, the growth in staff is supported almost exclusively by workers and apprentices, while there is a slight decline among administrative staff and executives.

Delta vs 2022	Up to 30	30 to 40	40 to 50	50 to 60	Over 60	Total
Executive	0,0%	-7,4%	0,0%	0,0%	3,7%	-3,7%
White collar	22,2%	-25,9%	-3,7%	11,1%	-22,2%	-18,5%
Blue collar	-40,7%	40,7%	3,7%	74,1%	3,7%	81,5%
Apprenticeship	37,0%	3,7%	0,0%	0,0%	0,0%	40,7%
Total	18,5%	11,1%	0,0%	85,2%	-14,8%	100,0%

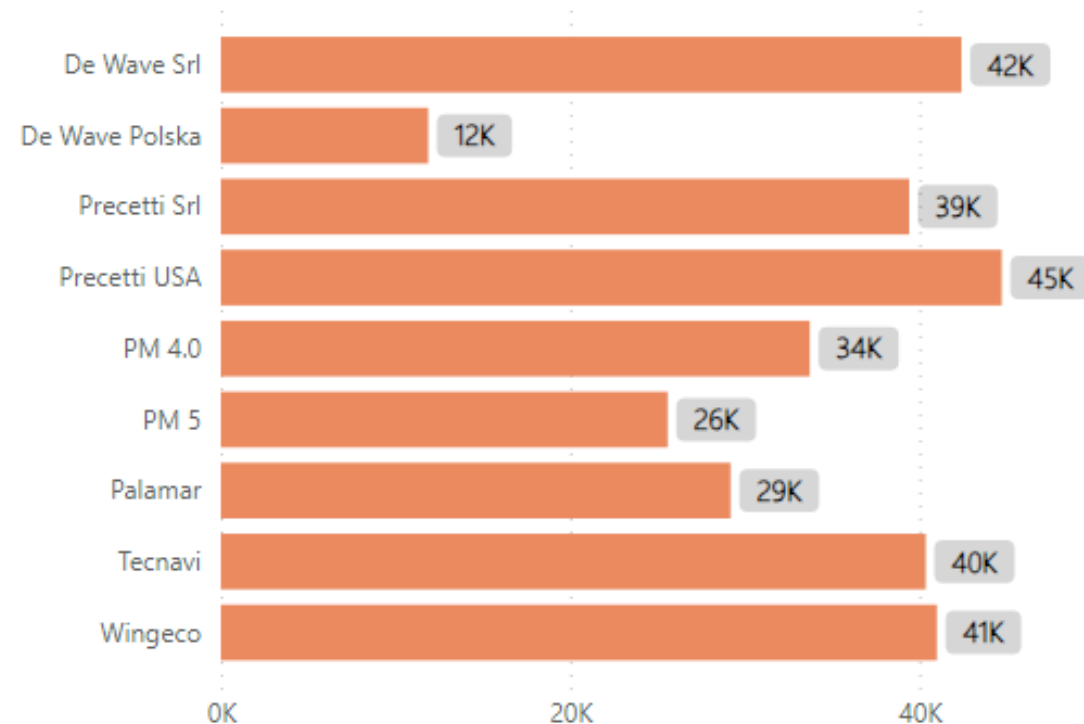
2022	2023
+250 Hires	+163 Hires
-177 Exits	-178 Exits
+94 From M&A	+42 From M&A
15,7% Turnover	15,4% Turnover



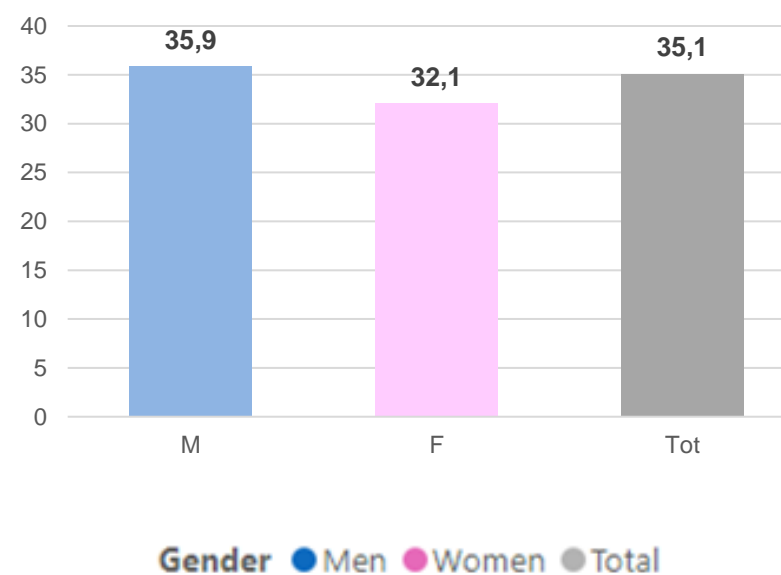
Average Salaries

- Average salaries per company show some variability due to the different composition of the workforce, the activities carried out, and also due to average salary levels in different countries.
- Overall, salaries for men and women are largely aligned, although women still experience slightly lower pay levels than men, especially among executives and workers.
- These differences can be more pronounced at the individual company or level, and in 2024, this will be a topic of analysis from a gender equality perspective.

AVG Salary by Company



Average salary by gender



Women to men average salary ratio

Year	2023			
	Executive	White collar	Blue collar	Apprenticeship
De Wave Srl	0.66	0.81	0.79	1.01
De Wave Polska		0.76	0.93	
Precetti Srl		0.76		1.13
Precetti USA		1.01	0.96	
PM 4.0		0.60	0.97	
PM 5	0.00	0.00		
Palamar			0.87	1.08
Tecnavi		0.75		
Wingeco		0.69		0.97

HR Policies

Welfare

The company has consolidated and promoted the use of a Welfare platform to provide a tool for converting performance bonuses, ensuring greater purchasing power and access to benefits per the national contract (reimbursement of school education expenses for children, reimbursement of textbooks for children, use of vouchers, health care reimbursements, conversion into premiums for complementary pension funds).

Remote Working and Work-Life Balance

Flexible working hour profiles have been stabilized, allowing flexibility in entry and exit times for the entire workforce, with particular attention to workers with children.

Remote working has been implemented in alignment with the technical, production, and organizational needs of each function, taking into account specific tasks and role responsibilities.

These actions aim to enhance employees' work-life balance while maintaining the overall compensation package unchanged.

Health and Social Networking

At the company's headquarters, which houses the largest number of employees, an internal Fitness Area and an external Recreational Area have been set up. These areas complement and enrich the company's welfare program aimed at creating spaces dedicated to employee well-being, enhancing individual value, and promoting social activities. This initiative stimulates creativity and enhances the quality of the workday.

Personnel Policies

De Wave Academy

A partnership with the Accademia Mercantile Navale of Genoa has been established, aimed at selecting a class of students through a public competition for their participation in a training program, both in the classroom and through internships within the company.

The students will be trained to obtain the qualification of Ship Manager.

Upon completion of the 18-month training program, the students will be employed in the company to begin their professional career path, ensuring growth, development, and continuity within our organizational structure.

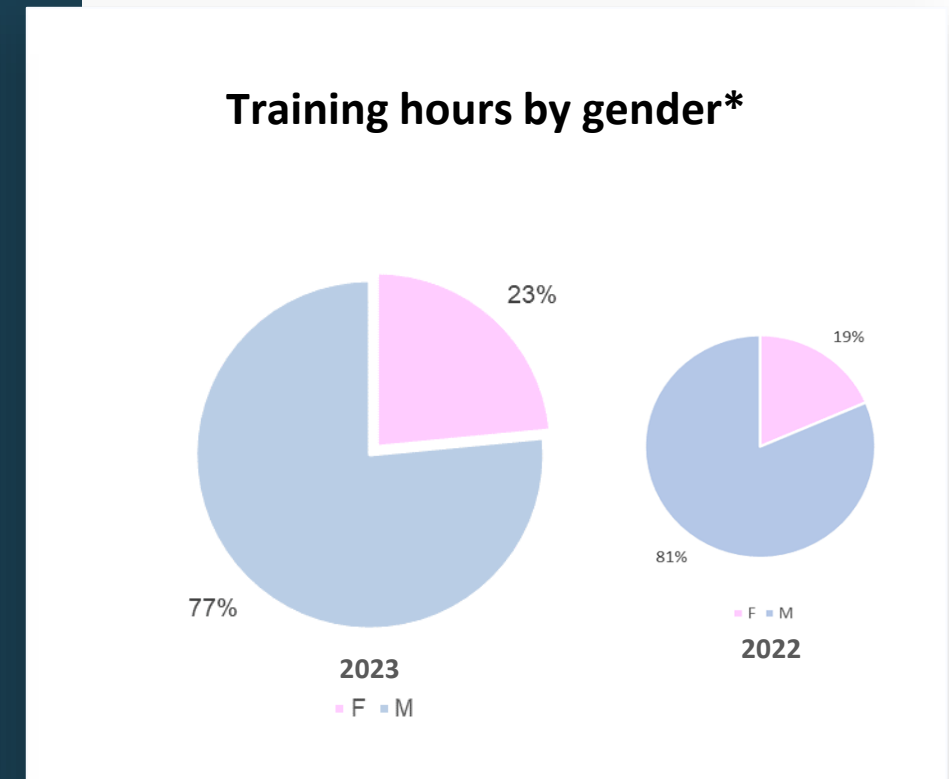
Behavioral Skills

Throughout 2023, specific training sessions involving all personnel were conducted to promote competence in "internal communication," with the objective of enhancing its strategic importance and fostering involvement, motivation, and collaboration among colleagues. This initiative aims to create an atmosphere of trust and shared company objectives.

Training

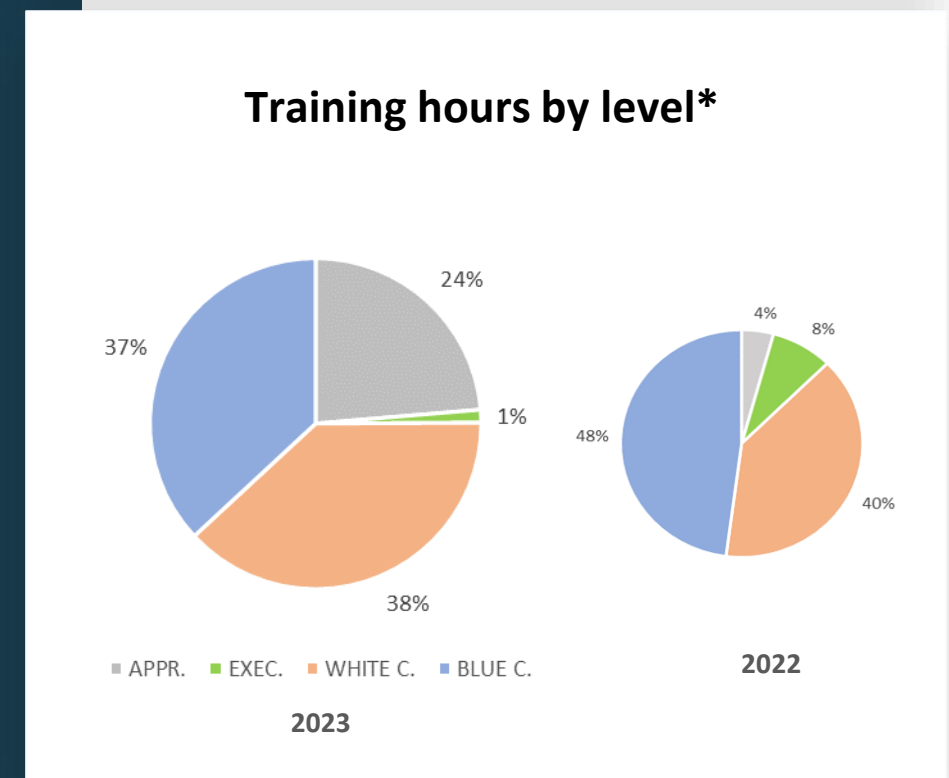
- The Group continues its path of technological and digital transformation, requiring continuous updating and expansion of the skills of its workforce.
- During 2023, the Group delivered a total of 6,894 hours of training, of which 2,910 were on Health, Safety, and Environment (HSE) topics, compared to 1,572 hours in 2022
- This figure has also increased when compared per employee: 7.5 hours per capita in 2023, compared to 5.8 hours in 2022.
- The percentage of women who participated in training activities in 2023 rose to 23%, an improvement from the 19% recorded in 2022 and slightly higher than the percentage of women in the company.
- From a job classification perspective, the main beneficiaries of training were administrative staff (38%) and workers (37%).
- Aware of the importance of measuring these data to optimally direct training efforts, the Group has enhanced its ability to track training across all Group companies, enabling more accurate measurement of commitments and investments.

Training hours 2022	# of hours	# of employees	# of hours per employee	
			2023	2022
DE WAVE SRL	3.219	445	7,2	10,1
DE WAVE POLSKA	1.644	161	10,2	0,2
PRECETTI SRL	204	24	8,5	2,1
PRECETTI INC	0	61	0,0	0,0
PM4	108	25	4,3	3,0
PM5	0	55	0,0	0,0
PALAMAR	265	39	6,9	7,7
TECNAVI	422	60	7,1	7,2
FCR	0	2	0,0	0,1
Wingeco	1.033	49	21,0	na
Group	6.894	920	7,5	5,8



Training costs

	2021		2022		2023	
	k €	% Rev.	k €	% Rev.	k €	% Rev.
De Wave Srl	32	0,02%	15	0,01%	33	0,01%
De Wave Polska	4	0,04%	5	0,08%	4	0,06%
Precetti Srl	4	0,04%	1	0,01%	1	0,01%
PM 5.0					1	0,02%
Palamar			5	0,11%	3	0,07%
Tecnavi			8	0,04%	4	0,02%
FMI						
FCR OY			4	0,03%		
Wingeco					16	0,23%
Total	39	0,02%	39	0,01%	62	0,02%



Gender and level distribution is calculated on De Wave, Tecnavi, Palamar e Wingeco (together representing **64,4%** of the entire Group population)

Health and Safety of the Workforce

De Wave Group intends to operate as a leading company in the naval outfitting sector — in all phases from design to onboard installation — ensuring the safety and health of its employees and third parties involved in its activities.

The goal is indeed ZERO ACCIDENTS, and to achieve this, the Group works on enhancing employee engagement through training, meetings, mentoring, and the use of improvement tools in accident recording and analysis.

Additionally, the involvement of all participating organizations — such as contractors and subcontractors — is crucial to achieving more precise and careful compliance with health and safety regulations.

Compared to 2022, excluding an extension of the average absence period following accidents (linked to the severity index of some events in the Polish plant), there were overall fewer incidents and a lower frequency rate during 2023.

	# of Incidents	# of Days	# of Work-related Fatalities	# of worked hours	TRIR	Frequency Index	Severity Index	Avg duration Index
De Wave Srl	5	140	-	668.548	0,12	7,48	0,21	28,00
De Wave Polska	4	497	-	221.370	0,30	18,07	2,25	124,25
Precetti Srl	-	-	-	39.024	-	-	-	-
Precetti USA	-	-	-	121.022	-	-	-	-
PM 4.0	2	127	-	39.150	0,85	51,09	3,24	63,50
PM 5.0	7	81	-	89.307	1,31	78,38	0,91	11,57
Palamar	1	6	-	71.777	0,23	13,93	0,08	6,00
Tecnavi	1	69	-	106.815	0,16	9,36	0,65	69,00
Wingeco	1	2	-	82.647	0,20	12,10	0,02	2,00
	21,00	922,00	-	1.439.658	0,24	14,59	0,64	43,90
2022	26,00				0,29	17,43	0,36	20,92
	-19,2%							

Frequency Index = n. accidents x 1.000.000 / worked hours in the period

Severity Index = n. lost days x 1.000 / worked hours in the period

Average duration index = lost days due to accidents/ n° of accidents

	# of Incidents		# of Days	
	2022	2023	2022	2023
De Wave Srl	5	5	74	140
De Wave Polska	8	4	184	497
Precetti Srl	-	-	-	-
Precetti USA	-	-	-	-
PM 4.0	-	2	-	127
PM 5.0	4	7	119	81
Palamar	3	1	84	6
Tecnavi	3	1	56	69
Wingeco	3	1	27	2
	26	21	544	922

De Wave Group's Partners

De Wave Group is a proud partner of the leading companies in the naval sector.

The Group places utmost importance on listening to customer needs and expectations to maximize their satisfaction.

A key objective of the Group is to propose and develop highly customized solutions, designing and engineering products based on the specific needs of each customer.

This involves active management and procurement strategies during each phase of order development and execution, in constant synergy with suppliers and the continuous search for innovative, high-value products.

The business model also focuses on environmental sustainability, implementing certified management systems that ensure proper management of the companies from both a qualitative and environmental perspective (see "The Quality and Safety of our Products are Central to our Development").



8 ENVIRONMENTAL SUSTAINABILITY



Energy Efficiency and Consumption

Energy efficiency is a growing priority for the Group, as reducing consumption and optimizing production processes can yield both economic and environmental benefits.

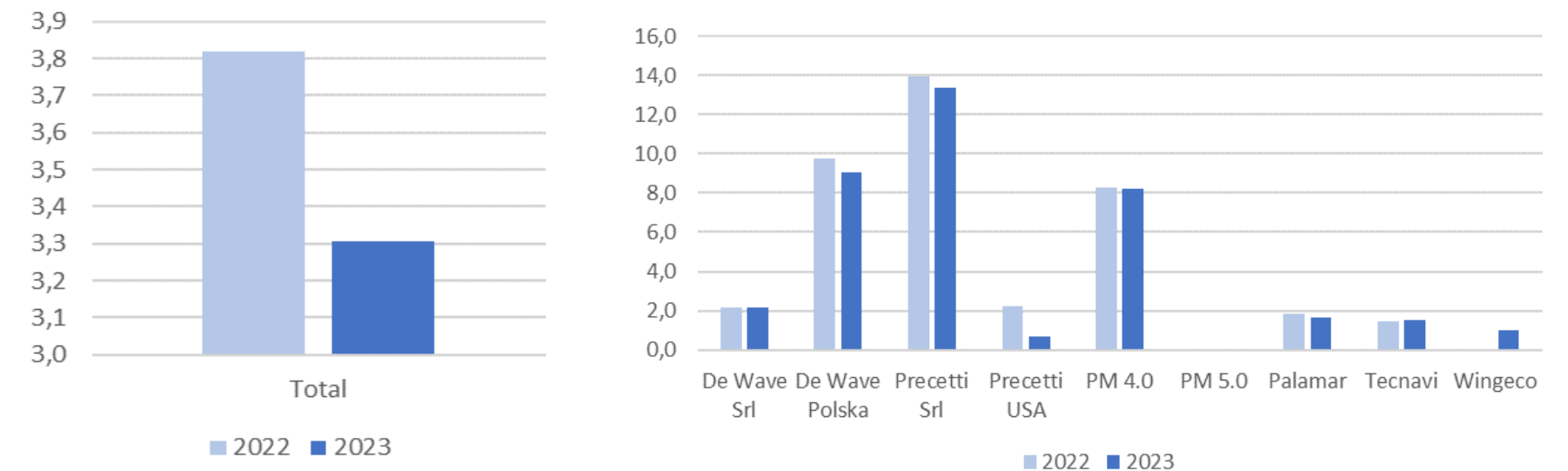
During 2023, De Wave Group recorded a global **decrease** of 16.4% in energy consumption compared to 2022, despite a simultaneous increase in revenue and productivity.

In 2023, energy consumption from energy procurement amounted to approximately 4,763 MWh which, over a total useful area of 51,921 square meters, corresponds to an average consumption of about 92 kWh/square meter, a decrease from the 116 recorded in 2022.

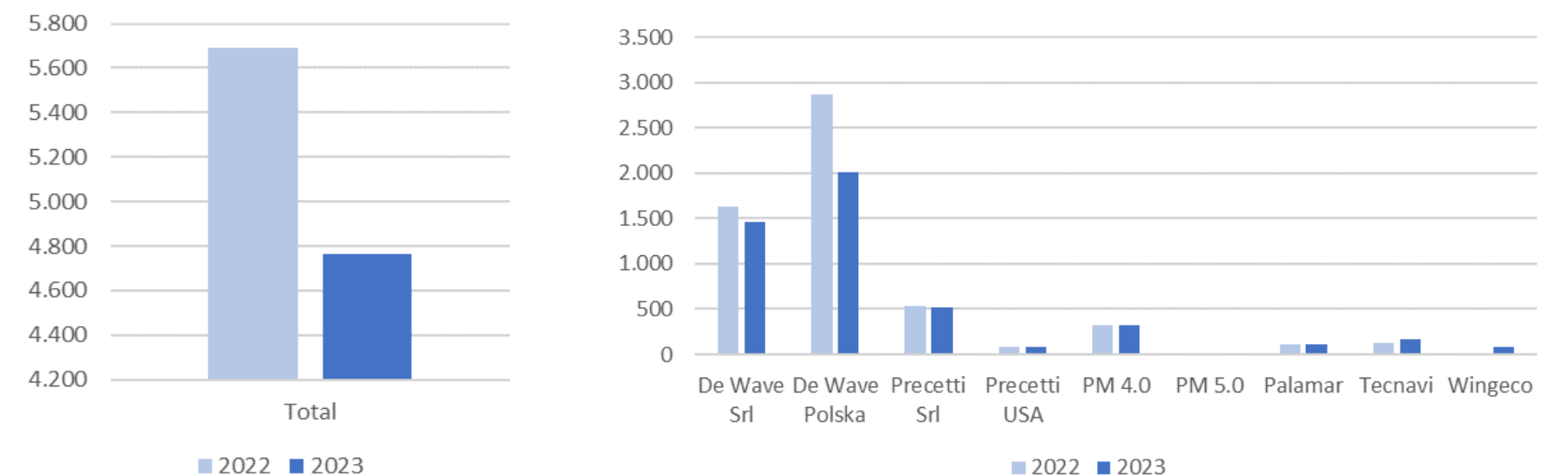
When compared with the cost of goods sold (CoGS) in 2023, energy consumption is around 0.017 kWh/€, a slight improvement from the 0.023 kWh/€ recorded in 2022, demonstrating that the impact of energy consumption decreased relative to the volume of production factors used.

	TOT MWh			KWh / Worked hour	
	2022	2023	23 vs 22%	2022	2023
De Wave Srl	1.633	1.464	-10,4%	2,1	2,2
De Wave Polska	2.871	2.008	-30,1%	9,8	9,1
Precetti Srl	536	521	-2,7%	13,9	13,4
Precetti USA	85	83	-2,5%	2,2	0,7
PM 4.0	321	321	0,1%	8,3	8,2
PM 5.0	0	0	0,0%	0,0	0,0
Palamar	116	118	2,1%	1,9	1,6
Tecnavi	132	166	25,8%	1,4	1,6
Wingeco	0	81	0,0%	0,0	1,0
Total	5.694	4.763	-16,4%	3,8	3,3
					-13,3%

KWh per worked hour



Total energy usage (MWh)



Efficient Waste Management

Proper disposal and management of waste are fundamental aspects for the Group, both from an environmental and a regulatory perspective. The criteria for managing production residues and waste disposal are integrated within the Quality Management System (QMS) through specific procedures aimed at reducing the amount of waste produced and implementing recycling and reuse practices to minimize environmental impact and promote sustainability.

The Group's activities generate waste from shipyard or onboard activities (such as rock wool/glass wool scraps, metal scraps, damaged components, various packaging materials, some of which are contaminated with hazardous substances), as well as from office activities (such as toner, paper and cardboard, civil waste, stationery products, used batteries, etc.).

Waste management in the shipyard or onboard, by contract, is the responsibility of the client, who has the full control of the site. Therefore, it can be stated that waste is managed in compliance with the relevant regulations, specifically:

- Analyzed, when necessary, to ensure accurate identification
- Handled and stored carefully at the production site until disposal or recovery
- Stored in appropriate containers to prevent danger, and recorded in specific registers as required by current regulations
- Recorded using forms and load/unload registers
- Disposed of or recovered using authorized operators

In 2023, there was a decrease in waste produced (1,114.7 tons compared to 1,364.7 tons in the previous year), despite an increase in the Value of Production.

(ton)	2021	2022	2023	23 vs 22
De Wave	424,5	682,2	584,1	-14,4%
Precetti	2,7	28,9	5,9	-79,6%
DEW Polska	679,8	523,4	412,1	-21,3%
PM 4.0	38,3	44,1	28,2	-36,1%
Palamar	0,0	47,2	45,7	-3,2%
Tecnavi	7,0	9,9	7,4	-24,8%
Wingeco	24,0	28,9	31,3	8,0%
Total	1.176,4	1.364,7	1.114,7	-18,3%

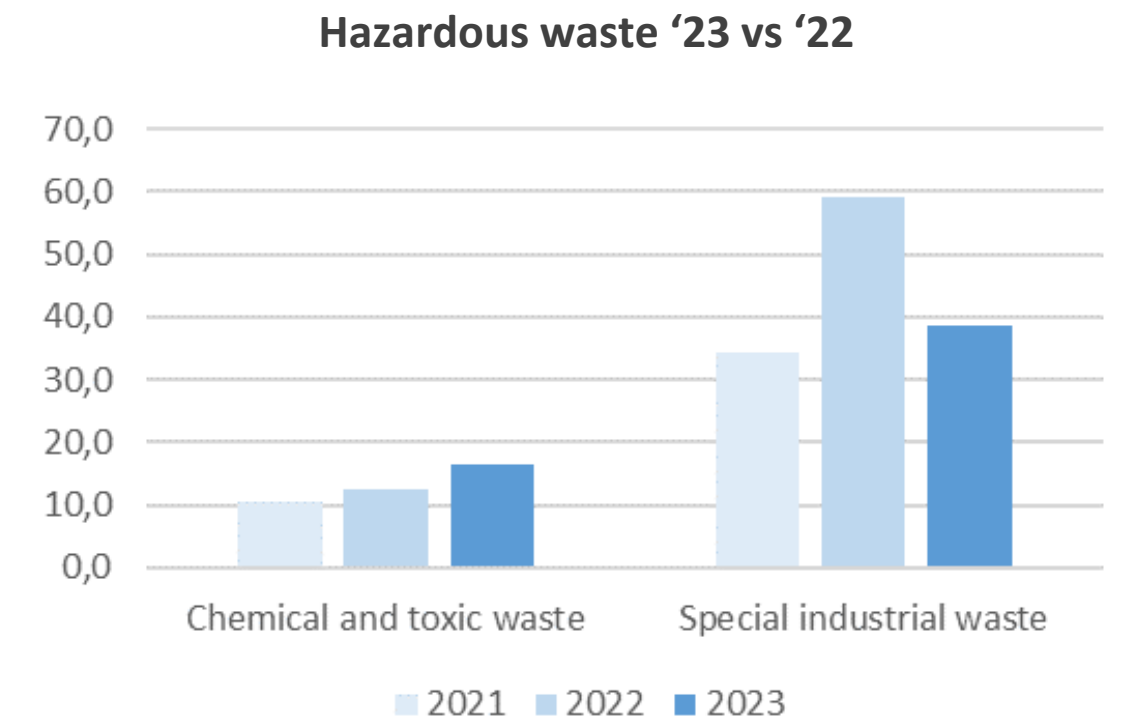
(ton)	2021	2022	2023	23 vs 22
Not hazardous	1.131,8	1.293,1	1.059,9	-18,0%
Hazardous	44,6	71,6	54,9	-23,3%
% not hazardous	96,2%	94,8%	95,1%	
% hazardous	3,8%	5,2%	4,9%	



In particular, in 2023, the total waste produced relative to a total area of 51,921 square meters corresponds to an annual average of approximately 21.5 kg/square meter, significantly lower than the 27.8 kg/square meter recorded in 2022.

Additionally, if the weight in kilograms of waste is compared with the cost of goods sold (CoGS) in 2023, a percentage ratio of 0.40% is obtained, an improvement over the same ratio recorded in 2022, which was 0.56%.

However, during 2023, there was an increase in hazardous waste, particularly packaging containing residues of hazardous substances (150110*) and adhesives and sealants containing solvents (080409*), due to the specific characteristics of the work conducted by the Group's companies. The waste produced is always treated in accordance with legal requirements to ensure proper disposal and recovery.



9 GOALS FOR 2024



Goals for 2024

Aware of the growing relevance of ESG issues and their increasingly close interconnection with regular business operations, the Group has set the dual objective for the coming year to:

- Initiate a series of actions aimed primarily at **reducing energy consumption** and simultaneously investing in the production of energy from **renewable sources** (photovoltaic)
- Improve the data reporting process and actively commit to a path of alignment with the new **CSRD** directive, which will become mandatory for the De Wave Group starting in 2026

Environmental

- Installation of a photovoltaic system at the most energy-intensive sites: the Monfalcone (ITA) and Lipno (POL) plants
- Replacement of the old heating system in Monfalcone with a more efficient, next-generation system

Social

- Establish a De Wave Academy in partnership with the Naval Academy of Genoa, committing to the provision of "on the job" training aimed at facilitating the employment of young people
- Strengthen investments in internal staff training
- Encourage the use of welfare tools provided by the Group

Governance

- Continue the propagation of policies and governance standards to other Group companies
- Complete the alignment of De Wave Srl with the best cybersecurity practices required by the Shareholders and concurrently disseminate them among the Group's companies



Statement of use	De Wave Group has reported the information quoted in this index for the period 01-01-2023 → 31-12-23 in accordance with the GRI standards adopting the “GRI-referenced “ option.
GRI 1 used	GRI 1: Fundamental principles 2021

GRI Standard	Disclosure	Paragraph	GRI Standard	Disclosure	Paragraph
GRI 2: General Disclosures 2021	2-1 Organizational details	1.2, 1.4	GRI 3: Material Topics 2021	3-1 Process to determine material topics	5.1, 5.2
	2-2 Entities included in the organization's sustainability reporting	6.4		3-2 List of material topics	5.2
	2-3 Reporting period, frequency and contact point	9.1		3-3 Management of material topics	5.2, 5.3
	2-6 Activities, value chain and other business relationships	1.5, 2.1, 6.7, 7.1	GRI 201: Economic performance	201-1 Direct economic value generated and distributed	6.9
	2-7 Employees	1.5, 7.6, 7.7, 7.8, 7.9	GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	7.3
	2-9 Governance structure and composition	6.1, 6.2,	GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	6.5, 6.6
	2-10 Nomination and selection of the highest governance body	6.3	GRI 302: Energy 2016	302-1 Energy consumption within the organization	8.1, 8.2
	2-11 Chair of the highest governance body	6.3		302-4 Reduction of energy consumption	8.1
	2-14 Role of the highest governance body in sustainability reporting	1.1	GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	8.2, 8.3
	2-22 Statement on sustainable development strategy	3.1		306-2 Management of significant waste-related impacts	8.2, 8.3
	2-24 Embedding policy commitment	6.5, 6.6, 6.7		306-3 Waste generated	8.2, 8.3
	2-26 Mechanisms for seeking advice and raising concerns	6.7			
	2-29 Approach to stakeholder engagement	5.1, 5.2			

GRI Standard	Disclosure	Paragraph
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	7.6
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	6.5, 7.12
	403-3 Occupational health services	7.10
	403-5 Worker training on occupational health and safety	7.12
	403-6 Promotion of worker health	7.10
	403-9 Work-related injuries	7.12
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	7.11
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	6.2
	405-2 Ratio of basic salary and remuneration of women to men	7.9
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	7.4

DE WAVE S.r.l.

Group Parent Company

Registered Office: Via A. Manzoni, 38 - 20121 Milano - Italia

Administrative Headquarters: Via De Marini, 60 - 16149 Genova - Italia

Tel: +39 010 640201 | Fax: +39 010 64020999

Company Registry C.C.I.A.A. Milano

C.F. e P.I.: 02206870996 | Share Cap. € 6.000.000 i.v.

Email: info@dewavegroup.com

Sustainability@dewavegroup.com

URL: www.dewavegroup.com

